Social Psychology, Consumer Culture and Neoliberal Political Economy: A Response to Phelps & White (2018)

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Abstract

The following is a reply to Joshua Phelps and Christopher White’s (2018) critical commentary titled: “Social Psychology and Neoliberalism: A Critical Commentary on McDonald, Gough, Wearing, and Deville (2017)”. In our paper, “Social Psychology, Consumer Culture and Neoliberal Political Economy” (McDonald, Gough, Wearing & Deville, 2017).

Key Works: Consumer Culture, Neoliberalism, Reconceptualisation, Social Psychology.

Introduction

We wish to thank Phelps and White (2018) for their detailed and thought-provoking assessment of our paper. The following is a reply to some of the issues they raise in their commentary. The purpose of our paper (McDonald, Gough, Wearing & Deville, 2017) was to trace the links between consumer culture, neoliberalism and commodification, analysing its implications for theorising self-identity in psychological social psychology. Neoliberalism was analysed through the lens of consumer culture, as we sought to understand the role it played in this phenomenon[[1]](#footnote-1); it was not to analyse the conceptual contours of neoliberalism per se. However, we take Phelps and White’s (2018, p. 390) point that neoliberalism lacks conceptual unity and so they have become skeptical of its “analytical validity for social psychology”. We agree that the concept of neoliberalism is problematic, however, we argue that it is too early at this stage to walk away from it due to its enduring nature. The reply is structured into three main sections including: (1) the conceptualisation of neoliberalism, (2) its reconceptualisation for social psychology and (3) social psychology’s interdisciplinary collaborations.

Conceptualising Neoliberalism

Like Phelps and White (2018), Springer, Birch and MacLeavy (2016a) write that neoliberalism is far too often used in an indiscrete and pejorative manner. Its irregularity and multiple modes of application across historical periods and political/national boundaries make it difficult to define in a concise manner. Whether for pragmatic reasons and/or because an alternative (set of) concept(s) has yet to be developed, neoliberalism was still employed by Springer, Birch and MacLeavy (2016b) in the title of their substantive handbook on the subject (*The Handbook of Neoliberalism*). Cahill, Cooper, Konings and Primrose (2018) followed suit in their more recently published handbook (*The Sage Handbook of Neoliberalism*). Despite its lack of conceptual precision, a number of authors have come to agree that neoliberalism is essentially committed to the institution of free-market forces over government decision making (Cahill & Konings, 2017; Eagleton-Pierce, 2016; Gilbert, 2013; Hall, 2011; Harvey, 2005; Mudge, 2008; Steger & Roy, 2010; Wilson, 2017). Peck, Brenner and Theodore (2018, p. 6) add: “Fundamentally, the ideology of neoliberalism is founded on an idealised vision of market rule and liberal freedoms, combining a utilitarian conception of market rationality and competitive individualism with deep antipathies to social redistribution and solidarity”.

What makes neoliberalism conceptually messy is the discrepancies between the utopian idealism of free-markets and its “checkered, uneven, and variegated realities” (Peck et al., 2018, p. 3)[[2]](#footnote-2). Peck et al. (2018) refer to this as ‘actually existing neoliberalism’. They also use the term ‘neoliberalisation’[[3]](#footnote-3) to emphasise neoliberalism’s processual nature, hybridity, path-dependence and contextual embeddedness. To this end, neoliberalism is simultaneously an ideology (made up of a number of philosophical tenets), a set of economic reforms (e.g. deregulation of financial markets) and a mode of governmentality (it seeks to influence social behaviour) (Harvey, 2005; Lemke, 2001; Steger & Roy, 2010). In dealing with this complexity Cahill and Konings (2017, p. 4) employ a pragmatic stance, writing that:

A label such as neoliberalism is of course not by itself capable of capturing the messy, complex dynamics and variegated details of social formations. The question is rather whether it provides a useful entry point, a way of looking at these processes.

# The concept of neoliberalism is also challenged by Phelps and White (2018, p. 392) who observe that “post-financial crisis…we have entered into a new, currently unspecified phase of capitalism”, or what they refer to as an “interregnum”. In the period following the 2008 global financial crisis it was assumed that neoliberalism would be swept away and replaced with some form of updated social democratic Keynesian. However, it continued to persist, leading to publications with titles such as *The Strange Non-Death of Neoliberalism* (Couch, 2011), *From Hegemony to Crisis? The Continuing Ecological Dominance of Neoliberalism* (Jessop, 2013)and *Never Let a Serious Crisis Go to Waste: How Neoliberalism Survived the Financial Meltdown* (Mirowski, 2014). Other political economists such as Davies (2014, p. 316) wrote that the “global financial crisis appears to have resulted in a strengthening, and not a weakening, of neoliberalism and the experts that propagate it”.

