

CONTENTS

Foreword: François Ewald and Alessandro Fontana

xiii

one 10 January 1979

1

Questions of method. ~ Suppose universals do not exist. ~ Summary of the previous year's lectures: the limited objective of the government of raison d'État (external politics) and unlimited objective of the police state (internal politics). ~ Law as principle of the external limitation of raison d'État. ~ Perspective of this year's lectures: political economy as principle of the internal limitation of governmental reason. ~ What is at stake in this research: the coupling of a set of practices and a regime of truth and the effects of its inscription in reality. ~ What is liberalism?

two 17 January 1979

27

Liberalism and the implementation of a new art of government in the eighteenth century. \sim Specific features of the liberal art of government (I): (1) The constitution of the market as site of the formation of truth and not just as domain of jurisdiction. \sim Questions of method. The stakes of research undertaken around madness, the penal order, and sexuality: sketch of a history of "regimes of veridiction." \sim The nature of a political critique of knowledge (savoir). \sim (2) The problem of limiting the exercise of power by public authorities. Two types of solution: French juridical radicalism and English utilitarianism. \sim The question of "utility" and limiting the exercise of power by public authorities. \sim Comment on the status of heterogeneity in history: strategic

against dialectical logic. \sim The notion of "interest" as operator (opérateur) of the new art of government.

three

24 January 1979

51

Specific features of the liberal art of government (II): (3) The problem of European balance and international relations. ~

Economic and political calculation in mercantilism. The principle of the freedom of the market according to the physiocrats and Adam Smith: birth of a new European model. ~ Appearance of a governmental rationality extended to a world scale.

Examples: the question of maritime law; the projects of perpetual peace in the eighteenth century. ~ Principles of the new liberal art of government: a "governmental naturalism"; the production of freedom. ~ The problem of liberal arbitration. Its instruments: (1) the management of dangers and the implementation of mechanisms of security; (2) disciplinary controls (Bentham's panopticism); (3) interventionist policies. ~ The management of liberty and its crises.

four

31 January 1979

75

Phobia of the state. \sim Questions of method: sense and stakes of the bracketing off of a theory of the state in the analysis of mechanisms of power. \sim Neo-liberal governmental practices: German liberalism from 1948 to 1962; American neo-liberalism. \sim German neo-liberalism (I). \sim Its political-economic context. \sim The scientific council brought together by Erhard in 1947. Its program: abolition of price controls and limitation of governmental interventions. \sim The middle way defined by Erhard in 1948 between anarchy and the "termite state." \sim Its double meaning: (a) respect for economic freedom as condition of the state's political representativity; (b) the institution of economic freedom as basis for the formation of political sovereignty. \sim Fundamental characteristic of contemporary German governmentality: economic freedom, the source of juridical legitimacy and political consensus. \sim Economic growth, axis of a new historical consciousness enabling the break with the past. \sim Rallying of Christian Democracy and the SPD

to liberal politics. \sim The principles of liberal government and the absence of a socialist governmental rationality.

five 7 February 1979

101

German neo-liberalism (II). \sim Its problem: how can economic freedom both found and limit the state at the same time? \sim The neo-liberal theorists: W. Eucken, F. Böhm, A. Müller-Armack, F. von Hayek. ~ Max Weber and the problem of the irrational rationality of capitalism. The answers of the Frankfurt School and the Freiburg School. \sim Nazism as necessary field of adversity to the definition of the neo-liberal objective. \sim The obstacles to liberal policy in Germany since the nineteenth century: (a) the protectionist economy according to List; (b) Bismarck's state socialism; (c) the setting up of a planned economy during the First World War; (d) Keynesian interventionism; (e) the economic policy of National Socialism. \sim The neo-liberal critique of National Socialism on the basis of these different elements of German history. \sim Theoretical consequences: extension of this critique to the New Deal and to the Beveridge plans; interventionism and the growth of the power of the state; massification and uniformization, effects of state control. \sim The stake of neo-liberalism: its novelty in comparison with classical liberalism. The theory of pure competition.

six 14 February 1979

129

German neo-liberalism (III). ~ Usefulness of historical analyses for the present. ~ How is neo-liberalism distinguished from classical liberalism? ~ Its specific stake: how to model the global exercise of political power on the principles of a market economy, and the transformations that derive from this. ~ The decoupling of the market economy and policies of laissez-faire. ~ The Walter Lippmann colloquium (26 to 30 August 1938). ~ The problem of the style of governmental action. Three examples: (a) the question of monopolies; (b) the question of "conformable actions (actions conformes)." The bases of economic policy according to W. Eucken. Regulatory actions and organizing actions (actions ordonnatrices); (c) social policy. The ordoliberal critique of the

welfare economy. \sim Society as the point of application of governmental interventions. The "policy of society" (Gesellschaftspolitik). \sim First aspect of this policy: the formalization of society on the model of the enterprise. \sim Enterprise society and judicial society; two faces of a single phenomenon.

