



Larner, WJ. (2000). Neo-liberalism: policy, ideology, governmentality. *Studies in Political Economy*, 63, 5 - 26.  
<http://hdl.handle.net/1983/1011>

Peer reviewed version

[Link to publication record in Explore Bristol Research](#)  
PDF-document

## University of Bristol - Explore Bristol Research

### General rights

This document is made available in accordance with publisher policies. Please cite only the published version using the reference above. Full terms of use are available:  
<http://www.bristol.ac.uk/red/research-policy/pure/user-guides/ebr-terms/>

to the media democratization movement than one can analyze the openings and opportunities that exist. This question has not had the political attention from the left that it deserves, and Hackett argues for analysis and action.

The article by *Barbara Jenkins* and *Rob Aitken* also deals with new tools and areas of political strategies. They look at art as a field for investigating shifting identities in a world of shifting borders in terms of the relationship, complex and ambiguous, between cultural commodification and cultural resistance. Can resistant art exist, and how does Chicano resistant art deal with making identity claims in the context of shifting borders? Is it possible to produce art that minimizes the risk of absorption, accommodation, commodification and misinterpretation? And would this art ethic still be resistant art? Not a new question for the left but one that plays itself out in new ways given the globalization of capital and the blurring of borders. Should art, like the media, be given more importance by the left?

The debate about political strategies in our globalized economy is also reflected in the article by *Erin Steuter* and *Geoff Martin* on the Irving Oil Refinery Strike 1994-96. The authors' argument is that the company was successful by overstating its vulnerability to competitive pressures from globalization. By insisting on this theme of pressures from the global context, the company played on feelings of disempowerment. The careful documentation of this strike and its outcome is vital in reminding us of the ways in which working conditions are being eroded across the country.

The issue ends with an exchange of correspondence between *Robert Cox*, the distinguished Canadian political economist, and *Lloyd Axworthy*, Minister of Foreign Affairs, about Canadian participation in "Bombing for Peace" in the former Yugoslavia. Cox's letters illustrate the tradition of the politically engaged intellectual and therefore reinforce the general theme of this issue: clear analysis as a basis for elaborating progressive political strategies.

# Neo-liberalism: Policy, Ideology, Governmentality

WENDY LARNER

**I**ntroduction The term "neo-liberalism" denotes new forms of political-economic governance premised on the extension of market relationships. In critical social science literatures, the term has usurped labels referring to specific political projects (Thatcherism, Reaganomics, Rogernomics), and is more widely used than its counterparts including, for example, economic rationalism, monetarism, neo-conservatism, managerialism and contractualism.<sup>1</sup> Indeed, Jane Jensen recently used "neo-liberal" as a general descriptor for post-welfare state citizenship regimes.<sup>2</sup> It is in this context that I re-assess existing analyses of neo-liberalism. The imperative for this examination arises from my growing conviction that many critical commentators have underestimated the significance of neo-liberalism for contemporary forms of governance and, as such, have been largely unable to engage in the formulation of an effective "post-social politics."<sup>3</sup>

At first glance the object of my enquiry appears self-evident. Internationally, conservative and social democratic governments alike are involved in debates over welfare state processes. Whereas under Keynesian welfarism the state provision of goods and services to a national population was understood as a means of ensuring social well-being, neo-liberalism is associated with the preference for a minimalist state. Markets are understood to be a better way of organizing economic activity because they are associated with competition, economic efficiency and choice. In conjunction with this general shift towards the neo-liberal tenet of "more market," deregulation and privatization have become central themes in debates over welfare state restructuring.

This paper claims that neo-liberalism is a more complex phenomenon than may have been recognized by many participants in these debates. In order to address this claim, the first part of the



paper identifies three different interpretations of neo-liberalism. I distinguish between analyses that understand neo-liberalism as a policy framework, those that portray neo-liberalism as an ideology and those who conceptualize neo-liberalism through the lens of governmentality. I show that each of these interpretations of neo-liberalism has different implications for understandings of the restructuring of welfare state processes and for the envisaging of political strategies that might further aspirations for social justice and collective forms of well-being. In this context, it should be immediately apparent that this delineation of the different interpretations of neo-liberalism is not simply an academic exercise; our understandings of this phenomenon shape our readings of the scope and content of possible political interventions.

I argue that analyses that characterize neo-liberalism as either a policy response to the exigencies of the global economy, or the capturing of the policy agenda by the "New Right," run the risk of under-estimating the significance of contemporary transformations in governance. Neo-liberalism is both a political discourse about the nature of rule and a set of practices that facilitate the governing of individuals from a distance. In this regard, understanding neo-liberalism as governmentality opens useful avenues for the investigation of the restructuring of welfare state processes. At the same time, however, I suggest that the insights of the governmentality literature should be enhanced by those from feminist and other critical theorizing in which contested nature of discursive practices is centred. In this regard:

Those whose aim it is to create knowledge that will assist social contestation should take on the difficult work of understanding actual and possible contests and struggles around rule, and our theories should enable rather than prevent such projects.<sup>4</sup>

**Neo-liberalism as Policy** The most common conceptualization of neo-liberalism is as a policy framework—marked by a shift from Keynesian welfarism towards a political agenda favouring the relatively unfettered operation of markets. Often this renewed emphasis on markets is understood to be directly associated with the so-called globalization of capital. The argument is a familiar one. New forms of globalized production relations and financial systems are forcing governments to abandon their commitment to the welfare state.<sup>5</sup> Rather than formulating policies to ensure full

employment and an inclusive social welfare system, governments are now focused on enhancing economic efficiency and international competitiveness. One consequence is the "rolling back" of welfare state activities, and a new emphasis on market provision of formerly "public" goods and services.

