

4 Advanced liberalism

Reflecting on fascism and Nazism in the immediate aftermath of the Second World War, a number of intellectuals began to challenge the rationale of any social state. In *The Road to Serfdom*, published in 1944, Friedrich von Hayek argued that those who advocated planning by politicians and experts in the interests of society were unwittingly embarking upon a road that could only lead to totalitarianism in socialist or national socialist form. When the state takes on itself the role of planning society, planning production, housing, transport, welfare, it becomes an instrument for imposing a morality. It inescapably violates the requirements for formality and generality required by the rule of law, in favour of substantive decisions about worthy activities and worthy persons. These then have to be rendered acceptable to 'the people' through all sorts of propagandist means. Intellectuals may claim to be able to take judgements about right and wrong ways of acting and behaving, and so to direct society, but such intellectual hubris is specious and self-serving: it subordinates the necessary pluralism of reason to the totalitarian claim to eternal truth. The only principles upon which true freedom can be based are those of classical liberalism, 'freedom to order our own conduct in the sphere where material circumstances force a choice upon us, and responsibility for the arrangement of our own life according to our own conscience'.¹

For Alexander Rüstow and the group of jurists and economists known as *Ordoliberalen* (from their association with the journal *Ordo*), a return to classic liberalism was not the answer. What was required was a neo-liberalism that had nothing to do with the revival of the old ideology of *laissez faire*.² The market was not a quasi-natural reality to be freed;

¹ Hayek 1944: 157.

² For my remarks on the *Ordoliberalen* I am drawing on Colin Gordon's discussion of Foucault's 1979 lecture on neo-liberalism in West Germany, the United States and France: C. Gordon 1987, 1991. Rüstow's project is framed in world historic terms in *Freedom and Domination: A Historical Critique of Civilization* (1980), commenced in 1937 and written whilst he was a political

rather it was 'incumbent on government to conduct a policy towards society such that it is possible for a market to exist and function'.³ The market economy had become degenerate, penetrated by monopolies, subsidies and government regulations brought about by the interventionist, protectionist and monopoly-fostering measures of the state. A framework of institutional and legal forms had to be assembled to free the market from these public and private distortions. But this was not enough. The historical transformation of labour into a commodity had made the worker dependent, and made work a monotonous and meaningless curse. This had facilitated the rise of barbarism, domination and violence, the eternal threats to freedom most recently incarnated in Nazism. Within a *Vitalpolitik* designed to create a life worth living, a new set of ethical and cultural values had to be created, not least within work itself, which would accord individuals and families the power to shape their own lives. If the powers of self-actualization were enhanced, individuals would defend freedom itself. In order to achieve this, as Gordon puts it, 'the whole ensemble of individual life is to be structured as the pursuit of a range of different enterprises', a person's relation to all his or her activities, and indeed to his or her self, is to be given 'the ethos and structure of the enterprise form'.⁴

It took some three decades for themes from these and other intellectual critiques to be taken up in Britain, Europe and the United States within political programmes that sought to overturn the logics of social government. The problem of government was, first of all, articulated in terms of the anti-competitive and anti-entrepreneurial consequences of government itself or, rather, of that form of government that had associated the optimization of social and economic life with the augmentation of the powers of the state. Shortly after her election in 1979, at the start of what was to be eighteen years of Conservative government in Britain, Prime Minister Margaret Thatcher posed this in terms of an antagonism between the powers of the state and the responsibilities of the people: 'the first principle of this government . . . is to revive a sense of individual responsibility. It is to reinvigorate not just the economy and industry but the whole body of voluntary associations, loyalties and activities which give society its richness and diversity, and hence its real strength . . . [We] need a strong State to preserve both liberty and order . . . [But we] should not expect the State to appear in the guise of an extravagant

refugee in Atatürk's Turkey; it originally appeared in three volumes in 1950, 1952 and 1957.

³ C. Gordon 1991: 41.

⁴ *Ibid.*: 42.

good fairy at every christening, a loquacious and tedious companion at every stage of life's journey, the unknown mourner at every funeral.'⁵ No longer was the state to accompany the citizen 'from cradle to grave', in the familiar slogan of welfare.⁶ The relation of the state and the people was to take a different form: the former would maintain the infrastructure of law and order; the latter would promote individual and national well-being by their responsibility and enterprise.

Of course, there was an economic rationale to this reconceptualization of the role of the state: the state had grown too large; it was undertaking projects that could better be accomplished by the private sector; its Keynesian attempts to sustain aggregate demand by deficit spending were inflating the money supply to fund public sector deficits and hence fuelling inflation; it was raising taxes to a level that penalized industry in order to fund a welfare system that sapped incentives to work.⁷ To govern better, the state must govern less; to optimize the economy, one must govern through the entrepreneurship of autonomous actors – individuals and families, firms and corporations. Once responsabilized and entrepreneurialized, they would govern themselves within a state-secured framework of law and order. The state can never have the information to enable it to judge and plan each micro-event in a free-market society. Only individual economic actors possess the information to enable them to make the best judgements on risks and potentials in order to guide their conduct; they must be freed to choose according to the natural laws of the free market on the one hand and human nature on the other.

The first responses to these changes in political rationality from those who placed themselves on the progressive side of politics were uniformly hostile. But over the closing two decades of the twentieth century, beyond the politics of the right, a new way of thinking about the objects, targets, mechanism and limits of government has taken shape which shares many of the premises of neo-liberalism. It entails a new conception of the inherent rationality of the different domains to which government must address itself – the market, the family, the community, the individual – and new ways of allocating the tasks of government between the political apparatus, 'intermediate associations', professionals,

⁵ Margaret Thatcher (1980): 10–11, quoted from Hall 1986: 127.

⁶ *Free to Choose*, Milton and Rose Friedman's (1970) attack on welfare state arguments, contained a chapter entitled 'Cradle to grave' that elaborated many of these arguments and suggested that the efforts of well-meaning reformers did not actually help the poor but benefited middle- and upper-income groups.

⁷ These arguments are examined in detail in Hall 1986.

economic actors, communities and private citizens. I term this new diagram of government 'advanced liberal'.

Some suggest that the contemporary reconstruction of government is an inevitable response to a transformation of the conditions that made social government and the welfare state possible. It is claimed, for example, that such solidarism had its economic basis in the kinds of collectivization of consciousness, identity and shared fate that were produced by 'Fordist' methods of production. As these have been dismantled in former welfare societies, the industrial working class has shrunk and the political base of support for a social state has disintegrated. And it is suggested that other changes, such as globalization, the information revolution, the end of the Cold War, the rise of ecological risks, the ageing of the population, the rise of individualism and active models of identity and the like, have also contributed to the necessity to rethink social government.⁸ But which factors are given salience, where and how? And how are they conceptualized and their consequences calculated? Government, as I have argued throughout this book, is a work of thought. And it was through thought, not through brute reality, that rationalities of social government began to crumble.

Already in the 1970s, both left and right were arguing that the increasing levels of taxation and public expenditure that were required to sustain what Marxists like James O'Connor termed the 'legitimation function' of the state – social, health and welfare services, education and the like – were a threat to the 'accumulation function', because they required penal rates of tax on private profit. What the left termed 'the fiscal crisis of the state' was formulated from the right in terms of the contradiction between the growth of an 'unproductive' welfare sector – which created no wealth – at the expense of the 'productive' private sector in which all national wealth was actually produced.⁹

In the United States, neo-liberals criticized the excessive government that had been developing since the New Deal and through the Great Society and the War on Poverty, with its large bureaucracies, its welfare programmes, its interventionist social engineering and the like. Big government interfered with the market, produced expensive and inefficient bureaucracies, led to excessive taxes and produced a bloated and corrupt political class and political apparatus. Welfare was also perverse in its effects, futile in its ambitions and jeopardized the very accomplishments on which it depended.¹⁰ There were attacks on the arrogance of

⁸ For one British example, see Giddens 1998.

