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Six theories of neoliberalism

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Thesis Eleven

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Abstract

This article takes as its starting point the observation that neoliberalism is a concept that is ‘oft-invoked but ill-defined’. It provides a taxonomy of uses of the term neoliberalism to include: (1) an all-purpose denunciatory category; (2) ‘the way things are’; (3) an institutional framework characterizing particular forms of national capitalism, most notably the Anglo-American ones; (4) a dominant ideology of global capitalism; (5) a form of governmentality and hegemony; and (6) a variant within the broad framework of liberalism as both theory and policy discourse. It is argued that this sprawling set of definitions are not mutually compatible, and that uses of the term need to be dramatically narrowed from its current association with anything and everything that a particular author may find objectionable. In particular, it is argued that the uses of the term by Michel Foucault in his 1978–9 lectures, found in *The Birth of Biopolitics*, are not particularly compatible with its more recent status as a variant of dominant ideology or hegemony theories. It instead proposes understanding neoliberalism in terms of historical institutionalism, with Foucault’s account of historical change complementing Max Weber’s work identifying the distinctive economic sociology of national capitalisms.

Keywords

Michel Foucault, government, hegemony, historical institutionalism, institutions, neoliberalism, political ideology

Introduction: The take-off of neoliberalism

There can be little doubt about the take-off in the use of the term *neoliberalism*. From being a term that was rarely used prior to the early 1990s, it has become a ubiquitous concept in critical discourse. Data from the Google ‘culturomics’ app – which undertook

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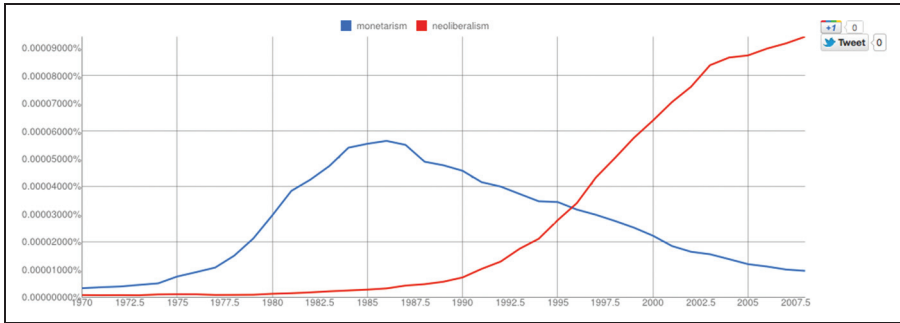


Figure 1. Use of the terms ‘monetarism’ and ‘neoliberalism’, 1980–2010 (as measured by Google Ngram). Source: Google, accessed 9 March 2012.

lexical analysis of the 15 million-plus books that had been scanned into the Google library in 2012 – identified a nine-fold increase in identification of the word ‘neoliberalism’ in its collection between 1990 and 2007 (see Figure 1). This is easily confirmed by any database search: a keyword search of my own university’s electronic databases drew me to 28,126 results: articles in question referred to ‘enjoying neoliberalism’ (Dean 2008); ‘burying neoliberalism’ (Andrews 2009); ‘narrating neoliberalism’ (McNeill 2005); ‘magical neoliberalism’ (Fuguet 2001); ‘neoliberalism and literary discourse’ (Costa 2010); ‘neoliberalism, performativity, and research’ (Roberts 2007); ‘queering Chineseness, unthinking neoliberalism’ (Wong 2008); ‘The Soul of Neoliberalism’ (Moreton 2007); ‘the end of neoliberalism’ (Grantham and Miller 2009), and much more. The range of academic journals and disciplinary bases from which such articles appear is also highly eclectic. While neoliberalism as a concept has its origins in economics, its contemporary influence has extended far and wide across the humanities and social sciences (cf. Kipnis 2007; Mudge 2008; Boas and Gans-Morse 2009).

It is the inclusiveness and apparent interdisciplinarity of the term neoliberalism that accounts for part of its appeal. The extent to which it has displaced earlier terms can be seen from Figure 1 in the relationship of the term to the term ‘monetarism’. As the figure indicates, monetarism was a widely used term in the 1970s and 1980s, particularly associated with critiques of the policies of the Thatcher government in the UK and the Reagan administration in the US. Yet the use of the term declined in the 1990s, and its decline coincided with the rise of neoliberalism as a common term. One of the difficulties with a concept such as monetarism was that, at some level, it does require an understanding of technical aspects of economic theory (particularly in the relationship it posits between the money supply and interest rates) that is unlikely to be possessed outside of the economics discipline. By contrast, a working understanding of what neoliberalism is seems to have developed in a range of disciplines, with a surprisingly strong degree of confidence about what the concept means. The term ‘neoliberalism’ has been able to move easily through the arts and humanities disciplines, in ways that terms grounded more specifically in economics, such as monetarism, or politics, such as the ‘new right’, cannot.

In this paper, I attempt to give some order and coherence to these many and varied uses of the term neoliberalism. I will begin by noting that much of the usage of the term

is intellectually unsustainable, particularly where it functions as an all-purpose denunciatory category or where it is simply invoked as ‘the way things are’. I will then consider two more sustainable uses of the term: as a technique of government prevalent in the Anglo-American economies, and as the currently prevalent form of the dominant ideology. I draw attention to debates about dominant ideology theories before considering an approach derived from the work of Michel Foucault, but which grounds his work more specifically in a Marxist approach (Marxist-Foucauldians), alongside some more specific observations on Foucault’s *The Birth of Biopolitics* itself (Foucault 2008).

In order to retain any utility, it is argued that uses of the term neoliberalism have to be, as Mitchell Dean (2010: 1) has noted, ‘circumscribed to a limited range of schools or forms of thought and . . . practices and policies concerned with the construction of market and market-like relations’ in the political-economic space. Foucault’s account of neoliberalism provides an interesting case study of the relationship between ideas and institutional change, developed along what I would describe as more Weberian than Marxist lines. It points towards a historical institutionalism that enables important comparative analysis of political-economic formations to be undertaken. In using the term in this way, however, a strong implication is that it needs to be steered away from using it as a synonym for neo-Marxist hegemony theory, or as the dominant ideology of global capitalism; if it is simply a synonym of this sort, then it is a term best abandoned as having had its intellectual currency devalued through excessive use.