Analysts tend to attribute this shift in policy agendas to the capture of key institutions and political actors by a particular political Ideology (with a capital "I"), a body of ideas or a worldview.<sup>6</sup> This body of ideas is understood to rest on five values: the individual; freedom of choice; market security; laissez faire, and minimal government.<sup>7</sup> These values underpin the new institutional economics (built on public choice theory, transactions cost theory and principal-agency theory) which, together with a new emphasis on managerialism, comprise the intellectual basis of the neo-liberal challenge to Keynesian welfarism, and provide the theoretical impetus for deregulation and privatization. In turn, this new intellectual agenda has been popularized by think tanks and corporate decision makers, backed by powerful international organizers such as the IMF and the World Bank.<sup>8</sup>

The widespread adoption of this system of ideas, which has resulted in a free market version of restructuring, is attributed to the influence of key politicians and/or political organizations. Politicians such as Thatcher and Reagan are most often mentioned, together with their counterparts elsewhere, such as Mulroney and Douglas.<sup>9</sup> Other analyses focus on the importance of Finance Departments and Treasury advisers.<sup>10</sup> Finally, a wide set of both public and private interests, particularly those representing multi-national capital, are identified as supportive of market liberalism.<sup>11</sup> In each analytical case, however, it is assumed that neo-liberalism is a policy reform programme initiated and rationalized through a relatively coherent theoretical and Ideological framework.

Of course there is a healthy internal debate amongst those who understand neo-liberalism as a policy agenda. Public choice theory, to give just one example, has been challenged on numerous grounds.<sup>12</sup> It is also clear that neo-liberal policies are differentially applied. In their discussion of New Zealand's model of public management, for example, Jonathon Boston and his colleagues stress that, "As is often the case, broad overarching terms, such as the NPM, can shelter within them a wealth of policy diversity."<sup>13</sup> My point is, however, that despite debate and diversity within this



literature, the key actors are understood to be politicians and policy makers, and component parts of the neo-liberal policy agenda are seen as mutually reinforcing. Indeed, the very use of the word agenda "denotes a coherent program of things to be done."<sup>14</sup>

Such analyses constitute the vast majority of popular interpretations, as well as many academic commentaries on neo-liberalism. Understandably, for many such observers the extension of market relations is highly problematic. More specifically, deregulation and privatization are identified as transferring power away from democratically elected governments with a mandate to ensure universal service provision, towards private capital concerned primarily with furthering opportunities for accumulation. In turn, this shift from public to private sector is understood to erode the foundations of both national economies and traditional social solidarities. As Susan Strange has observed, "that these changes have to a large extent emasculated state control over national economies and societies has almost become a journalistic platitude."<sup>15</sup>

In these analyses the response to neo-liberalism tends to take the form of arguments over the success, or otherwise, of policy programmes. Consequently the outcomes of neo-liberal policy reforms predominate in these debates. In New Zealand, for example, quantitative research based on macro-economic indicators is used to dispute the efficacy of the shift towards "more market."<sup>16</sup> Social policy analysts have demonstrated that increased social and spatial polarization is amongst the consequences of neo-liberal reform.<sup>17</sup> It is also argued that neo-liberalism has exaggerated swings in the business cycle. The most common response to the shift to a minimalist non-interventionist state is an argument for the reintroduction of forms of state control that will attenuate the power of the market and prioritize the re-establishment of national control. Thus a change in the policy agenda, involving a return to the more protectionist stance associated with Keynesian welfareism, is seen as the primary solution to the problems generated by neo-liberalism.

My argument is that while accounts of neo-liberalism as policy serve a useful purpose in terms of elaborating the consequences of welfare state restructuring, as an explanation of the phenomenon itself they may raise more questions than they answer. It is notable that, for example, that while very few political parties explicitly identify themselves as neo-liberal, adherence to market-based pol-

icy options characterize the current policy programmes of social democratic and conservative governments alike. Assuming a critical distance from the tenets of neo-liberalism, in particular the preference for market mechanisms as a means of ensuring social well-being, how is it that such a massive transformation in the policy-making agenda has been achieved?

Moreover, given the tenuous empirical claims and lack of intellectual rigour on which this policy agenda appears to be based, how is it possible to explain the tenacity of ideas associated with neo-liberalism? For as political scientist Janine Brodie has observed, "changing public expectations about citizenship entitlements, the collective provision of social needs, and the efficacy of the welfare state has been a critical victory for neo-liberalism."<sup>18</sup> It is noticeable in New Zealand, for example, that despite the apparent unpopularity of the so-called "free market revolution," many political claims are now framed in the language of choice, flexibility and the market.<sup>19</sup> In short, how do we account for the apparent success of neo-liberalism in shaping both political programmes and individual subjectivities?

**Neo-liberalism as Ideology** Neo-Marxist and socialist-feminist theorizations of neo-liberalism provide useful means of addressing these questions, and thus constitute the second interpretation of neo-liberalism to be discussed in this paper. This might be seen as a more "sociological" approach to neo-liberalism in which a wider range of institutions, organizations and processes are considered. Best known of these are the analyses of Thatcherism associated with British theorist Stuart Hall. Rejecting the "classic variant" of the Marxist theory of ideology, namely the idea that the ruling ideas are the ideas of the ruling class, Hall argues that the power of Thatcherism was its ability to constitute subject positions from which its discourses about the world made sense to people in a range of different social positions.<sup>20</sup> In doing so Thatcherism "changed the currency of political thought and argument" and marked the consolidation of a new ideological hegemony based on the tenets of neo-liberalism.<sup>21</sup>

In arguing that Thatcherism was an ideological transformation, Hall makes explicit three points: first, that neo-liberalism is not simply a system of ideas, nor a lurch to the Right in the formulation of policy agendas; second, that power is not constituted and exercised exclusively on the terrain of the state; third, that hege-



mony is only achieved through an ongoing process of contestation and struggle. Strongly influenced by Gramsci, his claim is that Thatcherism is best understood as a "struggle to gain ascendancy over the entire social formation, to achieve positions of leadership in a number of different sites of social life at once, to achieve the commanding position on a broad strategic front."<sup>22</sup>

Most immediately, the strength of this work is that it does not underestimate the contradictions and complexities of Thatcherism as a concrete political phenomenon. In particular, Hall was concerned with the fact that Thatcherism had managed to articulate the interests of a wide range of groups in Britain, thereby clearing the way for the reassertion of market forces. Moreover, rather than understanding the ideology of the "New Right" as a coherent corpus, he emphasized the different threads of this ideological formation; in this case, the tensions between a "pure" neo-liberal ideology premised on the individual and free market, and a more traditional conservative ideology based on family and nation. Finally, his work opens the crucial question of identity. Rather than dismissing the attraction of the English working class to Thatcherism as "false consciousness," he explored the ways in which individual and group understandings were reconstructed through and against these ideological processes.

