**Agency and Neoliberalism**

<table>
<thead>
<tr>
<th>Journal:</th>
<th>Cambridge Journal of Economics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manuscript ID:</td>
<td>CJE-2012-130.R2</td>
</tr>
<tr>
<td>Manuscript Type:</td>
<td>Article</td>
</tr>
<tr>
<td>CJE Keywords:</td>
<td>agency, neoliberal, institutions, heterodox</td>
</tr>
<tr>
<td>&lt;a href=<a href="http://www.aeaweb.org/journal/elclasjn_hold.html">http://www.aeaweb.org/journal/elclasjn_hold.html</a> target=new&gt;&lt;b&gt;JEL Classification&lt;/b&gt;&lt;/a&gt;:</td>
<td>B50, B52, N32</td>
</tr>
</tbody>
</table>

[Review Link](http://mc.manuscriptcentral.com/cje)
Agency and Neoliberalism

With the advance of neoliberalism over the last forty years, examination of the exercise of agency within the context of this latest stage of capitalism must be explored. The argument set forth is that agency within the specific institutional/structural context of neoliberalism requires tailored cultural mechanisms and artifacts to construct and support a self-referential, yet inauthentic agency. Inauthentic agency sustains neoliberalism.

Key words: agency, self-reference, neoliberal, institutions, heterodox

JEL codes: B50, B52, N32
With the advance of neoliberalism over the last forty years, an examination of the exercise of agency within the context of this latest stage of capitalism must be explored. The argument set forth is that agency within the specific institutional/structural context of neoliberalism requires tailored cultural mechanisms and artifacts to construct and support a self-referential, yet inauthentic agency — inauthentic because individuals are not fully aware of the difference between the rhetoric of neoliberalism and the reality. Inauthentic agency sustains neoliberalism.

The first section of this paper details the relationship between an individual’s agency and her respective institutional context, examining their evolution and interplay. The next section focuses on the specific institutional context of neoliberalism, highlighting the mechanics of neoliberalism and proposes that neoliberalism promotes a specific type of agency that is inauthentic. The nature of inauthentic agency is then explored. The third section outlines the means by which this inauthentic agency is created and perpetuated through the fetishism of power, casting of neoliberal values and priorities within an individual’s own frame of reference, and the cultural articulation and socialization of individualism. The final section remarks upon the success and the necessity of neoliberalism in sustaining inauthentic agency.

I. Agency and institutions

All individuals engage and exercise agency during their decision making processes; agency and its underlying cognitive processes, in other words, mental models\(^1\) constitute the mechanism of discretion and agency is the impetus of action (Smith, 2010). Structure, which manifests via the persistent, often tacit, contextual relations within and through which individuals act, partially shapes the individual’s agency through various social mechanisms such as power relations, resource allocation, and both formal and informal constraints and
obligations. The influence, however, of structure and institutions on agency consists of much more than a mere constraining mechanism.

In order not to subsume agent into structure or structure into agent, the interdependence of agent and structure must be acknowledged while also recognizing the simultaneous independence of each – the autonomous and internal forces – which propel agent and structure down their respective evolutionary paths. Thus, structure and agency are approached as simultaneously sensitive to the workings of one another while also consisting and evolving independently and of independent inertia (Archer, 2000; Lawson, 1997). This interactive agency allows for mutual causation between institutions and agent and simultaneously recognizes the interdependence and independence of agent and institutions (Davis, 2003). Structures and agency thus exist independently and evolve in non-syncopated historical time (Hodgson, 2002). Such respect for the dichotomous forces which inform the development of agent and structure leads not only to understanding each more clearly but also serves as an important consideration in the development of economic policy. Structural economic policy changes that do not consider or anticipate the interaction between structural shift and the impacted individuals are not likely to succeed. One needs only to turn to the application of shock therapy in Eastern Europe for a striking example of such failure, where political and economic institutions were transformed quickly from centralized command planned to market economies, leaving confused individuals, unaccustomed to these new institutions in its wake (See Taylor 2003 and 2006).

Moreover, the individual must possess the power of self-reference while recognizing – regardless of accuracy – social influences and her power to act and react to them (Davis, 2003). Self-referential is meant to refer to the agent’s ability to develop a perception of her own position and part of the surrounding structure. Under this conceptualization, the agent is ‘socially embedded in a nonarbitrary manner.’ This of course, doesn’t mean that self-
reference is automatic (Davis, 2003, pp. 113-4). Indeed, the issue of non-authentic self-reference fundamentally changes the character and consequence of this interactivity.