⁹ O'Connor 1972; Bacon and Eltis 1976.

¹⁰ Perversity, futility and jeopardy are the three theses that together Albert O. Hirschman (1991) terms 'the rhetoric of reaction'.

government overreach and warnings of imminent government overload. There were diatribes against the inefficiencies of planning in picking winners counterposed to the efficiency of markets. There were, as we have seen, claims that Keynesian demand management stimulated inflationary expectations and the debasement of the currency. Both the Marxist left and the neo-liberal right argued that the social state had actually achieved little in the way of maximizing equality and minimizing poverty, insecurity and ill health. Indeed, many on the left agreed with the arguments put forward by neo-liberal critics of welfare, that public expenditure on health, housing and security were largely paid for by the poor and largely benefited the middle classes, that measures intended to decrease poverty had actually increased it and that attempts to advantage the deprived actually locked them further into disadvantage. Left liberal civil libertarians tended to agree with their neo-liberal opponents that the discretionary powers of welfare bureaucrats were incompatible with the rights of their clients, that welfare bureaucracies sought to further their own interests by making repeated demands for funding to extend their own empires, that they actually destroyed other forms of social support such as church, community and family and created not social responsibility and citizenship but dependency and a client mentality.¹¹ Whatever their other differences, all agreed that the belief in a social state guaranteeing steady and incremental progress for all citizens must be rejected.

Gradually, a new diagram of the relation between government, expertise and subjectivity would take shape. This would not be a 'return' to the liberalism of the nineteenth century, or, finally, government by *laissez faire*. It was not a matter of 'freeing' an existing set of market relations from their social shackles, but of organizing all features of one's national policy to enable a market to exist, and to provide what it needs to function. Social government must be restructured in the name of an economic logic, and economic government must create and sustain the central elements of economic well-being such as the enterprise form and competition. As this advanced liberal diagram develops, the relation of the social and the economic is rethought. All aspects of *social* behaviour are now reconceptualized along economic lines – as calculative actions undertaken through the universal human faculty of choice.¹² Choice is to be seen as dependent upon a relative assessment of costs and benefits

¹¹ These themes were elaborated by liberals and libertarians, by left-wing critics of state-inspired social control of deviance, and by right-wing radicals and neo-liberals: Murray 1984; Friedman and Friedman 1980; Adler and Asquith 1981. See, for an earlier version of some of these criticisms, C. Reich 1964.

¹² This view is given its clearest intellectual articulation in the work of the Chicago school of economists, notably Gary Becker (e.g. Becker 1976).

of 'investment' in the light of environmental contingencies. All manner of social undertakings – health, welfare, education, insurance – can be reconstrued in terms of their contribution to the development of human capital. Their internal organization can be reshaped in enterprise form. And the paths chosen by rational and enterprising individuals can be shaped by acting upon the external contingencies that are factored into calculations. The notion of enterprise thus entails a distinct conception of the human actor – no longer the nineteenth-century economic subject of interests but an entrepreneur of his or her self.¹³ The human beings who were to be governed – men and women, rich and poor – were now conceived as individuals who were *active* in making choices in order to further their own interests and those of their family: they were thus potentially active in their own government. The powers of the state thus had to be directed to empowering the entrepreneurial subjects of choice in their quest for self-realization.

We need to avoid thinking in terms of a simple succession in which one style of government supersedes and effaces its predecessor.¹⁴ Rather, we can see a complexification, the opening up of new lines of power and truth, the invention and hybridization of techniques. But nevertheless, the ideal of the 'social state' gives way to that of the 'enabling state'. The state is no longer to be required to answer all society's needs for order, security, health and productivity. Individuals, firms, organizations, localities, schools, parents, hospitals, housing estates must take on themselves – as 'partners' – a portion of the responsibility for their own well-being.

Marketizing economic life

Classical political economy effected a separation of a domain of 'economic' events with their own laws and processes from a 'moral' domain. Economic events were territorialized within a national space, seen as

¹³ Colin Gordon (1991: 44) puts it thus: 'The idea of one's life as the enterprise of oneself implies that there is a sense in which one remains always continuously employed in (at least) that one enterprise, and that it is a part of the continuous business of living to make adequate provision for the preservation, reproduction and reconstruction of one's own human capital. This is the "care of the self" which government commends as the corrective to collective greed.' For discussion of the idea of enterprise in British politics in the 1980s, see Keat and Abercrombie 1991 and Heelas and Morris 1992; I develop this argument myself in Rose 1992a.

¹⁴ This point has been made strongly by Pat O'Malley: see O'Malley, Weir and Shearing 1997; cf. my own discussion in Rose 1996c.

governed by laws and relations whose scope and limits seemed to map on to the territory of political rule. As they crystallized within nineteenth-century thought, 'economies' were organized within nations, limited by borders, customs and other restrictions on imports and exports, unified through a single supply of money, characterized by a set of functional relations between their components; and these unities were located in an external space within which they could engage in 'foreign trade' with other national economies. The responsibility of the political authorities for the security of a nation, a state and a people, came to be understood in terms of their capacity to nurture natural economic processes to ensure national economic well-being. Further, over the course of the nineteenth century and into the twentieth, the solidity of these national economies was increased by the regular publication of various national indicators of economic performance, and by the gradual tracing out of a plane of 'economic policy', which concerned itself with the proper ways in which the strengths of such an economic system could be enhanced: action on the money supply, on the labour market, together with tariffs and restrictions on imports and so forth, especially as national wealth came to be understood in terms of competition between discrete economies and their struggle to gain access to sources of cheap raw materials, cheap labour or lucrative markets outside their own territorial bounds.

The perception of 'the economy' which underpinned such endeavours is now undergoing a mutation.¹⁵ 'An economy' is no longer so easily imagined as naturally coextensive with the realm of a nation state, with different 'national economies' inhabiting a wider common field in which they traded, competed, exploited one another. Theorists and practitioners alike now construe economic relations as 'globalized', and this new spatialization of the economy is coupled with arguments to the effect that flexible economic relations need to be established in particular localities. There is a dispersal of the apparent unity of 'the national economy' on the one hand to supra-national, international networks of finance, investment, employment and trade, and, on the other, to infra-national, local and regional economic relations. New global institutions of economic governance such as the World Bank, the OECD and the European Union are seen as constraining or even supplanting

¹⁵ I have drawn on arguments developed by Barry Hindess (1994, 1998b) who develops this point in much more detail. For one influential US example, see R. Reich 1992. Of course, there are good arguments to show that the discourse of globalization vastly overstates the case: see Hirst and Thompson 1992.

the possibilities of national economic governance. The mobility of finance capitalism is perceived as weakening the possibility of political action shaping, let alone resisting, the pressures of markets. Overlaying this 'dialectic of the global and the local' are other trans-national spatializations of economic relations, such as the argument that there is a 'global economy' of 'world cities', in which Birmingham, Sydney, Baltimore, Budapest compete amongst one another for the economic benefit of company location, conferences, sporting events, tourism.¹⁶

Irrespective of the accuracy with which these trends are portrayed, the economic problems of government are rethought in terms of a revised image of economic space and the means by which it can be acted upon. It appears that, while national governments still have to manage the affairs of a country, the economic well-being of the nation and of its population can no longer be so easily mapped upon one another. Nor does it appear that they can be governed according to principles of mutual optimization in which a Beveridgean programme of welfare and security will provide the necessary instruments for the Keynesian management of the national economy. Government of the social in the name of the national economy gives way to government of particular zones – regions, towns, sectors, communities – in the interests of economic circuits which flow between regions and across national boundaries. In significant ways, the economic fates of citizens within a national territory are uncoupled from one another.

