Article

Race, the Condition of Neo-Liberalism

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Abstract: This article addresses the social and historical relation between Chicago School neo-liberalism and contemporary racism, and its connections with the formations of racism in classical liberalism and its colonial character. I show the pragmatic and discursive operations of neo-racism in the context of this shift to a neo-liberal discourse, drawing particularly on Michel Foucault’s seminars, Society Must be Defended, and Birth of Bio-politics. Insofar as “race” cannot be understood as a discrete category outside its social, economic, moral, and political embeddedness in liberalism, I argue that methodological individualism and expectations of high-specialization constrain the theorization of race in U.S. scholarship. Racial lines will continue to be (re)excavated, borrowed, or inscribed afresh to channel, reinforce, and institutionalize the social violence that neo-liberalism must unleash.

Keywords: neoliberalism; race; Foucault; liberalism; internal racism

This article analyzes the social and historical relationship between Chicago school neo-liberalism and contemporary racism, or what some have called neo-racism (Balibar 1991; Bonilla-Silva 1997; Goldberg 1993, 2011), in light of the formation of racism in the colonial origins of classical liberalism. I will be discussing racialization through the thought/works of Michel Foucault, who locates race in the historical formations of liberal ideology and governmental practice. I will then move on to pursue the ramifications of the constitutive raciality of liberalism into post world war II neo-liberalism. My emphasis is on the seeming coincidence that an extreme discourse such as American neo-liberalism should originate in a country where a racial schism runs deep in the social consciousness. I am arguing that the historically entrenched sociological condition of race, and its punitive ferocity, make possible the extreme metaphysics of American neo-liberalism. The latter, in turn, engineers a form of racism that operates effortlessly, if viciously, under the cover of a post-racial epoch.

1. The Concept of Race

In recent years, there has been some pioneering critical work on the production and formations of race in neo-liberal practices. This scholarship demonstrates that race incorporates into, and legitimizes the exclusionary structure of contemporary societies that maintain high tech late modern lifestyles in communities fortified against all kinds of insecurities, while barricaded against a growing underclass abandoned and left at complete risk (see Young 1999; Goldberg 2011; Dupuis and Thorns 2008; Hadis 2014; Giroux 2012). Racial marking helps to legitimize systematic exclusion, and to violently suppress this underclass in a putative pursuit of law and order. At the same time, scholars have amply demonstrated that this affinity with racism is not novel to neo-liberalism, but has indeed been constitutive of the liberal discourse, since its early moments in Hobbes and Locke, and in the heights of the Enlightenment philosophy of Hume, Kant, and Voltaire (Eze 1997; Bernasconi and Mann 2005; Goldberg 1993).

Critical literature on the racial underpinnings of liberalism is, however, far removed from “mainstream” sociological conceptions of race relations that habitually see racism as a problem of prejudice that is being gradually overcome through education and historical progress (see Feagin 2006; Miles 1993; Goldberg 1993). This discourse is understandably confronted by a social
reality where one account after the other shows that racism today operates through denial, is couched effectively if ironically in the language of civil rights, and covertly produces color-based discrimination precisely by advocating a colorblind framework and a language of non-discrimination (Gallagher 2003; Zuberi and Bonilla-Silva 2008; Gilroy 2000; Bonilla-Silva and Baiocchi 2001; Alexander 2012). Paradoxically enough, using race to make a case for social discrimination and inequality only attracts charges of reverse racism, even a “McCarthyism of the left” (D’Souza 1991, p. 195); and popular support against race-based discrimination it seems can only be won by eschewing any mention of race (Delgado 2012). Contrariwise, a heavily racialized imagery motivates conservative policy initiatives even as it is extensively coded by legal experts in a language of equality and fairness. Be it for the conservative racist or the anti-discrimination activist, “race” cannot be mentioned—at least not publicly. As some analysts observe, it is an “elephant in the mind” (Carbado and Harris 2008). Furthermore, progressive ethnographers otherwise sympathetic to the cause of the racially oppressed seem to find themselves in moral and discursive binds, where they risk reinforcing the same oppressive social logic whose consequences they apparently challenge (Wacquant 2002).

At a loss to explain these paradoxes, contemporary theorists of race in the United States (US) are a rather divided and disorderly house. On one hand, there is a case for the declining significance of race (Wilson 1978). Notwithstanding the shades in Wilson’s argument, it is belied by outrageous differences by race in incarceration rates, wealth and income standards, exposure to environmental hazards, police shootings, and all kinds of racial profiling (see for example, Alexander 2012; Bullard 2000; Wacquant 2001; Feagin 2006). On the other hand, there is a case of systemic racism and an assertion of race as a structural determinant of US society (see Omi and Winant 1994; Alexander 2012; Goldberg 2011; Bonilla-Silva 1997; Feagin 2006; Giroux 2012). Thus, Omi and Winant (1994) in their “racial formation” theory argued that race was a primary principle of social organization in the United States. They saw racism being deployed for a war of position, as opposed to the overt conflicts that characterized the earlier period. Although a breakthrough in American sociology, this approach could not but resign into an idealism, which rests the onus on policy choices and whims of the US political leadership (see also Carbado and Harris 2008). Feagin makes an even more forceful argument of systemic racism, where whites’ historical and continuing power, wealth, and status in American society directly corresponds with the crushing of colored people. “Mainstream” sociological approaches, Feagin argues, miss “the reality of this whole society being founded on, and firmly grounded in, oppression targeting African Americans (and other Americans of color) now for several centuries” (p. 7). Bonilla-Silva’s argument of colorblind racism—a form of racism that operates covertly, and in denial—likewise demonstrates the subterfuges and feints through which racism and discrimination continue to thrive notwithstanding civil rights legislation.