Fundamentally, individuals are responsible for the exercise of their agency (Sayer, 2011). Individuals, however, might not recognize structure or the constraints of structure on their agency. Further, individuals might not recognize the fallibility of their perception of the surrounding structure. Individuals might indeed exercise agency while possessing the power of self-reflection, but those individuals are engaging agency that is not authentic when that self-reflection exists within institutional contexts which represent the veiled exercise of agency of others who are more powerfully positioned. As such, well-intentioned individuals might be accurately exercising self-referential behavior but within a frame of reference that is positively misunderstood. The social meaning of an act in such a scenario does not parallel necessarily with the individual’s intended meaning (Pratten, 1993). Agency with the specific institutional context of neoliberalism requires this type of “inauthentic” agency to sustain it.

II. Agency and Neoliberalism

A. The neoliberal narrative

Neoliberalism embodies the ideological shift in the purpose of the state from one that has a responsibility to insure full employment and protect its citizens against the exigencies of the market to one that has a responsibility to insure protection of the market itself (Harvey, 2005). The neoliberal narrative consists of three well-defined tropes: privatization of currently state provided goods and services, de-regulation of industry, and retrenchment of the welfare state (Dumenil, 2011). All three reinforce a central premise: the locus of control is the individual exercising agency through (free) market operations. The tropes of privatization and de-regulation both argue that erecting a wall between government and business creates a more efficient market economy; private industry is brought to heel by
competitive market forces – market forces that simply represent the aggregate of
autonomous, individual decisions. Likewise, the retrenchment of the welfare state erects a
wall between the individual and the state, which ‘frees’ the individual to exercise agency and
decide for herself where she wants to reside in the economic hierarchy.

This analysis of the neoliberal narrative is not meant to suggest that there is a
comprehensive and complete ‘Neoliberal Agenda’ that is actively enforced by maniacal
powers-that-be. Rather, what is argued is that the neoliberal narrative consists of a central
ideological construct – that of hyper-individualism – upon which the justification of these
tropes rests, the consequences of which legitimize and prioritize market activities above
socially integrative activities. Neoliberalism teaches through the socialization process that
each individual should be accountable to herself and in so doing, each individual’s
responsibility to others and to the collective is eroded. Society is then comprised entirely and
solely of self-interested, atomistic individuals seeking to forward their own agendas. The
emphasis on individual accountability and responsibility naturally segues into the power of
the individual acting alone. Within neoliberalism, agents are not just taught the ethos of
individual responsibility, but more importantly that they are the drivers of destiny: the
individual can through the democratic process – via votes or money – determine the structure,
composition, and path of the state and the market.

B. Neoliberal, inauthentic agency

There is agency and then there is neoliberal agency. The former depends wholly on
the ability of the individual to exercise authentic, self-referential behavior (Davis, 2003). The
latter depends on the individual perceiving herself as authentically self-referential.
Neoliberal agency constructs and instructs the superficially empowered individual and
perpetuates the illusion of autonomous decision making. This is not to suggest that
individuals become puppets to the institutions of neoliberalism – there most certainly remains
genuine interaction between individuals and institutions and the economic agent is still able
to exercise discretion and some authentic agency in her decisions. What is being suggested is
that while the exercise of agency is itself authentic – the individual is empowered to interact
with and superficially change institutions – the perception of agency within neoliberalism is
not.

The neoliberal narrative of privatized, hyper-individualism perpetuates the illusion of
authentic and efficacious agency. Indeed, this is the grand illusion of neoliberalism: that the
individual is self-efficacious and therefore possesses free and uninhibited agency, or at the
very least, maintains the potential for such. Neoliberal, inauthentic agency is framed as
authentic, that is, efficacious, as part of the over-arching neoliberal and democratic narrative,
both of which venerate the sacredness of the individual acting alone (Ratner, 2000). This
veneration of the individual and her agency is neatly framed within the neoliberal narrative as
the power to change one’s situation and station. Under this conceptualization of agency, all
inequalities, misfortunes, and tragedies are surmountable and dependent wholly on the action
of the individual regardless of her social context. This conceptualization removes social
change as a possibility because all fault and power of changes lies with the individual – social
change is therefore not necessary on a collective scale (Ratner, 2000). The conspicuously
hidden contradiction is that the individual cannot ignite lasting and systemic changes to the
social structure itself, nor can the individual do much to change her position within the social
hierarchy because of the restricted set of roles and positions that are open to her (Antonio,