seven 21 February 1979

159

Second aspect of the "policy of society" according to the neo-liberals: the problem of law in a society regulated according to the model of the competitive market economy. \sim Return to the Walter Lippmann colloquium. \sim Reflections based on a text by Louis Rougier. \sim (1) The idea of a juridical-economic order. Reciprocity of relations between economic processes and institutional framework. \sim Political stake: the problem of the survival of capitalism. \sim Two complementary problems: the theory of competition and the historical and sociological analysis of capitalism. \sim (2) The question of legal interventionism. ~ Historical reminder: the Rule of law (1'État de droit) in the eighteenth century, in opposition to despotism and the police state. Re-elaboration of the notion in the nineteenth century: the question of arbitration between citizens and public authorities. The problem of administrative courts. \sim The neo-liberal project: to introduce the principles of the Rule of law into the economic order. \sim Rule of law and planning according to Hayek. \sim (3) Growth of judicial demand. \sim General conclusion: the specificity of the neo-liberal art of government in Germany. Ordoliberalism faced with the pessimism of Schumpeter.

eight 7 March 1979

185

General remarks: (1) The methodological scope of the analysis of micro-powers. (2) The inflationism of state phobia. Its links with ordoliberalism. \sim Two theses on the totalitarian state and the decline of state governmentality in the twentieth century. \sim Remarks on the spread of the German model, in France and in the United States. \sim The German neo-liberal model and the French project of a "social market economy." \sim The French context of the transition to a neo-liberal economics. \sim French social policy: the example of

social security. ~ The separation of the economic and the social according to Giscard d'Estaing. ~ The project of a "negative tax" and its social and political stakes. "Relative" and "absolute" poverty. Abandonment of the policy of full employment.

nine 14 March 1979

215

American neo-liberalism (I). Its context. \sim The difference between American and European neo-liberalism. \sim American neo-liberalism as a global claim, utopian focus, and method of thought. \sim Aspects of this neo-liberalism: (1) The theory of human capital. The two processes that it represents: (a) an extension of economic analysis within its own domain: criticism of the classical analysis of labor in terms of the time factor; (b) an extension of economic analysis to domains previously considered to be non-economic. ~ The epistemological transformation produced by neo-liberal analysis: from the analysis of economic processes to the analysis of the internal rationality of human behavior. \sim Work as economic conduct. \sim Its division into capital, abilities, and income. \sim The redefinition of homo economicus as entrepreneur of himself. \sim The notion of "human capital." Its constitutive elements: (a) innate elements and the question of the improvement of genetic human capital; (b) acquired elements and the problem of the formation of human capital (education, health, etcetera). \sim The interest of these analyses: resumption of the problem of social and economic innovation (Schumpeter). A new conception of the policy of growth.

ten 21 March 1979

239

American neo-liberalism (II). ~ The application of the economic grid to social phenomena. ~ Return to the ordoliberal problematic: the ambiguities of the Gesellschaftspolitik. The generalization of the "enterprise" form in the social field. Economic policy and Vitalpolitik: a society for the market and against the market. ~ The unlimited generalization of the economic form of the market in American neo-liberalism: principle of the intelligibility of individual behavior and critical principle of governmental interventions. ~ Aspects of American neo-liberalism: (2) Delinquency and penal

policy. ~ Historical reminder: the problem of the reform of penal law at the end of the eighteenth century. Economic calculation and principle of legality. The parasitic invasion of the law by the norm in the nineteenth century and the birth of criminal anthropology. ~ The neo-liberal analysis: (1) the definition of crime; (2) the description of the criminal subject as homo economicus; (3) the status of the penalty as instrument of law "enforcement." The example of the drugs market. ~ Consequences of this analysis: (a) anthropological erasure of the criminal; (b) putting the disciplinary model out of play.

eleven 28 March 1979

267

The model of homo economicus. \sim Its generalization to every form of behavior in American neo-liberalism. \sim Economic analysis and behavioral techniques. \sim Homo economicus as the basic element of the new governmental reason appeared in the eighteenth century. ~ Elements for a history of the notion of homo economicus before Walras and Pareto. ~ The subject of interest in English empiricist philosophy (Hume). \sim The heterogeneity of the subject of interest and the legal subject: (1) The irreducible nature of interest in comparison with juridical will. (2) The contrasting logics of the market and the contract. \sim Second innovation with regard to the juridical model: the economic subject's relationship with political power. Condorcet. Adam Smith's "invisible hand": invisibility of the link between the individual's pursuit of profit and the growth of collective wealth. The non-totalizable nature of the economic world. The sovereign's necessary ignorance. \sim Political economy as critique of governmental reason: rejection of the possibility of an economic sovereign in its two, mercantilist and physiocratic, forms. \sim Political economy as a science lateral to the art of government.

twelve 4 April 1979

291

Elements for a history of the notion of homo economicus (II). \sim Return to the problem of the limitation of sovereign power by economic activity. \sim The emergence of a new field, the correlate of the liberal art of government: civil society. \sim Homo economicus and

civil society: inseparable elements of liberal governmental technology.

Analysis of the notion of "civil society": its evolution from Locke to Ferguson. Ferguson's An Essay on the History of Civil Society (1787). The four essential characteristics of civil society according to Ferguson: (1) it is an historical-natural constant; (2) it assures the spontaneous synthesis of individuals. Paradox of the economic bond; (3) it is a permanent matrix of political power; (4) it is the motor of history.

Appearance of a new system of political thought.

Theoretical consequences: (a) the question of the relations between state and society. The German, English, and French problematics; (b) the regulation of political power: from the wisdom of the prince to the rational calculations of the governed.

General conclusion.

Course Summary	317
Course Context Index of Names	32