The importance of the historical dimension, demonstrated by these scholars, in the material, legal, and ideological infrastructure that continues to shape the perceptions as much as the reality of race in the United States cannot be over-emphasized (see also Alexander 2012; Wacquant 2000). However, albeit critical by intention, this scholarship frequently assumes “race” as an attribute of the body, which disguises the fact that “race” is in its very foundations an epistemological category of colonial and capitalist domination. As Miles argues, they “implicitly (and often explicitly) endorse common sense . . . and hence sustain an ideology which Barzun called a ‘Modern Superstition’ . . . and which Montagu described as ‘Man’s Most Dangerous Myth’” (Miles 1993, p. 47). “Any analytical use of the idea of ‘race,’ disguises the fact” that the idea of “race” is “essentially ideological” (p. 45).

1 Wilson’s argument is relativistic since he argues the growing significance of “class” as opposed to ‘race’. However, he fails to provides us a theory to analytically differentiate the two ‘categories’ or indeed to show how they converge. Thus, his argument for the “declining significance of race” has to be taken at face value.

2 Paul Gilroy’s (Gilroy 2000) account also has an idealist bend, which puts too much emphasis on cognitive transcendence of color-based racial lines.
The problem is similar to the flaws in the common distinction between gender and sex in feminist scholarship. As Butler (2002) importantly argues,

“gender is not to culture as sex is to nature; gender is also the discursive/cultural means by which “sexed nature” or “a natural sex” is produced and established as “predisursive,” prior to culture, a politically neutral surface on which culture acts” (p. 11).

Likewise, if race is a product of capitalist and colonial domination, having actually little to do with skin tones and body types per se, then racialization as a critical concept must persistently disengage from ever-changing popular and statist racial categories. Perennial vigilance against these habits of thought, folk-concepts that make deductive truth out of the particularities of a hegemonic American society and academia, is an uphill but essential task (Bourdieu and Wacquant 1999).

Toward these ends, in this analysis I will draw extensively from two of Michel Foucault’s lectures at the College de France: (a) the elaboration of the history of race in his 1975–1976 lectures, Society Must be Defended (Foucault 2003); and (b) his 1979 lectures on neo-liberal governmentality, Birth of Biopolitics (Foucault 2008a). The advantage of discussing race with Foucault is his near aloofness to the epistemological temptation of categories of physical appearance. One only has to see cases such as the Jews in Europe, the Burakumin in Japan, or caste in India, among so many other instances, that physical features are more or less invented, arbitrary, and changing signifiers of distinction produced by in-group interests and biases (Deliege 1992; Wagatsuma 1972; Gilman 2000).

By staying away from racial physiology, Foucault is able to locate racialization as an attribute of the practices of government and capital accumulation, a continuum across the boundaries of the nation. Foucault’s argument is in some respects comparable to Cox (1948), Miles (1993), Balibar (1991), and Goldberg (1993) emphasis on the significance of race in the ideological and material operations of colonial exploitation. However, his observations extend beyond the colonization and exploitation of labor, to include the pragmatics of social control and demonstrate racialization also on the hither side of the ethnic or national community. This, as we will see, is singularly important in the operations of race in the exclusion, criminalization, and stigmatization of a growing global underclass, and the mass deception that presents the structural violence of global poverty as a moral and cultural depravity of the disenfranchised (Steinberg 2001; Young 1999; Goldberg 2011; Giroux 2012).

2. The Two Shades, Two Areas of Racism

In his famous 1789 pamphlet on the third estate, says Foucault, the Abbé Emmanuel Joseph Sieyes reasoned: “What is the third estate? Everything. What has it been heretofore in the political order? Nothing. What does it demand? To become something herein” (Foucault 2003, p. 217). In the emergence of this discourse—a multiplicity of speech acts that pull together to organize perception—Foucault locates the birth of the modern nation and, as we shall see, of “race.” The nation, an entity that heretofore did not exist outside the figure of the sovereign, is here recognized in the body of the third estate, the people, their enterprise and industriousness. This is the moment where the third estate comes to recognize that it bears, in itself, all the functions and apparatuses required to constitute, to be the nation. And so, the nation heretofore arrested in the figure of the king and defined in reference to external forces in wars, treaties, and so forth becomes self-referential and is redirected into its own body. It becomes a positive project to be achieved in the constitution of its body as a robust state, in its “ability to administer itself, to manage, govern, and guarantee the constitutions and workings of the state and of state power” (Foucault 2003, p. 223).

Two sets of tactics come to be deployed for the administration of the population in the emergence of the modern state: disciplinization at the level of the micro-physics of the body, and statistical regulation at the level of the population or the society. The two tactics act in unison, and often in mutually reinforcing ways to make the government of the modern state. The administrative change in society is concomitant with a change in its goals. The pre-modern notion of national sovereignty, argues Foucault, was auto-referential: the end of sovereignty was the exercise of sovereignty, the touchstone
of the common good were the laws themselves. In governmentality, however, laws are tactically driven towards ends that are outside them. Citing Guillaume de la Perriere—“government is the right disposition of things, arranged so as to lead to a convenient end” (p. 208)—Foucault (2003) argues, … convenient for each of the things that are to be governed. This implies a plurality of specific aims: for instance, government will have to ensure that the greatest possible quantity of wealth is produced, that the people are provided with sufficient means of subsistence, that the population is enabled to multiply, and so on (p. 210).

The modern state is thus constituted in reference to an abstract idea of surplus maximization, or quantitative achievement in terms of standardized and convenient conceptions of “the thing” (and human relation to “things”).

In this analysis, the evolution of the modern state as the good, powerful, legitimate national body is predicated on the deployment of bio-power as a rationality of a detailed and exhaustive classification of people. The cultivation and promotion of the good social body requires a continuous engagement of the body with itself, distinguishing its good, superior parts from the diseased and inferior. Such classification is the condition for the formation and exercise of bio-power. Here, in the process of social fragmentation as a prerequisite of governmentality, Foucault locates racialization: “The first function of racism: to fragment, to create caesuras within the biological continuum addressed by bio-power” (p. 255).

