

## **The Greatly Exaggerated “Death of the Social”: Globalization, Neoliberal Governmentality, and the Spatial Translation of Economic Governance.**

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Cameron Sabadoz,  
Department of Political Science,  
University of Toronto  
cameron.sabadoz@utoronto.ca

### **Abstract**

As globalized competition continues to undermine state capacity for economic regulation, various Foucauldian scholars, studying neoliberal governmentality, have recently lamented the apparent demise of “the social.” Once considered the political territory upon which economic interests were placed in contrast with prosocial counterparts, the supposed ‘death of the social’ has posed a problem for observers interested in contesting contemporary economic malfeasance. Within the welfare state, “the social question” demanded that national governments administer an uneasy truce between business and civil society, most notably labour. Within that frame, the state could curb radicalism and excess, while it promoted the notion that progress’s tide would float all economic boats. This understanding is now under threat. Thus, globalization has both created greater threats to social justice, just as it has also undermined our capacities to contest domination. This paper, in contrast to Baudrillard and Rose, argues that the social remains an important discursive space for economic regulation. Rather, the most important change is not one of the social falling into disuse, but rather that the state frame inadvertently retained by many governmentality theorists misunderstands important new networks of global governance. In particular, we see that new post-national regulatory discourses deployed by NGOs, including corporate social responsibility and corporate citizenship, all use consistent discursive constructions to contest economic activity in the specific language of “the social”. There, the locus of regulation has been moved from national politics to the politicized behaviour of firms. If this analysis holds, it poses problems for both certain governmentality-inspired research programs, and also suggests theoretical issues that governmentality theorists must attend to for the school to best conceptualize emerging regulatory regimes rooted in the market.

Everyday political life is rife with allusions to our embeddedness in society. This is particularly the case in situations that require our addressing the problems created by economic inequality. As Canadians (or as newcomers to Canada) we carry social insurance numbers, which facilitate various benefit programs. Britons commonly talk of peers being lamentably “on the social.”<sup>1</sup> Major political parties take pains to emphasize their commitment to “social justice.” Similarly, activists decry that human rights protection rarely encompasses “economic and social rights,” despite UN resolutions formally supporting them. Moreover, if these parties and activists fail to secure their political agendas, this often results in a corresponding need for more social workers.

What these examples of political language all share in common is that they seek to govern, and remedy, pernicious economic activity through the lens of “the social”. “The social” has been a political mainstay for decades, but scholars have recently begun to question its continued usefulness as a theoretical (and practical) category. Namely, the apparent diffusion of society, along with the globalization of the neoliberal economy, has left many to search for an alternative discursive construction. Specifically, some Foucauldian scholars, such as Nikolas Rose<sup>2</sup>, have followed Jean Baudrillard in lamenting the “death of the social.”<sup>3</sup> In the spirit of Mark Twain (or as the legend variously has it, Oscar Wilde), this paper will argue that reports of this death are greatly exaggerated. Rather, “the social” is not dead, but is found in substantially different forms to account for a new political frame, where economic problems are increasingly contested in civil society campaigns and less in national politics. To put it differently, globalization and neoliberalism are increasingly pushing economic regulation outside of the nation-state frame,<sup>4</sup> and with this have imperiled various programs and political debates that trade upon the construction of “the social.” As a result, the most significant casualty is less “the social” than the Keynesian welfare state.

In fact, we will see that with the fall of the welfare state, other researchers have charted the subsequent rise of two new political discourses, namely corporate social responsibility and corporate citizenship<sup>5</sup>. Importantly, these twinned discourses operate firmly within the political tradition of “the social.” What’s new, however, is that the regulatory practices facilitated by these discourses are not usually mediated and distributed by the national state in any robust way. As such, they thus bypass most of the traditional welfare state political apparatuses and technologies whereby the national state formerly sought to regulate the economy, and thus where regulation is traditionally imagined to exist. This, in a strange way, helps explain why Foucauldian governmentality theory has been, to date, essentially uninterested in their operation<sup>6</sup>, and helps thus explain why governmentality scholars have perceived the decline of “the social” where others might see evolution and change within the “social” tradition.

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<sup>1</sup> Rose, Nikolas. *Powers of Freedom*. Cambridge: Cambridge University Press, 1999, p. 99.

<sup>2</sup> Rose, Nikolas. “Death of the Social? Re-figuring the territory of government,” *Economy and Society*. Vol. 25, No. 3, August 1996, pp. 327-328.

<sup>3</sup> Baudrillard, Jean. *The Death of the Social*. New York: Semiotext(e), 1983.

<sup>4</sup> Fraser, Nancy. *Scales of Justice*. New York: Columbia University Press, 2009. P. 13.

<sup>5</sup> Shamir, Ronen. “The Age of Responsibilization: on market-embedded morality,” *Economy and Society*. Vol. 37, No. 1, 2008. pp. 1-19.

<sup>6</sup> This is not to say that governmentality-inspired social science has neglected this topic. Shamir (2008) and Roberts (2003) have all examined corporate social responsibility through a governmentality lens, albeit not in ways suggested by this paper.