Neoliberalism as an all-purpose denunciatory category

I have observed elsewhere (Flew 2012a) that, despite the warnings of early theorists of neoliberalism such as Andrew Gamble (2000: 134) to avoid ‘a tendency to reify neoliberalism and to treat it as a phenomenon which manifests itself everywhere and in everything’, this is in fact what has happened to neoliberalism over the last decade. Donald Nonini has made the observation that ‘the term “neo-liberal” has recently appeared so frequently, and been applied with such abandon, that it risks being used to refer to almost any political, economic, social or cultural process associated with contemporary capitalism’ (Nonini 2008: 149). My own audit has identified the term being used to associate neoliberalism with: the rising popularity of Bollywood-style weddings (Kapur 2009); the prevalence of violence in recent Australian cinema (Stratton 2009); standardized national educational curricula and national testing (Apple 2004); the redevelopment of Dubai (Davis 2007); the performative sexuality of the character of Mr Garrison in the animated comedy series *South Park* (Gournelos 2009); and the privileging of access to databases over space for books in Australian public libraries (McQueen 2009). It is frequently invoked as the larger malevolent force that lies behind the rise of various reality television programs, including *Big Brother* (Couldry 2010), *MasterChef* (Seale 2012) and *The Apprentice* (McGuigan 2010). It also seems to be particularly associated with contemporary university management, having been identified as the *modus operandi* of both the University of California (Butler 2009) and the University of Sydney (Connell 2011), to take two examples.

This literature is difficult to summarize, as the uses of the term ‘neoliberalism’ are highly diffuse, but it largely functions here as a rhetorical trope, where the meaning is

already known to those who would be interested in the topic in question. For example, Kapur (2009) goes to some lengths to explain the rituals involved in a Bollywood-style Indian wedding, but at no point is neoliberalism defined or explained in this article, presumably because both the author and the journal editors could assume that the readers all basically understood what it meant. A representative example of how the term is used in this literature can be found in a recent essay by radical educational theorist Henry Giroux:

With the advent of neoliberalism, or what some call free-market fundamentalism, we have witnessed the production and widespread adoption within educational theory and practice of what I want to call the politics of economic Darwinism. As a theater of cruelty and mode of public pedagogy, economic Darwinism undermines most forms of solidarity while promoting the logic of unchecked competition and unbridled individualism. As the welfare state is dismantled, it is increasingly replaced by the harsh realities of the punishing state as social problems are increasingly criminalized and social protections are either eliminated or fatally weakened. (Giroux 2010: 1)

Giroux's statement is characteristic of the genre, in that any attempt to question core principles here ('economic Darwinism', 'free-market fundamentalism', 'theater of cruelty'), would leave one exposed to the claim that you are simply endorsing that which he critiques, and are hence politically compromised. Clearly, one could not subject the claims made here to any Popperian criteria of falsifiability, meaning that readers of such work probably know well in advance whether or not they agree with the work in question. As a result, and perhaps not surprisingly, those who see a positive economic role for markets completely reject such arguments, and indeed the terms in which the debate has been constructed. Mitchell Dean noted that the Institute for Public Affairs, an Australian pro-market think tank, describes neoliberalism as 'a leftist version of the secret handshake; a signal that the reader is with fellow travellers' (Dean 2010: 1).

More ideologically neutral observers, such as Boas and Gans-Morse, observe that the term has a 'negative normative valence', and that 'neo-liberalism has come to signify a radical form of market fundamentalism with which no one wants to be associated' (Boas and Gans-Morse 2009: 138). Paradoxically, they observe that the denunciatory force associated with the use of the term neoliberalism is in inverse proportion to the extent to which it has a shared meaning in the academic literature: 'the term is effectively used in different ways, such that its appearance in any given article offers little clue as to what it actually means' (Boas and Gans-Morse 2009: 139).

One of the curious features of this generic literature on neoliberalism is that it almost presumes that political form does not matter. For a literature that puts such an emphasis upon the politics of knowledge, explicit consideration of formal politics is largely absent from the discussion. It would appear not to matter, for instance, which political party is in power in any given country, since all established political parties are presumed to adhere to the broader project of neoliberalism. This would be consistent with a certain reading of Marxist political theory, which proposes that all large political parties are constrained by their commitment to the maintenance of capitalism, but it is rare for the discussion in much of this work to even go that far. If Giroux's work is taken as indicative, politics is associated with the outspoken criticism on the part of public intellectuals rather than any

tangible engagement with conventional politics or with the institutions of government. Instead, neoliberalism as a term largely functions here as a ‘conceptual trash heap capable of accommodating multiple distasteful phenomena without much argument as to whether one or the other component really belongs’ (Boas and Gans-Morse 2009: 156).

Clive Barnett has observed that this totalizing account of neoliberalism, ‘understood primarily as an economic doctrine of free markets and individual choice’, results in ‘a peculiar convergence between the radical academic left and the right-wing interpretation of liberal thought exemplified by Hayekian conservatism’ (Barnett 2005: 11). It fails to account for institutional diversity or innovation within governmental practice, instead remaining within a largely normative terrain about what constitutes the ideal society. The debate about neoliberalism typically reverts to a first-principles debate about the pros and cons of liberalism as a political ideology. With the concept of neoliberalism being ‘oft-invoked but ill-defined’ (Mudge 2008: 703), yet in principle capable of explaining everything from reality television to university restructuring, there is the attendant risk of producing what Bruno Latour (2004: 229) terms ‘conspiracy theories’ and Gibson-Graham (2008: 618) refers to as ‘paranoid theorizing’, where there are forces that are large, dark, relentless and all-encompassing that constitute the underlying source of explanation of everything.

Neoliberalism as ‘the way things are’

If critics of neoliberalism downplay the significance of political institutions in their various accounts, those who support greater economic liberalism give them a very significant role. Public choice theorists have long stressed a range of political factors in driving up state expenditures, including: interest group activism; ‘pork barreling’ by vested political interests; the role of political representatives in directing funds to their own constituencies; bureaucratic empire-building; and institutional entropy in large departments, where incremental approaches to budgeting create an innate tendency towards growth rather than cutbacks in the number of activities undertaken (Dunleavy and O’Leary 1987: 95–117; Dryzek and Dunleavy 2009: 108–19). They also draw attention to the extent to which such ideas have gained traction, not simply by being taken up by parties of the political right, but by their influence on the parties of the centre-left.