The individual exercises agency in her life decisions but primarily with respect to the
more mundane decisions that are made daily within the auspices of the market economy.
These decisions are certainly self-referential with respect to the individual’s present wants
and needs as well as to her financial/credit position and the social image she wants to project
within her specific set of social relations. This is not – as specified here – authentic agency. Authentic agency requires the individual to understand fully that these decisions are by their nature pedestrian and as such have no greater social consequence. The individual who exercises authentic agency understands that the power to purchase is a prosaic expression of agency. Authentic agency requires that the individual understands not just her power in making decisions, but more importantly the limits to her power within the existing social framework (Ratner, 2000).

The difference between authentic and inauthentic agency as described here can be explained and further refined by briefing exploring the difference between ‘consciousness’ and ‘awareness’ as broadly understood in the Marxist tradition. Callinicos (1987) suggests that the more powerfully positioned individuals possess ‘class consciousness’ while those lower on the economic hierarchy are merely ‘class aware’ – whereby the former recognize and internalize their location and station while the latter only recognizes shared similarities. To merge this framework with that presented here, those at the top of the economic hierarchy possess ‘class consciousness’ and as such authentic agency as they are able to choose deliberately – with full understanding of the capacities and limits to their abilities and reach – with the intended consequence of maintaining their position. The average individual as merely ‘aware’ of shared characteristics with similarly positioned individuals is able to exercise agency, but not authentic agency insofar as catalyzing systemic changes. Those individuals with inauthentic agency work independently to change their respective class identities but do not possess the apperception that they do not have the access to power to catalyze substantial change or to change significantly their relative position on the economic hierarchy; most importantly, these individuals are not conscious that they cannot perform either of those tasks.
There are thus two essential layers of the neoliberal economic system: the superficial layer in which individuals perceive themselves to be situated and the underlying layer in which corporations operate and attempt to sustain the former other, public face of neoliberalism. Both layers are real, and the former is essential to the maintenance of the latter.

The skin of neoliberalism, that part of the social structure of accumulation of which everyone is aware advocates for individual accountability and small government through a minimized welfare state, privatization, and de-regulation. In this layer of reality, the individual possesses and engages agency in decision making. The agent is completely self-referential within this superficial layer, and more importantly, perceives herself as authentically self-referential. Beneath the skin of neoliberalism presides the genuine institutional framework of neoliberalism: the revolving doors between lobbying firms, corporate boards of directors, and political office. By examining this deeper, veiled layer, stripping away the rhetoric and studying the mechanism of operations, we witness the contradiction between neoliberal rhetoric and reality.

C. The veiled layer

The corporate sector demands for the privatization of government projects mask the clamor for the signing over of government contracts to the private sector. Contracted state infrastructural production and services or the issuing of vouchers by which individuals purchase such services via the private market are only superficial movements toward privatization. This partial-privatization separates the consumer – indeed the public, writ large – from the private producer with the state acting as a financial intermediary, essentially removing public oversight without reducing state spending (Nasser, 2003). Examples abound and continue to expand within the US: the privatization of prisons (Corrections Corporation of America), defense contracts (Lockheed Martin), infrastructure re-building in war-torn
areas of the world (KBR) and even the privatizing of military operations (Xe, formerly called Blackwater). Once government funded projects are contracted to the private sector, these corporations are able to claim under the Fourteenth amendment to the US Constitution personal rights\textsuperscript{vi} that include the right to free speech viz. political endorsements and the right to privacy and protection of proprietary information, helping shield operations from regulatory oversight. The neoliberal push for privatization thus veils the allocation of government funds into corporate welfare programs and essentially deregulates industries by removing transparency. Partial privatization demonstrates the power of the contradiction between the ideal of the democratically empowered individual who can catalyze social change and the reality of the opaque government funding provided to private industry contractors within the neoliberal state.