This paper thus seeks to make two small contributions. The first, and more straightforward, is to push back against those, such as Baudrillard and Rose, who have argued that contemporary neoliberal government is marked by a sustained shift away from “the social” towards a more local and ephemeral politics characterized by the bonds of community. In some sense this is correct, but “the social” remains an important discursive reality that aptly captures the resulting tensions that emerge out of the tension between liberal, formal, freedom and economic inequality. The potential discursive contrast between “the social” and “community” is not a distinction without a difference, as only “the social” contains within it the same connotations of class and injustice, and only “the social” carries with it the implicit image of progress underwritten by a coalition that demands structural change. As governmentality theorists, and those drawing from them, seek to chart out post-national economic regulatory schemes, properly placing social technologies and practices alongside community-inspired alternatives will be increasingly important.

This paper also seeks to make a second contribution that is slightly more critical in nature than the first. Namely, if the above analysis holds, and if corporate social responsibility and corporate citizenship do operate through the social, then this gently asks us to pose some questions of mainstream governmentality theory. Specifically, governmentality has proven a fantastically successful school through which to conceptualize the effects that neoliberalism and globalization have had on state regulation of the economy. That said, however, despite Foucault’s intended efforts to finally “cut off the kings’ head”<sup>7</sup> and move away from a state frame, there remain important structural reasons why governmentality research subtly but firmly lends itself to state-centric analysis. This is, in itself, not a particularly troubling problem. But given that governmentality tends to think of itself as corrosive of the state (which is largely true), this creates substantial methodological blindspots, leading to situations like the one before us. This paper will hope to show that governmentality scholars need to better theorize how civil society groups interact in situations where the state bears no responsibility, power, or particular interest, in outcomes. Resolving this question is beyond the scope of this paper, but the necessity of raising it naturally occurs out of these findings regarding “the social,” a key governmental category that Rose leaves for dead, so to speak, and which subsequent commentators have had, to date, trouble properly conceptualizing.

This paper will thus have four main sections. In the first section, we will lay out “the social,” and why the governmentality school has been so interested in it. In the second, we will consider how neoliberalism has eroded the welfare state compromise that traditionally depended on “the social” as a zone for potential intervention. We will then see how and why some scholars, such as Nikolas Rose<sup>8</sup>, have called this the “death” of the social, and we will then assess two attempts to subsequently re-imagine how “the social” would appear in a post-national world<sup>9</sup>. All three accounts feature considerable advantages and insights, but none is ideal, despite seeming to collectively point towards what Mitchell Dean tentatively calls a “post-welfarist regime of the social”<sup>10</sup>. This will set the stage for the third section, where we will examine corporate social responsibility and corporate citizenship, two new political discourses that

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<sup>7</sup> Foucault, Michel. *Society Must Be Defended*. Trans. Macey. New York: Picador, 2003, p. 59.

<sup>8</sup> Rose, 1996, 327-329

<sup>9</sup> Dean, Mitchell. *Governmentality: Power and Rule in Modern Society*. 2<sup>nd</sup> Ed. London: Sage, 2010. and Lazzarato, Maurizio. “Neoliberalism in Action: Inequality, Insecurity, and the Reconstitution of the Social,” *Theory, Culture, & Society*, Vol, 26, 2009, pp. 109-133..

<sup>10</sup> Dean, 2010, p. 200

operate firmly within “the social,” but not within the state in any meaningful way. This will suggest implications for how we might imagine post-national economic regulation, particularly when working within a governmentality perspective. We will then briefly consider the implications that this analysis has on governmentality theory, broadly speaking. Namely, this paper examines a set of cases where a governmentality lens has occluded from view a set of emerging regulatory structures. This thus dovetails with some existing critiques of governmentality to suggest that the school, going forward, should better conceptualize the various power relationships that exist between corporate actors, civil society groups, and the state.

### **Governmentality and “The Social”**

Prior to setting out what exactly we mean by “the social”, we should briefly mention what Foucauldian scholars denote by “governmentality.” Governmentality theorists, following Foucault, have adopted the term “governmentality” to move away from formal models of juridical, or repressive, rule, towards a more pluralistic and diffused understanding of power relations in society. Specifically, the underlying linguistic nod, within the term, to “mentality” highlights the important role that changing knowledges, ideas, and arguments might make to how we think about, and then address, perceived problems<sup>11</sup>. In this way, governmentality nominally adopts an intentionally wide analytic perspective, as it presumes that there is a number of different ways that various people, in different situations, might react to a given situation.

Within that wide frame, however, Foucault quickly focused on one specific discursive (and political) tradition, liberalism. Foucault considered all extant alternatives, including socialism, to feature significant shortcomings in how they operationalize abstract political power into concrete governance relationships<sup>12</sup>. Specifically, illiberal regimes tended to feature inappropriately conflictual accounts of how power might achieve desired ends. Liberalism, by contrast, seemed to feature a governmental model whereby the state inflicted the least harm on its population, and thus, indirectly, on itself. While he had previously been studying the worrying manners in which totalizing institutions might shape human behavior, Foucault’s governmentality work marked a phase wherein he shifted towards considering fields of action that seemed freer and more open, yet which continued to return generally expected results. Foucault’s previously held metaphor of power being similar to war was thus problematized, as power flows seemed both less determinate and less repressive than suggested by that account.<sup>13</sup> Out of this, Foucault saw that liberalism permitted the continued flow of power and rule, while it simultaneously permitted a stronger state and society. Thus, all normative judgements aside, most governmentality theory suggests that liberalism is likely to prove more durable than all extant challengers<sup>14</sup>.