Bill Clinton’s declaration to ‘end welfare as we know it’ in the 1990s was a famous example of this, but perhaps the best known was Labour Prime Minister Jim Callaghan declaring the end of Keynesianism in Great Britain three years before Margaret Thatcher came to power. Addressing the 1976 Labour Party Conference, Callaghan observed that: ‘We used to think you could spend your way out of a recession and increase employment by cutting taxes and boosting government spending. I can tell you in all candour that that option no longer exists’ (quoted in Sassoon 1996: 500). More recently, Tony Blair’s best-selling autobiography *A Journey* provides many statements endorsing what would seem to be a neoliberal political direction. In the Postscript to *A Journey*, Blair rejects the claim that the financial meltdown of 2008 proved the failure of the market. Instead, he argued that:

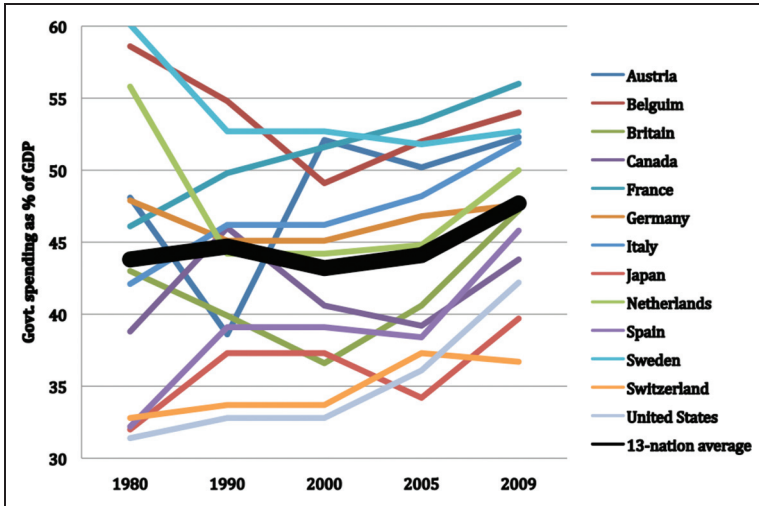


Figure 2. Government spending in 13 OECD nations, 1980–2009. Source: Mickelthwait (2011).

Big-state politics today will fail. In fact if you offer ‘big state vs. small state’, small will win. . . . Progressives have to transcend that choice, and offer a concept of the state that actively empowers people to make their own choices and does not try to do it for them. (Blair 2010: 686)

Many critics of the ‘New Labour’ project would of course find such an *apologia* to be typical of Tony Blair. Keith Tribe has argued that although the neoliberal policy agenda is discredited, it is ‘now so deeply embedded in the reflexes of the world’s ruling elites and line managers that they have difficulty conceiving the world in any other way’ (Tribe 2009: 694), and Tony Blair would be taken to be a case in point. But his position is not an isolated one, as the question of ‘value for money through public services’, and how to best achieve it in an era of multiple competing claims on state resources, and as global financial markets set limits to deficit financing at the level of national governments, is now a common one facing centre-left governments. The Australian social democratic thinker Hugh Stretton has observed that:

When [markets] work as they should, especially where they work without generating undue inequalities of wealth and power, Left thinkers should value them as highly as any privatiser does. Indeed, more highly: the Left has such necessary tasks for government, and so much to lose from inefficient or oppressive bureaucracy, that it should economise bureaucracy every way they can. (Stretton 1987: 27)

Neoliberalism as a policy doctrine of the English-speaking world

When Tony Blair refers to ‘the voters’ choosing the ‘small state’ when confronted with ‘big state versus small state’ questions, he is of course referring to British voters. As Figure 2 indicates, such preferences are very likely country-specific. Voters in countries

such as Austria, Belgium, France, Italy and Sweden have had levels of government spending exceeding 50 per cent of GDP for a number of years, and in the case of Sweden, have maintained such levels in spite of significant reductions in the overall size of the state since the 1980s. By contrast, countries such as the United States, Switzerland and Japan have stayed consistently below this average. While some countries, such as Britain, Canada and The Netherlands, showed significant variation in the proportion of GDP accounted for by government spending over this period, there is at the same time considerable stability over time among many of the countries, and the overall average shows a modest level of increase over the period – from 43.8 per cent in 1980 to 47.7 per cent in 2009, while accommodating wide levels of variation between countries, with only limited evidence of any convergence toward the mean.¹

The noted absence of any ‘optimal’ size for the public sector in capitalist economies draws attention to the literature on the institutional diversity of capitalist economies. As Richard Nelson has observed, the fact that so many countries share the core characteristics of capitalism of being primarily based around a market economy can serve to obscure the ‘complex and variegated ways that economic activity is actually governed . . . [which] is both a source and a consequence of considerable political debate about the appropriate governance of various economic activities and sectors’ (Nelson 2011: 1).

One of the features of studies of the institutional diversity of capitalist societies, or the ‘varieties of capitalism’ literature (Lane and Wood 2009), is that economic globalization is not leading to policy convergence (Drezner 2001), even in those policy fields that relate most directly to the activities of multinational corporations (Morgan 2009). This is even before we consider the diverse ways in which political and cultural forces impact upon market organization, institutional behaviour, and practices of economic governance, an observation now readily conceded by mainstream economists through the new institutional economics (North 1990; Williamson 2000). From this perspective, neoliberalism may be one political ideology of capitalist organization that co-exists with others. It has been argued, for instance, that neoliberal ideas have most readily taken root in the English-speaking world and that, for a variety of reasons, they are less influential in other capitalist societies, such as those of continental Europe and East Asia (Morgan 2009).

In this respect, then, the critique of neoliberalism may be less an assault on market society *tout court*, and be more about a demand that policy-makers in countries such as the United States, Britain and Australia give more attention to policy ideas developed elsewhere that have a more collectivist frame of reference. For example, Pusey (2010: 14) has argued that ‘the evidence points . . . to the relative under-performance, based on conventional economic criteria, of the Anglophone hardline neo-liberal nations when compared to the social-democratic nations of Western Europe’. There is also an intense debate about the wider implications of the rise of China and the East Asian economies for the future of market capitalism (Hutton 2006; Jacques 2009). However, this debate about neoliberalism as one of a number of competing ideas about the organization of capitalist economies and societies has been largely overwhelmed by those arguments that present neoliberalism as the ascendant ideology of global capitalism, so that the world is seen as being, or becoming, more and more neoliberal in its institutional structures and policy choices.

Neoliberalism as the dominant ideology of global capitalism

The strongest definition of neoliberalism comes from Marxist political economy. At its most straightforward, as presented by Harvey (2005) and others (see [Flew 2012b: 47](#)), neoliberalism is the ideological project of a resurgent political right that gained ascendancy in the United States under Ronald Reagan and in Britain under Margaret Thatcher in the 1980s, after the crises of the late-Keynesian era in the 1970s. It was able to spread its influence globally through ~~control over~~ dominant international institutions, such as the International Monetary Fund, the World Bank and the World Trade Organization: the term ‘neoliberalism’ itself was popularized by economist John Williamson in his policy advice to these institutions on the conditions to be attached to financial support for economic restructuring in developing nations (Steger and Roy 2011: 19–20). In advancing the neoliberal agenda globally, its advocates were aided by the collapse of the communist economies of the Soviet Union and Eastern Europe in the late 1980s, and by the ‘Third Way’ movement associated with leaders such as Bill Clinton in the US, Tony Blair in Britain, and Gerhard Schroder in Germany, who sought to move their centre-left parties in more ‘market friendly’ directions.

