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Introduction: Reading Neoliberalization

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Ideologically, the novelty of the present situation stands out in historical view. It can be put like this. For the first time since the Reformation there are no longer any significant oppositions – that is systematic rival outlooks – within the thought-world of the West; and scarcely any on a world scale either . . . What limitations persist to its practice, neo-liberalism as a set of principles rules undivided across the globe; the most successful ideology in world history (Anderson 2000a: 17).

The dilemma we all face as citizens is that, with few exceptions here and there . . . neo-liberalism has swallowed up the world in its clutches, with grave consequences for democracy and the physical environment that can be neither underestimated nor dismissed (Said 2000: 1).

There has everywhere been an emphatic turn towards neo-liberalism in political-economic practices and thinking since the 1970s (Harvey 2005: 2).

Perry Anderson, Edward Said, and David Harvey. Three of the most well-regarded social scientists of their generation. Each has written about the origins, rise, and consequences of neoliberalism for different parts of the world. Tying it into wider discussions of globalization, American Imperialism, imperial hegemony, and Empire, these three public standard bearers of the Left have each provided insightful accounts of the current phase of capitalism. Was this convergence by three eminent thinkers not enough to get most scholars (those for whom this book is the primary, but hopefully not the exclusive audience) interested in neoliberalism, then surely the changes under way around

us should be. Rising inequalities of different types of capital – cultural, economic, environmental, social, and political – between as well within nations are frequently cited as tangible indicators of the imprint of neoliberalization. Wounds run deep and provide points of connection and alliances across space, across particular issues, even across perhaps otherwise disparate social groups, in ways that undermine the claims of those who remain committed to Margaret Thatcher's famous assertion "there is no alternative" (TINA) (MacEwan 1999; Harvey 2005). Neoliberalism as a "radical-theoretical slogan" (Peck 2004: 403) might have its limits, but it does serve to unite. It offers a reference point, against which those who oppose it can define themselves, as Harvey (2006) has argued, for example as in the "another world is possible" maxim of the anti-capitalist-globalization movement, initially coined by the World Social Forum to capture its commitment to build alternatives to the free-market economics espoused by the World Economic Forum. As Susan George (2001: 4) put it (referring to Davos, Switzerland where the WEF meets annually): "*Homo davosiensis* wants all the resources, all the wealth, all the power and all the freedom to extend his ascendancy across time and space" (see Beneria 1999, for a feminist analysis of the Davos man). Neoliberalism – in spirit if not in words – also binds together those with a stake in its continued reproduction. Government ministers, venture capitalists, the chief executives of multinationals, the largest owners of the media, the officials in international institutions: all are involved in practicing neoliberalization (Bourdieu 1998; Harvey 2006). The consequences of the actions of the "transnational capital class," as Leslie Skair (2000) terms them, can be seen around the world: on the streets of the poorest cities of the global South, in the former coalmines of Eastern Europe, and in the Latin American rural villages decimated economically by the slump in the global price of coffee. And yet, it remains politically important to constantly draw attention to the links between those in positions of power and the inequalities witnessed in geographically dispersed yet socially interconnected areas of the world.

Neoliberalism does appear to have become the ubiquitous political commonsense condition of recent years – used in all but name on the Right and used quite deliberately by those on the Left. Its widespread usage has led the sociologists Pierre Bourdieu and Loïs Wacquant (2001) to describe neoliberalism as a new "planetary vulgate." Certainly now more is known about the personalities, the places, and the institutions involved in the transformation of neoliberalism from the "abstract intellectualism of Hayek and Friedman to the state-authored restructuring

projects of Thatcher and Reagan” (Peck and Tickell 2002: 41) and beyond, to what many consider, despite the protestations of Anthony Giddens (2000), to be neoliberalism with a friendly face – the Third Way of Britain’s Tony Blair, Gerhard Schröder in Germany, Australia’s Mark Latham, and Ricardo Lagos in Chile (see Larner, Le Heron, and Lewis, this volume, for a discussion of the Third Way in New Zealand). These developments suggested to us that the current moment provides an opportunity to take stock of what is known about neoliberalism in its many geographical configurations, to examine differences and similarities between how neoliberalism has been introduced, resisted, and challenged in particular contexts. And in turn, it offers the possibilities of reflecting on the meaning and usefulness of grand abstractions, such as “neoliberalism.” The two of us thought this would be a worthwhile exercise, in both political and intellectual terms. As the book’s title indicates, we make a distinction between neoliberalism as an end-state and neoliberalization as a *process*, consisting of a multiplicity of openings and closures. Adam Tickell and Jamie Peck (2003: 165) describe neoliberalization as being “contradictory, having the capacity to bring forth countertendencies, and as existing in historically and contingent forms . . . analyses of this process should properly focus on change – on systems and logics, dominant patterns of restructuring and so forth – rather than on binary and/or static comparisons between a past state and its erstwhile successor.” This collection, then, is intended to expose neoliberalization in all its variants, all its guises, all its hybrid formations, in all its subject-forming strands.

Increasingly, standard textbook definitions of neoliberalism are not hard to find, nor are accounts of how “it” went from the ideological wilderness to the political mainstream (see our summary in Table 1.1). Most writers refer to it as an economic and political orthodoxy marked by commitments to policies of free trade, privatization, deregulation, and welfare state retrenchment (MacEwan 1999; Peet and Hartwick 1999; Campbell and Pedersen 2001; Brenner and Theodore 2002a; Peck and Tickell 2002; Harvey 2005). The majority of accounts of the emergence of neoliberalism tend to focus on the reforms delivered by University of Chicago-educated economists in Latin America; or detail the structural adjustment programs of the International Monetary Fund and the World Bank. There are of course exceptions, such as the account offered by Jan Nederveen Pieterse (2004). He documents the reforms pursued in the American South as a means of offering an alternative account of the rise of neoliberalism. As he puts it, “the material matrix of real neo-liberalism is the American South . . . The Chicago School provided