Hall's analysis of Thatcherism was, in part, an intellectual response to apparent political acquiescence of the British working class to neo-liberal tenets. As the articles in Morley and Chen suggest, however, it was also a response to the rise of the so-called social movements (including feminism, gay and lesbian politics, and ethnic struggles) and the subsequent extension of politics into "lifestyle" issues such as health, food, sexuality and the body.<sup>23</sup> More generally, as social heterogeneity and cross-cutting axes become increasingly visible, social theorists have been forced to take questions of identity and subjectivity more seriously. Indeed, it is noticeable that identity has become a "keyword" for the social sciences, and that a more capacious Gramscian conception of ideology is now commonplace.<sup>24</sup>

There have, of course, been influential critiques of Hall's work. Perhaps best known is the debate that took place in *New Left Review* during the 1980s. In this debate Hall was accused of overstating support for the New Right and, in doing so, indulging in a "apparent ideological celebration of Thatcherism." The alternative account emphasized the political-economic underpinnings of

Thatcherism, arguing that it was primarily a state strategy to re-establish the conditions for sustained capitalist accumulation.<sup>25</sup> More recently, this argument has been further developed using concepts from the neo-Marxist Regulation school. In this later formulation, neo-liberalism is understood as a mode of social regulation—one possible form of a "Schumpeterian workfare state."<sup>26</sup> Jamie Peck and Adam Tickell, in contrast, argue that rather than representing a new mode of social regulation, neo-liberalism should be seen as a regulatory vacuum and the outbreak of "jun-gle law."<sup>27</sup>

The work of Jane Jenson is also influenced by Regulation theory.<sup>28</sup> However, unlike her counterparts discussed above, the question of identity formation is central to her analysis. Jenson is concerned to explore the "universe of political discourse" within which identities are socially constructed. Her emphasis is on political agency: how it is that groups of people mobilize around particular collective identities in order to represent their interests and intervene in the process of restructuring. Her primary emphasis is on oppositional identities, in particular those of social movements, rather than those constituted through official institutions and narratives. In the context of the argument made in this paper, the strength of Jenson's work is that she alerts us to the idea that the universe of political discourse is not monopolized by hegemonic groups.

Innovative accounts of neo-liberalism and welfare state restructuring emerge out of these neo-Gramscian literatures, most notably in the work of socialist-feminist analysts. Janine Brodie, for example, argues that the contemporary shift in governing practices is "a historic alteration in state form which enacts simultaneous changes in cultural assumptions, political identities and the very terrain of political struggle."<sup>29</sup> Her work interrogates new discourses of social welfare, marks shifts in understandings of citizenship, and explores how these articulate with new understandings of gender relations. Moreover, she stresses that social movements are part of this complex matrix of discursive construction and reconstruction.<sup>30</sup> Likewise, in an analysis of the "politics of post-welfare state arrangements" in the Ministry of Health and Social Services in Quebec, Dominique Masson explicates the role of women's organizations in shaping new state forms, emphasizing that restructuring is a contested process and "a complex, messy and contingent historical phenomena."<sup>31</sup>



These analyses show that new political configurations are more multi-vocal than we might previously have understood. Most immediately, we are alerted to the possibility that there are different configurations of neo-liberalism, and that close inspection of particular neo-liberal political projects is more likely to reveal a complex and hybrid political imaginary, rather than the straightforward implementation of a unified and coherent philosophy. Moreover, in making visible the claims of those all too often portrayed as the "victims" of welfare state restructuring, these studies emphasize that new welfare state arrangements emerge out of political struggle, rather than being imposed in a top down manner. Finally, and not unrelatedly, we are forced to explore the notion that power is productive, and that the articulations between hegemonic and oppositional claims give rise to new political subjectivities and social identities which then enter into the "discourse of restructuring."<sup>32</sup>

**Neo-liberalism as Governmentality** As will be apparent from the discussion above, it is a short step from ideology to discourse, and thus to the third reading of neo-liberalism to feature in this paper. However, this step requires us to move from Gramsci to Foucault, and from neo-Marxism to post-structuralism. In post-structuralist literatures, discourse is understood not simply as a form of rhetoric disseminated by hegemonic economic and political groups, nor as the framework within which people represent their lived experience, but rather as a system of meaning that constitutes institutions, practices and identities in contradictory and disjunctive ways.<sup>33</sup> Indeed, Hall himself has taken this step with a self-identified shift from a "base-superstructure ideology model" to a "discursive model."<sup>34</sup>

The most influential post-structuralist theorization of neo-liberalism is that associated with the neo-Foucauldian literature on governmentality.<sup>35</sup> This literature makes a useful distinction between government and governance, and argues that while neo-liberalism may mean less government, it does not follow that there is less governance. While on one hand neo-liberalism problematizes the state and is concerned to specify its limits through the invocation of individual choice, on the other hand it involves forms of governance that encourage both institutions and individuals to conform to the norms of the market. Elsewhere I have used the term "market governance" to capture this point.<sup>36</sup>

The governmentality literature has inspired innovative analyses of welfare state restructuring which show that social policy reform is linked to a new specification of the object of governance. The conception of a national community of citizens, made up of male breadwinners and female domestic workers, has been usurped by a new understanding in which not only are firms to be entrepreneurial, enterprising and innovative, but so too are political subjects. Neo-liberal strategies of rule, found in diverse realms including workplaces, educational institutions and health and welfare agencies, encourage people to see themselves as individualized and active subjects responsible for enhancing their own well-being. This conception of the "active society" can also be linked to a particular politics of self in which we are all encouraged to "work on ourselves" in a range of domains, including the "counter-cultural movements" outside the purview of traditional conceptions of the political.<sup>37</sup>

Nikolas Rose elucidates the process by which this new formula of rule has usurped that of the welfare state.<sup>38</sup> He argues that it was the linking of the critiques of the welfare state (from both sides of the political spectrum) to the political technologies associated with marketization, that provided the basis for "advanced liberal" rule. Welfare agencies are now to be governed, not directly from above, but through technologies such as budget disciplines, accountability and audit. In association with this "degovernmentalization" of the welfare state, competition and consumer demand have supplanted the norms of "public service." Correspondingly, the citizen is re-specified as an active agent both able and obliged to exercise autonomous choices. In his research on unemployment, William Walters has looked at how this new understanding forms the basis for active labour market policies, and is associated with the "desocialization" of unemployment and poverty.<sup>39</sup>