Neoliberalism is identified ~~here~~ as a political ideology associated with economic globalization and the rise of financial capitalism, as Keynesianism was associated with national capitalism in a monopolistic phase as it evolved from the 1930s to the 1970s, and classical liberalism with the competitive capitalism of the 19th century (Duménil and Levy 2011; Overbeek and Van Apeldoorn 2012). Harvey defined neoliberalism 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 characterized by strong property rights, free markets and free trade’ (Harvey 2005: 2), while Van Apeldoorn and Overbeek describe it as ‘a mix of liberal pro-market and supply side discourses (laissez-faire, privatization, liberalization, deregulation, competitiveness) and of monetarist orthodoxy (price stability, balanced budgets, austerity)’ (Overbeek and Van Apeldoorn 2012: 5). They see the primary driver of neoliberal policies as being ‘a political project aimed to restore capitalist class power in the aftermath of the economic and social crises of the 1970s’ (Overbeek and Van Apeldoorn 2012: 5), and one where, in Harvey’s terms, ‘the role of the state is to create and preserve an institutional framework appropriate to such [neoliberal] practices’ (Harvey 2005: 2).

Neoliberalism is ~~being viewed here~~ as first and foremost an economic discourse. It is proposed that the appeal of market-based solutions to economic problems was highlighted in the 1970s as state planning and expert-led processes proved to be less able to address various ‘wicked problems’ of public policy (Rittel and Webber 1973), as new problems emerged such as simultaneous price inflation and rising ~~under~~employment, which had not been considered possible in Keynesian economic ~~theories~~. Harvey observed that this impasse opened up the scope for new economic ideas to gain sway, which were a complex fusion of theories including monetarism, rational expectations theories, public choice theory, supply-side economics and the Austrian economic theories of Hayek and Von Mises (cf. Stedman Jones 2012). The common thread linking such disparate arguments was that ‘government intervention was the problem rather than the solution, and that a stable monetary policy, plus radical tax cuts in the top brackets,

would provide a healthier economy by getting the incentives for entrepreneurial activity aligned correctly' (Harvey 2005: 54).

Such ideas found a base in leading university economics departments, and were propagated by various think tanks (e.g. Institute for Economic Affairs and the Adam Smith Institute in the UK, American Enterprise Institute, Heritage Foundation and others in the US), as well as in the business media. Such ideas found hospitable political leaders in Ronald Reagan in the United States and Margaret Thatcher in Britain, but they could not have gained and held power simply on the basis of their economic doctrines. The literature on this 'New Right' emphasized the ability of these leaders to articulate their economic ideas to other powerful currents of thought, such as politically conservative Christianity in the US and opposition to trade union power in Britain; in both cases, a resurgent nationalism was also identified as an important accompaniment of the rise of neoliberal political ideologies (Harvey 2005: 85–6, 195–6). The manner in which the communist states of the Soviet Union and Eastern Europe collapsed under the weight of popular discontent and poor economic performance in the 1980s also gave considerable sway to arguments that free market capitalism had proven to be a superior political-economic system to those that had been its alternatives.

The account of neoliberalism developed by Harvey and others is recognizable in Marxist political economics as a *dominant ideology* theory. Dominant ideology theories come in more or less complex variants, from the simple economic determinism found in Marx's observation in *The German Ideology* that 'the class which is the ruling material force in society, is at the same time its ruling intellectual force', to the more complex proposition developed in *A Contribution to the Critique of Political Economy* that 'the mode of production of material life conditions the social, political and intellectual life process in general' (quoted in Flew 2007: 33–4). Harvey proposes a relationship between economy and ideology that is relatively simple, whereby a resurgent ruling class was able to capture the dominant cultural and state institutions and thus impose their ideas to secure popular consent. He posits that:

Powerful ideological influences circulated through the corporations, the media, and the numerous institutions that constitute civil society – such as the universities, schools, churches, and professional associations. The 'long march' through these institutions . . . the capture of certain segments of the media, and the conversion of many intellectuals to neoliberal ways of thinking, created a climate of opinion in support of neoliberalism as the exclusive guarantor of freedom. These movements were later consolidated through the capture of political parties and, ultimately, state power. (Harvey 2005: 40)

Such theories of the dominant ideology have been described by John Thompson as the 'symbolic glue' approach, where 'the dominant ideology provides the symbolic glue . . . which unifies the social order and binds individuals to it'. Under capitalism, the dominant ideology functions as 'a symbolic system which, by incorporating individuals from all strata into the social order, helps to reproduce a social order which serves the interests of dominant groups' (Thompson 1990: 90–1). An associated concept is the *correspondence* interpretation of ideas and culture – at any given historical conjuncture, cultural forms will correspond to dominant political-economic interests, thereby

securing the power of the dominant groups through what Harvey terms ‘the construction of consent’.

When presented in this form, the dominant ideology thesis has been open to a range of critiques. Abercrombie and Turner (1978) questioned whether subordinate classes in capitalist societies have ever really believed in the ‘dominant ideology’, arguing that in so far as a dominant ideology has relevance, it is more important in providing a coherent set of beliefs for dominant groups themselves. Moreover, in a line of thinking going back to Daniel Bell (1976), sociologists such as Boltanski and Chiapello (2007) have observed that moral rebelliousness and avant-garde sensibilities can very much co-exist with the broader pattern of capitalist economic relations.

Given the uncertainty surrounding what ‘society’ can be said to ‘believe’ at any point in time, one proxy that is sometimes used is the propensity for working-class people to vote for right-wing political parties, such as the Republican Party in the United States or the Conservative Party in Britain, whose policy objectives would appear to be at odds with working-class interests (Harvey 2005: 48–51; Hall 1988). But as Paul Hirst (1989) argued, this reading of longer-term trends from particular election results is inherently risky. While the parties of the right dominated in many countries in the 1980s, the 1990s saw the Democrats in the US and Labour in the UK make significant electoral comebacks – the working-class voter who voted for Margaret Thatcher in 1983 and 1987 had by no means made a lifetime commitment to conservative politics. Moreover, it is far from clear that neoliberalism in its Reagan-Thatcher guise had much lasting impact outside of the English-speaking world: countries such as France, Germany, Italy and Japan, to take some examples, did not make policy turns in these directions, and we have noted earlier that there is no clear and systemic pattern towards reduced government expenditures in OECD countries over the latter quarter of the 20th century.