Table 1.1 From philosophy to practices: details of neoliberalism

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- A new expansion in time and space of the market: although there has been a global-scale market economy for centuries, neoliberals find new areas of marketization. This illustrates how neoliberalism differs from classic market liberalism. Adam Smith would not have believed that a free market was less of a free market because the shops are closed in the middle of the night: expansion of trading hours is a typically neoliberal policy. For neoliberals a 23-hour economy is already unjustifiable: nothing less than a 24-hour economy will satisfy them. They constantly expand the market at its margins.
 - The emphasis on property, in classic and market liberalism, has been replaced by an emphasis on contracts. In the time of Adam Smith, property conferred status in itself: he would find it strange that entrepreneurs sometimes own no fixed assets, and lease the means of production.
 - Contract maximalization is typically neoliberal: the privatization of the British railway network, formerly run by one state-owned company, led to 30,000 new contracts; most of these were probably generated by splitting services, which could have been included in block contracts. (A fanatic neoliberal would prefer not to buy a cup of coffee, but negotiate separately for each microliter.)
 - The contract period is reduced, especially in the labor market, and so the frequency of contract change is increased. A service contract, for instance for office cleaning, might be reduced from a one-year to a three-month contract, then to a one-month contract. Contracts of employment are shorter and shorter, in effect forcing the employee to reapply for the job. This flexibilization means a qualitatively different working life: many more job applications spread throughout the working life. This was historically the norm in agriculture – day labor – but long-term labor contracts became standard after industrialization.
 - Intensifying assessment, a development especially visible on the labor market, also intensifies market forces. Even within a contract period, an employee will be subject to continuous assessment. The use of specialized software in call centers has provided some extreme examples: the time employees spend at the toilet is measured in seconds: this information is used to pressure the employee to spend less time away from the terminal. Firms with contracts are also increasingly subject to continuous assessment procedures, made possible by information technology. For instance, courier services use tracking software and GPS technology to allow customers to locate their packages in transit. This is a typical example of the new hyper-provision of business information in neoliberal economies.
 - New transaction-intensive markets are created on the model of the stock exchanges – electricity exchanges, telephone-minute exchanges. Typical for neoliberalism: there is no relationship between the growth in the number of transactions and the underlying production.
 - New forms of auction are another method of creating transaction-intensive markets. Radio frequency auctions are an example. They replaced previous methods of allocation, especially licensing – a traditional method of allocating
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<p>access to scarce goods with no clear private owner. The complex forms of frequency spectrum auctions have only been developed in the past few years. Neoliberals now see them as the only valid method of making such allocations: they dismiss all other methods as “beauty contests.”</p> <ul style="list-style-type: none"> • Artificial transactions are created, to increase the number and intensity of transactions. Large-scale derivative trading is a typically neoliberal phenomenon, although financial derivatives have existed for centuries. It is possible to trade options on shares: but it is also possible to create options on these options. This accumulation of transaction on transaction is characteristic of neoliberalism. New derivatives are created to be traded on the new exchanges – such as “electricity futures.” There is no limit to this expansion, except computer power, which grows rapidly anyway. • Automated trading, and the creation of virtual market-like structures, is neoliberal in the sense that they are an intensification of “transaction for transaction’s sake.” • This expansion of interactivity means that neoliberal societies are network societies, rather than the “open societies” of classic liberals. Formal equality and “access” are not enough for neoliberals: networks must be used to create links to other members of the society. This attitude has been accurately labeled “connectionist.” • Because of contract expansionism, transaction costs play an increasing role in the neoliberal economy. For instance, all those 30,000 contracts at British Rail had to be drafted by lawyers, all the assessments had to be done by assessors. There is always some cost of competition, which increases as the intensity of transactions increases. Neoliberalism has reached the point where these costs threaten to overwhelm the existing economy, destroying any economic gains from technological change, although this does not mean the system won’t survive, but merely that another solution will need to be found. • The growth of the financial services sector is related to these neoliberal characteristics, rather than to any inherent shift to service economies. The entire sector is itself a transaction cost: it was almost nonexistent in the centrally planned economies. In turn, it has created a huge demand for office space in the world’s financial centers. The expansion of the sector and its office employment are in direct contradiction of propaganda about “more efficiency and less bureaucracy” in the free market. • The speed of trading is increased. Online market data is expensive, yet it is now available free with a 15-minute delay. The markets move so fast that the data is worthless after 15 minutes: the companies can then give it away, as a form of advertising. Day-traders buy and sell shares in minutes. Automated trading programs, where the computer is linked direct to the stock exchange system, do it in seconds, or less. It is this increased speed that has led to the huge nominal trading volumes on the international currency markets, many times the gross world product on a yearly basis.

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- Certain functions arise which exist only inside a neoliberal free market – “derivative professions.” A good example is the profession of psychological-test coach. The intensity of assessment has increased, and firms now regularly use psychological tests to select candidates, even for intermediate-level jobs. So ambitious candidates pay to be trained how to pass these psychological tests. Competition in the neoliberal labor market itself creates the market for this service.
 - The creation of **sub-markets**, typically within an enterprise. Subcontracting is itself an old market practice, but was usually outside the firm. It is now standard practice for large companies to create competition among their constituent units. This practice is also capable of quasi-infinite extension, and its promotion is characteristic of neoliberalism. A few companies even required each individual employee to register as a business, and to compete with each other at the place of work. A large company can form literally millions of holdings, alliances, and joint ventures, using such one-person firms as building blocks.
 - Supplier maximalization: this extends the range of enterprises that compete for each contract. The ideal would be that every enterprise competes for every contract offered, maximizing competition and market forces. In the case of the labor market, the neoliberal ideal is the absolutely flexible and employable employee, who can (and does) apply for every vacancy. In reality, an individual cannot perform every kind of work – but there is a real development toward non-specialized enterprises, especially in the producer services sector. In neoliberalism, instead of the traditional “steel tycoon” or “newspaper baron” there are enterprises which “globally link people and knowledge, and cultures” or “advise and implement solutions to management issues.”
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Source: Treanor (2005: np)

an economic rationale and intellectual gloss to what was, and remains for the majority, a backward, conservative and impoverished economic condition” (Nederveen Pieterse 2004: 2). And then, of course, there are other accounts that argue for multiple developments and trajectories, in geographically discrete but increasingly interconnected places, in which the origins of neoliberalism cannot be reduced to the mere exporting of policies and programs from the US “diffusion centers” of New York and Washington (Wacquant 1999). Despite these differences in the accounts of what we might think of as the historical geographies of neoliberalism (Peck and Tickell 2002; Harvey 2005), there is some agreement over *baseline* definitions, at least regarding the philosophical and programmatic underpinnings of neoliberalism (see, for example, the well-known and frequently cited pieces by Elizabeth Martinez and Arnaldo Garcia 1997; and Susan George 2001).