The shrinking of the welfare (or ‘nanny’) state translates to a retrenchment of social welfare programs. The attack on social programs proceeds on moral grounds: the connection between the need to restore morality and the retrenchment of the welfare state is made to create reforms which are palatable to the working class (Piven, 2004). Arguments against the welfare state portray poverty as a necessary evil which serves as incentive to remove oneself from poverty or as unnecessary given the success of past social programs which had effectively corrected any past inequalities (Karger, 1993). Accordingly, social programs are painted as deleterious as such safety nets degrade the individual’s perceptions of self-worth and communicate a lack of faith in the recipient’s ability to provide for her family (George, 2000). As well, one should not underestimate the expediency and effectiveness with which cultural perceptions of individuals receiving assistance from the welfare state have been molded so as to embarrass, humiliate, and socially degrade recipients while allowing others to morally justify not fighting for the extension of government aid (Piven, 2004). Issues of morality are often invoked to buttress support of welfare retrenchment as welfare policies are
portrayed to the public as supporting a ‘culture of poverty;’ a culture which includes
disincentives for marriage and traditional family units as well as the maintenance of ‘welfare
queens’ (Piven, 2004) or of ‘skivers’ over ‘strivers.’ The neoliberal narrative instructs that
individuals exercise agency and choose whether or not to suffer poverty; obfuscating the
reality that individuals become trapped in cycles of poverty rather than electing to maintain
cultures of poverty. The impact of this manifestation of the contradiction works on two
levels: first, the popular removal of social programs which might assist lower income
individuals (even those opposed to social programs) in climbing the economic hierarchy and
second, by creating barriers to advocates of social change with the argument that poverty is a
choice.

The theory of consumer sovereignty perpetuates the idea of the impartiality of the
market and the market as an efficient execution of the democratic ideal – consumers ‘vote’
with their money. While there is considerable choice in the market setting as the capitalist
cycle demands persistent product development and finer market segmentation, the choice set
is determined, priced, and therefore entirely determined by the producer, so that the reality of
the production of goods for the consumer market is more aptly described via Galbraith’s
‘revised sequence’ where in reality it is the producer who is sovereign (1985, pp.221-9).
Invention is the mother of necessity; planned obsolescence, creative destruction, and
increasing market segmentation perpetuate its maternity. Galbraith eloquently explains,
however, that to describe this process as unilateral and paint consumers as victims, slaves, or
witless pawns is short-sighted and misses the mark entirely. Individuals are not dupes –
indeed, they must be increasingly sophisticated in order to navigate the saturated and overly
differentiated market (Migone, 2007). Consumers have the power to decide not to consume
particular goods, and to exercise a degree of choice in the selection of which goods she might
consume. The most important point is this: that neoliberalism, reinforced by the ideals of
free markets and consumer sovereignty, ‘… supports the conclusion that the individual is the ultimate source of power in the economic system’ (Galbraith, 1985, p. 226). Inauthentic agency is perpetuated and continually reproduced because the culture of neoliberalism elevates the pedestrian choices the individual makes in her everyday life, especially choices of consumption as expression and proof of the individual’s uniqueness, individuality, and power (Ratner, 2000). Within the skin, the superficial layer of neoliberalism, the consumer is sovereign and the individual is supreme – she is self-referential, she knows what she wants and is empowered by free markets to decide and act.

**III. Building the power of choice**

**A. Fetishism of agency**

Commodification and capitalism are inseparable; the existence of the market economy is predicated on persistent commodification. Social life itself becomes subjected to the forces of commodification and consumption under capitalism; individuals within the intensified market setting of capitalism become distanced and detached from personal relationships so they must find connection through commodities. Individuals are conditioned, socialized, and culturally disciplined by capitalism through advertising and political persuasion that the possession of commodities will assuage their insecurities and need for expression and meaning (Stanfield, 1977). These ideas are not new.

What makes commodification in the neoliberal stage of capitalism unique is the emphasis on commodities as fetishized emblems of agency. Ideas that support neoliberalism are objectified, reified, and commodified to the extent that they are no longer ideals but idols which are to be venerated, coveted, and collected. The physical commodification of these ideas serves as a self-referential identifying mechanism for the alienated individual. The individual feels socially connected to other individuals and a larger community through the
shared fetishism of the objectified and commodified ideas of power, freedom, independence, or even counter-cultural non-conformity – all of which enable the individual to construct her identity and superficially define the social context within which she perceives herself to be situated. The individual is thus able to find connection to her own power (self-empowerment) through objects.

