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Foucault and the Invisible Economy

Ute Tellmann, Universität Basel

ABSTRACT: This paper discusses the extent to which governmentality provides a critical visibility of the economy beyond its liberal imaginary. It argues that Foucault's conceptual and historical understanding of liberal governmentality has two traits that encumber a de-centering of the economy from a Foucauldian perspective. The first obstacle results from a persistent asymmetry of the concept of governmentality as it remains solely geared towards replacing the monolithic account of the state. Governmentality is therefore in danger of rendering the economic invisible instead of advancing an analytics of power appropriate to the specificity of this field. The second impediment relates to how Foucault reads the invisibility of the economy asserted in liberal discourse. While Foucault emphasizes how the "invisible hand" imparts a critical limitation towards the sovereign hubris of total sight, the paper unearths a more complex politics of truth tied to the invisible economy. Drawing on selected historical material, the paper shows that the liberal invisibility of the economy rather functions as a prohibitive barrier towards developing novel and critical visibilities of the economy. A Foucauldian perspective on economy, the paper concludes, benefits from piercing through this double invisibility of the economy.

Key words: liberalism, governmentality, invisible hand, economy, Foucault.

I. Promises of Governmentality

A profound re-articulation of the political and economic realm lies at the heart of the notion of governmentality. Through the lenses of governmentality, the economy appears as an inextricable part of modern political rationalities. Foucault's aspiration to deconstruct the "cold monster" of the state led him—however inadvertently—to engage simultaneously with notions of the market, the economy and economic man. In doing so, he changed the very nature of these categories. Divested of their epistemological claims, these categories become intelligible as elaborations of liberal political

rationalities of governing. In effect, Foucault has taken up two “cold monsters” at the same time: the economy and the state.

This article focuses on the simultaneous undoing of the inherited discourses on the economy and the state that Foucault proposes. It takes the crossing of boundaries between the economic and the political to be one of the most innovative and intriguing aspects of the concept of governmentality. It is not doubted that Foucault offers powerful tools and tremendous insights for posing and commencing such a simultaneous de-centring of the state and the economy. But how far, this paper asks, does the concept of governmentality answer to the insightful theoretical agenda it implicitly and explicitly contains? Is the concept of governmentality useful for challenging the prevalent conceptualization of the economy to the same extent as that of the state? Unfortunately, as this article seeks to demonstrate, governmentality does not keep the promise to undo both of these “cold monsters” at the same time. In crucial ways, the conceptual architecture of governmentality stays strongly wedded to the de-centring of the state, while the economy remains shielded from becoming the proper object of a Foucauldian “analytics of power.”¹ The economy becomes therefore, as it will be argued, in an important and critical sense analytically *invisible*.² Despite Foucault’s critical re-reading of economic discourse, the market ultimately remains for him, as for liberalism itself, a space of invisibility, populated by interested subjects, who are governed by the conditioning of their choices. One hopes in vain for an analytics of the malleable forms of temporality, spatiality and valuation inherent in the economic; Foucault provides us with no *Economic Order of Things*, which would follow the epistemological authorities, legal frames and spaces of comparison, which organize sociality through objects and money. Instead, the governmental re-articulation of the economy ultimately leads us back to what turns out to be a familiar liberal imaginary of the market.³

The vantage point for measuring and problematizing the contended invisible economy is provided by Foucault’s ethos of investigation itself. As is well known, this ethos of investigation furthers two related analytical tasks: to pierce through the

¹ For Foucault’s uses of this notion see Michel Foucault, *The History of Sexuality. An Introduction. Volume I* (New York: Vintage Books, 1990), 82.

² This article takes the two lecture courses, *Security, Territory, Population* and *The Birth of Biopolitics* as its main references, for the simple reason that they feature most prominently the question of economy as part of an analysis of relations of power (Michel Foucault: *Security, Territory, Population: Lectures at the Collège de France 1977-78*. (Houndsmill, ENG: Palgrave Macmillan, 2008) and Michel Foucault, *The Birth of Biopolitics. Lectures at the Collège de France 1978-79* (Houndsmill, ENG: Palgrave Macmillan, 2008)).