Based on the Ricardian notion that countries, cities, and regions prosper when they specialize in producing goods and services for which they have the greatest comparative advantage, neoliberalism is “the doctrine that economic growth is maximized when movement of goods, services and capital, but not labor, are un-impeded by government regulations” (Peet 2001: 330, summarizing MacEwan 1999). We accept that this is a rather abstract definition, and, for instance, does not explicitly address issues such as the cutting of public expenditures on social services, the elimination of the concept of “public goods,” and the restructuring of the welfare state. However, these sorts of basic definitions are a useful starting point even if they seem more appropriately the stuff of neoclassical economic textbooks than of the empirical-cum-theoretical explications of contemporary neoliberalization. Remaining for the moment in the wholly abstract, neoliberalism, with its deepest roots in Adam Smith and newer roots in the work of Friedrich von Hayek and Milton Friedman, also has clear philosophical underpinnings. For instance:

Neo-liberalism is a philosophy in which the existence and operation of a market are valued in themselves, separately from any previous relationship with the production of goods and services, and without any attempt to justify them in terms of their effect on the production of goods and services; and where the operation of a market or market-like structure is seen as an ethic in itself, capable of acting as a guide for all human action, and substituting for all previously existing ethical beliefs (Treanor 2005: np).

Of course, in its translation into actually existing neoliberalism (Brenner and Theodore 2002a; K. Mitchell 2004) this philosophy becomes something “more complex, diverse, contested and open to interpretation than is often recognized” (Campbell and Pederson 2001: 3). Moreover, we agree with the political scientists Deborah Johnston and Alfredo Saad-Filho’s (2005: 1) contention that “[n]eoliberalism straddles a wide range of social, political, and economic phenomena at different levels of complexity” (see Table 1.1; see also Peet and Hartwick 1999).

In Table 1.1 we detail the foundational principles underscoring efforts to intensify and expand the market, by increasing the number, frequency, repeatability, and formalization of transactions (Harvey 2005). For many of us this is the stuff of dry textbooks. We recognize it, though, when the philosophy is translated into policy, in the form of the “liberalization,” the “privatization,” and the “re-regulation” of markets. The way these policies are restructured requires increased auditing and

evaluating – in other words, the mundane practices that Larner (2003) writes about, and these are as important in the becoming and accomplishment of neoliberalization (see Ward, this volume). There is evidence of this all around the world. The details are important and may suggest differences, but there are also similarities, discursively and materially, in the “restructuring” of markets for currency, energy, public services, transportation, and so on. These “neo-liberal policy fixes” (Peck 2001a: 448), while subject to critical scrutiny on their own terms, have only just begun to be elements in a wider study of the “pervasive meta-logic” (Peck and Tickell 2002: 36) that appears to be at work.

Once we move away from these basic philosophical and programmatic definitions of neoliberalism it becomes much harder to find definitional consensus (a theme we pick up later in this chapter and one explored by a number of the contributors). There almost appears to be an inverse relationship between the volume of scholarship produced on neoliberalism and the agreement over exactly what it means! Perhaps this is not that surprising. As academics from a range of social science disciplines (and increasingly the humanities) have pushed, prodded, and cajoled, asking the term “neoliberalism” to do more work for them, so we have become more attuned to its vagaries, its variations, its multiples. At the same time as the empirical gaze of geographers has widened to include analyses of neoliberalism and, for example, cities (Brenner and Theodore 2002b; N. Smith 2002; Hackworth 2004; L. Smith 2004; Leitner, Peck, and Sheppard 2006), citizenship (K. Mitchell 2004), development (Rankin 2004; Bondi and Laurie 2005), nature (Mansfield 2004; McCarthy and Prudham 2004; Bakker 2005), and sexuality (Hubbard 2004), so there has been a parallel movement around decoding the various meanings and understandings of neoliberalism. In particular, critical human geographers, including contributors to this collection, have already provided a series of geographically attuned accounts of the historical geographies of neoliberalism and, in doing so, have challenged a range of assumptions over the meanings of, and relations between, “cores” and “peripheries,” “north” and “south,” “center” and “margins” (for example, M. Power 2003; Rankin 2004; also see Rankin and Shakya, and Phelps, Power, and Wanjiru in this volume). These insights trouble otherwise excellent analyses in which space, place, and, particularly, geographical relationships are often absent (see, for example, MacEwan’s [1999] otherwise splendid account).

Thinking through the nature of the spatial relationships and how the movements of neoliberal ideas, policies, and programs “do not necessarily flow in the directions expected,” Wendy Larner (2003: 510) has

argued that “[d]evelopments in the ‘periphery’ may be as significant, if not more so, as those in the ‘core’ in explaining the spread of neo-liberalism.” Reflecting on Larner’s methodological and empirical challenge, and other scholarship on geopolitical transformations that troubles “core/periphery” relations, Jamie Peck (2004: 403, original emphasis) seeks to capture a sense of *relationality* in claiming that “the state project of neoliberalism was not constructed solely in the global North, nor exclusively in the South, but *both*.” Examining the relational geographies of neoliberalization is one of the central objectives of this edited collection. Our choice of empirical cases reflects this. Thinking relationally about neoliberalization demands that each of the studies be read not as an island of neoliberalism but rather as open and relationally produced (Massey 2005). As we explain in each of the book’s three section prefaces, the examples – cities, regions, nations – in the chapters that follow this one are the products of relations that spread way beyond them. In recognizing the relationality of space we point out an intellectual and a political need to think about connectivities. That is, to build through imaginations and practices a means of resisting the creative destruction of neoliberalism. In terms of this book’s empirical material we can understand the “in here” accounts of East Asia (Beeson, this volume), Nepal (Rankin and Shakya, this volume), Argentina (North, this volume), and Ontario (England, Eakin, Gastaldo, and McKeever, this volume), to name just four, as products of current and past “in heres” from around the world. Distant places are implicated in our “here,” wherever that “here” is, as Massey (2005) argues. We return to this point in the book’s conclusion, in light of the material presented in the chapters.