The social and the economic are now seen as antagonistic: economic government is to be desocialized in the name of maximizing the entrepreneurial comportment of the individual. This is not a politics of economic abstentionism: on the contrary, it is a politics of economic activism. Politics must actively intervene in order to create the organizational and subjective conditions for entrepreneurship. The organizational conditions: de-nationalization of publicly owned enterprises; minimization of rigidities in the labour market; ensuring ample availability of skilled labour; acting against all that which seeks to inhibit the freedom of the market. The subjective conditions: restructure the provision of security to remove as many as possible of the incitements to passivity and dependency; make the residual social support conditional, wherever possible, upon demonstration of the attitudes and aspirations necessary to become an entrepreneur of oneself; incite the will to self-actualize through labour through exhortation on the one hand and sanctions on the other.

¹⁶ Zukin 1991, Lash and Urry 1994.

The first version of these arguments was crudely but accurately paraphrased by Denis Meuret: 'If the economy is doing badly, it is because you are no longer up to taking risks – businessmen afraid to export, the unemployed who sit and wait for the dole instead of starting new businesses, cosseted state employees; we need to get the market to work again, to send schoolchildren on placement to industry so that they learn what their work is all about; above all, we need to stop thinking the State owes us a living.'¹⁷ But this neo-liberal argument was soon joined by a neo-social version: 'Look, we care about all our people and don't want anyone to suffer; we'll help the needy because we are concerned about them, but we must recognize the realities – we live in a global competitive market; only countries with flexible labour markets will be able to succeed. You cannot rely upon the state to provide you with unconditional security against risks and to protect you from the consequences of your own actions. If your business goes to the wall we can teach you the skills to manage a new business better; if you are unemployed it is because you lack the skills to make yourself employable; work is in any event the best way in which you can improve your own situation. It is not that we can't afford benefits but honestly they aren't doing you any good; they are just keeping you in poverty and sapping your self-confidence; have pride in yourself, get yourself trained, learn to present yourself to employers, appreciate the values of work and you and your country will both benefit. Our political responsibility is to provide you with training, combat discrimination, help with child care for lone parents, even to improve your rights and protections as a worker and at work. But your political responsibility as a citizen is to improve your own lot through selling your labour on the market.'

No longer is there a conflict between the self-interest of the economic subject and the patriotic duty of the citizen: it now appears that one can best fulfil one's obligations to one's nation by most effectively pursuing the enhancement of the economic well-being of oneself, one's family, one's firm, business or organization.¹⁸ Freedom, here, is redefined: it is no longer freedom from want, which might be provided by a cosseted life on benefits: it is the capacity for self-realization which can be obtained only through individual activity. Hence an economic politics which enjoins work on all citizens is one which provides mutual benefit for the individual and the collective: it enhances national economic health at the same time as it generates individual freedom.

¹⁷ Meuret 1981: 35.

¹⁸ Cf. Procacci 1991.

Fragmenting the social into a multitude of markets

By the 1970s, neo-liberalism took as its target not just an economy but society itself. All kinds of practices – health, security, welfare and more – were to be restructured according to a particular image of the economic – the market. Markets were seen as the ideal mechanisms for the automatic co-ordination of the decisions of a multitude of individual actors in the best interest of all. Hence these styles of governing sought to create simulacra of markets governed by economic or para-economic criteria of judgement in arenas previously governed by bureaucratic and social logics: the new techniques were those of budgets, contracts, performance-related pay, competition, quasi-markets and end-user empowerment.

In British ‘personal social services’, for example, the so-called purchaser–provider split separated the responsibility for identifying need and working out of a care plan, which was still to be undertaken by a social worker, from the provision of the required care. This was to be purchased in a quasi-market within which different ‘providers’ compete: state-funded operations, not-for-profit organizations and private profit-making enterprises. Other welfare provision was restructured in the form of quasi-autonomous ‘agencies’: the child support agency to chase errant fathers for contributions to their children’s upkeep, the pensions agency, even a ‘prison service agency’ to take on a function which Althusserian Marxists had considered essential to the repressive state apparatus. These processes were not to be regulated by intervening directly upon organizational processes or by relying upon professional or bureaucratic expertise. Government was to act indirectly upon the actions of these autonomous entities, by focusing upon results: setting targets, promulgating standards, monitoring outputs, allocating budgets, undertaking audits. Thus agencies are set targets – numbers of errant fathers to catch each week, number of fraudulent claims to detect and so forth – and their payment by government depends upon their meeting these targets. In the case of private prisons, the Prison Service acts as a customer, buying a certain number of daily places from suppliers, with places defined not merely as cells, but in terms of a standard of staffing levels, health care, catering and so forth – a whole ‘custodial service package’ managed by making the supplier accountable for performance and delivery.¹⁹

¹⁹ See Tonkiss forthcoming.

Through such techniques, advanced liberal strategies of governing seek to attack intermediate enclaves of power: fiefdoms of local government, enclosures of professional expertise, the rigidities imposed on labour markets by trades unions. This certainly autonomizes agencies and makes them responsive in different ways to those now constituted as their consumers. But it also tries to put in place new techniques of control, strengthening the powers of centres of calculation who set the budgetary regimes, the output targets and the like, reinstating the state in the collective body in a new way and limiting the forms and possibilities of resistance.

In this new dispensation, experts, as knowledge workers, no longer merely manage disciplinary individualization or act as functionaries of the social state. They provide information – for example, risk assessments – that enables these quasi-autonomous entities to steer themselves. They tutor them in the techniques of self-government – as in the burgeoning of private consultancies and training operations. They provide the information that will allow the state, the consumer or other parties – such as regulatory agencies – to assess the performance of these quasi-autonomous agencies, and hence to govern them – evaluation, audit. They identify those individuals unable to self-govern, and either attempt to re-attach them – training, welfare-to-work – or to manage their exclusion – incarceration, residualization of welfare. In short, ‘free individuals’, ‘partners’ and stakeholders are enwrapped in webs of knowledge and circuits of communication through which their actions can be shaped and steered and by means of which they can steer themselves.