More generally, theories of the dominant ideology through which Harvey and others understand neoliberalism as providing the intellectual underpinnings of a project to enhance ruling-class power over states and societies are open to three criticisms. First, there is the question of *functionalism*, or the propensity to attribute multiple phenomena, from reality TV shows to university restructurings to free trade agreements and the conduct of monetary policy, to a single causal factor. As Nonini (2008: 150) has argued in his critique of Harvey’s work as it pertains to China, this runs the risk of producing a circular argument where ‘flexible capitalism dictates its own conditions of existence to the political systems of the nation-states it is organized within’. Second, there is the critique of *instrumentalism*, or the tendency to see social and political institutions – particularly those of government – as little more than the ‘empty shells’ that are colonized by ruling-class interests to pursue their own conscious class strategies. In such accounts, those within state agencies who are responsible for the design, enacting and implementation of public policy can appear as ‘simply functionaries who make policy according to the rational interests of the capitalist class’ (Dunleavy and O’Leary 1987: 239). Third, there is the question of whether this becomes a *cipher model of the state*, wherein the state becomes essentially ‘a passive mechanism controlled from outside of the formal political sphere’ (Dunleavy and O’Leary 1987: 327), since public policy is essentially the outcome of political struggles external to the agencies responsible for it, underpinned by a coherent political ideology manifesting itself as a policy program (neoliberalism)

held by ruling-class interests. Critics have argued that such an approach fails to comprehend the significance of state institutions as autonomous actors capable of shaping political and economic outcomes (Skocpol 2008).

Foucault and Marx: Neoliberalism as hegemony

While some approaches to neoliberalism draw upon an orthodox Marxist political economy, proposing that it is the economic ideology of global capitalism or a set of false ideas propagated by economic elites to maintain class power, others have drawn upon the more complex set of propositions about the relationship between ideas and power derived from the work of Michel Foucault. In particular, the series of lectures presented by Foucault at the Collège de France in 1978–9, published in English under the title of *The Birth of Biopolitics* (Foucault 2008), provide a highly nuanced account of the transformation within liberal thought that has come to be termed neoliberalism. Drawing upon earlier work on governmentality as a combination of political rationalities of governing and techniques of governmental practice (Foucault 1991), Foucault identified the rise of neoliberalism in terms of an intellectual reaction to Keynesian economics and the welfare state on the one hand, and the priority given to market-enabling and market-conforming economic policies in post-Second World War Germany on the other. While such ideas, associated with the German Ordoliberal School of economists and historians, and authors such as Friedrich von Hayek, were relatively marginal for much of the 1940s and 1950s, they picked up important adherents in the 1960s and 1970s. Of particular significance was the intellectual alliance formed with the work being undertaken by the ‘Chicago School’ of economists in the United States, who proposed a more thorough ‘generalization of the economic form of the market . . . throughout the social body’ (Foucault 2008: 243), and whose key concepts, such as human capital theory, monetarism, and the public choice theory of government action, had gained significant international influence.

My interest here is not in fully elucidating Foucault’s account of neoliberal governmentality (see Guala 2006; Gane 2008; Hindess 2009; Tribe 2009; Behrent 2009; Flew 2012b for such accounts), but rather to consider how it has been deployed in some recent critical accounts of neoliberalism. Those who have drawn upon Foucault’s work include Brown (2003, 2006), Dean (2008) and Miller (2010). Brown proposed that ‘part of what makes neoliberalism “neo” is that it depicts free markets, free trade, and entrepreneurial rationality as achieved and normative, as promulgated through law and through social and economic policy’, and that ‘neoliberalism casts the political and social spheres both as appropriately dominated by market concerns and as themselves organized by market rationality’ (Brown 2006: 694). Her work associates neoliberalism with ‘a radically free market: maximized competition and free trade achieved through economic de-regulation . . . and a range of monetary and social policies favorable to business and indifferent toward poverty, social deracination, cultural decimation, long term resource depletion and environmental destruction’ (Brown 2003: 1). In such an environment ‘the state itself must construct and construe itself in market terms, as well as develop policies and promulgate a political culture that figures citizens exhaustively as rational economic actors in every sphere of life’ (Brown 2006: 694).

Dean drew upon Foucault to argue that neo-liberalism ‘inverts the early [liberal] model of the state as a limiting, external principle supervising the market to make the market form itself the regulative principle underlying the state’, thereby ‘reformatting social and political life in terms of its ideal of competition within markets’ (Dean 2008: 48, 49). Miller proposed that Foucault’s work identified that the ‘grand contradiction of neo-liberalism was its passion for intervention in the name of non-intervention . . . hailing freedom as a natural basis for life that could only function with the heavy hand of policing by government to administer property relations’ (Miller 2010: 56).

Although such accounts do not present neoliberalism as the simple application of ruling-class power through supportive or compliant governments, they are nonetheless quite close to conventional Marxist accounts of a dominant ideology. This has led Barnett (2005) to observe that such accounts present a ‘trouble-free amalgamation of Foucault’s ideas into the Marxist narrative of “neoliberalism”’, which ‘sets up a simplistic image of the world divided between the forces of hegemony and the spirits of subversion’ (Barnett 2005: 10). For all the apparent newness in invoking Foucault, what emerges is an understanding of neoliberalism as ‘a coherent ideological project with clear and unambiguous origins, whose spread is sustained and circulated by an identifiable set of institutions’, and which ‘diffuses downwards and outwards from a coherent set of institutional sites located in the United States and Europe’ (Barnett 2005: 8).

Foucault is invoked in two respects in these accounts of neoliberal hegemony. First, neoliberalism is presented as a discourse that can ‘shape pictures of reality’ from multiple institutional sites: as Barnett observes, this is a concept of discourse that is ‘understood instrumentally, as a synonym for ideology’ (Barnett 2005: 9). Second, neoliberalism is presented as being able to operate not only at the macro level of state power, but at the micro level of individual subjectivities and everyday routines, where ‘extending the range of activities that are commodified, commercialised and marketised necessarily implies that subjectivities have to be re-fitted as active consumers, entrepreneurial subjects, participants, and so on’ (Barnett 2005: 9). For example, in the large literature that exists in cultural and media studies on reality television and neoliberalism, such programs are seen as providing a ‘staging’ of neoliberal social norms that is then – presumably – ‘learned’ by the viewing subjects, despite the longstanding debates about whether television has such direct behavioural impact at all (Ruddock 2013).