Elsewhere in the social sciences, scholars who provide accounts of what Matt Sparke (2006: 1) calls the big “N” of neoliberalism increasingly stress the role of space, place, and geography. Anthropologists Akhil Gupta and James Ferguson (2002), for example, document the changing state *spatialities* through detailed ethnographic studies; while economists Gérard Duménil and Dominique Lévy (2005: 9) have recently argued that “neo-liberalism refers to new rules of functioning capitalism, which affect the centre, the periphery, and the relationship between the two.” Also demonstrating sensitivity to the importance of space, the international relations scholar Alejandro Colás (2005: 75) has demanded that academics of varied disciplinary stripes:

identify different moments in the global spread of neoliberal programs, and to distinguish between the various ways in which these policies were

implemented by states with very different capabilities and locations in the hierarchy of the international system.

To acknowledge the gains to be wrought from dialogues across disciplines, this volume brings together scholars from anthropology, critical health studies, planning, political science, sociology, and of course geography to present a number of particular theoretical and empirical accounts of neoliberalization. This, we hope, makes for a distinctly rich set of individual chapters, each of which, as part of a rigorous “group” analysis, challenges the very usefulness of “big abstractions” such as neoliberalism (Larner 2003; Sparke 2006).

Empirically, the book moves away from the UK and the US – the self-proclaimed and often-cited “first generation” centers of neoliberalism’s production and dissemination – to address the peripheries *within* the “global North,” as well as so-called “second generation” centers in the “global South,” through which the different contributors question the usefulness of these distinctions. Theoretically, this necessitates a dispatching of the binaries and dualisms that permeate much of the literature on the geographies of neoliberalism: to talk of “North” and “South” is to fail to think *relationally*, to fail to see the uneven development of neoliberalism, both temporally and spatially, as *interconnected*, and to fail to understand how the spatial categories themselves are in need of explanation and unpacking, as opposed to being a taken-for-granted part of the explanation. As Gillian Hart (2002: 817) argues forcefully:

instead of simply reading patterns of path-dependent development off historical legacies, one must focus on ongoing practices, processes and struggles. The past, in this view, is not simply a site of historical explanation, but a terrain of struggle – the meanings of which are mobilized and manipulated by forces contending in the present.

In the third section of this introduction we detail what we mean by neoliberalism before then turning to the book’s three overarching themes – states, networks, peoples – to establish a map for reading the individual chapters. These three themes run throughout the edited collection, appearing in the chapters in the context of particular studies. The book is divided into three sections – “Mainstream” Economic Development and its Alternatives; Within and between State and Markets: the Role of Intermediaries; and States and Subjectivities – so our themes are not used to divide up the book. Rather, the three themes of states, networks, and

peoples are important ways of opening up the notion of “neoliberalization” for closer scrutiny. We hope they offer a means of telling similar and connected stories from particular cases. So the organizing of the material in this way is theoretically informed, in that it recognizes the relationality of the places studied in the different chapters. And we don’t understand the terms as mutually exclusive: of course, states are peopled and networks can consist of peoples and states.

Finally, the conclusion returns to some of the more abstract issues bound up with any analysis of neoliberalism. Although the contributors to this collection all see some intellectual and perhaps political purchase in using the term, it is nevertheless important that we don’t lose sight of the limits of “big abstractions,” such as neoliberalism, in explaining what are a complex and a differentiated set of tendencies. We believe it is intellectually vital to hold on to what is to be gained in naming economic, cultural, political, and social change as “neoliberal,” while at the same time subjecting the term itself to close critical scrutiny (Barnett 2005; Castree 2006; Sparke 2006).

Neoliberalism: Ideology, Policy and Program, State Form, Governmentality

According to James McCarthy and Scott Prudham (2004: 276), “defining neo-liberalism is no straightforward task.” We couldn’t agree more. Neoliberalism has been used in many ways to refer to a whole range of things, outcomes, and processes. The title of this sub-section is intended to suggest the myriad ways that neoliberalism is used in scholarship across the social sciences. Here we outline four different understandings of neoliberalism, picked because they are identified in the various contributions to this book.

1. *Neoliberalism as an ideological hegemonic project:* This understanding refers to the places and the peoples behind its origins that are involved in its apparent uptake in geographically discrete but socially connected parts of the world. In this work political (and indeed cultural) dominance is exercised through the formation of class-based alliances – elite actors, institutions, and other representatives of capital – at a variety of spatial scales, who produce and circulate a coherent program of ideas and images about the world, its problems, and how these are best solved. All of these are, of course, informed by gendered and racialized power hierarchies.

Certainly, hegemony is not only about political and economic control; it is also the capacity of the dominant group to project its own way of seeing the world so that those who are subordinated by it accept it as “common sense,” even “natural.” This is not just about imposition, but also about “willing consent” by those being subordinated, so that “common sense” becomes how the subordinate group lives their subordination. From this perspective, for example, it is possible to understand “globalization” as simply the “international face of neo-liberalism: a worldwide strategy of accumulation and social discipline that doubles up as an imperialist project, spearheaded by the alliance between the US ruling class and locally dominant capitalist coalitions” (Johnston and Saad-Filho 2005: 2; see also Meiskins Wood 2003; Harvey 2005, 2006).