So far so good. But why does this project of differentiation become so important at this particular time? What political, economic, and moral circumstances make it necessary and possible? What discourse unifies these different aspects? Let us continue with the last question. There are multiple responsibilities or operations expected of this discourse. First, it has to promote an economic rationality of wealth generation and accumulation, which spectacularly characterizes the times. Second, it has to carry the moral valence of the ideas of equality and justice, while producing new differences. That is, it has to host a democratic rhetoric, which eschews the principle of natural difference within the nation, such as that of “blue blood,” and build space for a new structure of social differences. Thirdly, it has to manage the encounter with the colonies, build legitimacy while exploiting and extracting surplus. This discourse is liberalism—simultaneously a political, economic, and moral discourse (see Foucault 2003; see also Burchell 1991; Dean 2001; Lemke 2001). It is the privileged form in which the “modern” presents and represents itself.

This social order motivates the body of the nation through imperatives of material and cultural progress, simultaneously advocating a pragmatic social stratification. The previously “natural” and hereditary differences in social ranking here give way to a logic of differences apparently justified in a social space defined by “freedom.” As in any other era, of course, the distinction by wealth or “earnings,” so to speak, first inscribes itself as an aesthetic differentiation, marked in social space through geographical, moral, and cultural insignia.

However, unlike previous states, the liberal nation continuously presents itself as a work in progress, charged with bringing freedom and wealth to every one of its citizens in due time. Thereby, it presents itself with an obligation to continuously improve on the people, measure achievements, classify and add value to people and things alike. This pertains to governmentality, involving the twin practices of disciplinization, and social stratification, including the production of the mad, the dangerous, the unproductive, the lazy, the weak, and so on, as unworthy social groups (see Foucault 2003; Burchell 1991, 1993; Dean 2001; Gordon 1991). This is racialization on the hither side of the nation.

Such racialization, however, is intimately tied to the production of the other “race(s)” on the far shore. The discourse of “race” is born from the contradictions of the colonial dimension of liberalism. Without “race,” this discourse could never negotiate an inevitable dichotomy of dispositions—that is, to putatively shift from an apparently benevolent figure invested in the material and moral development of its citizens into a colonial agent of murder, war, and subjugation for the outside. As Foucault (2003) says, how could bio-power, which characterized the modern logic of state practice,
exert the conventional sovereign authority to wage war, kill, and suppress, unless for a discourse of racial difference (p. 257)? The other had to be marked by racial difference.

The other race was marked by lack. Evident in a lack of military prowess, economic development, and moral and physiological qualities, such lack was simultaneously a cultural product and an essential deficiency in the people. The evident lack could not but be empirically traced to dispositions emanating from culture and habit (biologically rooted or not)—lack of working culture, sexual promiscuity, moral incontinence, uncontrolled breeding, indiscipline and bad faith. This self was entitled to political rights and freedom as opposed to the irrational, child-like other, who could not be trusted with moral behavior and hence was deserving of enslavement and colonization. Thus, John Locke’s passionate defense of the English man’s “inalienable rights,” vis-à-vis the monarch is systematically based on the demonstration of his adulthood, his rational ability to territorialize nature as private property. Native Americans, Africans, or Asians mark the lack, the negative referent of this positive essence of the Englishman as a rational adult (see Bernasconi and Mann 2005; Higginbotham 1978; Locke 1982).

Hobbes’ nonchalant defense of slavery and Locke’s recognition of the adult, rational human only in the appropriation of private property demonstrate the production of “race” in the formative moments of political liberalism, but this exigency continues to the height of the Enlightenment philosophy of Voltaire, Hume, and Kant. The brazen, self-evident inferiority of the other is the condition of liberalism’s epistemological certainty. Hume concludes: “There never was a civilized nation of any other complexion than white . . . No ingenious manufactures amongst them, no arts, no sciences . . . NEGROE slaves dispersed all over EUROPE, of which none ever discovered any symptoms of ingenuity” (Hume 1768, p. 235n). Kant emphatically concurs and adds: “The Negroes of Africa have by nature no feeling, which rises above the trifling” (Kant 2003, p. 110). Kant’s interest in the relations between geography and anthropology as studies into man’s external and internal nature is by no means peripheral to the structure of his thought (see Eze 1997). As Foucault avers in his study of Kant’s Anthropology (a subject Kant continued to teach till his retirement), these empirical observations seem “secretly indispensable to the structure of Kantian thought; something like the seed of pure reason, the deep-rooted origin of its transcendental illusions” (Foucault 2008b, p. 65).

The racialized and colonial social space provides an ideal setting and occasion for liberalism to express its different sides. On one hand, racial insignia represents a radical separation of geographical and social space, which allows full-blooded expression of the sovereign right to kill, plunder, and exploit for the nation’s commercial and political interests. National capital thus has a colony, over whose raw materials, labor, and market, it has absolute control. At the same time, it is an ideal site for the expression of governmentalization. Here the modern state can express its imperatives and mechanism of discipline, stratification, and control, with urgency, and with a heavy hand. Thus, the colonized territory or subject was the privileged marker of the racial other, in which contradictory dispositions of liberalism could simultaneously express, elucidate, and negotiate between themselves. Domination over the other also provides a reason, an agenda, enables a social project for domination within the nation. The marking of the “other” race, at the same time, fuels the project for the regulation and improvement of “this” race, whose wretched represent the potential historical and civilizational perils of all that is despicable in the “other” (see also Dean 2001; Burchell 1991; Procacci 1991). The two fields of domination constitute grounds for each other.