Foucault on neoliberalism

In spite of the invocation of Foucault in these analyses of neoliberalism as a form of hegemony, they reproduce three concepts that Foucault himself repeatedly distanced his own work from: a top-down analysis of power; a state that is able to act on society as a relatively unified and coherent entity; and a dominant ideology that operates as a form of social control and ~~as a form of~~ ‘social glue’. There is an extensive literature on Foucault’s analysis of power (Hoy 1986; Barrett 1991; McHoul and Grace 1993; Hindess 1996), which observes that: power is productive and not simply repressive; power is not exercised primarily through domination but rather with the consent of the governed; and power is not the opposite of freedom. Hindess describes Foucault’s account of power as being based around the proposition that ‘power is exercised over

those who are in a position to choose, and it aims to influence what those choices will be' (Hindess 1996: 100). In this respect, relations of power are complex, multifaceted and diffuse, and 'a society without power relations can only be an abstraction' (Foucault 1982: 208). The significance of this conception of power is apparent when Foucault's approach to the state is considered. Contrary to the proposition that the state is a more-or-less unified entity that can be 'captured' by competing political groups, Foucault's focus is on government, or the 'instruments, techniques and procedures that may be brought to bear on the actions of others' (Hindess 1996: 100). Government in its modern, liberal sense becomes a complex and diffuse array of techniques brought to bear upon free subjects, so that 'successful *government* of others... depends on the ability of those others to govern themselves, and it must therefore aim to secure the conditions under which they are enabled to do so' (Hindess 1996: 105). Foucault observed in *The Birth of Biopolitics* that he avoids a theory of the state in the way one would 'avoid an indigestible meal', since he views 'the state [as] nothing else but the mobile effect of a regime of multiple governmentalities' (Foucault 2008: 77).

The approach to Foucault which reads his account of the rise of neoliberalism as one of charting the emergence of a new form of dominant ideology is, I would argue, mistaken. Even more complex Marxian accounts of the relationship between ideas and state institutions, such as theories of hegemony, are not consistent with Foucault's account of governmentality since, as Tony Bennett has observed, 'the mechanisms of liberal government do not depend on the production of a generalised form of consent... [and] the state... does not possess any general class character or unity' (Bennett 1998: 75).

As a way of illustrating some of the differences, it is instructive to compare Foucault's lectures on neoliberalism, which were presented in Paris in 1977–8, to Stuart Hall's essays on 'Thatcherism' as a new hegemonic bloc in Britain from the late 1970s onwards (Hall 1988). First, Hall presents Thatcherism as the outcome of changing ideologies among sections of the British working class, particularly around law and order, consumer society and nationalism. By contrast, Foucault's account of the rise of neoliberalism does not hinge upon changes in electoral behaviour or popular consciousness at all; rather, it is consistent with a longstanding series of liberal challenges to state authority that present the market as a countervailing source of knowledge and moral authority. From the 1940s onwards, it is challenging not only more 'statist' forms of government, but also the liberal settlement associated with Keynesian economics and the welfare state. Second, Hall retains a theory of the state that associates the rise of particular government policies with the interests of certain social classes, whereas Foucault is interested in the changing techniques of government itself, rather than whose interests government policies and agencies are alleged to serve. Third, Hall presented the problem for the British left arising from Thatcherism as one of cultural modernization – how its ideas and institutions could win back those sections of the population that had shifted allegiance towards the Conservative Party. By contrast, Foucault asks what can the left learn about the practices of governing from analysis of the rise of neoliberal governmentality. He argues that, in contrast to liberalism:

What socialism lacks is not so much a theory of the state as a governmental reason, the definition of what a governmental rationality would be in socialism. That is to say, a

reasonable and calculable measure of the extent, modes, and objectives of government. (Foucault 2008: 91–2)

In proposing an alternative reading of Foucault's *The Birth of Biopolitics* lectures to those which essentially assimilate his contribution into Gramscian neo-Marxism, I would wish to highlight three points (see Flew 2012b for a more detailed analysis).

First, his genealogy of neoliberalism provides a prescient and remarkable contemporary analysis of the relationship of ideas to institutional forms and to modes of political practice. Much of the attention given to this book focuses on the second part, where he recounts the rise of the Chicago School of neo-classical economists and their relationship to theorists such as Hayek. This is the neoliberal 'thought collective' that has been widely discussed due to its perceived influence on politics and economics since the 1980s (Mudge 2008; Peck 2008; Mirowski and Plehwe 2009; Dean 2012). But a large part of Foucault's lectures are devoted to German Ordoliberalism, which evolved into the program of the 'social market economy', which, by the 1960s, had become an orthodoxy among the Social Democratic Party as well as the Christian Democratic Party. German Ordoliberalism retained a bias towards what were termed 'market-conforming policies', but that these co-existed with a diverse range of policy interventions associated with what was referred to as *Vitalpolitik*, or a 'politics of life', that could include regional planning, policies to promote private home ownership, initiatives to support small business, and environmental management policies. An overarching feature of these was the use of governmental power to promote decentralization (Foucault 2008: 147–8). The idea that this form of neoliberalism never saw an active role of government in social policy is historically inaccurate, and the manner in which it has evolved in Germany bears little relationship to a pure laissez-faire economic model. There are also fundamental differences with Reagan-Thatcher models about the role of institutions such as trade unions in the setting of economic policy: in the German model, they are seen as partners in corporate governance and macroeconomic policy setting rather than simply as obstacles to unregulated labour markets. The 'social market economy' variant of neoliberalism can be seen as seeking, as Jamie Peck has observed, 'an appropriate balance between private and public power in order to secure economic freedom', and as involving 'a search for a distinctive synthesis, located between the polar opposites of unfettered capitalism and state control . . . [that] was not just a soggy compromise between the two – a receipt for the mixed economy' (Peck 2008: 21, 22).

A second point to be made is that these are the only works of Foucault's that engage with the ideas of Max Weber. Foucault's account of German social thought identifies Weber as the key figure in shifting debate from the Marxist problematic of the inherent economic contradictions of capitalism to 'the problem he introduced into German sociological, economic and political reflection . . . [which] is not so much the contradictory logic of capital as the problem of the irrational rationality of capitalist society' (Foucault 2008: 105). This was not to say that capitalism was a crisis-free or self-managing system at the economic level. Indeed, the divide between the Keynesian liberals and the neoliberals revolved around the question of whether government policies to address such problems needed to be market correcting or market conforming: the differing views on how to address the tendency of competition to produce monopolies is a

classic instance of such debates. But at a broader level, even the well-functioning capitalist market economy – which Weber, unlike Marx, believed could emerge – generates a range of tensions and contradictions at the social level, particularly in terms of the ‘principle of dissociation’ of market relations on civil society, and on ‘the active bonds of compassion, benevolence, love for one’s fellows, and sense of community’, arising from a market-based understanding of the social as one which entails ‘picking out the egoist interest of individuals, emphasizing it, and making it more incisive’ (Foucault 2008: 302). For Foucault, in these lectures at least, Weber’s approach to understanding the tensions in market society, between egoist economic relations through the market on the one hand, and the broader functioning of civil society on the other, provides a more fruitful means of grasping the tensions of liberal government than the more traditional Marxist problematic.²

The appeal of Weber, in this regard, arises from the equal weighting his work gives to the economic and legal relations of capitalism, as distinct from viewing juridical relations as ‘being in a relation of pure and simple expression or instrumentality to the economy’ (Foucault 2008: 162). By rejecting the proposition that economic relations determine a particular socio-legal order, and hence seeing the legal and institutional framework as providing the ‘conditions of possibility’ (Foucault 2008: 163) for particular economic relations to emerge at different moments of historical time, it is possible to develop a more historically grounded, and less formalistic, account of capitalist economic relations:

The economic must be considered as a set of regulated activities from the very beginning: it is a set of regulated activities with rules of completely different levels, forms, origins, dates, and chronologies; rules which may comprise a social habitus, a religious prescription, an ethics, a corporative regulation, and also a law (Foucault 2008: 163).