The political implications of these analyses are perhaps more subtle than those discussed previously. As O'Malley, Weir and Shearing explain, "the broad aim of the approach is to generate a 'post-social politics' that provides a successor to socialism, but which nonetheless is more than a simple condemnation of neo-liberal and neo-conservative thinking."<sup>40</sup> At the same time, those working within this tradition are clear that they wish to avoid generating a specific political programme. Rather they aspire to "fragment the present;" "the received fixedness and inevitability of the



present is destabilized, shown as just sufficiently fragile as to let in a little glimpse of freedom—as a practice of difference—through its fractures.<sup>41</sup> This politics stresses the complexity, ambiguity and the contingency of contemporary political formations to maximize possibilities for critical responses and interventions.

As yet, however, the governmentality literature has not paid a great deal of attention to the politics surrounding specific programmes and policies.<sup>42</sup> This is particularly the case *vis-a-vis* theorizations of neo-liberalism in that the emphasis has been on broad governmental themes rather than specific neo-liberal projects. This programmatic orientation is reflected in the distinction made by Nikolas Rose between “advanced liberalism” as a governmentality and “neo-liberalism” as a political ideology.<sup>43</sup> Yet it is obvious that without analyses of the “messy actualities” of particular neo-liberal projects, those working within this analytic run the risk of precisely the problem they wish to avoid—that of producing generalized accounts of historical epochs. Indeed, this is precisely the criticism made of this literature by Boris Frankel, who argues that advanced liberalism is a totalizing concept, despite attempts to distance the governmentality literature from other grand theories.<sup>44</sup>

Moreover, in the few instances where the emphasis has been on neo-liberal projects, the analysis has tended to focus on official discourses, as read through government policy documents. As Pat O'Malley explains, this means that this body of work privileges official discourses, with the result that it is difficult to recognize the imbrication of resistance and rule.<sup>45</sup> My point is that despite its origins in Foucauldian formulations, remarkably few of these analyses draw from the discourses of oppositional groups as well as those of hegemonic groups.<sup>46</sup> It is in this context that I argue for a formulation that draws on the insights of both the neo-Marxist and socialist-feminist analyses discussed in the second section of the paper, and the governmentality literature examined herein.

**Theorizing the “New Zealand Experiment”** The “New Zealand experiment” is a particularly challenging case through which to work my argument. International attention has focused on this country not only because of the depth and rapidity of the reforms instituted by successive governments since 1984, but also because this case appears to involve the direct application of a clearly delineated theoretical model. For example, John Gray, Professor of Politics at Oxford University, recently observed:

The neo-liberal experiment in New Zealand is the most ambitious attempt at constructing the free market as a social institution to be implemented anywhere this century. It is a clearer case of the costs and limits of reinventing the free market than the Thatcherite experiment in Britain.<sup>47</sup>

While these comments may be somewhat exaggerated, even more nuanced commentators agree the “New Zealand experiment” was an early and extreme example of the now widespread transition from social democracy to neo-liberalism in welfare state societies.<sup>48</sup>

In most discussions of the “New Zealand experiment,” neo-liberalism is understood as a coherent, top-down, state-initiated policy agenda based on a unified political philosophy. Indeed there is such a tight identification between neo-liberalism and the state that in the most recent edited collection on the political economy of New Zealand they are referenced together.<sup>49</sup> There is also a widespread assumption that this policy agenda has “programmatic coherence”<sup>50</sup> despite the diversity of political perspectives and ideological standpoints from which concepts such as devolution, community and empowerment are disseminated. Even when the resonance between hegemonic and oppositional claims is acknowledged, the explanation tends to be in terms of “their” co-option of “our” language. One consequence of this formulation is that many of those who would contest this policy agenda unwittingly reinforce the coherence of neo-liberalism.

It is the “programmatic coherence” of neo-liberalism that this paper seeks to challenge. My claim is that in constructing neo-liberalism as a monolithic apparatus that is completely knowable and in full control of the “New Right,” such analyses inadvertently reconstruct its hegemony. In this regard I am persuaded by Wendy Brown’s argument that many well-intentioned contemporary political projects and theoretical postures inadvertently redraw the very configurations and effects of power they seek to vanquish.<sup>51</sup> Both neo-Marxist and socialist-feminist literatures on the “politics of restructuring” and the post-structuralist literatures on governmentality open up possibilities to theorize the “New Zealand experiment” in ways that emphasize its historically contingent and internally contradictory aspects, rather than its coherence. In this regard, it will be apparent that I take seriously the post-structuralist admonition to recognize the consequences of



our theories, and to make visible "contested representations within what are putatively singular or common cultures."<sup>52</sup>

What then might we see if we were to take such an approach? Most immediately, the analysis needs to be grounded in a detailed investigation of the case in order to make visible the messy actualities of new forms of governance; the contradictions, complexities and inconsistencies that inevitably characterize neo-liberal political projects, including the "New Zealand experiment." Moreover, whereas a more orthodox account might analyse these differences as simply permutations on a more general theme—stressing, for example, the similarities between Rogernomics and Thatcherism—an approach grounded in the literatures explored herein would stress the specificity of these political projects.<sup>53</sup> Such an approach understands that different formulations of neo-liberalism emerge out of a multiplicity of political forces always in competition with one another, producing unintended outcomes and unexpected alignments. Moreover, the emergence of new political projects is never a complete rupture with what has gone before, but rather is part of an ongoing process involving the re-composition of political rationalities, programmes and identities.