Experts and bureaucrats

It is worth saying a little more about some of these advanced liberal strategies for governing the powers of experts and bureaucrats. For many centuries, one recurrent way in which the authority of authority was authorized was through the ethical formation of those who would wield such authority. Reciprocally, where the authority of authority was problematized, the answer was thought to lie in the reshaping of the ethical comportment of those who are in authority. In one formula, those who would wield power over others were required to demonstrate that they could first wield it over themselves in the form of self-regulation and self-mastery. Thus Peter Brown has examined the self-formation of privileged males in Rome in the second century AD and has shown that, amongst other practices upon the self, they were obliged to free themselves of any attributes that might imply or embody a

'womanish' lack of self-restraint.²⁰ Gerhard Oestreich has described the rise of neo-stoic ethics in Europe in the sixteenth and seventeenth centuries, stressing the cultivation of the inner qualities of self-mastery and self-control amongst those who would hold high office.²¹ With the rise of bureaucracy, as Max Weber argued, a novel ethos for the bureaucrat took shape. This was a certain ethic of office entailing delimitation of spheres of jurisdiction, impartiality, subordination to rules, hierarchy, documentation, decisions 'without regard for persons' and so forth.²² Along the same lines, Ian Hunter has argued that the governmental 'bureaux' that emerged in the context of state-building, especially where the legitimacy of the expansion of the powers and capacities of the state was subject to dispute, entailed a particular 'technology of existence': 'strict adherence to procedure, dedication to a special expertise, a "service" mentality, and the subordination of the "person" to the "office" are positive abilities only acquired through the mastery of specific ethical practices'.²³ Bureaucracy, that is to say, entailed a particular way in which authority and morality were fused in a particular vocation, an ethical mode of life conduct.

As we have seen, in chapter 2, the problem of 'government at a distance' in the nineteenth century led to an intense problematization of the ethical comportment of those who would govern, and the attempt to inculcate these ethical technologies through systems of training. Nonetheless, it is undoubtedly true that the practical ethic of the bureaucrat, the government agent and the civil servant often fell short of the ideals sketched out by Weber and Hunter. For the whole of this period, bureaucracy has been ridiculed, parodied and subject to criticism on the grounds of its pedantry, obsession with rule-following, dedication to the preservation of itself rather than to its practical outcomes for those who are dependent on it, its denial of democracy and much more. These criticisms were intensified because of the ways in which, over the course of the twentieth century, governmental bureaucracies and departments managed to enclose themselves, run themselves according to their own customs and logics, and make themselves resistant to being governed by others, not least to direction from political centres.²⁴ The machinery of social government in Britain, Europe and

²⁰ P. Brown 1989: 11.

²¹ Oestreich 1982.

²² Weber 1978: 956–1005.

²³ Hunter 1993: 262.

²⁴ This is discussed, using the specific example of the British National Health Service, in Rose and Miller 1992. I have drawn directly on this paper in the discussion that follows.

the United States was affected by these difficulties, which were made even more complex by the linking together of departments of central government, often at war with one another, and a whole variety of more or less peripheral and *ad hoc* agencies, associated in complex, fragile and mobile relationships and dependencies, and involving struggles, alliances and competitions between different groups for resources, recognition and power.²⁵ Those who staffed these assemblages of government claimed their rights to make decisions not on the basis of an externally imposed plan, or according to criteria reaching them from elsewhere, but according to professional codes, training, habit, moral allegiances and institutional demands. How were these bureaucrats and civil servants to be governed?

The nineteenth-century governmentalization of the state was accompanied not only by the growth in bureaucratic administration; as we have seen, it was also accompanied by the incorporation of experts into the machinery of political government. The devices of 'the welfare state' opened a multitude of new locales for the operation of expert judgements about investment in this or that ailing or up-and-coming branch of the economy, about interest rates and regional policy, about housing regimes and planning, about the best interests of the child and much more. The powers of experts were based on beliefs about the competence provided by knowledge and training, and also about the ethical values imparted by professional identity. Their deliberations were undertaken in obscurity in thousands of locales – bureaux of various types, benefit, social security and unemployment offices, case conferences and tribunals – and involved esoteric knowledges, references to research findings, professional rules and conventions, specialist interpretations of complex data. Experts were vital relays for social government, linking political objectives and personal conduct. But they too had enormous capacities to 'enclose' themselves and their judgements, to render themselves almost ungovernable. How were these experts to be governed?

Beyond planning

By the 1960s in Britain, the technological questions of how the machinery of government could itself be governed were already being sharply posed. The notion that efficiency and rationality could be achieved through mechanisms of planning crossed the boundaries of economic and social policy and the bounds of political party. The Plowden Report

²⁵ For Britain, for example, see Bulpitt 1986: 24.

of 1961 called for the use of public expenditure control as a means to stable long-term planning, with greater emphasis on the 'wider application of mathematical techniques, statistics and accountancy'.²⁶ A range of new techniques were invented by which civil servants and administrators might calculate and hence control public expenditure: the Public Expenditure Survey Committee (PESC), the use of cost-benefit analysis, of PPB (Planning, Programming, Budgeting) and PAR (Programme Analysis Review). Official documents like the Fulton Report envisaged these as gaining their hold upon the machinery of government through their inculcation into a professional corps of administrative experts, specialists both in techniques of management and those of numeracy.²⁷ Management, mathematics and monetarization were to render governable a bureaucratic complex in danger of running out of control.

But for neo-liberal strategies, these solutions were in danger of re-inventing the very systems of professional power that had produced the problems in the first place. The solution was not to seek to govern bureaucracy better, but to transform the very organization of the governmental bureaucracy itself and, in doing so, transform its ethos from one of bureaucracy to one of business, from one of planning to one of competition, from one dictated by the logics of the system to one dictated by the logics of the market and the demands of customers. These neo-liberal arguments were, however, just one factor in an international trend which became known as 'the new public management'.²⁸ In the new public management, the focus is upon accountability, explicit standards and measures of performance, emphasis on outputs, not inputs, with rewards linked to performance, desegregation of functions into corporatized units operating with their own budgets and trading with one another, contracts and competition, and insistence on parsimony maintained by budget discipline. This required a shift from an ethic of public service to one of private management. As Hood points out, the new public management, in various guises and to various degrees, was not an exclusive dogma of the neo-liberals: 'From Denmark to New Zealand, from education to health care, from central to local government and quangos, from rich North to poor South similar remedies were prescribed.'²⁹

²⁶ Chancellor of the Exchequer 1961, quoted in Klein 1983: 65.

²⁷ Committee on the Civil Service 1968.

²⁸ I have drawn upon Christopher Hood's work (especially Hood 1991) in my discussion here. See also the useful discussion in du Gay 1996.

²⁹ *Ibid.*: 8.

A series of experiments in governing were inaugurated that would radically reshape the assemblages of the social state in the interests of rendering them governable. Thus, in the 1980s in Britain, the 'Next Steps' programme of civil service reform replaced the Financial Management Initiative which had sought to govern through installing a hierarchical managerial structure, delegating management responsibilities within it, establishing clear lines of responsibility and inculcating a concern with the achievement of 'value for money' and the control of costs and subjecting the whole process to repeated evaluation.³⁰ In the Next Steps, monetarization and managerialism were to be replaced with privatization and marketization. The civil service would be reduced to a core, its functions would be privatized or hived off, the new agencies would compete in a market which would impose its own disciplines upon them. No longer would bureaucracy authorize itself through its ethical claims: it would focus on the delivery of services, and be judged according to its capacity to produce results. It would be governed indirectly, through contracts, targets, performance measures monitoring and audit. In the process, the subjectivity of the civil servant, the administrator and the bureaucrat would itself be transformed. They would be rendered accountable: but to whom?

Accounting and accountability

The new forms of accountability that were to breach the enclosures of expertise were strikingly similar to those which were used in the reconfiguration of the state apparatus.³¹ In the new regimes for managing universities, hospitals, social services and the like, and whether in the residual public sector, in quangos, quasi-private organizations or private providers of services, the fulcrum of governability was financial. Modes of financial calculation were imposed upon areas which were previously governed according to bureaucratic, professional or other norms. In this way, they would remake the relation between the political and the non-political in a new way, by translating 'public' objectives such as value-for-money, efficiency, transparency, competitiveness, responsiveness to the customer into 'private' norms, judgements, calculations and aspirations. The university department, the hospital speciality, the 'not-for-profit' organization delivering home care to the elderly were each

³⁰ On these changes, see *ibid.* and Zifcak 1994.