Within neoliberalism, commodities become the cultural artifacts and physical proof of an individual’s identity, both uniquely chosen by the individual and shared with a larger community with similar ideals. The patriotic purchase freedom in flags and lapel pins while the rebellious purchase non-conformity and resistance to ‘the system’ in Che Guevarra t-shirts and Kerouac novels. T-shirts and bumperstickers abound whatever the cause or call. What these consumers have actually purchased is the veneer of empowerment through the exercise of agency. The decision to purchase such cultural relics not only supports the superficial social context that sustains neoliberalism, but it also hides the deeper layer of neoliberalism, the political-corporate machinations that constitute the true institutional structure. Culture or counter-culture, pro or anti, rebel or patriot makes no difference: all feel empowered, commodities and production are supported, and the deeper, veiled layers of neoliberalism continue to operate.

The fetishism of the individual’s free and fully autonomous agency sustains and perpetuates neoliberalism. Individuals are not aware that they are not authentically self-referential. Again, this is not to say that individuals act blindly and ignorantly or that all of the aims of neoliberal proponents are neatly and completely executed, but rather to underscore the point that the public face of neoliberalism is convincingly framed but moreover, is not consistent with the machinations beneath the surface. Frustration with or outrage against outcomes of neoliberalism, whether the focus be war, environmental degradation, or cultural deterioration are channeled and (at least superficially) ameliorated
through commodities that are emblematic of that frustration or outrage. Even the anti-
consumerist movement offers t-shirts. Counter-culture is at once commodified and mollified,
all while supporting accumulative drive of neoliberalism. Individuals exposed only to the
superficial face of neoliberalism are thus persuaded and lulled into making decisions without
understanding the deeper layer of neoliberalism wherein corporate institutions attempt to
exert influence on those decisions. Individuals are socialized into believing that their social
context consists of the reified institutions of democracy, freedom, and individual
independence; ‘an increasingly hegemonic discourse that equate(s) individual expression
with material possession’ (Migone, 2007, p. 176). Individuals exercise superficially
authentic, that is superficially self-referential, agency within this contrived institutional
context.

B. “Us versus them”

Working through social institutions and appealing to the market mentality, the
proponents of neoliberalism have been able to enlist citizen support of its agenda through
populist appeals which cast larger neoliberal priorities within an individual’s own frame of
reference. The neoliberal call for a balanced budget illustrates the tactic quite clearly. The
balanced budget issue works well for neoliberalism for two essential reasons: it makes sense
from the perspective of the individual who must balance her own budget, and is therefore
able rather easily to garner popular support, and secondly, a balanced budget is a convenient
means to an end. As discussed above, the ultimate aim of neoliberalism is not a balanced
budget, but rather the specific reduction of government spending through the elimination or
retrenchment of specific social programs which erode capital’s position with respect to labor
by mitigating worker insecurity and thus depriving the corporate sector of an effective
disciplinary device (Meeropol, 2000). The real objective is to reallocate social welfare to
corporate welfare.
Proponents of neoliberalism are able to recruit supporters from the ranks of the working class by obscuring wealth inequalities while emphasizing the distinction between the ‘hedonistic poor’ and ‘hard working’ citizens: the ‘welfare queen’ vs. ‘Joe the plumber.’ Through this rhetorical framing of an ‘other,’ average citizens who would not benefit from neoliberal policies such as trickle-down economics, tax breaks for upper-income brackets, or the removal of social safety nets effectively become supporters. Furthermore, the specious justification of job creation and maintenance is evoked to rationalize and recruit support for corporate welfare over social welfare, even when the assistance in the form of either subsidy or tax relief would be more beneficial to society in general and the poor in specificity if it were channeled into the production of education or other social infrastructural improvements.

The neoliberal packaging of financial markets as the common man’s playground veils the struggle over the distribution of income with the persuasive illusion of social mobility. The stock market is sold as a game that workers can play and win; another avenue by which to achieve the ‘American Dream.’ Since experience eventually teaches the individual that hard work does not serve to increase repressed wages, the stock market offers an alternative possible means of entrée into the world of capital and thus serves to recruit individuals into the campaigns for and acceptance of neoliberal market policies (Piven, 2004). Even if individuals are not financially able to invest, the stock market is held up as a promising and attainable opportunity, especially given the proliferation of internet discount brokerages. Despite the illusion of access to stock markets, however evidence suggests that in the US, the households of the neoliberal era hold a smaller percentage of stock (46 percent in 2000) than during the golden years of the welfare state (90 percent through the 1950s), the remainder of public shares being held by institutional investors (Crotty, 2003).
By persuading the general public that ‘we’ are all in the business of making money, that all of us are ‘in the same (contextual) boat,’ proponents of neoliberalism are able to quite effectively enlist popular support from individuals who do not stand to benefit from its policies but believe at the very least, that they someday might benefit. The framing of the inheritance tax within the US presents a compelling example. In the early 1990s, Republicans were encouraged by political strategists to replace the term ‘inheritance tax’ or ‘estate tax’ with the term ‘death tax’ in their calls for its repeal. This rhetorical manipulation and the bombast against the tax that followed demonstrate how proponents for repeal have been able to harness popular support for a tax that only impacts 2% of US taxpayers (Schaffner, 2009).