In terms of substantive research projects, the differing strands of thought that come together under the label of neo-liberalism in New Zealand can be identified and explored. Reviving the distinction between neo-conservatism and neo-liberalism, and then identifying variants within each of these formulations, may be a critical first step.<sup>54</sup> In this regard, the work of Bruce Jesson *et al.* and Anne Else is notable, and can be used to inform contemporary concerns.<sup>55</sup> Both were concerned to emphasize two different strands of "new right ideology"—libertarianism and authoritarianism—and argued the fourth Labour government was dominated by libertarians. This argument could be extended. For example, whereas Hall argued that Thatcherism managed to articulate neo-liberalism with neo-conservatism, it could be argued that the achievement of the fourth Labour government was that it was able to articulate a libertarian version of neo-liberalism with social democratic aspirations.<sup>56</sup> This point also alerts us to the importance of exploring the contradictions between social justice and economic agendas during the 1980s. This is an often noted, but rarely investigated, aspect of existing commentaries on the "New Zealand experiment."

In contrast, the policies and programmes of the National government of the 1990s involved an articulation between a more

authoritarian version of neo-liberalism and neo-conservatism, and was thus a more recognizable "New Right" configuration. Even during the 1990s, however, there were diverse and sometimes contradictory formulations. There were, for example, clear tensions between "market governance" in the economic realm premised on individualistic and entrepreneurial economic subjects who could be "governed from a distance," and the increased visibility of the state in the area of social policy. These tensions were most notable in the 1998 proposal to develop a "Code of Social and Family Responsibility." This Code was premised on the assumption that direct monitoring of New Zealand families could be used to foster self-reliant and enterprising neo-liberal subjects. Rather than conflating these tensions under broad claims about the "New Right," the contradictions within and between these political rationales can be made explicit and explored.<sup>57</sup>

It follows that greater attention should be paid to the contestations within and between hegemonic (neo-liberal?) groups. Already there is work that alerts us to the existence of such tensions; for example the debates within the Labour party,<sup>58</sup> or the well-publicized clashes between the Employers Federation and the Manufacturers Federation. Closer attention to the specificities of neo-liberalism would also encourage "de-centered" approaches to the state, with an emphasis on the detail of the restructuring of different government departments and state agencies. In this regard, Geoff Fougere's 1997 research on the health sector in New Zealand is indicative.<sup>59</sup> His institutionalist analysis shows that the new "hybrid" health system is less the result of design from above than "skilful improvisation" from below. He identifies the "confusion" of principles and forms of organization in this sector, and argues that rather than this being a transitional moment (from one pure form to another), the new health apparatus may well be more permanent than is commonly assumed.

Inevitably such projects multiply the social locations from which new formulations emerge. Social movements become visible in these analyses, not simply as victims, but as active agents in the process of political-economic change. At the same time, it needs to be recognized that political "resistance" is figured by and within, rather than being external to, the regimes of power it contests.<sup>60</sup> Again, signposts exist for such work. Denese Henare and Brenda Tahiri, for example, emphasize that in New Zealand public sector restructuring has been significantly shaped by



attempts to institutionalize bi-culturalism.<sup>61</sup> As Mason Durie observes:

Positive Maori development, with its focus on tribal responsibilities for health, education, welfare, economic progress, and greater autonomy, fitted quite comfortably with the free market philosophy of a minimal state, non-government provision of services, economic self-sufficiency and privatization.<sup>62</sup>

This is not to suggest that the discourses of neo-liberalism and *finio rangatiratanga* can be reduced to each other, nor is it to deny neo-liberal hegemony. However it is to take seriously the idea that new welfare state arrangements emerge out of political struggle, rather than being simply imposed in a top-down manner. In New Zealand demands from Maori for the right to deliver services in culturally appropriate forms constitute a very significant critique of the post-war welfare state. Moreover, as Elizabeth Rata argues, in the last two decades there has been a dialectical interaction between state actors and Maori as both have attempted to reposition themselves in a wider global context. During this process, neo-liberals and some Maori found themselves in unexpected agreement on a key theme: namely, the dangers of continued dependency on the state.<sup>63</sup> In this case, therefore, we see very clearly that the claims of social movements are part of the discursive construction and reconstruction associated with welfare state restructuring.

Similarly, while the economic restructuring programme initiated by the fourth Labour government is often seen as detrimental for women, there were also important feminist victories during this period. An active women's council and a feminist party president meant that broader feminist struggles were reflected in both Labour party organization and policy proposals. Once elected, the fourth Labour cabinet was notable for the inclusion of several "stropky women."<sup>64</sup> The presence of these women provided the impetus for important initiatives, including the establishment of a Ministry for Women's Affairs. EEO programmes were also advanced, becoming mandatory in the public sector with the passing of the State Sector Act 1988. In her analysis of the EEO initiative, Alex Woodley argues its success could be attributed to a general appreciation of the merits of the case, together with widespread political support from women in parliament, the bureaucracy, com-

munity groups and trade unions.<sup>65</sup> Homosexual Law Reform and the short-lived Employment Equity Act<sup>66</sup> were amongst the other important initiatives. Thus, whereas neo-liberalism is often associated with an anti-feminist backlash (see David,<sup>67</sup> for example, on the United Kingdom and the United States), the contrary was the case in New Zealand during the 1980s.

Understanding neo-liberalism through these lenses also encourages investigation of the reformulation of identities, not simply as the outcome of rhetoric or political manipulation, but rather as an integral part of the process of restructuring. It would centre the recognition that political power does not just act on political subjects, but constructs them in particular ways.<sup>68</sup> This would help us understand the processes by which the subjectivities of New Zealanders have become more closely aligned with the individualistic assumptions that underpin neo-liberalism, and how economic identities have come to be posited as a new basis for political life, usurping those associated with social citizenship. Elsewhere, for example, I have shown that the restructuring of the telecommunications industry was integrally associated with a move away from governmental conceptions of the "public" and the concomitant centring of the "consumer" as the hegemonic political-economic identity. The analysis demonstrated that this change was a consequence of the contestation between dominant and oppositional claims, rather than being simply imposed from above.<sup>69</sup>

This attention to identity can be extended to consider how new gendered, racialized and classed subjectivities are also emerging out of the articulations between hegemonic and oppositional claims in the "discourse of restructuring."<sup>70</sup> It is notable, for example, that the new "consumer-citizen" is de-gendered.<sup>71</sup> The concept of the male breadwinner has also been eroded, manifest in a more gender-neutral model of the citizen worker.<sup>72</sup> Government agencies and documents now recognize diverse family forms, rather than insisting on a culturally specific nuclear model of the nuclear family, and more often use the gender-neutral term "parents," rather than the gender specific terms "mothers" and "fathers." Indeed, one of the striking aspects of the proposed Code of Social and Family Responsibility was that despite the emphasis on the family as a self-supporting site of social well-being, it explicitly referred to mothers only when discussing pregnancy and child bearing, and exhorted fathers to assume more responsibility for childcare and family life.