³ For the necessity of probing deeper into Foucault’s account of economy and liberalism see also William Walters, “Decentering the Economy.” *Economy and Society*, 28, 2 (1999): 312-323. His argument concentrates more on how governmentality fails to properly account for the birth of “the economy” as a distinct field of reality. Ricardo, rather than Adam Smith, should be the proper anchor for such a discursive emergence.

“systems of veridiction” and to unfold a novel and critical visibility of the social, in which the lines of force and their fragility are brought to the surface.⁴ By calling himself a “cartographer”, Foucault emphasizes the importance of producing novel and critical visibilities—a status which Gilles Deleuze affirms in his homage to his friend.⁵ As such, Foucault exposes a profound commitment to visibility, understood as the effect of a critical operation.⁶ The following argument takes this ethos of investigation and this quest for critical visibility as its vantage point for problematizing the protracted invisibility of the economy within governmentality.

The argument pursued here contains two parts, both of which deal with the question of how the economy and its discourse are opened to an “analytics of power” and contextualized within a “politics of truth” through an analytics of governmentality.⁷ Throughout, the particular articulation of the political sphere and economic discourse is paramount for understanding the invisibility of the economy.

⁴ The relevant part reads as follows: “Déchiffrer une strate de réalité de manière telle qu’en émergent les lignes de forces et de fragilité; les points de résistance et les points d’attaques possible, les voies tracées et les chemins de traverse. C’est une réalité de lutes possible que je cherche à faire apparaître.” (Michel Foucault, *Dits et Écrits II, 1976-1988* (Paris: Gallimard, 2001), 633). See also Wendy Brown’s account of genealogy for a discussion of this understanding of knowledge-production (Wendy Brown, “Genealogical Politics,” in *The Later Foucault: Politics and Philosophy*, ed. Jeremy Moss (Thousand Oaks, CA: Sage, 1998), 45).

⁵ He does so in an interview with *Les Nouvelles Littéraires* titled “Sur la sellette”, in March 1975 (Michel Foucault, *Dits et Écrits I, 1954-1975*. (Paris: Gallimard, 2001), 1588). Deleuze’s account of Foucault centers on this cartographic project. He speaks of ‘making see and making hear’ what is determining our regimes of visibility and sayability (Gilles Deleuze, *Foucault* (Paris: Editions de Minuit, 1986), 42). That Foucault wanted the knowledge he produces to have a tactical and strategic use and had thus to present strategic links and accounts of forces is a persistent theme in his interviews, lectures and writings. See, for example, the lecture of January 7 in his lecture course *Society must be defended* (Michel Foucault, *Society Must Be Defended: Lectures at the Collège de France, 1975-76*, ed. Mauro Bertani and Alessandro Fontana, (New York: Picador, 2003).

⁶ The argument against the “hermeneutics of suspicion” as marshaled by Paul Ricoeur is based on showing and exposing the superficiality of things in an “overview, from higher and higher up, which allows the depth to be laid out in front of him in a more and more profound visibility; depth is resituated as an absolutely superficial secret,” as Foucault put it in an early work, *Nietzsche, Freud, Marx* (Foucault 1967, cit. in Hubert L. Dreyfus and Paul Rabinow. *Michel Foucault: Beyond Structuralism and Hermeneutics*. Second Edition. With an afterword by and an interview with Michel Foucault, (Chicago, IL: University of Chicago Press, 1983), 107).

⁷ Foucault defined his form of doing philosophy as analyzing the politics of truth: “However, in one way or another, and for simple factual reasons, what I am doing is something that concerns philosophy, that is to say, the politics of truth, for I do not see many other definitions of the word ‘philosophy; apart from this” (Foucault, *Security, Territory, Population*, 3).