Indeed, the more forthrightness and moral urgency that the colonial power demonstrated in its mission of governmentalization, the more leverage it could gain for its sovereign authority. As the many debates and political movements of the 19th century indicate, and the unfolding of world history in the 20th century would suggest, the political expediency of colonial domination within the frame of a liberal discourse was never a smooth task (Foucault 2003). In any case, modern racism reached a climactic turn in the early 20th century, particularly in the extreme racism of Nazi Germany within

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3 See paragraphs 37, 43, 49, 86, and 180 of Locke’s second Thesis on Government.
Europe. The apparent absence of superficial physiological distinctions by no means prevented racism from seeing in the Jew a condensed embodiment of evil—their internal, moral state, and scheming nature, but reflected in their “disgusting skin diseases,” “muzzle-shaped mouth and face,” or indeed their hawkish nose (Gilman 2000, p. 232).

The events of the Second World War, historic political assertions of the anti-colonial movements across the globe, the civil rights movement in the US, and many other assertions of social equality in the workers’ movements, the feminist movements, and socialist projects ensured that the old racial rhetoric simply became inefficacious. The liberal operationalization of race as simultaneously a deep difference that would allow for absolute mastery and exploitation, and the smug charitable mission of civilizing the other as a hapless victim of habits and misfortune which gives it moral authority is now redundant (Foucault 2003). So, how does racism now operate in a time when race has apparently been transcended, or nearly so, in state policy as well as in everyday social relations?

In general, race now retracts from its external orientation, and is increasingly internally directed. The wretched other is, in fact, the geographically co-present racial other. So we must cast another look at the internal operations of racism. That is: to create distinctions within the social body, measure the population in its varied characteristics, stratify it, separate the superior, the rational, and useful, from the socially incompetent and dangerous. The reasoning and ends are simultaneously aesthetic and metaphysical. The project is to promote a normative aesthetics and disposition that is oriented to economically rational behavior, and the convenient consumption of its rewards. This disposition is meant to be constructed through disciplinary technologies. Those that fail must be removed from the public gaze, either by confinement as in the United States or simply thrown out of the sight of the “tourists” and “honest citizens,” as is the case in Delhi, for example. Thus, in a series of proceedings for aggressive demolition of slums and the eviction of millions from Delhi, to make it more like London, Delhi’s high court ruled: “The right of honest citizens [who ‘pay handsome price for acquiring land’] . . . cannot be made subservient to the rights of encroachers [‘unscrupulous elements’]” (Ghertner 2012, pp. 1168–78). “Everyday depictions of slums as dirty, uncivil, out of place” thus become statutory (p. 1162). This is a global process, as Goldberg (2011) argues:

Those thus seen as threatening to disrupt these authorized economic, informational, and cultural flows, movements, placements, and positionings—the media of value and significance, of capital, after all—become more or less racially marked, racial rogues, mutant states . . . A state of exception licenses the state . . . to treat such subjects in any way deemed necessary to restrict, restrain, or disappear them (p. 348).

True to the expansionary phase of capitalism it represented, classical liberalism has at the outset a paradoxical relationship with this other. On one hand, it finds this externality disturbing; on the other, it is precisely the source of its knowledge. The pauper, for example, disturbs the self-contained comfort of the modern order in difference; or, as the case of Malthus’s Irish peasant shows, by his indifference to this order (Procacci 1991). He is at once an internal entity in continuous reference to whose assimilation as the future consumer this potential economy creates the content of its practical knowledge or savoir (Procacci 1991), and an external, inscrutable disturbance. A similarly tense relationship can be observed in early modern conceptions of the prisoner that shift between the homo penalis, who despite the differences in character and inclinations is redeemable and is a factor of social solidarity, and the homo criminalis, who belongs to a different race and has to be neutralized (Pasquino 1991; see also Garland 1997). The new racism, however, will produce as its social condition, neo-liberalism. No longer interested in disciplining or redeeming (after all labor is vastly surplus, is a nuisance, and needs to be disposed of, and this wretched has little in purchasing power), it beckons no ambivalences, and will seamlessly merge the two categories of the criminal and the pauper—deficiency in conforming to the reason of the economy or a lack of human capital. To understand neo-racism, we must understand neo-liberalism.
3. Neo-Liberalism in Chicago

In his 1979–1980 lectures, Foucault presented a most thorough and clear social and historical analysis of neo-liberalism. He plants the thread back in the dilemmas of German thinkers after the Second World War, ruminating on the Nazi disaster, the reasons for it and the path forward. On one side was the Frankfurt School, finding their way through Freud, Marx, and Weber, and locating Nazism to the innate irrationality of laissez faire. Foucault, however, focuses on the thoughts of another group, the Ordo-liberals. Their argument was the opposite. The Ordo-liberals reasoned that Nazism was rather a result of not enough market, a fallout of state controls over the market in the name of welfare, nationalism, and so forth. Deviating from the apparently “naïve naturalism” of classical liberalism, which focused on “exchange” and sees the market as a natural, self-sustaining institution, the Ordo-liberals identified formal “competition” as the essential component of a theory of the market. Furthermore,

The beneficial effects of competition are not due to a pre-existing nature, to a natural given that it brings with it. They are due to a formal privilege. Competition is an essence. Competition is an *eidos*. Competition is a principle of formalization . . . a formal game between inequalities; it is not a natural game between individuals and behaviors (p. 120).

The conditions of competition therefore, they argued, have to be artificially constructed and carefully regulated through governance. As in Husserl’s *eidos*, where the intuition of a formal structure appears only under certain conditions, the logic of competition would only produce the desired effects under specific conditions (Husserl 2012; Foucault 2008a). The problem of monopoly, which classical liberalism conceived as a limitation of the logic of capitalism, was for the Ordo-liberals an archaic concern. Monopoly was a consequence of bureaucratic interventions of a predatory neo-feudalist nature.