Third, by making this distinction between an abstract ‘capital’ that exists purely in thought, and historically and institutionally formed capitalisms that vary over time, and between states, we can start to see how reforms to institutions and to the legal framework can reshape economic relations. The paradox that emerges is that, for Foucault, the neoliberal theorists he considers in *The Birth of Biopolitics* understood this better than the Marxists, rather than being the crude dogmatic adherents of free market fundamentalism that they are typically portrayed as. By positing the possibility of governing through the market, as a variant of the historical question of how to engage in governing-at-a-distance that has long been a feature of liberal thought about government, such theorists break out of ‘a simple evaluative opposition between individualism and collectivism, the private and the public’ (Barnett 2005: 11).

~~Neoliberalism provides at least two historical examples of a pragmatics of government which involves ‘a coupling of a set of practices and a regime of truth [that] forms an apparatus (*dispositif*) of knowledge-power’ (Foucault 2008: 19).~~ By contrast, much of the recent literature that assimilates Foucault’s work into a neo-Marxist critique of neoliberalism as a dominant ideology of global capitalism remains within binary oppositions of public and private, collective and individual, and state and market. By assuming that neoliberalism is fundamentally an economic form of government, it ignores Foucault’s observation that economics can be ‘lateral to the art of governing’, but ‘economic

science cannot be the science of government, and economics cannot be the internal principle, law, rule of conduct, or rationality of government' (Foucault 2008: 286). ~~As a result, there is a consistent struggle to identify a different set of policy practices that could constitute an alternative form of governmentality, and would involve a different mix of economic and other policy instruments and mechanisms.~~

Conclusion: Neoliberalism as a historical institutional form

From this overview of different theories of neoliberalism, I would argue that the most persuasive accounts are those which identify it as a particular form of policy-related doctrine, or a combination of ideas about the optimal form of market capitalism combined with concrete proposals for ~~the reform of institutions~~ that would move particular societies towards such preferred outcomes. In terms of the matrix of ideas, institutions and interests (Loisen 2012), such an account sees neoliberalism first and foremost as a series of *ideas* about socio-economic order, associated in the first instance with the Austrian economist Friedrich von Hayek, but also – with important variations – the 'Chicago School' of US political economists, the Ordoliberal thinkers who promoted the 'social market economy' in post-Second World War Germany, and others. As a political philosophy, neoliberalism has been sufficiently practical in its recommendations to constitute what Michel Foucault terms an 'art of government' that serves to shape *institutions*. Among those priorities of neoliberalism as a guiding framework for institutions are: the enterprise form as a model for society as a whole; legal and regulatory frameworks that promote competition, rather than acting to restrict it in the name of other social goals; social policy that acts as a support rather than as a corrective to the market economy; policy actions to promote markets and competition; and judicial activism to limit the discretionary application of state power (Flew 2012b: 56–7). In so far as particular *interests* may benefit from such policies, this is a secondary explanatory factor: the logical coherence of neoliberalism as an intellectual platform for government action exists independently of whatever ~~capitalists~~ or other interests may seek to promote it at any particular point of time.

There are strong intellectual affinities of such an account to what is known as the *historical institutionalist* approach in the social sciences. The 'new institutionalism' has been characterized by its attention to institutions as formative middle-range entities that 'transcend individuals to involve groups . . . in some sort of patterned interactions that are predictable based upon specified relationships among the actors' (Peters 1999: 18). It rejects the free-floating rationally maximizing individual who forms opinions and makes decisions independently of structural forces, but also critiques the notion that social structures and their impacts on individual or group behaviour can be known independently of their constitutive institutions. Institutionalists are interested in how 'the processes of . . . capitalist economic development [are] shaped and mediated by the institutional structures in and through which these processes take place' (Martin 2003: 79). Such a focus upon the methodological middle-range lends itself well to comparative analysis, as the balance of ideas, interests and institutions will differ from one society to another. In this respect, historical institutionalists place a distinctive emphasis upon the path-dependent nature of institutional formations, and the extent to which 'choices

made early in the history of any policy, or indeed of any governmental system . . . can determine subsequent decisions' (Peters 1999: 19), meaning that 'institutions are humanly designed constraints on subsequent human action' (Sanders 2006: 43).

In the new institutionalism, institutions include formal organizations, but the definition is considerably broader than simply organizations. For James March and Johan Olsen, who played a key role in promoting the new institutionalism in political science, an institution is

a relatively enduring collection of rules and organised practices, embedded in structures of meaning and resources that are relatively invariant in the face of turnover of individuals and relatively resilient to the idiosyncratic preferences and expectations of individuals and changing external circumstances. (March and Olsen 2006: 3)

From this perspective:

the basic building blocks of institutions are rules, and rules are connected and sustained through identities, through sense of membership in groups and recognition of roles . . . rules regulate organizational action [but] that regulation . . . is shaped by constructive interpretations embedded in a history of language, experience, memory, and trust. (March and Olsen 2006: 8)

Douglass North, who has been a key figure in the new institutional economics and central to its applications in economic history, defines institutions in a similar way:

Institutions are the humanly devised constraints that structure human interaction. They are made up of formal constraints (rules, laws, constitutions), informal constraints (norms of behavior, conventions, and self imposed codes of conduct), and their enforcement characteristics. Together they define the incentive structure of societies and specifically economies. (North 1990: 3)

A key intellectual influence upon such thinking has been the sociology of Max Weber. In his account of Weber as an economic sociologist, Richard Swedberg identifies core elements of Weber's economic sociology of capitalism as being:

First, Weber does not speak of capitalism (in singular), but of capitalisms (in plural) . . . Second, Weber tried to develop a concept of capitalisms centred around social action, as opposed to seeing capitalism as some kind of system with its own laws, along the lines of Marx . . . finally, Weber's typology of capitalisms is deeply historical in nature, with each type growing out of intense historical research. (Swedberg 2003: 59)