Specifically, Foucault held that liberalism’s chief accomplishment was not to set out the necessary arguments in favour of political freedom, but rather to create an internal dynamic of reflection and reconstitution that continually demanded that interventions respect the underlying reality experienced by the governed<sup>15</sup>. Rule is thus still possible, but it is best if it channels the

<sup>11</sup> Dean, 2010, pp. 24-25.

<sup>12</sup> Foucault, M. *Birth of Biopolitics*. Trans. Burchell, New York: Picador, 2007, pp. 91-92.

<sup>13</sup> Foucault, M., 2003, pp. 5-20.

<sup>14</sup> Foucault, M., 2007, 91-92.

<sup>15</sup> Dean, M., 2010, p. 63.

formal freedom of the governed, which prevents costly (and potentially dangerous) applications of force and violence. With this, governmentality theorists see government (and liberal government in particular) as “the conduct of conduct,” where state, and possibly non-state, governments oversee a variegated population of individuals<sup>16</sup>. In these situations, it is almost impossible to compel uniform compliance without expending large amounts of energy, but it is comparatively easy to set policies that encourage most members of the population to act well by their own formal choice.

Liberalism’s enduring appeal, according to Foucault, thus stems less from any commitment to freedom, and more from a general recognition that perfect, ambitious, governance is impossible at best, dangerous at worst, and tends towards catastrophe. With this, a perpetual epistemological and practical critique exists at the heart of liberal governments, as they seek to govern best by governing least. If they do this, the state will economically prosper, and the state will enjoy relatively peaceful relations with its subjects. This state of bliss, however, is incomplete and temporary. Despite liberalism’s political virtues, economic liberalization tends to result in profoundly negative societal outcomes. Put differently, a robust economy usually leads to state prosperity, but it also leads to predictable inequalities and systemic abuses, as economic disparities often result in attending political divides.

With this, then, we see that liberalism has a serious set of internal problems that it must attend to. Overall, it seems to be a generally successful way of structuring relationships<sup>17</sup>. Unfortunately, however, its negative effects on the marginalized are often so severe that they can threaten the success of the overall venture, as seen in the violent, trans-national social reactions of 1848 and 1917-1919. Liberal governments have to find ways to reconcile the advantages of formal freedom with the economic needs of the everyday citizenry<sup>18</sup>. Specifically, if liberal rule depends on the formal freedom of the governed, the interests of the marginalized pose a

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<sup>16</sup> To be more precise, this model is that of liberal government, which makes intentional use of formal freedom. Other governmental models, including that of the police state, are very different, as they oversee a population but govern through legal command and state force, tools usually associated with formal unfreedom. The governmentality literature, however, suppresses this difference out of convenience, as police state government is comparatively uninteresting, while liberal government offers the novel subject matter that fascinates the field. This subtle, well-meaning, slight-of-hand is emblematic of the sort of inadvertent slippage of scope and focus that creates the blindspots considered later in this paper.

<sup>17</sup> At this point it is necessary to underline that I, following Foucault, make no normative judgement on liberalism’s many known advantages and disadvantages, nor on its general suitability as a way of life. My assessment of “successful”, again following Foucault, stems from the observation that liberalism has, overall, tended to endure where installed, in part due to the epistemological and practical skepticism considered here and in the governmentality literature.

<sup>18</sup> It is possible to overemphasize the marginalized status of those who demand social intervention. In reality, almost everybody in society is negatively affected by economic externalities, if not direct abuse. In this way, for example, both the unemployed ex-smoker, as well as the marathon-running, upper-middle class, asthmatic, both call for Southern Ontario industry to stop creating such high levels of smog. Their background circumstances might be very different, but both feel that the liberal economy produces unacceptable externalities which unjustly cause them harm. Donzelot makes this point clear in his account of how social liberalism proved so appealing to mainstream French society during the interwar period. Donzelot, Jacques, “The Promotion of the Social,” Trans. Burchell, *Economy and Society*, Vol. 17, No. 3, 1988, pp. 395-427.

significant problem – how do we channel the freedom of those who feel left out of the economic system? How do we achieve their interests if the market has not done so already? Importantly, this problem cannot be simply wished or argued away; liberal political economy itself holds that interests, while malleable, are concretely held – the marginalized are not wrong to want a better life, and they are not necessarily wrong to work towards alternatives that might threaten the overall liberal structure. This strategic problem is then amplified by the realization that liberalism’s emphasis on formal freedom and rule of law robs it of the ability to make laws that treat different citizens in varying ways. As Giovanna Procacci puts it, liberalism’s model of the social contract of equal citizens places liberal authorities in a conceptual bind when considering the public implications of private inequality.<sup>19</sup>

That said, liberalism does have internal resources, of a sort, that can make room for a prosocial response. Namely, while liberalism recognizes the formal freedom of citizens and the categorical division between the public and private realms, interventions are permitted when social problems are considered to be public matters of moral order on the one hand, or of simple politico-economic reality, on the other<sup>20</sup>. In this way, a grudgingly authorized understanding of “the social” came to mediate between the state, civil society groups, and individuals. This frame of “the social” helped activists articulate the desperate economic necessity experienced by the poor due to liberal policies, at the same time that it heightened scrutiny on the moral disposition and decision making of market agents. Defined by Mitchell Dean as the “the plural and heterogeneous forms of interventions that cross and connect various formally separate public and private spheres in response to, and sometimes in opposition to, the effects of a liberal governmental economy,”<sup>21</sup> “the social” thus becomes a surface for potential interventions.