In this formulation, any strict separation of the market and the “legal-political superstructure” is untenable. The origins of capitalism are explained not as a logical consequence of transformations in the economic sphere but in a specific politico-economic complex that was obtained in 18th century Europe. As for the future, the Ordo-liberals emphasized capitalism’s open future, seeing capitalism as an institution whose success or failures would be decided by how the political structure facilitated or intervened in the blockages that it was bound to face periodically. The primary function of social policy, they argued, was not of a negative type, that is, to offset the undesirable consequences of the market, but the positive task of blocking anti-competitive reactions that the society may spawn. In the Ordo-liberal frame, social policy is expected to provide the material basis for the enterprise as the privileged form of the social; momentous organizational state intervention, they reckoned, was required to place entrepreneurial rationality in the pulse of the society. The point was to shift “the center of gravity of governmental action downwards” (Foucault 2008a, p. 148).

Despite their unequivocal emphasis on the market, the Ordo-liberal proposition had a strong counter element. Their conception of the generalization of the enterprise form, involves a Gesellschaftspolitik, which juxtaposes the reconstruction of a set of “warm” moral and cultural values antithetical to the “cold” mechanism of competition.

It is a matter of reconstructing concrete points of anchorage around the individual which form what Rustow called the Vitalpolitik. The return to the enterprise is therefore at once an economic policy or a policy of the economization of the entire social field, of the extension of the economy to the entire social field, but at the same time a policy, which presents itself or seeks to be a kind of Vitalpolitik with the function of compensating for what is cold, impassive, calculating, and mechanical in the strictly economic game of competition. (Foucault 2008a, p. 243)
The Chicago School thought that increasingly engineers social and economic policies today shares many ideas with the Ordo-liberals, but with a distinctly American twist. For one, it surely jettisoned any scope for social and moral countercurrents. Instead of positing the state as a facilitator of the market, the Chicago School economists saw the market itself as the foundation, the regulating mechanism for the state and proposed that social relations were in themselves an economic domain. Unlike classical liberalism, which abstracts labor as a factor of production recompensed through wages, the Chicago economists considered the human in totality as herself a form of capital, and wage as the income earned by this capital. “Human capital” is a product of investments in terms of education, upbringing, or genetic ability (Foucault 2008a, pp. 225–30; Becker 1974, 1993). Moreover, the productive activity of this human capital is not limited to labor as it is conventionally designated, but extends to its exercise of consumption where it produces its own satisfaction. “In this perspective, the consumer is not only a being who consumes; he is an economic agent who ‘produces.’ Who produces what? Who produces satisfactions of which he is the consumer” (H. Lepage cited in Foucault 2008a, p. 236).

Furthermore, the market logic is extended beyond the areas of social activity delimited as “economic.” The market logic of supply and demand, of investments, cost, and profit—financial or psychological—is extended to all kinds of non-economic activities, including the family, criminal law, and the state. The economic logic provides a universal grid of intelligibility for any kind of social practice, from the family, to crime, to the state. The government is itself understood as an enterprise of sorts with the function of ensuring that social institutions comply with the market’s reason. The economic logic can thus function to test any government policy, assess its validity, and take it to task if required, on a publicly shared grid of intelligibility, for waste, welfare, lack of efficiency, and so on (Foucault 2008a).

In the neo-liberal discourse of the Chicago School, the classical liberal dichotomy between the market as the zone of free economic pursuit and the rights of the individual as a sovereign entity looks finally resolved. In this scheme, there is no division of rationalities, no reason that the human be pulled in different directions—everyone is a calculating actor placed in a consistent and determinate field (Posner 1983; Friedman 1953). The social field is determined by an economic logic that modulates human actions on a pre-designed format. Even criminals and the mad are expected to, at least as far as the state’s role (which here is primarily one of social control) is concerned, act rationally, weighing the punishments or rewards they stand to gain (Becker 1974, 1993; Stigler 1974; Pasquino 1991; Wacquant 2001). For economic theory to be applied, “rational action” does not have to be defined in an exhaustive manner, but can be empirically measured as conduct that “reacts to reality in a non-random way” (Foucault 2008a, pp. 267, 287; Becker 1962, p. 167). This neo-liberalism, as Bourdieu (1998) put it, is a “strong discourse” of the order of the institutional psychiatric discourse Goffman found in mental asylums. It is an “immense political project” that tends to sever “the economy from social realities and thereby constructing, in reality, an economic system conforming to its description in pure theory, that is a sort of logical machine that presents itself as a chain of constraints regulating economic agents.”

American neo-liberalism reasons that the state pull back as an autonomous principle of any kind, and allow the market to define the terms of the social field assuming, and thereby promoting, economically rational action from social participants. Importantly, it proposes itself as an expression of a social reality already there. As Lemke (2001) notes, neo-liberalism proposes itself as a project “that endeavors to create a social reality that it suggests already exists” (p. 203). Market rationality is thus assumed to be already a fact of social interactions. The project then is one of winning it the discursive and de facto status being denied by the emphasis on the state as an autonomous analytical category.

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4 For a representation of the Chicago school’s political and jurisprudential articulations, see Friedman (1953), Posner (1983) and Becker (1974).

5 Lemke notes, “The theoretical strength of the concept of governmentality is that it construes neo-liberalism as a political project that endeavors to create a social reality that it suggests already exists” (Lemke 2001, p. 203).
in classical liberal discourse, and on “people” in critical discourses. The neo-liberals insist that the market is itself the foundation of the state. What then becomes of “race”?