2. *Neoliberalism as policy and program*: This understanding refers to the transfer of ownership from the public to the private sector, and in the process often involves a reworking of what these categories might mean (including what they mean for communities and households often left to fill the gaps, all of which is again over-determined by social relations of difference). It is possible to distinguish between four elements of this use: the context to which the policy is a response, the logic underpinning the policy, the agencies and institutions involved in the doing and evaluation of policy, and the intended audiences for the policy. Generally, policies involve replacing state ownership with private ownership, the logic underpinning this transformation being that transferring ownership to the market creates a more efficient system. Examples include policies pursued under the banners of “deregulation,” “liberalization,” and “privatization.” Those involved in authoring and orchestrating this shift include not just nation-states, but also a whole range of agencies such as the International Monetary Fund and the World Bank, with the audiences international rather than domestic (Cammack 2003).
3. *Neoliberalism as state form*: This understanding refers to the quantitative and qualitative restructuring of nation-states, involving redrawing the boundary between civil society, market, and state. Conceived of in this way, neoliberalism is the “rolling back” and the “rolling out” (Peck and Tickell 2002) of state formations, with the reconfiguration of the scalar, spatial, and temporal selectivities. According to Peck (2001a: 446), “the embrace of neoliberalism lead states to denigrate their own capacities and potentialities, to restructure and to cut themselves, to engineer their own ‘reform’

and downsizing’.” This has involved, so the argument goes, a redrawing of where the state starts and stops – its edges – as well as a reorganization of its internal spaces and its institutional architecture (Fourcade-Gourinchas and Babb 2002). The redrawing and reorganization of which, of course, has different implications according to hierarchies of gender, race, and so on. Feminist scholars have exposed the state as a set of gendered (as well as raced, heterosexed, and ableist) institutions with spatialized social practices that differently situate and impact women compared with men (Fraser, 1989; Watson and Pringle 1992; Mitchell, Marston, and Katz 2003).

4. *Neoliberalism as governmentality*: This understanding refers to the ways in which the relations among and between peoples and things might be imagined, assembled, and translated, to effect coordination at a distance (Larner and Le Heron 2002). Both the economy and the state are involved in the construction of autonomous, responsabilized “neo-liberal subjects” (Rose, 1996). Through “privatization and personalization, neoliberal govern(mentality) aims at transforming recipients of welfare and social insurance into entrepreneurial subjects, who may be motivated to become responsible for themselves. Such a project of transformation may be based either on a social work model of helping, training, and empowering, or on a police model of governing every aspect of life” (Ren 2005: np). In addition, conceiving of neoliberalism as a spatial imaginary, in and through which peoples and places are understood in particular forms and subjects, opens up room to address neoliberalization’s possible regressive and progressive elements. Understanding neoliberalism as a process, as a journey even, involves acknowledging successes and failures, intended and unintended consequences, and that the end results of policies and programs are not defined by design, nor inevitable, but are open to all manner of manipulations.

While there is much that distinguishes these four definitions and understandings of neoliberalism, in epistemological, methodological, and ontological terms, there are also points of overlap and of connection. It is in these spaces of engagement that some of the most interesting scholarship is just beginning to be done. For example, the work on the possibilities of a fruitful engagement between political economy and poststructuralism in understanding neoliberalization is suggestive of this, although even this has not been without its critics. To some, these two approaches are irreconcilable. As Clive Barnett (2005: 8) put it:

They imply different models of the nature of explanatory concepts; different models of causality of determination; different models of social relations and agency; and different normative understandings of political power.

To others, there is more that is positive in this burgeoning engagement around neoliberalization (Larner 2003; Peck 2004). The possibilities of working through epistemological differences as a means of producing “more grounded accounts of how political-economic transformations are embodied in, mediated by and productive of widely varied political, cultural and economic geographies” (Spark 2006: 3) is one that many appear committed to. And so are we. We return to these issues in this book’s conclusion. While we take the view that these two theoretical positions are not entirely commensurable (after all, it is hard not to agree with some of Barnett’s [2005] objections), we hope you will forgive us if for now we take an open stance, one that acknowledges the potential insights that might be generated through bringing into dialogue those on issues of governance and governmentality. If the current political moment is one of “profound experimentation,” as Larner (2003: 512) argues, then we think it is appropriate that we experiment with our own theorizations of neoliberalization. That is certainly the spirit in which this book has been produced.

The Collection: States, Networks, Peoples

This collection aims to stress the complexity and contingency of neoliberalism, through examining the processes of its enactment (neoliberalization) rather than the discovery of a regularized form and content. The contributions reflect the multiple and overlapping geographies of neoliberalization. Such a geographical complexity demands a set of contributions that differ in terms of the scale of analysis, the methodologies deployed, the substantive issues explored, and the disciplinary backgrounds of those performing the studies. This is an interdisciplinary volume of chapters, with contributions by anthropologists, critical health studies scholars, geographers, planners, political scientists, and sociologists. The collection consists of studies of “local” experiments and “global” restructurings, and of “local” restructurings and “global” experiments, with chapters troubling the nature of the relationships between the spatial adjectives and the processes that they purport to describe. There are chapters in which ethnographic and semi-structured

interviews are a central part of the analysis through to those in which the empirical material is gleaned from a close reading of media articles, policy documents, and political speeches. As we have already explained, we emphasize three themes that appear in the individual contributions – states, networks, and peoples. Often the chapters deal with one or more of these themes in the context of their specific geographical or thematic focus.

States

Neoliberalization is, if nothing else, a process of state restructuring. Empirical evidence from individual nations, as well as a small but growing number of comparative analyses, speaks to the possibilities of detecting similarities in how different nation-states have been *qualitatively* reorganized – inside and out – in recent years (O'Neill 1997; Peck 2001a; Jessop 2002a; Brenner, Jessop, Jones, and MacLeod 2003). Although this might once have been understood as a process of state withdrawal and less state intervention, this understanding is increasingly called into question. For instance, John Campbell and Ove Pederson (2001: 3) point out that “neo-liberalism does not so much involve deregulation as re-regulation of economic activity...[and]...states are much less incapacitated by the rise of neo-liberalism than is often appreciated...states can block, adapt to, mediate, and in some cases even reverse neoliberal tendencies” (Campbell and Pederson 2001: 3). This constitutes *qualitative* rather than quantitative (as in a decline in state functions) restructurings of the state, in which the state is very often the author (Harvey 2004, 2005). This process of restructuring is only made possible through the activities and programs of the states themselves. They are implicated in their own reworking, meaning it is:

important to identify different moments in the global spread of neoliberal programs, and to distinguish between the various ways in which these policies were *implemented by states* with very different capabilities and locations in the hierarchy of the international system (Colás 2005: 75, emphasis added).