Through these interventions, political agents such as the state, civil society groups, or individuals, might help alleviate the problems of liberal rule. For example, the reality exhibited by “the social” demanded that liberal governments attend to certain effects of market behavior on everyday citizens, if only because to neglect to do so would be to ignore signs that the economic rationality of the market can be corrosive and dangerous in certain instances. “The social”, as an emergent new reality, thus might accomplish at least three things at once; it helps bring certain political-economic problems into greater focus, it provides specific technologies for intervention, and it provides the vocabulary to help activists lobby the state for helpful legislation. True to the Foucauldian insight that new behaviours depend on new knowledges and rationalities, these outcomes are not possible, at least in their given forms, without the social frame.

Social interventions were not all aimed at the state, however, as they drastically raise the stakes for those at risk of being held morally suspect, as social inquiry pays special attention to the ethical dispositions of market actors. For example, within regimes that championed freedom of contract and low minimum wages, unemployment was presumably at least partially a function of people not wanting to sell their labour at low market rates, making poverty, in theory, at least partially due to laziness. Attacking laziness and other perceived moral defects was thus identified as a novel way of remedying public problems, and if done properly, as through incentives and exhortations, then these interventions would not violate the internal terms of the liberal regime.

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<sup>19</sup> Procacci, G. *Gouverner la Misere: La Question Sociale en France*. Paris: Seuil, 1993, p. 24.

<sup>20</sup> This section draws from the governmentality literature, which draws from a variety of different research sites to make broad claims regarding how liberalism tends to structure relationships in various situations. As such, this section, as with most governmentality pieces, tells a story that is rarely so cut and dry.

<sup>21</sup> Dean, M., 2010, p. 270.

“The social,” then, can be understood as something of a tolerated arena for dissent. Liberalism tolerates, and sometimes even encourages, this zone of collective study, because it proves necessary to the continual project of reflection and reinvention that characterizes the best liberal regimes, while it also helps authorities head off tremendously dangerous social pressures. What proves interesting, however, is that this dissent occasionally threatens the liberal bona fides of the regime itself; namely, liberal regimes struggle to properly account for the irrationality, and social embeddedness, of market actors without jettisoning the economic rationality that sustains the market itself. Specifically, the recognition and expectation of social embeddedness can manifest itself in the newfound collective expectation for what governmentality scholars call a sort of “social responsibility<sup>22</sup>” or “social citizenship.<sup>23</sup>”

These discourses draw from the imaginary of “the social” to posit that market actors are much more than atoms of interest, but are, rather, embedded in society, and should be treated as such. In such cases, the moral disposition of market actors (a matter of public interest), is judged according to a very different background standard than the unemployed (and perhaps lazy) individual considered just above, as social activists demand that firms suspend their self interest when it threatens other goods. With this, “the social” can thusly take on “a kind of anti-individualism<sup>24</sup>” that could well threaten the underlying assumptions of the liberal regime, should such a stance be adopted by all of society. Specifically, Jacques Donzelot charts how “the social” becomes at times an arena where individuals and groups argue about the proper limits of economic rationality. In response to economic rationality, the “social” alternative is not economic irrationality, but rather “social rationality,” where the wellbeing of the collective is put forth as a principle for ethical decision making, and thus for how members of society will assess moral performance<sup>25</sup>.

With this, then, we can see that “the social” performs a very important function within the liberal tradition, as its flexibility and ambivalence permit a wide range of possible interventions (or non-interventions), all the while retaining the liberal state’s commitment to formal freedom and rule of law. Specifically, it permits the grafting of social rationality on to economic processes through the politicization, and contestation, of economic outcomes as well as the moral dispositions of market actors. But what happens to individuals, firms, or states when the demands of economic and social rationality prove irreconcilable?

Evidently, there must exist times and places where no reasonable accommodation can be reached. From a “social” perspective, however, the most constructive avenue to take is not to hope for one side to vanquish the other, as neither is acceptable – business might prefer to never pay taxes, but they would prefer to still have roads, and they would prefer to operate in a stable polity. Similarly, and in a sense more tellingly, organized labour, even after the social-democratic revolution, would not demand 100\$/hour minimum wage legislation, because this would simply drive most employers out of business. Rather, the preferred situation is one where the worst outcomes are prevented from coming to pass, and this is exactly the approach adopted by the welfare state. There, the robust apparatuses and technologies of the state took over collective responsibility for both the economy as well as for social problems.