4. The Racial Condition of Neo-Liberalism

If liberalism with its multiple political, economic, and moral epicenters, negotiating the doublespeak of equality and discrimination, communitarian goals and individual wealth, social empowerment and colonial genocides, and weathering the uncertainties of early global capitalism was forced to conjure new camouflage techniques thereby inventing and re-inventing “race,” neo-liberal assurance needs none of that. Racism is here marked by the failure to follow economic rationality, as defined by the neo-liberal normative paradigm. Claiming global industrial development, the ideological gestures of race and gender equality, freedom of the colonies, and social welfare as moments of its own history, subsumed in its content—even if it arises precisely as a reaction to them—the new liberalism brooks no moral challenge. The neo-liberal state now authorizes itself to lay terms for the future: “We did what we could, now you—the wretched—are responsible for yourself.” Neo-liberal ideology conceives of the state primarily from a control perspective.

In the liberal phase of modernity, race featured as a political factor in the economic cause and domain, and the state was the medium creating race as a factor of production and colonial accumulation. In the neo-liberal design, where economic rationality enjoys an unhindered hegemony over social relations, such rationality itself becomes the foremost determinant of race. Race, as essentialized symptomatic segregation of the other, is, henceforth first an economic category; an economic category that also works to authorize or legitimate the ascendancy of economic rationality (Becker 1974). The exercise is seemingly all empirical, and governed by risk assessment (Becker 1993; Ewold 1991). The poor or the criminal, that is, economically unproductive, is, hereafter, likely to be colored; alternately, because he is colored or unproductive, he is deservedly poor or, in prison. The cleverly disguised double play evident in these correlates, where two (or more) factors reciprocally describe and authorize each other—the statistical logic of correlation—is immensely important to the expediency of an empiricist social policy (see also Zuberi and Bonilla-Silva 2008).

In early modernity, race, as a means of formal exclusion, was dominantly justified in terms of the “otherness” of the other. The “other” race was constructed as the savage or barbaric that did not belong to the civilized body social, and therefore could be treated as brute or animal, used as property, or sacrificed—in Mississippi of the 1930s: “to kill a Negro wasn’t nothing. It was like killing a chicken or killing a snake” (Litwack 1998, p. 284). Possibly, she could be trained to be human, howsoever unworthy. In the neo-liberal ethic, the other is constituted as unproductive, as not belonging to the body economic. While existing racial markers (say, defined by color) surely continue to factor, race gets increasingly associated with a normative economic deficiency—an unwillingness to work and properly reap the fruits of labor as becoming one’s human capital. The present, which usually presents itself morally and temporally as laying ground for a better future, thus bases and legitimizes itself on the social matter of the past, the traces, while representing and recognizing its newness as the very negation (or denial) of the past.

Although the calculating rational actor is the foundation of neo-liberal discourse, a pragmatic social practice nevertheless cannot shirk off a temporal dimension—rationality (as with the Ordo-liberals) is both a principle and a project. At least idealistically, the discourse simultaneously assumes the subject as rational, and presents its practices as a social pedagogical project of rationalization (see e.g., Becker 1993). As with the discourse of sociology, where the collective is a more reliable and valid representation of the individual, systemic rationality and individual rationality are one and the same. The cost and risk

6 Crime, for example, is “any action that makes the individual run the risk of being condemned to a penalty” (Foucault 2008a, p. 251).

7 It uses rational choice theory at the micro level to derive implications at the group or macro level for informing social policy. “Rational individual choice is combined with assumptions about technologies and other determinants of opportunities,
of punishment will outweigh the possible gains from crime, and thus—going by a logic of marginal utility—promote dispositions that are differentially more profitable both for the individual and the system. The society thus is gradually programmed—simultaneously at the level of the collective and the individual, morally and discursively as much as practically—into the economic model.

Importantly, however, for American neo-liberal social policy, such apparent trajectory of economic programming is not a positive discourse, it is the negative discourse of punishment (see also Wacquant 2001). Unlike the Ordo-liberal discourse, where the state acted as a positive agent implanting an economic rationality into society (while also wanting to keep the moral fiber intact), neo-liberal policy expects an economic rationality and capacity already there, failing which it jumps in to punish. Resting the full weight on the individual—the one true American legend—it truly criminalizes the individual for her inability to pull herself up with her bootstraps amidst the immense competitiveness of a global late modern economy with record unemployment rates, and sputtering from crisis to crisis. Furthermore, this consciousness has no autonomous conception of culture, or what the phenomenologists may have called “lifeworld;” any collective or cultural expression, which cannot be fathomed in economic terms as capital is, by definition, a nullity and nuisance, which only represents a lack. Any public expression of sociality and cultural existence outside the normative institutional lexicon is thus marked as a nuisance, which sooner or later invites penal action (Foucault 2008a; Wacquant 2001).

Racial discourse here no longer posits a deep difference, which would be required to mark the subjects of excessive exploitation. In a late modern, consumption driven economy relying on computerized, high-end technology, the scarcity of labor is no longer the primary issue. Indeed, what is more important is the ability to dispose of people with low human capital, who are only a cost to the economy and have little to add to it, whether as producers or consumers. The idea of “human capital” as both a productive and consuming entity provides a perfect merger here of an economic rationale of privilege, a moral rationale of merit, and an economy increasingly dependent on production and consumption of high-end goods, services, and technology (Foucault 2008a, pp. 226, 236; Becker 1974, p. 134). Racism thus more or less purely excludes, instead of facilitating exploitative inclusion or appropriation (cf. Young 1999).

If racial marking was more efficacious through the discourse of a collective essence earlier, race is now marked in a slippery and circular discourse of biological capability, culture of indolence, and moral irresponsibility. Culture here is “treated as more or less fixed, inherited just as inexorably as it had been implanted in the genes” (Steinberg 2001). Precisely the discourse of essential equality mobilized to oppose the previous racism is thus turned around into a rhetorical demand for par performance from actors in an economic field. Race is then articulated from self-evident, statistically (scientifically, so to say) obtained facts on individuals (see e.g., Kaufman 2016). Like the absolute science of mathematics, statistical data apparently tells the empirical truth in the hic et nunc, beyond the can of worms opened by historical and theoretical arguments (Friedman 1953; Becker 1993). Statistics tells the truth in the obviousness and facticity of the surface.8

If, as I have argued, economic rationality—characterized circularly by systemic and behavioral logic—is the primary marker of race today, does then “race” not become coterminous with “class”? equilibrium in market and nonmarket situations, and laws, norms, and traditions to obtain results concerning the behavior of groups” (Becker 1993, p. 403).