The last two years (2017-2019) has seen an additional backlash against neoliberalism, not from the political left in the Occupy Movement for example, but this time from the political right. The election of Donald Trump to the Presidency of the United States and Britain’s vote to exit the European Union have become emblematic of the rise of populism around the world. Trumps resurrecting of trade barriers and the scaping of the Trans Pacific Partnership support Phelps and White’s (2018) ‘interregnum’ thesis. However, while Trump may be against globalism (as he puts it), his tax cuts, ostensibly for the wealthy, attempts to dismantle the ‘affordable care act’[[4]](#footnote-4), significant roll back of domestic environmental regulations and withdrawal from the global Paris climate agreement, indicate his support for free-market forces. In Europe (including Britain) many people desire an alternative to the neoliberal status quo, however, it continues to be “ratified at the polls” because many are concerned that “alarming markets, would bring worse misery”[[5]](#footnote-5) (Anderson, 2017). Further, in Australia “neoliberalism persists as a framework for policies, policy makers and social orders” (Barnes, Humphrys & Pusey, 2018, p. 3). Based on these and other factors it is too premature at this stage to suggest that the “altered economic circumstances” that Phelps and White (2018, p. 395) suggest is just around corner; that we are witnessing the death throes of neoliberalism.

Neoliberalism: A Reconceptulisation for Social Psychology?

Phelps and White (2018, p. 395) advance an alternative to overcome some of the conceptual problems with neoliberalism – in particular its lack of precision - by arguing for the notion of a ‘market-derived logics’. This could potentially become an important contribution to the linking of social psychology with theories of political economy. However, in pursuing this endeavor we offer a cautionary note. Care needs to be taken to avoid misappropriating neoliberalism and the manner in which it shapes social behaviour, by turning it into a social-cognitive phenomenon that fails to countenance its political, economic and cultural properties. Under the banner of acceptable (positivist) methodological standards, there is potential for it to be defined in delimited ways by reconceptualising neoliberalism as an ‘external independent variable’. In order to avoid this trap, we recommend the conceptualisation of ‘market-derived logics’ be underpinned by the same ontology as the theory of ‘institutional logics’, which seemingly share a number of similarities. Institutional logics is defined as the “socially constructed, historical patterns of cultural symbols and material practices, including assumptions, values, and beliefs” that shape an individual’s cognitions and behaviours (Thornton, Ocasio & Lounsbury, 2012, p. 2).

In contributing to the development of a more precise concept, we suggest another potential alternative in the notion of ‘free-market values’. The term is taken from the political philosopher Michael Sandel (2012, 2013) and his moral and ethical analysis of free market forces in the United States. Sandel argues that free-market values have encroached on social relations to the point where they now governing what were once non-market realms of life, such as education, the arts and the family. “As a result, without quite realizing it, without ever deciding to do so, we drifted from *having* a market economy to *being* a market society” (Sandel, 2012, p. 10). Similarly, Julie MacLeavy (2008) in her study of Britain’s New Labour political party analyses the set of free-market values they attempted to inculcate in the population.

Mainstream & Critical Social Psychological Approaches to Neoliberalism

In our paper we argued that “research on consumer culture in social psychology has typically taken a *microsocial* perspective” (McDonald, Gough, Wearing & Deville, 2017, p. 364). Phelps and White (2018, p. 394) counter this by identifying some “notable exceptions” in the mainstream social psychology literature that engage with macrosocial political and economic issues. For example, Bay-Cheng, Fitz, Alizaga and Zucker (2015) developed a set of scales to measure the influence of neoliberal ideology on self-concept. Pulfrey and Butera (2013)[[6]](#footnote-6) linked neoliberalism with motivations to cheat in higher education via the meditating variable of ‘self-enhancement’. While these and a handful of other mainstream studies analyse social psychological phenomenon by taking political and economic issues into account, compared to other social science disciplines such as sociology, geography and political science, they represent a barely nascent engagement with macrosocial forces.

Phelps and White (2018, p. 390) note that a “greater openness to heterodoxy within and between critical and mainstream strands and the wider social sciences are required if social psychologists are going to make a more persuasive impact”. As we argued in our paper, engagement with the wider social sciences is likely to yield important insights into how social psychology can affect positive social change. For example, drawing on research conducted by political scientists and philosophers provides theories on how to challenge and provide potential solutions to social problems that stem from neoliberalism. Such as wealth and income inequality, austerity and the degrading of public goods, social protections and democratic controls (e.g. Brown, 2006, 2017; Bruff, 2016; Olssen, 2018; Sandel, 2012; Vail, 2010).

In contrast, research in mainstream social psychology falls short in challenging the politics and economics that are cause of many problems they seek to provide knowledge on. For example, Abrams and Vasiljevic (2014), one of the studies identified by Phelps and White that analyses aspects of consumer culture, examined the issue of social cohesion during periods of economic recession, where societal intolerance has been found to increase. The authors examine a vitally important issue that has significant implications for the health and wellbeing of European society, developing policy strategies designed to maintain members positive views of diversity and distinctiveness. However, their work is delimited by not challenging or providing solutions to the free-market forces that are largely responsible for the ‘othering’ of minority groups in society. Given a choice, we will always be attracted to and influenced by research from the broader social sciences.