Thus, the welfare state took the dilemmas posed by the conflictual stances of economic rationality and social rationality, and pushed them to confront one another at the level of national

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<sup>22</sup> Rose, N., 1999, p. 121.

<sup>23</sup> Rose, N, 1999, p. 123.

<sup>24</sup> Rose, N. 1999, p. 118.

<sup>25</sup> Donzelot, J., 1988, pp. 413-414.

politics, and not at the level of civil society or individuals. This had numerous effects. Firstly, it substantially depoliticized the issue of whether market agents are expected to be morally good or socially responsible. By taking collective responsibility for both organizing the economy as well as for attending to social problems, the welfare state took away much of the urgency that classically liberal regimes placed on this issue<sup>26</sup>. Secondly, and relatedly, this had a profound effect on determining the appropriate locus of economic regulation. Where previously all market agents had to wrestle with the competing pulls of the economic and the social, and where previously this resulted in fairly robust attributions of impropriety, the welfare state approach took much of the oxygen out of that issue. Instead, economic regulation was expected to exist at the level of the national state and national politics. With this welfarist division of governmental labour, welfare state liberalism expected firms to act according to economic rationality, and firms (and individuals) expected the state, when necessary, to act according to social rationality, thus regulating economic activity in the name of the social. This uneasy truce, dubbed by some the “social question,” was underwritten by the idea that not only was a compromise important in order to avoid catastrophe, but that contestation within limits would benefit everyone through growing the economy. Put differently, the welfare state, with its clear demarcations of responsibility, and its intention to hold both economic and social agents to account, offered both sides of “the social question” the benefits of progress. Thus, while economic rationality and social rationality tend to come at one another’s expense (particularly because each term, on some level, defines itself through rejecting the other), the welfare state’s stability and predictability suggested that it might grow the economy in such ways that it could effectively attend to various social problems. With this arrangement, we see the high-water mark of social democracy, and, not unrelatedly, the high-water mark of “the social,” understood as a way of understanding specific political problems and proposing concrete solutions.

### **Neoliberalism and the Supposed ‘Death of “The Social”’**

Almost thirty years ago, Jean Baudrillard diagnosed a new absence in our collective imagination. He argued that we seemingly no longer posed our political problems in the frame provided by “the social,” as the nation seemed less and less relevant to government, while the state provided fewer and fewer opportunities for collective action. While the early date prevented Baudrillard from posing this problem as one that neoliberalism and globalization had to speak to directly, Baudrillard nonetheless argued persuasively, if idiosyncratically, that there was a certain new irreality to what had formerly seemed more concrete and indispensable<sup>27</sup>.

More than a decade later, Nikolas Rose built upon Baudrillard’s analysis to assert the supposed “death” of “the social.” In this piece, however, Rose made substantial use of contemporary social theory, including Foucault’s governmentality lectures, to place this decline in a casual chain, and thus in a richer and more convincing account. According to Rose, globalization and neoliberalism have wrecked havoc upon the social in two ways. Firstly, Rose argued that these twinned social forces have systemically undermined the traditional apparatuses and technologies that have facilitated the power flows that have historically drawn from the social. Secondly, Rose also argues that globalization and neoliberalism have undermined the social as a way for activists, or scholars, to consider political problems. This paper’s analysis, found in section 4, will argue that, broadly speaking, Rose’s first point holds, but that the second

<sup>26</sup> Donzelot, J., 1988, pp. 410-412.

<sup>27</sup> Baudrillard, J., 1983, p. 86.

does not. Taken together, this means that the social has been weakened and displaced, but that it remains a viable, and important, “plane of thought and action.”<sup>28</sup>

Broadly speaking, this paper actually disagrees with very little of Rose’s account. In fact, almost everything contained in both the famous 1996 article, as well as in the influential 1999 monography *Powers of Freedom*, is well founded and well argued. Moreover, Rose takes all the requisite care in making clear that simplistic arguments finding for sharp divides between various technologies within complicated political traditions are likely to be little more than “misleading.”<sup>29</sup> That said, however, successful but problematic methodological choices end up inadvertently threatening some of his conclusions, including the argument that the social is “no longer a key zone, target, and objective of strategies of government.”<sup>30</sup> Given that this conclusion rests on the above two arguments, and given that this paper will disagree with one of those arguments, it should be unsurprising that these methodological problems emerge here (although they will be dealt with more precisely below).

Speaking plainly, governmentality theory contains within it a wide array of tools and ideas with which to analyse liberal rule, but they tell a specific story very well. Namely, most of the most interesting governmentality work has emerged out of analyses that have charted how the fall of the welfare state apparatus, with the support of many state critics on the left, has not led appreciably to any less governance, nor any more freedom. Specifically, neoliberalism’s perpetual critique of state rule has forced liberal states to employ market mechanisms to discharge their duties. Moreover, neoliberalism’s ascendancy has forced greater market discipline upon everyday citizens, who find their nominal freedom channeled in certain directions. To this end, Rose’s work, in both the “Death of the Social?” and *Powers of Freedom*, tells this specific story; as the state has declined, wide-scale interventions have simultaneously declined, and the more conflictual, and hyper-local, frame of community has emerged to challenge the social. To Rose, who doesn’t witness the social to be particularly useful anymore in discharging state responsibilities, this indicates the “death”, or at least irrelevance, of the social.