³¹ Peter Miller provides a series of extended analyses of many of these aspects of accountability, which I have glossed here: see for example Miller 1990, 1992 and 1994.

obliged to organize their activities as if they were little businesses. Their activities were recoded in a new vocabulary of incomes, allocations, costs, savings, even profits. A new financial rationality was thus thrown over the organizational life of these institutions and those who worked within them. Accounting was to prove a powerful technology for acting at a distance upon the actions of others.

This overlaying of financial rationality did not leave the organizations as they found them. Organizations had to be rendered accountable, and the terms of that accountability were not professional but those of accounting. They were reorganized, transformed into aggregations of accountable spaces, reshaped into cost-centres and the like, rendered calculable in financial terms. As Peter Miller points out, these abstract spaces were made material through physical redesign of organizational space, inscribed in new budget headings and divisions, instantiated in the structure of communication networks, built into organization flow diagrams, used to configure managerial responsibilities and so forth. The construction of calculable spaces 'makes it possible for the organization to be represented as a series of financial flows, enables the evaluation of these spaces according to a financial rationale and allows particular forms of action upon the component parts of the organization'.³² Each of these new calculable spaces required its inhabitants to calculate for themselves, to translate their activities into financial terms, to seek to maximize productivity for a given income, to cut out waste, to restructure activities that were not cost-effective, to choose between priorities in terms of their relative costs and benefits, to become more or less like a financial manager of their own professional activities. In this way, the technologies of accounting link political aspirations with individual actions and judgements 'by transforming . . . organizations into a complex of incessant calculations'.³³ The allocation of budgetary responsibilities to professionals requires them to calculate their actions not in the esoteric languages of their own expertise but by translating them into costs and benefits that can be given an accounting value. Accounting discourse gained a wholly new power in the management of expertise. In the process, experts and bureaucrats are subjectified in two ways: as *objects* of calculations and as *relays* for calculations: 'As object, calculations from a central point can be made of workers, managers, doctors, or teachers in attempts to assess their performance in relation to a specified standard. And as relay . . . individuals can be encouraged or required to evaluate their own activities and those of others through the calculative routines of accountancy . . . Calculative technologies

³² Miller 1992: 76.

³³ *Ibid.*: 67.

make it possible to render visible both the near and the distant activities of individuals, to calculate the extent to which they depart from a norm of performance, and to accumulate such calculations in computers and files and compare them.'³⁴

In the context of the raft of other elements of 'the new public management', this transformed the governability of professional activity. Whilst apparently devolving more decisional power to those actually involved in devising and delivering services in local sites, it renders those activities governable in new ways. The enclosures within which expertise could insulate themselves from 'political interference' in the name of 'professional autonomy' are punctured. New grids of visibility have been established, which render activities visible in terms of the relative cost of the same operation at different hospitals, the relative cost of street cleaning in different cities, the relative costs of producing one economics undergraduate at different universities. Each such decision is no longer unique: they have been made inscribable and comparable in numerical form, in figures that can be transported to centres of calculation, aggregated, related, plotted over time, presented in league tables, judged against national averages, and utilized for future decisions about the allocation of contracts and budgets. Arbitrary power appears to have been tamed and liberalized through the neutrality and objectivity of accounting. But if experts have, in the process, been rendered governable, this has changed expertise itself: financial vocabularies, grammars and judgements have infiltrated the very terms in which experts calculate and enact their expertise. And the apparent transformation of the subjective into the objective, the esoteric into the factual masks somewhat the weak knowledge base – the uncertain status, inescapably partial vision, lack of evidential support, history of failure, vulnerability to changes in fashion and convention and much more – of the new forms of expertise granted the power to objectify: that of accountants and managers.

The audit explosion

Audit has a key role within this complex of methods for the government of bureaucratic and professional expertise.³⁵ Indeed Michael Power has suggested that it would only be a slight overstatement to deem ours an

³⁴ *Ibid.*: 67–8.

³⁵ In this section I have drawn heavily on the lucid account developed by Michael Power, in particular on a paper presented to the London *History of the Present* Research Network in 1992, and later developed and published as Power 1994a and 1994b, and in a much extended form as Power 1997.

'audit society': a society organized to observe itself through the mechanisms of audit in the service of programmes for control. Audit – academic audit, medical audit, environmental audit, financial audit: the varieties proliferate – utilizes a rather mundane set of routines that purport to enable judgements to be made about the activities of professionals, managers, businesspeople, politicians and many others. Whilst audits of various sorts have been around for many years, within the new rationalities of advanced liberal government, audit, as Power points out, is transformed from a relatively marginal instrument in the battery of control technologies to a central mechanism for governing at a distance. In particular, its power derives from its capacity to act upon systems of control themselves as, for example, in the ways in which financial audits examine the control systems that organizations use to govern transactions, rather than the transactions themselves. Audit, as Power puts it, is the control of control.

As with the practices of accountability discussed above, government by audit transforms that which is to be governed. Rendering something auditable shapes the process that is to be audited: setting objectives, proliferating standardized forms, generating new systems of record-keeping and accounting, governing paper trails. The logics and technical requirements of audit displace the internal logics of expertise. The emphasis on defined and measurable goals and targets in the work that professionals do with their clients is an element within a much wider reconfiguration of methods for the government of specialist activities. As Power points out, these methods do not so much hold persons to account as create patterns of accountability. They create accountability to one set of norms – transparency, observability, standardization and the like – at the expense of accountability to other sets of norms. Indeed, accountability in itself becomes a criterion of organizational health. These arrangements retain the formal independence of the professional whilst utilizing new techniques to render their decisions visible and amenable to evaluation. They are entirely consonant with one key vector of the strategic diagram of advanced liberal styles of governing: autonomization plus responsabilization.

Audits of various sorts have come to replace the trust that social government invested in professional wisdom and the decisions and actions of specialists. In a whole variety of practices – educational, medical, economic, organizational – audits hold out the promise – however specious – of new distanced forms of control between political centres of decision and the autonomized loci – schools, hospitals, firms – which now have the responsibility for the government of health, wealth and happiness. Power suggests that audit is a technology of mistrust,

designed in the hope of restoring trust in organizational and professional competence. Yet it appears that the very technologies of mistrust perpetually fail to immunize the assemblages they govern from doubt. Mistrust is generated not only by the organizations and individuals pronounced unhealthy by audit, but also by those pronounced healthy that nonetheless fail. Hence the proliferation of audit serves only to amplify and multiply the points at which doubt and suspicion can be generated. Whilst audits have become key fidelity techniques in new strategies of government, they generate an expanding spiral of distrust of professional competence, and one that feeds the demand for more radical measures which will hold experts to account.

The shadow of the law

The United States has long utilized legal powers to regulate professional judgement and the fear of the law to pre-emptively shape their decisions and actions. The courts have created all sorts of duties for professionals: for example, the duty for a mental health professional to protect third parties against patients' violence was created in the California Supreme Court in 1976, and obliged those working in this area to reshape their calculations – and the documentation of these calculations – so that they were in a position to demonstrate to a court of law that they had taken into account the risk that their clients might harm members of the 'general public' or family members in recommendations as to confinement or release. In Britain these mechanisms have, historically, been less favoured: the courts themselves have tended to defer to professional expertise and political decision making, except in cases of sexual or financial misconduct. But we are now seeing a renewed emphasis upon the potential of a variety of legal and quasi-legal mechanisms to meet political obligations to address 'problems' – from discharged psychiatric patients to insider dealing – whilst refusing an extension of the politico-administrative machinery of the state.