8 Such appeal of the surface logic conforms to a general profusion of surfaces characteristic of our “postmodern” times. Much as for Simmel (1950) metropolitan individual, who is forced to condense social interactions into the bare dimension of monetary exchange because of the surfeit of stimuli, the contemporary consciousness has no patience for depth information. Submerged in the relentless flow of information, images, material, discourses, and forces, at once remote and instant and expertly coded to tantalize and manipulate, it prefers promiscuity, a playing with ideas, images, and fragments, and only has patience for surfaces, to taste and move on to the next. No metanarrative can satisfy its skeptical edge. This cognitive orientation, usually with “pleasure” as its standard measure, agrees with a culture predominantly defined by consumption. Knowledge here has to demonstrate its value through its utility for, and performance in the midst of, liberal institutional logics.
The issue deserves subtle discrimination, without succumbing to often hasty charges of so-called economic determinism. If racialization is a historical component of the internal contradictions of the liberal discourse, its nexus with colonial capitalism, we do arrive at a materialist interpretation of race—whether we understand it as a tactic of proletarianization of labor in the colony (Cox 1948) or to provide for unfree relations of production, “under relations of direct politico-legal compulsion” (Miles 1993, p. 50; Goldberg 1993). However, as I have argued here with Foucault, race acts as a bio-political fracture of the population that allows “special methods” of administration and control in the colony, while also serving similar ends on this side of the national boundary. This becomes clear in race’s neoliberal denouement. Race has, if we must borrow from the sociological rationality of domination itself, a functional role. Functionalism, as we know, is a discourse that puts a premium on social stability. It is precisely stability that race provides, as much in neo-liberal conditions as it did for classical liberalism. Race continues as a ground for discrimination, suffering, and poverty deserved; race—in which the wretched among have always been a symptom, a reflection, a threat of the wretched other. Racial marking makes character (personal or group) the reason for suffering, injustice, and oppression in an otherwise just social and economic order. The more smoothly and covertly the neo-liberal order can racialize social outcomes, the more effectively it functions to maintain class privileges and distinctions, and suppress resentment (Goldberg 2011; Young 1999).

If it was on issues of morality that the liberal operationalization of race could not but tie itself in knots—like Hobbes’ ridiculous derogation of the slave’s will, or Locke’s reconciliation of slavery and man’s “inalienable rights,” or indeed the discourses of Kant and Voltaire that are so focused on moral freedom, albeit its signs are based in physical appearance (see Eze 1997; Foucault 2008b; Bernasconi and Mann 2005)—it is precisely in morality that neo-liberalism finds its best ally. In addition, if the moral valence of the Enlightenment origins of liberalism was equal rights and status before the law, in neo-liberalism it operates more and more as a behavioral ethic—the lack of “an individualized disposition conceptualized as civility” (Goldberg 2011, p. 37). As capital normatively defines not just work and social status but the mode of being itself, as much in working as in consuming, as much in terms economic as cultural, disposition becomes the best marker of race. Morality then centers about the appropriateness of disposition; race marks the lack of appropriate disposition—those “already suspect, exhibiting habits, behavioral dispositions, and cultural expressions deemed peculiar” (p. 135). Characterized as much by the working as the consuming disposition, moral irreproachability expresses itself aesthetically. The lesser race is marked by dubious behavior, poor consumption, and poor presentation of the self. In a late modern, consumption driven economy, racial separation is marked by a moral criterion that cannot but be merged with economic and aesthetic evaluations.

Does being black or being a person of color, or for that matter being white, matter in the contemporary United States? The question should be asked at two different levels—one associational, the other, structural. In the first case, racial and ethnic categories, such as black or white or Asian or Indian or Latino, insofar as they are social facts cannot but define perceptions of others. Much like any other social identity, like being blonde or college-educated or hetero-normative, such identifications can enable inclusion in certain social groups and exclusion from others. Insofar as white, heterosexual men dominate social, economic, and political institutions—both individually and systemically (Feagin 2006)—people who share their identities are certainly likely to experience more positive social outcomes. It is this level of differential social outcomes that statistical as well as conventional theoretical exercises in sociology usually articulate.

The structural role of race, however, lies precisely in integrating the social body over and above these distinctions. It is to provide a principle of inclusion and exclusion that is shared across these divides; to a large extent, it is shared even by those that most suffer from it. Racism provides the collective with a shared stigmatized other (disorderly, disagreeable, beastly, poor) from which one must distinguish oneself through identifying with positive traits of being refined, educated, morally upright—in sum, having “human capital.” Irrespective of their color, individuals and groups strive to
distinguish themselves, as far as they can, from the wretched other. The function of the racially marked wretched other is similar to that of the untouchable in India’s caste society. Absolute stigmatization as signified by the term “un-touchable”, is the over-determined effect of a superimposition of sensory repugnance supported by an ethical system, situated in economic conditions, and enforced by political power (See Deliege 1992; Valmiki 2003). The effect is to separate and render invisible. Now, caste is an elaborate system of division of labor, which despite its identification with strict hierarchies in Western representations, provides a good amount of perks and predictability to many constituents. The radical violence of the caste structure is, however, targeted against the un-touchable—the outcaste whom it severs, calumniates, and forces into absolute submission (see Khare 1984; Valmiki 2003). Likewise, the radical violence of the racist structure of the contemporary United States expresses itself in the confinement, humiliation, and complete subjection of a minority—the African American or Latino male—whom a combination of poverty, color, and the gendered structure of the neoliberal economy combine to forcefully exclude (Wacquant 2000, 2001).