C. Expert vs. humble opinion

The cultural articulation of the neoliberal movement would not be possible without the transference of neoliberal values via the social structure. The individual learns from the communal stock of knowledge shared through intersubjective relations, from the structural repository of knowledge, and from her own experience (Hodgson, 2004). The hyper-individualism of neoliberalism, however, diminishes reliance on social relationships so that the structural sources of knowledge and the transmission of new knowledge increasingly fall to expert analysis rather than shared personal experience or institutional forms independent of neoliberalism.

A significant contribution to the success in the propagation of the neoliberal mental models has been the mass-market packaging of those ideals via news media channels. The institutions of the neoliberal economy act as filters on the transmission of new information. Filtering may be enforced or reinforced in a variety of ways: threats to advertising income, increasing concentration of ownership of media outlets, corporate feedback and assistance, or reliance on ideologically charged ‘expert’ perspectives (Jackson, 2004). Sound bites and
condensed information are used to arm the public with easy to understand and communicate
talking points on current issues. The blogosphere and booming pundits formulate opinions
and outrage by neatly condensing complex issues into mimicable political stances. In a
disturbing example of news manipulation, a study conducted by the Center for Media and
Democracy found escalating employment of video news reports (VNRs) – ‘pre-packaged
‘news’ segments’ – which are largely commissioned by corporate interests and offered free of
charge to the media. The VNRs, whose production values and graphics deliberately mimic
that of television newscasts, are designed to be inserted directly into a station’s news
programming without further editing. Researchers found that none of the television stations
tracked in a national study fully disclosed to the public the source of the VNR (Farsetta,
2006).

Proponents of neoliberalism also attempt to influence public perception and opinion
via widely publicized and doctrinaire work of scholars funded by neoliberal ideologists
through foundations. The establishment of think tanks and policy institutes which fund
speakers, authors, and flood the media with a bevy of expert commentators – often provided
free of charge – serves to inculcate the values of neoliberalism in the public mind (Blyth,
2002; Jackson, 2004; Piven, 2004). These propaganda machines have historically been
carefully crafted. Indeed, the original creation of many of these various institutes since the
1970s has followed a specific blueprint in order to maximize the spread of the neoliberal
ideology, with each institution assigned a specific goal such as the promotion of capitalism as
the superior system (the only alternative) or a specific legislative project geared toward
corporate interests. vii Affiliation with a particular political party is incidental to the purpose
and direction of these ideological entities (Blyth, 2002).

Proponents of neoliberalism have not only proven quite adept at demoralizing and
defaming the welfare state, but also those who support it; the invention of an elitist class
based not on income but rather intelligence\textsuperscript{viii} has effectively driven a wedge between the traditional liberal supporters of the welfare state in academia and the general population. The populist appeals of neoliberal advocates effectively pit the working class (or ‘Middle America’) against the fabricated ‘intellectual elite,’ as represented by university professors and Ivy League educated politicians, and the immoral poor. In many ways, proponents of neoliberalism have been able to construct a straw man out of the intelligent elite and the hedonistic poor as a manner of diverting the public from the origin of their insecurities which are created in the capitalist drive to encourage mass consumption (Ehrenreich, 1987).

Although not a new phenomenon, this development has become more transparent in recent years in renewed attacks on academia, with pundits claiming restricted access to both conservatives and libertarians to the ivory tower (Tierney, 2004). By co–opting the trusted sources of information in society and casting doubt on those critical of neoliberalism, the proponents of neoliberalism are able to convince individuals that everyone faces the same opportunities, has equal access to power, and that the outcomes of their respective decisions are exclusively the result of their chosen exercise of agency.