The mechanisms of legal regulation are heterogeneous and fragmented. Politicians, professionals and consumer groups organize around the production of codes of professional conduct which specify various rights for users and clients. Struggles over the regulation of expertise occur not only in the courts, but also in campus sexual harassment offices, human rights committees and commissions, review bodies for appealing welfare decisions and in many new and diverse forums. Most of these legal procedures are not in themselves new. Nonetheless, in the current regime of distrust, they render the actions and judgements of professionals governable in new ways – and change

the terms in which they are construed, prioritized, justified, documented and enacted.

I am thinking here partly of the use of such statutorily specified and legally enforceable criteria as those governing minimum service standards and contracts specifying performance targets and outputs – numbers of patients to be treated, length of time a case must wait until dealt with, obligations for the relations between case managers, their clients and the providing organization and so forth. But I am also thinking of the ways in which professional activity in a whole range of fields has become structured by the obligation to documentation – the maintenance of information systems, registers, notes of all meetings, written statements of grounds for decision and the like – in the hope of making judgements defensible in an imagined future court case. Professionals must now act in such a way that that action might be, at some future moment, defensible in terms of the criteria and evidentiary requirements of another profession and body of expert knowledge, that of the law. The spread of this ‘litigious mentality’ ensures that ‘the shadow of the law’ itself acts as a means of managing professional activity. Professionals begin to add the possibility of legal action to the factors entering their judgements, decisions and recommendations. The impetus to defensibility shapes the actions of professionals, responsabilizing them in new ways, in new practices and according to new criteria.

Employees into entrepreneurs

For about 100 years, the labour contract and wage were central mechanisms for linking labour of individual into productive apparatus. Full-time, lifelong employment was the regulative ideal, although it was far from the universal form of work. This ideal, with its way of dividing employment and unemployment, of full-time work and the full-time wage, is currently under question. It is not simply that, across Europe, employment has become a precarious activity for many, and lack of employment a long-term reality for many more.³⁶ Nor is it only that an increasing number of people are employed part-time, and there has been a return to casualization, short-term contracts, zero-hours contracts, the growth of the ‘black economy’ and much more. Perhaps more significant is the fact that such economic insecurity is now given a positive value in economic strategies from a whole variety of political perspec-

³⁶ See Castel 1995. See, for one example, the way in which the OECD posed the problem of the labour market politics required for the 1990s (OECD 1990).

tives. Flexibilization is the name for this arrangement of labour when it becomes an explicit political strategy of economic government. It has a ‘macro-economic’ moment, consisting of contests over how much it is possible to minimize or dismantle everything that can be construed as ‘rigidities’ in the labour market. And it has a ‘micro-economic’ moment, in terms of struggles over the appropriate tactics to increase the flexibility of relations between the individual and the workplace.

The disciplinary space of the factory and the discipline of the wage and the labour relation were key junction points between the economic, the social and the subjective. Within this nexus, the labour of individual subjects was linked into economic flows, conduct was regularized, access was provided to all kinds of social benefits as a *quid pro quo* for regularity of employment. Labour, through the wage contract, regularized, individualized and disciplined the labourer. And labour linked the ‘family machine’ into the ‘productive machine’ by means of the male family wage and all that went with it. Hence a whole series of strategies were adopted, over the last fifty years of the nineteenth century and into the first half of the twentieth, to instil the norm of the working day and the working week, to effect decasualization of work, to draw a clear line between employment, with all the values and benefits that it commanded, and unemployment. Unemployment was to become the site of a whole new range of policies at the junction of the economic and the social domains.³⁷ These would seek to maintain the financial situation of those genuinely seeking work and to re-attach them to the productive machine through the labour exchange. And, simultaneously, these devices would act as classificatory machines, identifying those who were able to work but not willing to work, and opening them up for reformation or punishment. Regulations on the contract, on hours of employment, on conditions of work, on dismissal, on accidents at work and so forth made the labour relation a primary site of social governance: regulation operated through this ‘assemblage’ of labour, in the name of a joint optimization of the economic and the social. And, of course, wage discipline makes labour social in another sense, providing the conditions for struggles and resistances of all sorts.

The very image of work as regular, continuous and durable was forged in these processes. It may be the case that precarious employment is now on the rise. But, equally significant, such employment is no longer judged against the same the *ideal* of permanent, lifelong work. One great objective of techniques for the regulation of labour from the start of this century was to establish a clear division – spatial, moral, economic –

³⁷ On the history of the idea of unemployment, see Harris 1972.

between employment and unemployment. This division of work and life has not only become blurred at the level of reality, it has also become permeable at the level of images and strategies. The segmentation of time and space introduced by industrial capitalism with the disciplines of the clock and the factory is giving way to a more dispersed, but more intensive, inscription of the obligation to work into the soul of the citizen, not a reduction of the principle or ethic of work but, in many ways, its intensification. At the 'positive' pole of this shift lie the dreams of the integration of life and work made possible by new technologies of communication. At the 'negative' pole, which is undoubtedly more significant, the working relationship has become saturated with insecurity. Whilst the workplace once functioned as a secure site for inclusion, in the form of the lifelong career, the permanent job and so forth, the space of work can no longer be regarded as an automatic mechanism for the promotion of security. Rather, work itself has become a vulnerable zone, one in which continued employment must ceaselessly be earned, the employment of each individual constantly assessed in the light of evaluations, appraisals, achievement of targets and so forth – under the constant threat of 'down-sizing', efficiency gains and the like. Perpetual insecurity becomes the normal form of labour.

As the twentieth century draws to a close, politicians and experts of most political persuasions agree that lifelong 'social' labour cannot be re-activated as the primary mechanism for the social integration of individuals and families, and hence also that the promise of lifelong social support for those outside the labour market cannot be sustained. The political and economic problem, then, is understood in terms of the need to devise strategies that will retain the apparent economic benefits of flexibilization whilst minimizing their costs to individuals, families and communities and guard against the potential threats to public order without recreating the obligation for the state to support all those outside the labour market in perpetuity. These economic parameters shape the space within which residual 'social' policy will have to operate.

A new prudentialism

Genealogies of social insurance have traced the ways in which, over the course of the twentieth century, *security* against risk was socialized. I have examined some aspects of this in previous chapters. In the late nineteenth century, the respectable working man was urged to be *prudent*, an obligation which required him to take a range of active steps to secure himself, his family and his dependants against future misfortune: joining insurance schemes provided by trade associations or friendly

societies; later, contracting into private insurance schemes run for profit.³⁸ At the turn of the century, in most European countries, these voluntary relations of prudence – mutual or commercial – were further transformed with the implementation of national schemes of compulsory social insurance.³⁹ As European societies come to secure their security through a generalized technology of risk, the individual becomes a social citizen, a member of a collectivity, pooling his or her own risks across a lifetime.