Moreover, any restructuring is necessarily geographically uneven. “Roll back” and “roll out” neoliberalisms coexist, within and across individual nations (Peck and Tickell 2002). The qualitative restructuring of the relationships that exist between states, civil societies, and markets

means different things for different groups in the same society. For example, writing about welfare reform and the global feminization of poverty, Catherine Kingfisher (2002: 7) put it thus:

while welfare restructuring is often described in terms of a “shrinking” or “rolling back” of the state, shifts in the level of state funding and interference are, in fact, selective, and certain sectors, such as the police or the military – or particular arms of the welfare bureaucracy – may, in fact, expand.

The sort of domestic shift in emphasis under neoliberalization described by Kingfisher is replicated internationally (Peck and Tickell 2002; Cammack 2003; Tickell and Peck 2003; Johnston and Saad-Filho 2005).

Kingfisher (2002: 8) goes on to argue that it is vitally important that critical scholars, working on the process of neoliberalization, “keep the state clearly in view.” To fail risks taking at face value the claims of those who would wish to argue that neoliberalization is synonymous with a *quantitative* reduction in the state. In the context of this argument – and the wealth of empirical evidence tracing the changing role of different national state formations – a number of the chapters in this book document the different ways the process of neoliberalized state restructuring matters. For example, in his chapter on the Argentinean crisis of 2001, Pete North draws attention to the historical role of the state in Argentina, and how its formation always rested on different understandings of its role. Neoliberalism, as introduced through the programs of the International Monetary Fund, closely resembled some already existing practices. Accordingly, to understand where Argentina is today, it is important *not to conceptualize neoliberalism as something imposed* from outside the country. This may or may not have been the case in other countries in the region (Taylor 2002, 2003), but the ways in which neoliberalization shaped the development trajectory of Argentina reflected a series of compromises between national and regional elites, as well as the influence of international agencies and institutions. In a second example, in their chapter on the provision of home care under the restructuring of the Canadian welfare state, Kim England, Joan Eakin, Denise Gastaldo, and Patricia McKeever explore the introduction of managed competition by the province of Ontario. They show how the material practices of actually existing neoliberalizations are replete with contradictions and unevenness despite the touted smooth delivery seemingly promised by “fast policy transfer” and importing “best practices.”

In both these chapters the authors reveal the relational geographies at work. The case studies highlight how the past is in the present and how other places are implicated in the accounts.

Networks

If neoliberalism is everywhere, as Peck and Tickell (2002) have argued, then how has this been achieved? The second theme running through this edited collection is networks: of ideas, knowledge, technology, trade, money, people, policies, and programs. For instance, as part of the expansion and deepening of neoliberalization, people and states involved in its production and performance have formed policy and practitioner networks that stretch across boundaries and borders. Programs that can be constructed, however tangentially, as “delivering” are often dis-embedded from their particular geographical and institutional context, made mobile, and introduced elsewhere. Running through much of the recent work on neoliberalization has been a concern to explain its apparent appearance in geographically distanced places. This concern unites many of the different theoretical standpoints, out of which work on neoliberalization is being produced. The emphasis is on how “to constitute, link by link, the long chain of institutions, agents and discursive supports” (Wacquant 1999: 321). And Wacquant is not alone in making this plea. Others writing on neoliberalization have argued for a “more careful tracing of the intellectual, policy and practitioner networks that underpin the global expansion of neo-liberal ideas” (Larner 2003: 510), or for the need to “track actual patterns and processes of neo-liberal restructuring” Peck (2004: 396). And outside the academy, the political activist Susan George argues that the omnipresent nature of neoliberalism has been accomplished through “a huge international network of foundations, institutes, research centers, publications, scholars, writers and public relations hacks to develop, package and push their ideas and doctrine relentlessly” (George 2001: 9).

Alejandro Colás (2005) distinguishes between three international network aspects of the emergence of neoliberalism, in and through which previous conceptualizations of “core” and “periphery” have been reworked. The first he terms the transnational dimension, which he uses to refer to the emergence in the 1970s and 1980s of a trans-Atlantic network of policy makers. Often referred to through the shorthand of the Washington Consensus (Williamson 1994), this network of idea brokers, policy makers, and practitioners advocated a range of economic

and social policies aimed at liberalizing markets. The second aspect he identifies was the simultaneous undermining in the 1970s of the Left in the global North – the “core” – and of non-capitalist forms of development in the global South – the “periphery.” While the precise details matter and differ from one country to another, it is possible to detail the neoliberalization of governance structures and political systems. And, we would add, the implications of these reforms have been to trouble the very notions of “core” and “periphery” as understood in some traditional geopolitical accounts, supporting our own argument for a relational understanding of neoliberalization. Colás’ third international dimension of neoliberalization is the roles played by the international financial institutions (IFI) and the use of structural adjustment programs (known today as Poverty Reduction Strategy Papers) in the “periphery.” Acknowledging the important roles played by the “unholy trinity” (Peet et al. 2003) of the International Monetary Fund, World Bank, and the WTO, Colás nevertheless reminds us that neoliberalization is not simply something that is imposed on the “periphery” from the “center.” Rather, he argues that “developing countries are not hapless victims or passive objects of global neoliberalism; they are, like other states, populated by classes and social forces with their own interests and strategies” (Colás 2005: 78), engaging with neoliberalization with their own “local” agendas and contexts in mind. Echoing the work by Yves Dezalay and Bryant Garth (2002) on a range of Latin American states, and Jan Nederveen Pieterse (2004) on the US, the emphasis is on the networks *within*. This is a corrective to those accounts that appear to conceptualize neoliberalism as something that is external and imposed, as if it is a process that is authorless and without origins, springing fully formed and unimpeded from one location to another, with no relational sense of space.

In two of the chapters in this collection – those by Katharine Rankin and Yogendra Shaky, and Kim England et al. – the emphasis is on examining the means through which particular policies have ended up being introduced in the way they have, and with the effects they have, in specific places. This process of “fast policy transfer” (Jessop and Peck 2001) means that neoliberalization is actively produced in different places at the same time through the existence of *strong diffusion channels and distribution networks*. To ensure policies succeed, those involved in the production and reproduction of neoliberalization work hard to normalize it as a means of auditing, evaluating, and measuring success (M. K. Power 1998). Neoliberalism is experienced, performed, and practiced on a day-to-day basis by those who do the care work

or the development work that authors write about in their chapters, and by the chief executives with whom Kevin Ward spoke in his chapter on the internationalization of the temporary staffing industry. As David Wilson (2004: 773) explains it: “Neoliberal governance, then, is not prior to situated individuals or collectivities but creations from their ongoing initiatives within deeply textured social and political life.” In light of this stance, with neoliberalization understood as something that is produced in and through human actions performed in geographically discrete but deeply intertwined and interconnected places, the possibilities can be opened up for resisting and reworking neoliberalism.