Of course, it is easy to be cynical about these changes. Certainly, when second wave feminists demanded the rights to economic independence and labour force participation for women on the same terms as men, they did not anticipate increasing numbers of men being employed in jobs and under terms and conditions once associated only with women.<sup>73</sup> Moreover, women who opt for motherhood now find their labour devalued in a context where paid work appears to be all,<sup>74</sup> whereas those who choose not to have children contend with the legacy of earlier formulations and are seen as "un-natural women." My point is, however, that there is an articulation between feminist claims for gender neutrality premised on the assumption that women have the right to autonomous personhood, and neo-liberal claims for possessive individualism. As O'Connor, Orloff and Shaver remind us, neo-liberalism emerged in a period when increasing numbers of women entered into the labour market, and during which liberal feminists have forcefully asserted women's personhood in law and the market.<sup>75</sup> The consequence is that neo-liberals are thus more willing to recognize women as individuals in their own right than their post-war political counterparts.

**Conclusion** Most immediately, I am making a claim for a more detailed engagement with contemporary changes in governance, rather than dismissing them as the prerogative of the "New Right." Such investigations may reveal that neo-liberalism is a more tenacious phenomenon than is commonly assumed. By focusing attention on the historically specific and internally contradictory aspects of neo-liberalism, and the shaping of specific neo-liberal projects by articulations between both hegemonic and non-hegemonic groups, it will become apparent that neo-liberalism, like the welfare state, is "more an ethos or an ethical ideal, than a set of completed or established institutions."<sup>76</sup> The emergence of new forms of political power does not simply involve the imposition of a new understanding on top of the old. The transformation of a polity involves the complex linking of various domains of practice, is ongoingly contested, and the result is not a foregone conclusion. Consequently, contemporary forms of rule are inevitably composite, plural and multi-form.

Thus, while fully recognizing the distinctiveness of the contemporary forms of political-economic life, it will become possible to move past the either/or debates that currently structure political

life. If neo-liberalism cannot be reduced to a single set of philosophical principles or a unified political ideology, nor is necessarily linked to a particular political apparatus, this will encourage us to think about different versions of neo-liberalism, and allow exploration of the possibilities that might enhance social well-being. As O'Malley, Weir and Shearing explain:

Not only does (the governmentality literature) provide a theoretical elaboration which potentially opens everyday and institutional programmes and practices for critical and tactical thinking, it also provides a considerable array of empirical work in terms of which interventions can be examined and thought out.<sup>77</sup>

Obviously these claims challenge many orthodoxies. Yet without such an engagement, we restrict our potential to imagine political alternatives. Only by theorizing neo-liberalism as a multi-vocal and contradictory phenomenon can we make visible the contestations and struggles that we are currently engaged in. Moreover, the alternatives, premised on monolithic conceptions of the "New Right," are both politically disempowering and intellectually unsatisfying. As academics, we need to pay careful attention to the reasons why the so-called "rhetoric" of programmers resonates, parodies and complicates our analyses, if only because in acknowledging the complexity of neo-liberalism we stand a better chance of identifying possibilities to advance social justice aims in a new context.

## Notes

An earlier version of this paper was presented as part of the President's Panel at the 1998 Australasian Political Science Association Conference. That version, which was written primarily for a New Zealand audience, was subsequently published in *Sites: A Journal for South Pacific Cultural Studies*. My thanks to the editors of *Sites* for allowing me to go "international" with this version, and to Laurie Adkin, Barry Hindess, Dominique Masson, George Pavlich, Phil Ryan, and William Walters for their comments.

1. Barry Hindess argues that the existence of different labels suggests we should regard contemporary political-economic changes as the outcome of several distinct lines of development. As will become apparent later in the paper, I am sympathetic to this point although my focus herein is slightly different. See B. Hindess, "A Society Governed by Contract?" in G. Davis, B. Sullivan and A. Yeatman, (eds.), *The New Contractualism?* (Melbourne: Macmillan Education, 1997).
2. J. Jensen, "Changing Citizenship Regimes: Concepts and Applications." Paper presented at a Symposium on Citizenship, Representation and Neo-liberalism held at the University of Auckland on 24 July 1999.