Of course, the injunction to personal prudence on the behalf of oneself and one's dependants did not disappear over the twentieth century. But nonetheless, today, a strategic shift is occurring in the politics of security. Within the economic rationalities of advanced liberalism, social insurance is no longer seen as a socializing and responsabilizing principle of solidarity: not only does it not provide adequate security; not only does it represent a drain on individual incomes and on national finances; it also stifles responsibility, inhibits risk taking, induces dependency. Hence it actually exacerbates, rather than reducing, the division between the included and the excluded: it is not an agent of cohesion but of divisiveness on the one hand and passivity, indolence and idleness on the other. In this context, it appears, those who can provide for their own security will choose to do so by the application of their own funds to private health insurance, private pension schemes, investment and the like. Those who cannot will be subject to all the psychologically deleterious and financially inadequate consequences of the benefit culture. Hence all individuals, not just the well-off, would benefit if they took *upon themselves* the responsibility for their own security and that of their families. Individuals and families should insure against the costs of ill health through private medical insurance, should make provisions for their future through private pensions, should take an active role in securing themselves against all that could possibly threaten the security of their chosen style of life. Pat O'Malley has termed this 'the new prudentialism'.⁴⁰ It uses the technologies of consumption – advertising, market research, niche marketing and so forth – to exacerbate anxieties about one's own future and that of one's loved ones, to encourage each of us to invest in order to master our fate by purchasing insurance designed especially for us and our individual situation. There is obviously an industry of risk here, seeking out and creating markets for products in the interests of its own profit. But this is linked to a politics of risk, as

³⁸ Defert 1991, O'Malley 1995.

³⁹ Ewald 1991.

⁴⁰ O'Malley 1992. See also O'Malley 1996b.

politicians warn about the future of social pension and insurance schemes, and exhort responsible individuals to take primary responsibility for the management of their own security and that of their families by disposing of their current income in the interests of their own future contentment. The person who is to be made prudent is no longer mutualized but autonomized. Thrift is recast as investment in a future lifestyle of freedom. In this new configuration, taxation for the purposes of welfare becomes the minimum price that respectable individuals and communities are prepared to pay for insuring themselves against the riskiness now seen to be concentrated within certain problematic sectors.

Insurantal expertise is no longer a matter of actuarial wisdom, the assurance of stability and probity, and the personal relation with the contributions collector, but works through amplifying the very anxieties against which security is to protect, and promoting the dreams of tranquillity and a golden future which insurance can provide, through the use of all the techniques of advertising and marketing. Further, insurance agents now offer themselves as versatile advisers in the techniques of risk reduction and risk management. The ethics of lifestyle maximization, coupled with a logic in which someone must be held to blame for any event that threatens an individual's 'quality of life', generate a relentless imperative of risk management not simply in relation to contracting for insurance, but also through daily lifestyle management, choices of where to live and shop, what to eat and drink, stress management, exercise and so forth. These new logics of risk management fragment the social space of welfare into a multitude of diverse pockets, zones, folds of riskiness each comprising a linking of specific current activities and conducts and general probabilities of their consequences. This inaugurates a virtually endless spiral of amplification of risk – as risk is managed in certain zones and forms of conduct (e.g. shopping in malls scanned by security cameras; foetal monitoring; low-fat diets to combat the risk of heart disease), the perceived riskiness of other unprotected zones is exacerbated (high streets; unsupervised pregnancies; the uneducated dietary habits of children and the poor). The culture of risk is characterized by uncertainty, plurality and anxiety, and is thus continually open to the construction of new problems and the marketing of new solutions.

From disciplinary pedagogy to perpetual training

Education is no longer confined to 'schooling', with its specialized institutional sites and discrete biographical locus. The disciplinary individ-

ualization and normalization of the school sought to install, once and for all, the capacities and competencies for social citizenship. But a new set of educational obligations are emerging that are not confined in space and time in the same ways. The new citizen is required to engage in a ceaseless work of training and retraining, skilling and reskilling, enhancement of credentials and preparation for a life of incessant job seeking: life is to become a continuous economic capitalization of the self.

The idea of lifelong learning goes back to the 1970s.⁴¹ In its earliest formulations, its leitmotif was 'change'. On the one hand it was formulated in terms of the need to make every individual capable of adapting to the pace of technological change, and hence to be able to avoid the individual and social consequences of being left behind by the tide of change, unable to find work, unable to cope psychologically, condemned to an existence of premature redundancy or retirement. Here we see one set of pressures for a transformation in the attitude of individuals, employers, educators and politicians: there must be opportunities for 'a continuous process of retraining, from the cradle to the grave, designed to provide the individual with a feeling of autonomy in relation to work, and at work . . . [This might also help alter] the paradoxical situation where society is obliged to support a still able-bodied worker for whom active life has become unbearable.'⁴² On the other hand, there were pressures from employers' organizations, and from international economic organizations such as the OECD, concerned about the industrial and economic consequences of the rapid changes in technology for the labour force, and the need to produce workers who were able to accept the need for permanent reskilling and continual change in their working skills. Employers, unions and educators invested hope in the development of such policies of lifelong learning; industrial psychologists, consultants, training organizations, enthusiasts for universities of the third age and a whole host of psychological entrepreneurs invented, developed and marketed the technical and organizational forms that it would take; employers enjoined, and sometimes compelled, participation by their workforce.

These developments in the 1960s and 1970s were just one element in a whole slate of programmes and proposals in Europe and North

⁴¹ I draw here, once more, on the work of Jacques Donzelot (1981). Donzelot is writing specifically about France and the response of the OECD, but the situation – both problematization and solution – was much the same in other national economies.

⁴² *Ibid.*: 22.

America, including work reform and the humanization of work, that saw the transformation of the subjectivity of the worker as necessary in order to cope with the new challenges faced by the 'turbulent environment' of labour in the new economic conditions of technological change, competition from the newly emerging dynamic economies of the Third World and Japan and so forth. These combined with 'socio-political demands that production take as central the values of adaptability, innovation, flexibility, excellence, sensitivity to consumer pressures and the demands of the market'.⁴³ Whilst the new demands placed upon the labourer in the closing decades of the twentieth century continued these concerns with the reconstruction of the subjectivity of actual and potential workers, they were articulated in novel ways. In particular, they were organized around a different set of questions concerning the government of unemployment. Unemployment now was conceptualized as a phenomenon to be governed – both at the macro-economic level and at the level of the individual who is without work – through acting on the conduct of the unemployed person, obliging him or her to improve 'employability' by acquiring skills, both substantive skills and skills in acquiring work, and obliging the individual to engage in a constant and active search for employment. The general problem of unemployment is reconceived in terms of the respective competitiveness of different labour forces. National and international competitiveness was recoded, at least in part, in terms of the psychological, dispositional and aspirational capacities of those that make up the labour force. Thus each individual is solicited as a potential ally of economic success. Personal employment and macro-economic health is to be ensured by encouraging individuals to 'capitalize' themselves, to invest in the management, presentation, promotion and enhancement of their own economic capital as a capacity of their selves and as a lifelong project.

These understandings are not merely abstract or programmatic; they are embodied in the so-called active unemployment policies emerging in Europe, Australia and the United States. These stress 'active job search', maintaining 'job readiness' and avoiding the 'risk of dependence'; experts happily promote a whole range of little pedagogic techniques, training schemes, skills packs and so forth to seek to implant these aspirations in the unemployed self.⁴⁴ In the UK, the focus of argu-

⁴³ Miller and Rose 1995b: 449. Peter Miller and I discuss these programmes in more detail in this paper, where we argue that work has been, and remains, a crucial site for the problematization and reconstruction of identity in industrial democracies.