From another perspective, however, we can see that this disagreement is largely a matter of scope – Rose’s scope is not primarily determined by various discursive formations, nor is it primarily interested in charting economic regulation in and of itself. Rather, Rose is telling an important but very specific story. It isn’t, however, the story of the social, but rather the story of the death of the welfare state, and the story of how neoliberalism’s formal freedom surprisingly carries with it relationships of substantive unfreedom. Rose’s juxtaposition of community alongside the social is very thought-provoking, but it tells us more about evolutions of state power than it tells us about which discursive constructions will administer economic regulation going forward.

This insight is very softly made in Mitchell Dean’s *Governmentality: Power and Rule in Modern Society*, a text which is often compared to Rose’s *Powers of Freedom* in that they both helped set the stage for the recent explosion of interest in governmentality. There, Dean argues that the social isn’t dead – after all, we still depend on social security and employ social workers<sup>31</sup>. What we need, however, he says, is a better account of the social that lies in line with the absence of the welfare state. As such, Dean calls for us to develop a “post-welfarist regime of

<sup>28</sup> Rose, N., 1996, p. 327.

<sup>29</sup> Rose, N., 1996, p. 330.

<sup>30</sup> Rose, N., 1996, p. 327.

<sup>31</sup> Dean, M., 2010, pp. 200-201.

the social”<sup>32</sup>. According to Dean, this will require that we look for situations where governments no longer have to govern through a unified discrete society, a substantial change with robust implications on how often “the social” is going to be a useful category<sup>33</sup>. More constructively, Dean suggests that any such regime is likely to use the market to discharge its duties, as the more comprehensive power apparatus enjoyed by the welfare state is no longer accessible. Specifically, Dean argues that a post-welfarist social is most likely going to feature situations where markets permit individuals and civil society groups to effect a cultural transformation over a group, something he calls “governmental consumerism.”<sup>34</sup>

This clearly approximates, in many ways, the direction in which this paper is heading. Dean’s analysis, however, ends up stopping short, because he is still, albeit to a far lesser degree, captured by the issues of theoretical scope that influenced Dean. In particular, Dean is still primarily interested in charting the evolution of state power – he nods towards “multiple agencies” replacing a unitary apparatus, but it is entirely unclear as to whether this denotes non-state actors, or merely a collection of new, perhaps temporarily employed, agents implementing a state operation.<sup>35</sup> In the absence of details on this point (of exactly who Dean is discussing) it is difficult to speculate. More importantly, however, Dean’s analysis still retains the quasi-welfarist assumption that the state retains responsibility for attending to collective social problems, and that these interventions are efforts, directed from on high through the market, to have a variety of actors work towards those ends. This is, overall, an interesting question to ask. It hasn’t, however, totally broken with the welfare state frame. Under the conditions of neoliberal governmentality, it is unclear why we should expect the state to feel responsible for economic suffering, beyond cases where individuals had required economic socialization. With this, then, Dean’s analysis seems promising but ultimately reverts to telling the story of neoliberal reform of the state. This causes there to be a significant lack of clarity and detail regarding whom will hold whom responsible for what, and why, in a post-welfarist social.

To build upon Dean’s work in this regard, then, it seems necessary to study “the social” in particular, without any other prior commitment to a larger scholarly project. To help do this, it seems potentially fruitful to borrow from Mauricio Lazzarato, another influential governmentality scholar interested in post-national understandings of the social. Specifically, Lazzarato suggests that it could be useful to analytically distinguish between the discursive and non-discursive formations<sup>36</sup>. Put simply, discursive formations intervene on what we can think, and non-discursive formations intervene on what we can do.<sup>37</sup> Given that the social is, as Rose puts it, a “plane of thought and action,”<sup>38</sup> any comprehensive treatment of the issue will have to attend to both. That said, however, the fall of the welfare state is most keenly felt in regards to what people can (or now cannot) do in society – our patterns of thinking have changed with neoliberalism, but our patterns of exercising power have changed much more significantly. As such, there is a danger to suddenly miss the social at times when we see an absence of power relations.

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<sup>32</sup> Dean, M., 2010, p. 200.

<sup>33</sup> Dean, M., 2010, p. 201.

<sup>34</sup> Dean, M., 2010, p. 203.

<sup>35</sup> Dean, M., 2010, pp.202-203.

<sup>36</sup> For unknown reasons, Lazzarato does not employ this analytic distinction in his own analysis of the social. He suggests it could be fruitful, however. See Lazzarato, M., 2009, p. 110-112.

<sup>37</sup> Lazzarato, M., p. 111

<sup>38</sup> Rose, N., 1996, p. 227.

Thus, in a bid to properly identify a post-welfarist regime of the social, we should do two things. Firstly, we should focus on discursive manifestations and aspects of the social. Secondly, we should pay special attention for cases that do not feature lingering legacies of state sovereignty, where the state's responsibilities but which are being discharged in new manners, and through market mechanisms – this is potentially distracting. As such, we should look for political campaigns where responsibility for economic malfeasance is not mediated by the state, but rather solely (or at least primarily) runs to individuals and groups, as mediated through by a perceived social reality. Even better, this should be an example where the state has neither the responsibility to intervene, nor the inclination nor power to do so. When we do this, and thus look for economic regulation in civil society instead of the state, suddenly the social appears all around us.