3. The term "post-social" refers to the idea that we are no longer governed through unitary conceptions of society. New forms of social governance assume cultural and political difference. See M. Dean, *Governmentality* (London: Sage, 1999).
4. P. O'Malley, L. Weir and C. Shearing, "Governmentality, Criticism, Politics," *Economy and Society* 26/4 (1997) p. 512.
5. H. Schwartz "Round up the Usual Suspects! Globalization, Domestic Politics and Welfare State Change," in Paul Pierson, (ed.), *New Politics of the Welfare State* (Oxford: Oxford University Press, forthcoming); G. Teeple, *Globalisation and the Decline of Social Reform*. (Toronto: Garamond Press, 1995).
6. T. Purvis and A. Hunt, "Discourse, Ideology, Discourse, Ideology, Discourse Ideology...." *British Journal of Sociology* 44/3 (1993), pp. 473-499.
7. A. Belsey, "The New Right, Social Order and Civil Liberties," in R. Levitas, (ed.), *The Ideology of the New Right*. (Cambridge: Polity Press, 1996).
8. P. Marchak, *The Integrated Circus: The New Right and the Restructuring of Global Markets* (Montreal: McGill Queens Press, 1991).
9. Teeple, *Globalisation and the Decline of Social Reform*...., p. 75.
10. J. Boston, "Origins and Destinations: New Zealand's model of public management and the international transfer of ideas," in P. Weller and G. Davis, (eds.), *New Ideas, Better Government*. Sydney: Allen and Unwin, 1995); M. Considine, *Public Policy: A Critical Approach*. Melbourne: Macmillan Education, 1994).
11. B. Martin, *In the Public Interest? Privatisation and Public Sector Reform*. (London, Zed Books, 1993).
12. See, for example, P. Dunleavy, *Democracy, Bureaucracy and Public Choice* (Brighton: Wheatsheaf, 1991); C. Hood, "A Public Administration for All Seasons?" *Public Administration* 69/1 (1991), pp. 3-20.
13. J. Boston, J. Martin, J. Pallot and P. Walsh, *Public Management: The New Zealand Model* (Auckland: Oxford University Press, 1996), p. 40.
14. Teeple, *Globalisation and the Decline of Social Reform*...., p. 169.
15. S. Strange, "The Limits of Politics," *Government and Opposition* 30/2 (1995), p. 289.
16. P. Dalziel "New Zealand's Economic Reforms 1984-95: Comment," *Victoria Economic Commentaries* 15/1 (1997), pp.1-6.; L. Evans, A. Grimes, B. Wilkinson with D. Teece "Economic Reform in New Zealand 1984-1995: The Pursuit of Efficiency," *Journal of Economic Literature* 34/4 (1996) pp. 1856-1902.
17. J. Boston, P. Dalziel and S. St. John, *Redesigning the Welfare State in New Zealand: Problems, Policies, Prospects*, (Auckland: Oxford University Press 1999); B. Stephens, "Social Services," in B. Silverstone, A. Bolland and R. Latimore, (eds.), *A Study of Economic Reform: the Case of New Zealand* (Amsterdam: New Holland, 1996).
18. J. Brodie, "Restructuring and the New Citizenship," in I. Bakker, (ed.), *Rethinking Restructuring: Gender and Change in Canada* (Toronto: University of Toronto Press, 1996) p. 131.
19. Indeed, this observation provided the initial impetus for my research interests in neo-liberalism. See W. Larner, "A Means to an End: Neo-liberalism and State Processes in New Zealand," *Studies in Political Economy* 47 (1997), pp. 7-38.
20. S. Hall, "The Toad in the Garden: Thatcherism among the Theorists," in C. Nelson and L. Grossberg, (eds.), *Marxism and the Interpretation of Culture* (London: Macmillan Education, 1988), p. 49.
21. S. Hall, "The Toad in the Garden: Thatcherism among the Theorists"...., p. 40.
22. S. Hall, "The Toad in the Garden: Thatcherism among the Theorists"...., p.52.
23. D. Morley and K. S. Chen, *Stuart Hall: Critical dialogues in cultural studies* (London: Routledge, 1996), S. Hall "Introduction," in S. Hall and M. Jacques, (eds.), *New Times* (London: Lawrence and Wishart, 1989). Thanks to Phil Ryan for stressing this point.
24. B. Jessop et al. "Authoritarian Populism, Two Nations and Thatcherism," *New Left Review* 147 (1984), p. 33; B. Jessop, et al. "Thatcherism and the Politics of Hegemony: a Reply to Stuart Hall," *New Left Review* 153 (1985) pp. 87-101.
26. B. Jessop, "Towards a Schumpeterian Workfare State? Remarks on Post-Fordist Political Economy," *Studies in Political Economy* 40 (1993), pp.7-39.
27. J. Peck and A. Tickell, "Searching for the New Institutional Fix: the After-Fordist Crisis and the Global-Local Disorder," in A. Amin, (ed.), *Post-Fordism: A Reader* (Oxford: Blackwell, 1994).
28. J. Jenson, "All the World's a Stage: Ideas, Spaces, and Time in Canadian Political Economy," in J. Jenson, R. Mahon, and M. Bienefeld, (eds.), *Production, Space, Identity: Political Economy Faces the 21st Century*. (Toronto: Canadian Scholars Press, 1993); J. Jenson "Mapping, Naming, and Remembering: Globalization at the end of the Twentieth Century," *Review of International Political Economy* 2/1 (1995), pp. 96-116.
29. Brodie "Restructuring and the New Citizenship"...., p. 386.
30. J. Brodie, "New State Forms, New Political Spaces," in R. Boyer and D. Drache, (eds.), *States Against Markets: the Limits of Globalisation*, (London: Routledge, 1996).
31. D. Masson, "Constituting 'Post-Welfare' Welfare Arrangements: The role of women's movement service groups in Quebec." Paper presented at the Canadian Sociology and Anthropology Association, Learned Societies of Canada, St Johns, Newfoundland, 10 June 1997, p. 26.
32. A. Yeatman, *Bureaucrats, Technocrats, Femocrats* (Sydney: Allen and Unwin, 1990).
33. N. Fairclough, *Discourse and Social Change* (Cambridge: Polity Press, 1992).
34. L. Terry, "Travelling 'The Hard Road to Renewal'," *Arena* 8 (1997), p. 46.
35. G. Burchell, C. Gordon, and P. Miller, (eds.), *The Foucault Effect: Studies in Governmentality* (Hemel Hempstead: Harvester Wheatsheaf, 1991); A. Barry, T. Osborne, and N. Rose, (eds.), *Foucault and Political Reason: Liberalism, Neo-liberalism and Rationalities of Government*. (Chicago: The University of Chicago Press, 1996), N. Rose *Powers of Freedom: Reframing Political Thought* (Cambridge: Cambridge University Press 1999); M. Dean, *Governmentality*...
36. W. Larner, "The Legacy of the Social: Market Governance and the Consumer," *Economy and Society* 26/3 (1997), pp. 373-399.
37. M. Dean, "Governing the Unemployed Self in an Active Society," *Economy and Society* 24/4 (1995), pp. 559-583.
38. N. Rose, "Government, Authority, and Expertise in Advanced Liberalism"...
39. W. Walters, "The Demise of Unemployment?," *Politics and Society* 24/3 (1996), pp. 197-219; W. Walters, "The 'Active Society': New designs for social policy," *Policy and Politics* 25/3 (1997), pp. 221-234.
40. P. O'Malley, L. Weir and C. Shearing, "Governmentality, Criticism, Politics," p. 504.
41. A. Barry, T. Osborne, and N. Rose, (eds.), *Foucault and Political Reason: Liberalism, Neo-liberalism and Rationalities of Government*...., p. 5.



