

Sabotaging Progress: The Cultural Economy of Resentment in Late Neoliberalism

William Davies

The contemporary populist moment appears perplexing, even irrational, from the perspective of most orthodox traditions of social science, with their tacit assumption of utilitarian psychology and government. Whether allied to the Left or the Right, rational-choice paradigms seek to interpret individual and collective activity in terms of the pursuit and maximization of tangible interests. It's not clear how Brexit, nativism, and "Trumpism" advance anyone's interests, other than the financial interests and media careers of those who are personally invested in the new political formations. Centrist technocrats, such as those left over from the "Third Way" era of the late 1990s, make similar allegations about the populists of the Left, such as Corbyn, Mélenchon, and Podemos, pointing to Syriza's capitulation to the Troika as evidence of the naiveté of these new political forces.

There are two riddles in particular that need to be solved, but which defeat a rational-choice perspective. First, how to understand the apparent absence of any macroeconomic logic of the new political forces, which seem not only to have broken free of any model of accumulation, growth, or progress, but often to be sabotaging those very notions. If events such as Brexit do the harm that many economists expect, then surely people must be laboring under some kind of false consciousness or have been victims of propaganda (with or without the intervention of the Kremlin). Is it possible to consciously and reasonably seek economic *regress*?

Secondly, how to understand the power and popularity of the super-rich within nativist movements, combined with extreme antipathy towards "liberal elites" such as the "mainstream media," "mainstream politicians," and universities. At a time when inequality is reaching levels not seen since World War One (especially in the Anglosphere) how is it that more anger is not turned against the tax avoiders, offshore billionaires, and private equity asset-strippers? Why are professional policy-makers the enemy, despite apparently having the knowledge needed and the intention to solve social problems? This is what Arlie Russell Hochschild has named the "Great Paradox" of contemporary American conservatism as a mobilizing force among the white working class (Hochschild 2016).

There is a risk on both fronts; we may either confine these reactions to the realm of the "emotional" (implying the irrational and ultimately incomprehensible) or else strive so hard to empathize that we abandon any critical distance from these events. An alternative is to apply a kind of hermeneutics, approaching these movements as a perpetuation of a certain neoliberal moral logic that has survived despite the various failures of neoliberal economics. Neoliberalism not only created the conditions for these political upheavals, but is shaping how they unfold.

First, consider the apparently anti-utilitarian, anti-progressive (though less commonly anti-capitalist) tendency of the populist forces around us today. In certain regards, these can even appear to be "anti-truth," inasmuch as they refuse to accept statistical and macroeconomic

facts, rejecting the very notion of “growth” or “progress” as realistic collective ventures at the level of society. To the extent that a collectivity is invoked at all, it is more often an ethnic or regional one, although it is not necessarily national, given that it is just as hostile to centers of power within the nation (metropolitan cities) as outside it.

This is not entirely alien to neoliberal logic. Neoliberalism is a system of government that aims to identify winners, and eliminate losers, whether in the marketplace or elsewhere (Davies 2016). This implies a relativist philosophy of value, rather than the marginalist theory of value that mainstream economics assumes: “my worth depends on how it differs from yours.” For more extreme libertarian neoliberals, capitalism is a Darwinistic contest that could usefully eliminate whole cultures, populations, or genes, if they are not adaptive enough. The capitalist logic of rivalry has no necessary connection to progress or utility, as Veblen’s work on industrial sabotage in the late nineteenth century demonstrates (Veblen 1904). In experiential terms, this means that the economy is a zero-sum space of status acquisition and recognition, as much as a positive-sum space of satisfaction and acquisition.

The cultural and moral logic of neoliberalism has long sought to play up the zero-sum qualities of capitalism, as a way of motivating individuals, and as a way of thwarting collectivist ideals of progress, of the kind that formed the heart of Keynesianism. Sabotaging visible “winners” is not an irrational or emotional strategy; indeed it is exactly how firms such as Uber or Facebook set about growing as they have. It is a quest for moral and cultural value in a society without any authoritative measures of value, beyond competition itself.

Turning to the apparent authority of the billionaire class in among all this, why is there not more resentment in that direction? I suggest that this needs to be considered in the context of a protracted crisis of representation, which has grown gradually over the neoliberal period and has been accelerated by the rise of social media in the past decade. The most powerful resentment that we see in politics today is not aimed at monopolies or cartels of wealth, but at (what appear to be) monopolies or cartels of representation: those journalists, elected representatives, experts, or professional elites who have the power and legal right to *speak on behalf of everybody else*. This includes economists and technocrats, who govern on the basis of evidence and facts.

What is compelling about the billionaire or reality TV star (and of course Trump himself is both) is that they don’t offer or promise to represent anyone, other than themselves. In making no broader metaphysical appeal to the “public interest” or the “truth” about society, they render themselves trustworthy. By being in it for themselves, they have a transparency that the liberal politician, technocrat, or journalist does not. The latter are two-faced, having a public face and a private life. By contrast, the billionaire populist may be a liar but this is not quite as bad as being a hypocrite.

The logic of neoliberalism is at work here too. Since Hayek first sought to deconstruct the politics of “intellectuals” during the 1940s, neoliberal critique has sought to dismantle the consistency and integrity of public officialdom and expertise (Hayek 1945, 1949). The Virginia “Public Choice” school was founded on misgivings about all claims to political representation, democratic or otherwise (MacLean 2017). The crisis of representation that

casts doubt on the liberal capacity of an individual to act honestly on another's behalf has been deliberately manufactured over decades. The ideal populist leader is therefore a type of anti-representative.

References

- Davies, Williams. 2014. *The Limits of Neoliberalism: Authority, Sovereignty and the Logic of Competition*. London: Sage.
- Hayek, Friedrich A. 1945. "Use of Knowledge in Society." *The American Economic Review* 35 (4): 519–30.
- Hayek, Friedrich A. 1949. "The Intellectuals and Socialism." *The University of Chicago Law Review* 16 (3): 417–33.
- Hochschild, Arlie Russell. 2016. *Strangers in Their Own Land: Anger and Mourning on the American Right*. New York: The New Press.
- Maclean, Nancy. 2017. *Democracy in Chains: The Deep History of the Radical Right's Stealth Plan for America*. New York: Penguin.
- Veblen, Thorstein. 1904. *The Theory of Business Enterprise*. New York: Charles Scribner's Sons.