### **Corporate Social Responsibility, Corporate Citizenship, and Neoliberal Economic Regulation**

In his history of corporate social responsibility (CSR), Gerald Hanlon finds a fascinating trend. CSR, as a concept and political discourse, has existed for decades, but it only gained critical mass in mainstream society somewhere around 1990<sup>39</sup>. What could explain a sudden but fairly rapid increase in popularity at that time? There is, in some sense, no real answer to that sort of question – governmentality theorists chart the relative adoption and discarding of various political discourses, and there is relatively little predictability or causality behind cases such as these. That said, however, Hanlon, among others<sup>40</sup>, surmises that CSR and similar discourses have prospered because of the voids left behind by the retreat of the welfare state – just as globalization and neoliberalism have undermined the traditional regulatory apparatuses surrounding the economy, political actors suddenly found this discourse useful in conceptualizing the moral virtues, or failings, of market actors.

CSR, like many political discourses, is notoriously difficult to authoritatively define, let alone comprehensively satisfy. Broadly speaking, many management scholars follow a generally negative definition, where CSR is defined out of a rejection of pure economic rationality, in favour of a general backdrop of social goods. For example, the standard definition of corporate social responsibility is commonly recognized to stem from Keith Davis, who argues that it denotes “businessmen’s decisions and actions taken for reasons at least partially beyond the firm’s direct economic or technical interest”<sup>41</sup>. The expectation is thus threefold; that firms are wrong to only act self-interestedly, that firms should adopt more of their negative externalities,

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<sup>39</sup>Hanlon, G. ‘Re-Thinking Corporate Social Responsibility and the Role of the Firm: On The Denial of Politics’, in A. Crane, A. McWilliams, D. Matten, J. Moon, and D. Siegel (eds.), *Oxford Handbook of Corporate Social Responsibility* Oxford: Oxford University Press, 2008, pp. 156-172.

<sup>40</sup> This understanding is increasingly widespread. See Palazzo, G. S. & Scherer A.G. “Towards a Political Conception of Corporate Responsibility: Business and Society Seen from a Habermasian Perspective,” *Academy of Management Review*. Vol 32, N. 4, 2007. pp. 1096–1120 and Shamir (2004), for two similar accounts.

<sup>41</sup>

Davis, K. “Can Business Afford to Ignore Corporate Social Responsibility?” *California Management Review* Vol.2, pp. 70–76.

and (crucially), that if they do not act “responsibly,” then moral opprobrium and negative incentives will follow<sup>42</sup>.

With CSR, we thus see a reintroduction of social rationality into the motivation and decision making of large corporations, creating a new set of surfaces to for political agents to govern. Specifically, the appearance and regularization of CSR lets political agents ask tough questions of actors who otherwise might appear to be essentially private and of marginal political interest. CSR, as a discursive formation, thus aids critics such as non-governmental organizations as they intervene into economic matters. With CSR, as well as with its parallel discourse corporate citizenship, the moral disposition of firms, as well as the moral decisions they make, become political matters. These discursive formations help activists hold firms to account, as in cases of sweatshop manufacturing,<sup>43</sup> as civil society groups employ both hortatory<sup>44</sup> techniques, as well as incentive-based campaigns based on market signals, such as with boycotts.<sup>45</sup>

With the above laid out, it seems clear that corporate social responsibility and corporate citizenship operate firmly within the imaginary of the social. Both discourses permit new ways of political thinking about nominally private economic activity. Both discourses posit the importance of restraining oneself from anti-social selfishness, and just as with the social, this impulse is tied to public responsibility and notions of citizenship. Moreover, both discourses also work to facilitate civil society efforts to hold market forces to account. Importantly, we also see what Dean predicted; that with the neoliberal imaginary, CSR and corporate citizenship operationalize their campaigns through market incentives<sup>46</sup>. As such, this seems to be a straightforward neoliberalization of classically liberal (and socially liberal) political technologies. Moreover, we also see the expected shift away from the state frame, and towards a focus on civil society groups.

This isn't to say that CSR and corporate citizenship are exactly as expected, however. For various reasons, the governmentality school has yet to ask exactly how responsibility itself is translated into the neoliberal, post-state frame. Specifically, CSR seems to somewhat imperfectly and indirectly translate the role and collective responsibilities of the welfare state into individual responsibilities borne by firms. For example, insofar that the government of Canada was ever held responsible for the environment, it was held responsible for safekeeping a concrete public good. This nominally demanded of the state that it undertake certain actions to safeguard the collective's interest, as demanded within the welfarist regime. As such, the government bore a responsibility to weigh economic and social rationalities, thus hopefully determining an optimum compromise. The responsibilities borne by firms, however, are neoliberal ones, where everything (even the social) is economized and individualized instead of gathered together to be held in the public trust. This is not to adopt an overly cynical perspective here; there's no reason to think that prosocial pressures such as social opprobrium cannot effectively translate into negative incentives, thus causing a given firm to cease given operations. Similarly, Foucault's treatment of neoliberalism takes great pains to argue that all human emotion and subjective value can be economized through the Chicago school use of human satisfaction (ie. fresher air has a health value and an innate value, but it also has a value in terms of pure pleasure and possible gain or

<sup>42</sup> Shamir, R, 2004, pp.2-3.