In developing a series of different typologies of capitalism – that included rational capitalism, political capitalism, and traditional commercial capitalism – Weber signalled a desire 'to ground the notion of capitalism in the everyday activities of the economy, and to get away from the tendency to see capitalism as a system far beyond the individual actor' (Swedberg 2003: 60). At the same time, he saw a central role for institutions, seeing capitalism not as primarily revolving around interactions among individuals, but rather as one where

the economic actor orients his/her behaviour not towards other actors but also towards 'orders', which consist of prescribed sets of social action that are enforced in different ways. These orders are sometimes institutions; and the central economic institution is the rational enterprise, led by an entrepreneur and with a work force that is separated from the means of production. (Swedberg 2003: 60)

Weber was concerned to emphasize that 'capitalism must not be seen exclusively as an economic phenomenon' (Swedberg 2003: 62), and his own historical work was careful to explore the interconnectedness between political, legal, cultural and economic factors in the rise of different institutional forms of capitalism.

At first glance, considering Michel Foucault alongside Max Weber appears odd. There are those who would view such a reading as erroneously claiming that Foucault was a 'proto-neoliberal', and that such a reading surrenders the possibilities of critique for the limited horizons of 'mere administration' (O'Connor 2012: 402, 403). But as Gilles Deleuze has observed in his reading of Foucault (Deleuze 1988), there is a theory of institutions that can be found in Foucault's work, particularly in relation to that which is extrinsic to discourse, or the 'complementary space of non-discursive formations'. According to Deleuze:

Any institution implies the existence of statements such as a constitution, a charter, contracts, registrations and enrolments. Conversely, statements refer back to an institutional milieu which is necessary for the formation both of the objects which arise in such examples of the statement and of the subject who speaks from this position (for example the position of the writer in society, the position of the doctor in the hospital . . . in any given period, together with the new emergence of objects). (Deleuze 1988: 9)

As noted above, *The Birth of Biopolitics* provides one of the few occasions in which Foucault engaged with Weber. He describes Weber as the person who, in early 20th-century Germany, 'displaced Marx's problem' of the inherent contradictions of capital as an economic relation with the 'problem of the irrational rationality of capitalist society', and a 'movement from capital to capitalism, from the logic of contradiction to the division between the rational and the irrational' (Foucault 2008: 105). His argument is that while the analyses of the Frankfurt School have been most influential in academic work outside Germany, it was the Freiberg School of Ordolis who were most influential within post-war Germany, both intellectually and, importantly, in the generation of a coherent governmental program and set of institutional arrangements based around the 'social market economy'.

As the strength of historical institutionalism has been in its attention to the path-dependent nature of institutional development, and the constraints that this places upon programs for change, its associated weakness has been in explaining change. As Hall and Taylor observe, 'Institutions are seen as relatively persistent features of the historical landscape and one of the central factors pushing historical development along a series of "paths"' (Hall and Taylor 1996: 941). It is here that Foucault's historical genealogy of neoliberal thought from the 1930s to the 1970s is interesting, in that it identifies the historical development of such a program for institutional change.

While Hayek and others were of course critics of Marxism and socialist economic doctrines, in practice they directed far more critical attention to other liberals, and particularly programs associated with Keynesian economics, the welfare state and partnerships between employers and trade unions. The ‘Road to Serfdom’ that Hayek referred to was less about the threat of Bolshevism than it was about the corrosion of liberalism through a well-intentioned collectivist impulse. Foucault establishes that the ‘liberal art of government’, which had been developing in Europe from the 18th century onwards, faced a continual challenge in how to reconcile individual interests and collective interest, or freedom and security:

Liberalism, the liberal art of government, is forced to determine the precise extent to which and up to what point individual interests . . . constitute a danger to the interests of all. The problem of security is the protection of the collective interest against individual interests. Conversely, individual interests have to be protected against everything that could be seen as an encroachment of the collective interest. (Foucault 2008: 65)

Once we see neoliberalism as a project for institutional change grounded in particular ideas about the social and the nature of liberal government, and not simply as an expression of the *zeitgeist* of global capitalism or as a conspiracy of ruling elites, there is the scope to assess the extent to which it has been adopted in practice, and why it took root in some places and not in others. Foucault discusses why very different historical conceptions of the state meant that neoliberal ideas found fertile ground in the United States, but far less so in France: for Germany, it is the experience of war, and the discrediting of previously hegemonic statist and nationalist policy discourses, that provides the opportunity space for the *Ordo Libera* program to be adopted. ~~Of course, the case study that is missing here, and which would have been fascinating, is that of Britain, where the early contours of the Thatcher revolution, and how it differed from traditional British conservatism, were only starting to be revealed.~~

Clarification of the distinctive elements of a neoliberal institutional and policy program, and parameters through which one can assess whether or not it has been adopted in the context of particular national capitalisms, would also enable a clearer picture to emerge as to whether it continues to have significance, or whether its influence may have peaked in the 1980s and early 1990s. Categories such as ‘postneoliberalism’ (Peck et al. 2010), ‘zombie neoliberalism’ (Peck 2010), and ‘neoliberalism 3.0’ (Aalbers 2013) run the risk ~~not only~~ of sounding like gimmicks, and further amplifying the conceptual vagueness that has long surrounded the term, ~~pointing again to the critique made by Mitchell Dean that ‘the term should no longer be used to characterise all aspects of state governing in contemporary liberal democracies and the majority world beyond them’ (Dean 2012: 1).~~ I have suggested that thinking about neoliberalism as a project of institutional transformation in the face of path-dependent national capitalisms, as can be developed out of historical institutionalism and the innovative linking of Foucault and Weber proposed here, minimizes the risk of the term becoming a kind of conceptual trash-can, into which anything and everything can be dumped, as long as it is done so with suitable moral vehemence. This ~~may~~ require rescuing ‘neoliberalism’ as an academic concept from the most vocal ~~critics of its underlying morality.~~

Notes

1. A wide range of factors can affect these shares over and above the policy decisions of governments. Involvement in wars will generally see the government share of GDP increase, as in the US over the 2000s, as did the bail-out of financial institutions in both the US and Britain over 2008–9. More generally, positive terms of trade tend to reduce the government share of GDP (by increasing the net wealth of the private sector), while government spending as a percentage of GDP tends to negatively correlate with trends in the business cycle, decreasing during the upswing (while taxation revenues increase), and increasing during the downswing (as taxation revenues decrease).
2. The relationship between the work of Max Weber and that of Michel Foucault is discussed in O'Neill (1986), Steiner (2008), Colliot-Thélène (2009), and Jiminéz-Anca (2013).

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