42. Although see M. Dean, and B. Hindess, (eds.), *Governing Australia: Studies in contemporary rationalities of government*, (Cambridge: Cambridge University Press, 1998).
43. N. Rose "Governing 'Advanced' Liberal Democracies" in A. Barry, T. Osborne, and N. Rose, (eds.) *Foucault and Political Reason: Liberalism, Neo-liberalism, and Rationalities of Government...*
44. B. Frankel, "Confronting Neo-liberal Regimes: The post-marxist embrace of populism and realpolitik" *New Left Review* 226 (1997), pp. 7-92.
45. P. O'Malley, "Indigenous Governance," *Economy and Society* 26 (1996), pp. 310-26.
46. Although see L. Weir, "Recent Developments in the Government of Pregnancy," *Economy and Society* 25/3 (1996), pp. 373-392.
47. J. Gray, *False Dawn: The delusions of global capital* (London: Granta Publications, 1998) p. 39.
48. See, for example, H. Schwartz "Small States in Big Trouble: State reorganization in Australia, Denmark, New Zealand and Sweden in the 1980s" *World Politics* 46/4 (1994) pp. 527-555; D. Neilson "State Autonomy and the Mode of Political Regulation: Neo-liberal restructuring in New Zealand. *Studies in Political Economy* 57 (1988), pp. 45-72.
49. C. Rudd and B. Roper, (eds.), *The Political Economy of New Zealand*, (Auckland: Oxford University Press, 1997), p. 309.
50. B. Hindess, "A Society Governed by Contract?" p. 22.
51. W. Brown, *States of Injury: Power and Freedom in Late Modernity* (Princeton: Princeton University Press, 1995).
52. A. Yeatman, *Postmodern Revisioning of the Political* (New York: Routledge, 1994), p. 30.
53. W. Lamer and W. Walters, "Privatisation, Governance, Identity: the United Kingdom and New Zealand Compared," *Policy and Politics* forthcoming.
54. P. Malley, "Advanced liberalism, Neo-liberalism and Neo-conservatism." Paper presented to a Mini-conference on Neo-liberalism and Governance. University of Auckland. 10 June 1998.
55. B. Jesson, B et al, (eds.), *Revival of the Right* (Auckland: Heimmann Reed, 1988); A. Else, "To Market and Home Again: Gender and the New Right," in R du Plessis et al. (eds.), *Feminist Voices: Women's Studies Texts for Aotearoa/New Zealand* (Auckland: Oxford University Press, 1992).
56. W. Lamer, "A Means to an End: Neo-liberalism and State Processes in New Zealand," *Studies in Political Economy* 47 (1997), pp. 7-38.
57. W. Lamer, "Post-Welfare State Governance: the Code of Social and Family Responsibility," *Social Politics*, forthcoming.
58. H. Oliver, "The Labour Caucus and Economic Policy Formation 1981-84." in B Easton, (ed.), *The Making of Rogernomics* (Auckland: Auckland University Press, 1989); M. Wilson, *Labour in Government 1984-1987*, (Sydney: Allen and Unwin, 1989).
59. G. Fougere, "Transforming Health Sectors: New Logics of Organising in the New Zealand Health System." Paper presented to Thematic Session: Comparative Health Care: Economy versus Society? Annual meeting of the American Sociological Association, Toronto, Canada 9-13 August 1997.
60. W. Brown, *States of Injury: Power and Freedom in Late Modernity*.
61. B. Tahī, "Biculturalism: The Model of Te Ohu Whakatuapu," in M. Wilson and A. Yeatman, (eds.), *Justice and Identity: Antipodean practices* (Wellington: Bridget Williams Books, 1995); D. Henare, "The Ka Awatea Report: Reflections on its Process and Vision," in M Wilson and A Yeatman, (eds.), *Justice and Identity: Antipodean Practices* (Wellington: Bridget Williams Books, 1995).
62. M. Durie, *Te Mana, Te Kawanatanga: The Politics of Maori Self-determination* (Auckland: Oxford University Press, 1998), p.11.
63. E. Rata, "The Theory of Tribal Capitalism," Paper presented to SAANZ, Massey University, Albany, December 1997, p.11.
64. S. Sheppard, *Broken Circle: The Decline and Fall of the Fourth Labour Government*. (Wellington: Publishing Solutions Limited, 1999), p.10.
65. A. Woodley, "One Step Forward, Two Steps Back—The Pay Equity Campaign: A Study of Political Strategy." MA research essay, Department of Sociology, University of Auckland, 1993.
66. The repeal of this act was one of the first actions of the new National government.
67. M. David, "Moral and Maternal: The Family in the New Right," in R. Levitas, (ed.), *The Ideology of the New Right* (Oxford: Polity Press, 1986).
68. B. Marshall, *Engendering Modernity: Feminism, Social Theory and Social Change* (Boston: Northwestern University Press, 1994).
69. W. Lamer, "The Legacy of the Social: Market Governance and the Consumer," *Economy and Society* 26/3 (1997), pp. 373-399.
70. A. Yeatman, *Bureaucrats, Femocrats, Technocrats: Essays in the contemporary Australian State* (Sydney: Allen and Unwin, 1990).
71. E. Probyn, "McIdentities: Food and the Familial Citizen," *Theory, Culture and Society* 15/2 (1998), pp.155-173.
72. J. O'Connor, A. Orloff and S. Shaver, *States, Markets, Families: Gender, Liberalism and Social Policy in Australia, Canada, Great Britain and the United States*, (Cambridge: Cambridge University Press, 1999).
73. P. Armstrong, "The Feminisation of the Labour Force: Harmonizing Down in a Global Economy," in I. Bakker, (ed), *Rethinking Restructuring: Gender and Change in Canada* (Toronto: University of Toronto Press, 1996).
74. S. Copas, "(Over)Working Women: Gendered discourses of market governance in New Zealand," MA thesis, Department of Sociology, University of Auckland, 1999.
75. J. O'Connor, A. Orloff and S. Shaver, *States, Markets, Families: Gender, Liberalism and Social Policy in Australia, Canada, Great Britain and the United States*, pp. 53-54.
76. M. Dean, "Sociology after Society," in D. Owen, (ed.), *Sociology after Postmodernism* (London: Sage, 1997), p. 213.
77. P. O'Malley, L. Weir and C. Shearing, "Governmentality, Criticism, Politics," p. 503.