Peoples

The third and final theme that runs through the book is that of peoples. Neoliberalization is an *embodied* process. Indeed, a large number of differently located bodies, socially and spatially, are involved in the production and promotion of neoliberalization. Neoliberalization from this perspective includes understanding it as purposefully embodying the seemingly insulated domain of elites – corporate managers, policy makers, and politicians – and authorless conventions and documents, all of which apparently flow around the world unimpeded. It also underscores how different kinds of bodies are involved in, and are constitutive of, matters of micro-political struggle. Humans and non-humans make up the networks in and through which neoliberalization is diffused, as new technologies make communication from one part of the world to another easier (Larner 2003), opening up the space for both “progressive” and “regressive” pursuits in relation to neoliberalization, as, for example, in the case of the World Social Forum. Moreover, Majone (1989) contends that “rule intermediaries” – analysts, consultants, and speculators who make sense of new political orthodoxies – often do so while hiding behind the construction of the economically rational actor, be it a person, a city, or a nation-state. These bodies can also be understood as citizens and as subjects (neoliberal subjects even), especially through the work that has sought to understand neoliberalization through the lens of governmentality (Kingfisher 2002; Ren 2005; Sim 2005). In their chapter in this book, Wendy Larner, Richard Le Heron, and Nicholas Lewis challenge the coherence of the neoliberal project, arguing that any accomplishment of subject-formation occurs through a diverse series of political projects which have not, and may

not, coalesce into a coherent, integrated political settlement comparable to the postwar Keynesian Welfare State. In his chapter, Kevin Ward documents the roles played by senior executives of the largest temporary staffing agencies, and the trade industries that represent their interests, in the making of flexible labor market norms. Other chapters also document the embodied nature of neoliberalization, from Catherine Kingfisher on the homeless Aboriginal men of Woodridge's downtown who become, in eyes of those who would deliver neoliberalism, out of place, to the investment promotion officials in Nick Phelps, Marcus Power, and Rosaline Wanjiru's chapter involved in the competition for foreign direct investment (FDI). While it is possible to identify a range of different bodies involved in neoliberalization, some "matter" more than others, because they have greater "wiggle room" due to a range of macro and structural factors, and have more resources – cultural, economic, social, etc. – on which to draw. Bourdieu (1998: 2) argues:

The... [neo-liberal] programme draws its social power from the political and economic power of those whose interests it expresses: stockholders, financial operators, industrialists, conservative or social democratic politicians.

Outside of this elite cadre, this *Homo davosiensis*, these state officials and multinational managers, are all the low-paid service workers (who are disproportionately women and racialized minorities) and child laborers who bring the political project to life, to make it real. In some cases the task at hand is to challenge neoliberalism, to question the very existence and inevitability of neoliberalization. In other situations, such as those outlined in Pete North's chapter, the emphasis is on working within neoliberalization, through the pursuit of different types of economic and social strategies. In North's case, community and workplace resources have been used to envision a version of the future that is constrained neither by neoliberalization nor by having to be couched as its alternative. Instead, the groups have attempted to realize their future through strategies such as non-monetary exchanges and progressive coalitions.

Conclusions

[N]eoliberalism is the defining political economic paradigm of our time (McChesney 1999: 7).

In recent years there has been an upsurge of work in human geography on neoliberalization. Working on a whole range of substantive areas – citizenship, crime, labor markets, migration, the environment, urban redevelopment, welfare reform – and from across the spectrum of epistemological and methodological stances, geographers have set about writing about neoliberalization. For some, the challenge has been to reveal the etymology of the word: its histories and its geographies. Others have sought to unpack it, to consider whether it should be regarded as something that does the explaining (an explanatory concept) or that needs explaining (descriptive concept) (Barnett 2005). For others still, the focus has been on exploring its policy and programmatic implications. In these examples, and there are many, and no doubt there are more still to come, studies of environmental politics or urban renewal, for example, are useful on their own terms as well as saying something about the wider neoliberalization processes. While some raise concerns about the value of this work (Barnett 2005; Castree 2006), it is nevertheless prevalent in human geography, and in cognate disciplines, and in many cases the insights that have been wrung out of single or multiple cases have deepened our understandings of the wider system of which they are part.

In this introduction we have attempted to establish the basis for the rest of the book, providing the reader with some signposts of what to look for in, and among, the specifics of individual chapters. From this overview we hope it is clear that once we move away from the most basic of definitions there is very little agreement over (i) what is meant by “neoliberalism”; (ii) what status “neoliberalism” has in the intellectual vocabulary; and (iii) what extra conceptual purchase academics gain when using the term “neoliberalism.” As we have worked on this collection it has become clear to us that as the use of the term escalates, so do the number of ways it is used and the meanings invested in it. For some (Larner 2003; Castree 2006), this proliferation reveals the fundamentally problematic nature of using grand abstractions, of seeing similarities where none exist. According to some who hold this view, neoliberalism is already being asked to do too much. If the intellectual purchase that neoliberalism might offer is to be retained, then, so it is argued, it should not be asked to explain everything everywhere. Going further, an argument has been made that, in and of itself, neoliberalism adds very little to understanding particular events, which are held to be contingent and context-specific. In generalizing – or connecting the general to the specific – very little is actually gained theoretically. While we would not agree in total with these viewpoints, they do

nevertheless act to caution those of us writing on neoliberalism to ensure that we are precise when we use the term, and to be clear on how using it adds value to other ways of making sense of particular phenomena. With these issues in mind, nevertheless, the two of us remain convinced that using the term neoliberalization provides a useful means of bringing into dialogue a range of academics working on different issues, in different parts of the world, and using different methods. We started the book not in the belief that the chapters would provide the different pieces of a single “neoliberal jigsaw.” Rather, we thought that each would, on its own terms, be revealing, and that alongside each other, points of connection and disconnection and relational geographies would become clear. All of which would speak to the ongoing scholarship about neoliberalization. We leave you, the reader, to judge whether we have been successful in this intellectual endeavor.