⁴⁴ Mitchell Dean has provided an illuminating discussion of these programmes: Dean 1995. See also Walters 1996 and 1997.

ment around unemployment came to be directed towards a question of 'skills' which was linked to conception of employment policy through the idea of an 'active labour market'. Activity now became an obligation of the labouring individual and an objective of policy. In the policies of the Conservative regime that held political office in Britain from 1979 to 1997, the final manifestation of this was the Jobseeker's Allowance. Unemployment benefits encouraged dependency, did nothing to encourage unemployed persons to change their conditions and actually served to reinforce the apparently ridiculous situation where the state actually supported people in their location outside the civilizing and motivating forces of work. The Jobseeker's Allowance which would replace it would 'improve . . . the operation of the labour market by helping people in their search for work, while ensuring that they understand and fulfil the conditions for receipt of benefit . . . All unemployed people will sign an individually tailored Agreement as a basic condition for receipt of benefit. This will help the jobseeker and the Employment Service to identify together the appropriate steps to get the jobseeker back to work and will provide the basis for further guidance and reviews of the jobseeker's efforts . . . the test of "actively seeking work" . . . will be broadened so as to encourage unemployed people to explore other ways of making their job search more effective (for example, preparing CVs)'.⁴⁵

These emphases do not merely come from the political parties of the right. From the social democratic left, too, work was now seen as the principle mode of inclusion, and absence from the labour market the most potent source of exclusion. In Britain, the Commission on Social Justice established by the Labour Party argued that 'paid work remains the best pathway out of poverty, as well as the only way in which most people can hope to achieve a decent standard of living'.⁴⁶ The Commission of the European Community asserted that 'income maintenance can no longer be the only objective of social policy . . . social policies now have to take on the more ambitious objective of helping people to find a place in society. The main route, but not the only one, is paid work'.⁴⁷ Thus a pamphlet issued by a British movement against the Jobseeker's Allowance, which called itself 'the Job Shirkers Alliance', was headed with the infamous words on the entrance to the concentration camp at Auschwitz 'Arbeit macht frei.'

⁴⁵ UK Department of Trade and Industry 1995.

⁴⁶ Commission on Social Justice 1994: 151.

⁴⁷ Commission of the European Community 1993; see the discussion in Walters 1997.

Training here became the major technology of re-attachment of the unemployed individual to the inclusory lines of control immanent in the activity of paid labour, and the labour market became the principle machine for inclusion. Labour becomes a switch point of the economic and the psychological: unemployment must become as much like work as possible if it too is to connect the excluded individual with the modalities of control which have come to be termed 'freedom' and 'choice'. Indeed it would not be too much to claim that, in the countries of the European Union, 'social' policy has come to be understood as policy around work: the regulation of working hours and working conditions, the rights and responsibilities of workers and employers, the creation of work and the promotion of policies of inclusion through work. Assistance, in the form of unemployment benefit, was perhaps the central 'right' of welfare states; now it is no longer a right of citizenship but an allowance which must be earned by the performance of certain duties, and labour alone is to be the means by which the poor can acquire the status of citizen – a status which is itself now increasingly a matter of consumption rights.

Making citizens consumers

In the styles of government that I have termed 'advanced liberal', the conception of the citizen is transformed. It became commonplace in the 1980s to hear talk of the 'active citizen' who was to be counterposed to the 'passive citizen' or the social state – the citizen of rights and duties, of obligations and expectations. The active citizen was not, in this version, the republican citizen, who would become so significant within later discourses of communitarianism, which I discuss in chapter 5. It was not a question here of active involvement in public affairs, in local democracy, in the conduct of politics. Rather, the model of the active citizen was one who was an entrepreneur of him- or herself. This was not simply a re-activation of values of self-reliance, autonomy and independence as the underpinning of self-respect, self-esteem, self-worth and self-advancement. It is rather that the individual was to conduct his or her life, and that of his or her family, as a kind of enterprise, seeking to enhance and capitalize on existence itself through calculated acts and investments. These shifts were located within a cultural field that I have outlined in chapter 2. This is marked by the proliferation of new apparatuses, devices and mechanisms for the government of conduct and forms of life: new forms of consumption, a public habitat of images, the regulation of habits, dispositions, styles of existence in the name of identity and lifestyle. In this new field, the citizen is to become a con-

sumer, and his or her activity is to be understood in terms of the activation of the rights of the consumer in the marketplace.

Consider, for example, the transformations in the relations of experts and clients. Whilst social rule was characterized by discretionary authority, advanced liberal rule is characterized by the politics of the contract, in which the subject of the contract is not a patient or a case but a customer or consumer. Parents (or children – the issue is contested) are consumers of education, patients are consumers of health care, residents of old people's homes are in a contractual relation with those who provide care, and even those occupying demeaned categories (discharged prisoners shifted to halfway houses, drug users in rehabilitation centres) have their expectations, rights and responsibilities contractualized. Of course, these contracts are of many different types. Few are like the contracts between buyer and seller in the market. But, in their different ways, they shift the power relations inscribed in relations of expertise. This is especially so when they are accompanied by new methods of regulation and control such as audit and evaluation. Some contractualization enhances the possibilities of political control over activities previously insulated by claims to professional autonomy and the necessity of trust – as, for example, when contracts specify the delivery of a certain quantum of medical care or a certain volume of completed cases. Some contractual forms provide new opportunities for users and clients of professionals who are able to contest 'patrimonial powers' by insisting on specified services and agreed standards, and having new sanctions if they are not provided.⁴⁸ Some, like the contracts used for clients in psychiatric wards and other residential establishments, shift responsibilities to users for their own condition and for the personal comportment and behaviour necessary to receive care, and thus bind them into professional powers and expert norms in new ways. The politics of the contract becomes central to contests between political strategies concerning the 'reform of welfare', and to strategies of user demand and user resistance to professional powers.

Active citizenship?

If neo-liberal political rationalities began the process of challenging and transforming social government in the late twentieth century, it was in part because of their consonance with the new regime of the self that I outlined in chapter 2. For it was, initially, the right, and not the left, that managed to render this regime technical, that is to say, to find ways

⁴⁸ Yeatman 1995.

to govern in accordance with the new ethics of the subject. But as the twentieth century draws to a close, political reason from all quarters no longer phrases itself in the language of obligation, duty and social citizenship. It now justifies itself by arguing over the political forms that are adequate to the existence of persons as essentially, naturally, creatures striving to actualize themselves in their everyday, secular lives. Within such rationalities, it appears that individuals can best fulfil their political obligations in relation to the wealth, health and happiness of the nation not when they are bound into relations of dependency and obligation, but when they seek to *fulfil themselves* as free individuals. Individuals are now to be linked into a society through acts of socially sanctioned consumption and responsible choice, through the shaping of a lifestyle according to grammars of living that are widely disseminated, yet do not depend upon political calculations and strategies for their rationales or their techniques.

Advanced liberal forms of government thus rest, in new ways, upon the activation of the powers of the citizen. Citizenship is no longer primarily realized in a relation with the state, or in a single 'public sphere', but in a variety of private, corporate and quasi-public practices from working to shopping. The citizen as consumer is to become an active agent in the regulation of professional expertise; the citizen as prudent is to become an active agent in the provision of security; the citizen as employee is to become an active agent in the regeneration of industry and much more. Even in politics, through new techniques such as focus groups and attitude research, the citizen is to enact his or her democratic obligations as a form of consumption. But this citizen was not to remain the isolated and selfish atom of the free market, the single-minded pursuer of purely personal interest and advantage. The citizen was to be located in a nexus of ties and affinities that were not those of the social, but appeared to have a more powerful, and yet more natural, existence: community.