<sup>43</sup> Vogel, D. *The Market for Virtue*. Washington: Brookings, 2005, pp. 30—37.

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<sup>45</sup> Vogel, D., pp. 30-37.

<sup>46</sup> Palazzo .G. & Scherer, A.G., 2007, pp. 1104-1108.

loss of that pleasure)<sup>47</sup>. With these new definitions of what it means to be economic, then economic regulation should be able to endure into neoliberalism.

That said, despite our having these powerful new theoretical tools at our disposal, the governmentality school has yet to properly conceptualize the shift from welfare state responsibility to marketized, individualized, responsibility. Some, such as Shamir,<sup>48</sup> have argued that CSR operates analogously to how vulnerable citizens have been told to “take responsibility” for themselves, a process known as responsabilization, as the welfare state’s downloaded responsibilities are assumed by individuals who must now look out for themselves. On a certain level this is helpful, but on others it is not. Speaking generally, firms have always looked out for themselves, and they have always predominately operated according to the interests of shareholder self-interest. Moreover, while welfarist technologies such as workman’s compensation have undoubtedly shielded businesses from the full cost of doing business, freely assuming that cost is not actually in keeping with an authentically neoliberal understanding of responsibility and human enterprise. Neoliberal firms would not experience that new cost as a new responsibility. Rather, they would pay that cost, and would experience it as the necessity of acting in keeping with social mores, thus assuring themselves that they won’t be assessed various penalties.

Moving back to the environmental example, the welfarist state would regulate a given industrial plant, thus holding the plant individually responsible for certain costs, and would take collective responsibility for various outcomes. Models where this collective responsibility is assumed to fall directly to individual firms (or very successful individuals) translate very poorly to neoliberal situations, where individuals and firms are constantly evaluating options, interests, and relative costs. Shamir’s finding that responsabilization entails that market actors must freely bear the full cost and consequences of their actions<sup>49</sup> would suggest that our industrial plant would, on some level, bear the cost of pollutants irrespective of potential outside penalty. This is untenable, because it is obviously rarely true, and it also misses the actual moment when neoliberal agents take responsibility for themselves, as well as, indirectly, their antisocial behaviour.

Rather, a neoliberal, and conspicuously social, account of CSR would emphasize the fact that no formal, compulsive, force will demand compliance in this hypothetical case. The firm’s formal freedom will be preserved. CSRs coercive power, however, which recommends that the firm take responsibility for itself, and thus act in a manner likely to be perceived as responsible to wider society, emerges out of the observation that society will likely observe the pollution, as well as any subsequent (in)actions. In this case, the firm must thus take responsibility for itself, which then entails that it account for the consequences of its actions, but this is not to say that it is directly responsible for the pollution in any meaningful way. The firm is responsible, to society, for its moral disposition – this is the political territory that the social evaluates<sup>50</sup>. Sometimes this demands that the firm pay for its pollution, and in such a case this all appears exactly as it would under Shamir’s model. What we might suspect from having studied the social, however, is that comprehensive remedies are rarely demanded of economic agents, as society tends to expect a certain level of negative externalities to stem from economic activity. Social responsibility and social citizenship, along with their corporate counterparts, thus draw

<sup>47</sup> Foucault, M., 2007, pp 223-230.

<sup>48</sup> Shamir, R, pp. 7-9.

<sup>49</sup> Shamir, pp. 7-8.

<sup>50</sup> Rose, N., 1999, pp. 50-55.

greater expectations from the decline of the welfare state, but this greater importance flows organically from how the social perceives the state of affairs. If society is comfortable with affairs, then the standards for moral behavior are presumably less stringent. If society finds itself uncomfortable with a given industry, behavior, or firm, then a firm will presumably have to demonstrate a greater level of social rationality and a greater willingness to suspend the requirements of economic rationality. This thus helps explain why CSRs definition is both negative in structure as well as potentially unsatiable; corporate social responsibility is assessed upon that standard territory of the social: is this individual or firm a considerate member of society, or are they selfish? Should this company have moved “beyond”<sup>51</sup> its profit motive to a greater degree, or was their forbearance sufficient?

This assessment of moral disposition thus bears only an indirect relationship with so-called governance gaps, but that relationship is a dependable one – as the state retreats from the regulatory field, and as networks of civil society groups move towards governing firms directly, new behaviours become increasingly scrutinized in the name of corporate social responsibility. In this way, firms are being held firmly to account, albeit through the mediating image of their social (ir)responsibility. As we move into increasingly diffused governance relationships, and as neoliberalism presumably continues to colonize new fields of human activity, we can thus begin to imagine how new regulatory fields might take advantage of the Foucauldian insight that formal freedom is necessary to maximize governmental efficiency, but that formal freedom is really no freedom at all.

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<sup>51</sup> Davis, K., 1960, p. 70.

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