Part I

“Mainstream” Economic Development and its Alternatives

Introduction to Part I

Neo-liberalization is...“the extension of market rule and disciplines, principally by means of state power” (Tickell and Peck 2003: 165).

Underpinning much of the work on neoliberalization, as we explored in the introduction to this book, is the relationship between state, market, and civil society. This relationship has existed for many centuries in much of the world, and has always been one that is best understood as necessary and antagonistic. As Polanyi (1944: 57) wrote so lucidly:

[c]ontrol of the economic system by the market is of overwhelming consequence to the whole organisation of society: it means no less than the running of society as an adjunct to the market. Instead of economy being embedded in social relations, social relations are embedded in the economic system.

Of course, both state and market are highly variegated – there is no, nor has there ever been a monolithic state or market. As Hudson (2001) makes clear, there is no market without state intervention. And, of course, states need markets. What lies at the core of neoliberalization, so it's been argued (Peck 2001a, 2004; Brenner and Theodore 2002b), is the reworking of this relationship. Not the end of the state, not even an absolute rolling back, but rather the replacement of one historically and geographically specific state formation with another. So, in very general terms, what we have witnessed in a growing number of countries around the world has been an inverting

of the terms of this relationship. "Markets," and all that accompanies them, have been introduced into the state, pushing at the external edges and the internal demarcations. This has been demonstrated to matter in all manner of ways, from how the state internally is organized through to the conditions under which state workers labor, from the criteria against which its performances are evaluated through to the types of economic development programs it pursues. It is to the last of these that the two chapters in this first part of the book attend.

Focusing on the nature of economic reforms, and their consequences, in two specific geographical contexts, Mark Beeson, and Katharine Rankin and Yogendra Shakya both stress the particularities of their findings and how they have wider resonance. In both chapters, the authors recognize the relational nature of space. They draw our attention both to the ways in which the past continues in the present and that the present in one place is the product of relations with the present in distant places. For Beeson, his argument is that the organization of economic activity retains distinctive characteristics that are deeply embedded in the societies and political practices of the East Asian parts of the Asia-Pacific. State-led economic development remains the mainstream in the region, and there is little evidence that this situation is set to change, at least in the foreseeable future. That is not to say, however, that the imprint of neoliberalization, in the form of the programs advanced by Anglo-American nations and the international financial institutions, is not evident. It is. Rather, given the particular political economic development trajectories of the countries in this region of the world, neoliberalization à la East Asia will be very different from other members of its "ideological family." This is perhaps not surprising. As Peck (2004: 403) has argued, "neoliberalism . . . cannot . . . exist in pure form, but only manifests itself in hybrid formations." Nevertheless, ideas and modes of organization associated with neoliberalization are becoming more influential, and, as such, the terms under which future reforms are mediated are also likely to morph. Future neoliberalization might find a more receptive "local" economic, social, and political context precisely because of the particular forms of development pursued in the region in the past, although successive waves of neoliberal restructuring are also likely to foster not insignificant opposition by workers and those of the Left (Chang 2005), the expression of which will depend on the political expedience of ruling parties.

Rankin and Shakya also explore the economic development component of neoliberalization, through examining the politics around

microfinance in Nepal. Like Beeson, the authors focus on how neoliberalization articulates with national and subnational political-cultural formations, transforming the rules of the game and the lives of people in some cases, while at the same time generating spaces for critique and alternative imaginaries as its contradictions are revealed. Rankin and Shakya, too, examine neoliberalization at work in a country in which economic development has been state-led. Clearly different in many ways from the East Asia-Pacific nations detailed in Beeson's chapter, nevertheless there are discernible parallels between all the countries in terms of the stated end-objective being to replace the state-led by the market-led model of economic development. In the example of Nepal, Rankin and Shakya focus on the mainstreaming of microfinance as a technique for achieving this shift. They examine how it has been embedded into the economy on the foundations of an older and ideologically contrary apparatus of "development finance." Unpacking the details of this shift, which, like most of its kind, is found to be partial, uneven, and made up of inconsistencies, Rankin and Shakya consider the roles played in this process by three sets of stakeholders, each anchored at different geographical scales: state institutions, donor agencies, and local and international nongovernmental organizations. Those the authors spoke to revealed how the process of neoliberalization attempts to make the world conform, taking root through a myriad of routes, as we shall see in the next part of this book, in particular in national-institutional contexts. Rankin and Shakya agree with John Clarke (2004b: 30), who argues that "neo-liberalism tells stories about the world, the future and how they will develop – and tries to make them come true." Yet, Rankin and Shakya, concurring with the argument advanced by Beeson in his chapter, reveal how the life world is shaped by all manner of forces and projects, which obstruct the construction of an absolute and closed neoliberal project. They argue that acknowledging these alternatives and possibilities offers other, more progressive, imaginaries of the world in which we all live. The future of the places in which they conducted their field-work is connected to decisions made elsewhere, to the headquarters of the major funding agencies, for example, and this demands a need for a relational politics of responsibility (Massey 2005).

2

Competing Capitalisms and Neoliberalism: the Dynamics of, and Limits to, Economic Reform in the Asia-Pacific

Mark Beeson

The “Asia-Pacific” region occupies a distinctive place in the history of capitalist expansion generally and the consolidation of neoliberalism in particular. Depending on how the region is defined – and, as we shall see later in this chapter, this is not uncontentious – the Asia-Pacific region contains a number of countries that have been enthusiastic advocates of neoliberal reform, as well as many countries that have either actively resisted neoliberalism, or that have developed alternative forms of capitalist organization in which market mechanisms are less prominent. The “Anglo-American” economies like the United States, the UK, Australia, Canada, and New Zealand have generally favored a much more market-oriented economic system than their counterparts in East Asia, where governments have played a prominent role in actually controlling the impact of market forces (Zysman 1983; Weiss and Hobson 1995; Whitley 1999). Consequently, the Asia-Pacific contains a number of competing forms of capitalism, which makes this region a major site of contestation about the appropriate sorts of regulatory frameworks within which economic activity occurs.

To understand the significance and nature of this contestation it is necessary to say something about some of the most economically