As we argued in our paper, the various strands of social psychology that take a critical approach are better equipped – ‘theoretically resourced’ because they engage with the broader social sciences - to offer solutions to the social problems that consumer culture and neoliberalism create. For example, Richardson, Bishop and Garcia-Joslin (2018) analyse how hermeneutic philosophy and interpretative social science can be used to clarify and nurture a renewed democratic populism to challenge some of the anti-democratic elements of neoliberalism. Thomas (2016) advocates for the disabled and those suffering mental health problems who have been disproportionally affected by Britain’s austerity policies. He turns to Habermas’s ‘deliberative democracy’ as a means to facilitate “collective action to achieve social change from the grass roots up” as a means to resist the persecutory procedures employed by the British Department of Work and Pensions, to force as many eligible recipients as possible off welfare benefits (Thomas, 2016, p. 338).

Phelps and White (2018) maintain that critical social psychological analyses of neoliberalism have failed to create an impact in other social science disciplines. They are correct to a degree in that its impact so far has been significant. However, from our observations of the psychological literature that takes a critical approach, it has only been in the last three or so years that the number of publications on neoliberalism has begun to increase[[7]](#footnote-7). Our own critical social psychological analyses of consumer culture and neoliberalism has hardly been outstanding in this respect (e.g. McDonald & O’Callaghan, 2008; McDonald & Wearing, 2013; McDonald, Wearing & Ponting, 2008), however, it has been cited in other social science disciplines such as sociology (e.g. Frawley, 2015; Miles, 2015) and education (e.g. Ellison, 2012). In another example, Sam Binkley (2018), a sociologist, who authored a chapter in the *The Sage Handbook of Neoliberalism*, cited the works of three critical psychologists, Derek Hook, Jeff Sugarman and Rosalind Gill.

Conclusion

Neoliberalism has shown itself to be remarkably resilient in the face of economic crises since the early 1980s. This is not to suggest that this will always be the case as “there is no reason to believe that neoliberalism has found a magic wand that will ward off all threats” (Cahill & Konings, 2017, p. 16). For now, we argue that it is too early to walk away from neoliberalism (and the role it plays in consumer culture), as political economic concepts in which to interpret contemporary social behaviour. We agree with Hall (2011, p. 706) that there are enough “common features” to provide neoliberalism with a provisional identity, “provided this is understood as a first approximation”.

Lastly, we wish to note that despite our criticisms of mainstream social psychological research, we believe that it makes a number of valuable contributions to the topic area. For example, in our paper we cite mainstream studies of consumer culture, noting that they provide useful insights into how individuals and groups use consumer products to create distinctions between themselves and others. As well as providing a deeper understanding of the role it plays in some forms of psychopathology (McDonald et al., 2017, pp. 369-370). Nevertheless, we urge social psychologists to go beyond the bounds of social cognition to explore how thinking, emotions and behaviours are constituted by broader social forces, using this as a basis to affect positive social change. One area where social psychology can achieve this is to conduct research aimed at developing strategies to reclaim a ‘non-market’ sphere in society.

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1. Our monograph *Social Psychology and Theories of Consumer Culture: A Political Economy Perspective* (McDonald & Wearing, 2013, p. 12-18) provides an extended analysis of this. [↑](#footnote-ref-1)
2. Communism of course suffered a similar fate. [↑](#footnote-ref-2)
3. ‘Neoliberalisation’ is defined as an “historically specific, unevenly developed, hybrid, patterned tendency of market-disciplinary regulatory restructuring” (Brenner, Peck & Theodore, 2010, p. 330). [↑](#footnote-ref-3)
4. The ‘affordable care act’ is actually a free market-based mechanism for providing universal health care, which is very different from the universal health care systems that exist in Britain (the NHS) or Australia (Medicare). [↑](#footnote-ref-4)
5. Part of this reasoning is thought to stem from the Thatcherite moto that ‘there is no alternative’, or TINA for short. Munck (2003, p. 495) observes that many politicians and the public at large have become paralysed by a false necessitarianism, “which grants more coherence and solidity to the neoliberal project than it merits”. [↑](#footnote-ref-5)
6. Pulfrey and Butera (2013) was identified ourselves shortly after it was published. [↑](#footnote-ref-6)
7. For example, Bal and Dóci (2018), Bhatia (2017), Brunila and Valero (2018), Cabanas (2016), Carr and Batlle (2015), De La Fabián and Stecher (2017), Klein (2016), Madsen (2015), McDonald, Bridger, Wearing and Ponting (2017), Richardson, Bishop and Garcia-Joslin (2018), Sugarman (2015) and Thomas (2016). [↑](#footnote-ref-7)