\textbf{IV. Concluding remarks}

Neoliberalism is morally justified by the invocation of freedom, an ideal with which US residents in particular have historically been heavily socialized. Freedom as such is neatly reframed into the context of neoliberalism: free markets, freedom to choose, free movement of labor and capital, free movement of currency (Nonini, 2003). To object to neoliberalism is to oppose ‘freedom.’ Those who blaspheme the natural law of neoliberalism and the ‘freedom’ it proffers are condemned to ad hominem attacks of anti-patriotism, ‘communism,’ pro-terrorism, or as promulgators of class warfare. Neoliberalism teaches the market mentality and the superiority of the individual.
Within the context of neoliberalism, at least part of the agency an individual perceives she possesses is inauthentic. The veneer of authentic agency veils the machinations of channeled interpretations and choice restriction. The larger the distance between authentic and inauthentic agency, the more freedom of movement is afforded to neoliberalism. The difference between agency and agency within the context of neoliberalism is that the latter is not self-actualized agency. The gap between these two creates space for the machinations of neoliberalism. The bloating of the individual’s self-perceived agency in turn reinforces the neoliberal agenda; it is the mischaracterization/misunderstanding of the true nature of authentic agency that reproduces neoliberalism. The result is an interactive agency predicated on the lie of autonomous individual agency. The belief in the power of the individual – in her own power – ultimately serves to strengthen the influence of neoliberalism.

Within neoliberalism, individuals wear symbols of power instead of authentically exercising power. The power to choose is deftly re-angled into the power to choose between commodities, and the potential for action narrowed into the act of exchange. The corporate-owned media engage in the active shaping of the individual’s assessment of self, attaching identification and social meaning to objects while invoking the moral justifications for neoliberalism (Herman and Chomsky, 1988).

By controlling the exposure and content of information to the public, the veiled corporate agenda behind neoliberal policies creates and constructs a convincing and easy to understand picture of social context and institutional configurations amenable to neoliberalism. Media institutions provide experts and analysis; the humble opinion of the average Joe is not only channeled, but also pre-packaged with no further assembly required. The deference on the part of the common man to expert analysis instead of personal and proximate observation contributes to the weight of the information presented. The individual
understands her position in her surrounding context and is thus able to exercise self-referential agency, yet the surrounding context is not wholly described, the pieces are not fitted together, and the sub-surface objectives of the proponents are not exposed. The individual is therefore exercising inauthentic agency.

The advance of neoliberalism is the by-product of ad hoc and uncoordinated responses on the part of politico-corporate entities that only have in common the goal of survival and expansion of operations. Uncoordinated responses from individuals emerge from efforts to cope with an inherently irrational system; to survive and make sense of a world where there is an inarticulable disconnect between the rhetoric and the reality of neoliberalism. The way forward requires individuals to recognize this disconnect and to acknowledge the impotency of the individual acting alone. Only then can individuals work to transcend the actual limits to agency and through coordinated, collective action, redesign social institutions into structures which support authentic living and the broader flourishing of individuals.
References


Taylor, Laura J. 2006. *The Role of Informal Institutions in the Transition: How Households in Krasnodar, Russia are Coping with Change*. PhD. Colorado State University


---

i Mental models so envisioned are not endowed fully formed at birth, nor are they constructed via internally driven, universal maturation processes, but rather contain the antecedents and cumulative paths of the individual’s contextually situated history. For a more detailed explanation of mental models see Wrenn, 2007.

ii For evidence of the former’s level of consciousness and how businesses have adapted to that, see the Citigroup memo, “The Plutonomy Symposium – Rising Tide Lifting Yachts.”

iii This should not be interpreted as producing ‘false consciousness,’ but rather as the prevention of a shared, class consciousness.

iv Recalling Gidden’s description (1979) of “deeply layered” structures, the possibility of more than two layers within neoliberalism most certainly exists. For the present purpose, only the superficial and political-corporate layers will be examined.

v See the Center for Responsive Politics’ Revolving Door Project for extensive analysis and data for the United States of the relationship between K Street, Wall Street, and the US Congress.

vi See the 1886 Santa Clara County v. Southern Pacific Railroad Company US Supreme Court ruling and more recent 2010 Citizens United v. Federal Election Commission US Supreme Court ruling for major landmark cases establishing such rights.

vii See Blyth, 2002, chapter six for an excellent survey of these institutions and their respectively assigned roles.

viii The creation of this new ‘intelligentsia’ has its roots in the presidential platforms of Spiro Agnew and George Wallace in their 1968 and 1972 campaigns (Ehrenreich, 1987, p. 166).