Race here is thus the referent of an overarching collective disposition—neo-liberalism, simultaneously an economic doctrine, a political strategy, and a moral decision. The economic fetish it is predicated on, may be a positive goal, but this particular elaboration of social goals is made socially feasible, and driven by a necessity of social control. It is perhaps no coincidence that this discourse gets unequivocally articulated, and accepted, in the United States, a society deeply divided by race. Above that, in the South Side of Chicago, within the haloed corridors of an elite university no sooner inaugurated than it found itself subject to “negro invasion,” and their “vicious resorts,” unwittingly sinking in a neighborhood that became home to waves of black, formerly slave migrants from the South (Bachin 2004, p. 58). In his 1992 Nobel lecture, Gary Becker, perhaps the most radical of the Chicago Neo-liberals, describes how his disgust for laws expanding rights of criminals in the 1950s and 1960s drove him to extend economic theory into non-economic fields: “These changes reduced the apprehension and conviction of criminals and provided less protection to the law-abiding population” (Becker 1993, p. 390). With the nonchalance that is so characteristic of this stream of thinking, Becker gives an anecdote recounting the risk he once took of illegally parking on a street by Columbia University, by calculating the amount of penalty and odds. The risk paid off, he did not get a ticket; Becker then describes how this influenced his work on extending the lessons of economics to the social sphere, particularly on criminal behavior. This contributed to the epoch of the war against drugs, zero tolerance, and so on, a systemic criminalization of poverty and race, without being explicitly racial (Wacquant 2000; Alexander 2012). For the Nobel-prize winning policy expert, the stakes involved but a parking ticket, but for the hundreds of thousands incriminated by racialized behavior, life time in prison and the punitive, “no second chance” gaze of the establishment is the reality (see Bledsoe and Sow 2011).

5. In Conclusion: No Neo-Liberalism without Race

In several European countries, perhaps a cultural belonging and density, bildung, so well-illustrated by Gadamer (1975), has historically grounded an alternate conception of meaning and identity—a “warm” domain—as a collective counterpoint to the pull of accumulation and material interests. (Albeit it must be noted that given the hegemony of American style neoliberalism for several decades, this may be rapidly vanishing) (See e.g., Cafruny and Ryner 2003). In the United States, to the contrary, the racial schism lies deep in the national consciousness (Gerstle 2001); the economic fetish is impelled by a compulsion to reject others whose identity can now only be marked by lack of wealth and social status—poor/immoral/criminal—and the deficiency in economic rationality (that is, an ethic and etiquette of work and consumption) ascribed as its reason and condition. As a total discourse, neo-liberalism thus provides both principles of behavior, and a practical policy of social control of
human beings it has by definition essentially deciphered (see Bourdieu 1998; Becker 1974). It dangles the lure of fantastic wealth and pride on one side, and complete submission to the penal might of an absolute state on the other. The neo-liberal social dictum for the human subject is clear: “Work, be seen working . . . ". The elliptical threat is simultaneously unequivocal, infinite in its consequences, and coded in its message.

In this article, I have argued that racialization is the condition for the social production and viability of American type neo-liberal discourse as a guideline for social policy. The absolute social engineering it posits, and the complete wedges it eventually draws in society, re-articulate only the divides it already assumes are present. In the lack of a substantive motif of bildung, a shared belonging, and in fact driven by a legacy of deep racial division, this difference can only make a moral virtue of wealth accumulation and consumption, and effective enforcement of discipline. Thus, I would argue that racism defines the extent to which neo-liberal social policy of the Chicago variety is publicly professed and practiced in a society. The relative hegemony of neo-liberalism can perhaps be taken as an indicator of the extent to which the racial divide determines social policy. Therefore, if European countries did not pioneer a Chicago-school type of extreme discourse, it is because state policy was not motivated by the aggressive, retributive impulse that marks the United States’ history of internal racism (see e.g., Feagin 2006; Alexander 2012). Even in the UK, which has coupled with US economic and foreign policy doctrines for long periods, and despite major ethnic conflicts, neo-liberal social policies provoked far more resistance than they did in the United States (see e.g., Harvey 2005).

At the same time, however, to the extent neo-liberalism arrives—and it has indeed arrived emphatically across the world today—it will develop racial divides, as much in terms of divides in social outcomes as discoursive forms (see Lentin and Titley 2011; Pred 2000).

The primary inference of this Foucauldian reading is that a critical understanding of racialization necessarily requires a critical engagement with neo-liberalism as an economic, political, and moral discourse. Racialization is but the stratification of groups by social and behavioral characteristics over-determined by a strong discourse, which must be simultaneously political, economic, moral, and cultural. If both state policy and progressive activism find it easier to mobilize on apparent “color” lines today, the battle lines may shift in the future and lead into new alignments, group formations, and concomitant discursive shifts. Yet, as long as the neoliberal discourse is hegemonic, it cannot do without an effect of exclusion, which can be systematically elaborated, and is capable of simultaneously mobilizing a collective morality and disgust. Thus, not much will be achieved by questioning “race,” without questioning the very axioms of the liberal discourse that spawns it and the neo-liberalism that insidiously perpetuates it today. Racial lines will continue to be (re)excavated, borrowed, or inscribed afresh to channel, reinforce, and institutionalize the social violence that neo-liberalism must unleash. This violence is poised to be as physical and systemic as it will be moral and symbolic.

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See, e.g., Harvey (2005) description of the intense opposition Margaret Thatcher faced in UK, as compared to the relative ease with which Ronald Reagan was able to enforce neo-liberal economic policies in the US.


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