The first part argues that the economy remains invisible because a persistent asymmetry in the concept of governmentality privileges the state vis-à-vis the economy as the object of a Foucauldian critique. The economy never becomes an object of analysis in its own right; therefore the mediation of relations of power through money and objects drops from view. Consequently, the specificity of this distinct, yet impure form of ordering, that we refer to as economic, disappears. Despite the aspiration of governmentality to a simultaneous examination of the reciprocity and co-constitution of economic and political discourses, the concept of governmentality itself remains asymmetrical in its aim and critical weight. The first reason, then, for the persistent invisibility of the economy within governmentality research, derives from the failure of the concept to properly address the political within the economic. The second reason for the lack of critical visibility of the economy leads us to a discussion of how Foucault understands the “politics of truth” implied within economic discourse. The main point of contention is Foucault’s reading of the “invisible hand”. According to this reading, the liberal understanding of the invisible economy amounts to an epistemological limit posited against the aspiration of an “economic sovereign”: it disturbs critically any presumption to see a social totality from a single vantage point.⁸ This reading of the invisible market has its merits, but attends only insufficiently to the *political problematique* at stake in seeing the market as a space of invisibility. The pervasive trope of invisibility is equally invested in regulating the regimes of visibility circulating throughout the social body itself, determining what can legitimately be rendered visible, and how. A more thorough genealogy of this trope demonstrates that liberalism itself is in fact divided in respect to the politics of visibility—a point that largely escapes Foucault’s genealogy of liberalism. Foucault, who is usually inclined to demonstrate the “dispersion” and “minute deviations” underneath a unified tradition, has unwittingly glossed over these differing liberalisms and the multiple politics of invisibility.⁹ Too quickly, the invisibility of the economy is taken as a “tool for the criticism of reality,”¹⁰ rather than as a machine for seeing, whose epistemological privileges, lines of exclusion and technologies of knowledge need to be dissected.

II. Asymmetrical Views—Seeing like a State

In a sense, Foucault’s account of the economy has never outgrown the reluctance with which he engaged this issue. Questions of economy were never Foucault’s primary concern; he rather aimed at circumventing and disturbing them. Since his early

⁸ Foucault, *The Birth of Biopolitics*, 283.

⁹ Michel Foucault, “Nietzsche, Genealogy, History.” In *Language, Counter-Memory, Practice: Selected Essays and Interviews by Michel Foucault*, ed. Donald Bouchard (Ithaca, NY: Cornell University Press, 1977), 146.

¹⁰ Foucault, *The Birth of Biopolitics*. 320.

writings, the struggle against the dominance of a Marxist form of economism led him to establish his project to study power, conduct, subjectivity and truth as a field clearly distinguishable and set aside from the study of economic relations proper.¹¹ Of course, he never denied that relations of power should not be understood as an additional layer within the socio-economic field.¹² They reside instead in the very interstices of other relations: “Mechanisms of power are an intrinsic part of all these relations [...]”.¹³ Nevertheless, such relations continue to possess their own density and distinctively non-economic imperatives as they are directed to shape the “conduct of conduct”, and call forth their own struggles and resistances: “These ‘revolts of conduct’ have their specificity: they are distinct from political or economic revolts in their objective and form.”¹⁴ Whenever Foucault uses the notion of economy himself, this usage is usually a quite deliberate and strategic transposition of its meaning into the field of power, playing with and countering the Marxist tradition: hence, he speaks of “the economy of power”¹⁵ or power as a “political economy of the body” as in *Discipline and Punish*.¹⁶ The materialist anchor usually associated with the economy is transposed into the notion of the governing of life—presented as a governmental rather than an economic problematic.¹⁷ It is thus in a way apt to say that Foucault circumvents rather than takes up the issue of economy in his attempt to dislodge the economic and totalizing strands of the Marxist tradition. The lectures at the College de France, in which he developed his notion of governmentality, continue with this strategic evasion. As indicated before, this time the circumvention led paradoxically into the heart of economy. Transposing the question of the state into a question of rationalities and technologies of governing entangled his argument in economic discourses. Instead of the commonly assumed quasi-ontological difference between the economy and the political horizon, Foucault suggests that an unbroken plane of governmental strategies and reflections envelop both spheres. Hence, he firmly treaded onto the territory of the economy itself, with the consequence of disturbing its shape.

It is therefore justified to say that governmentality, however unwittingly, proposes a simultaneous reading of the constitution of both the economic and the

¹¹ Foucault, *Dits et Écrits II*, 629.

¹² Michel Foucault, “The Subject and Power”, in ed. Hubert Dreyfus and Paul Rabinow, *Michel Foucault: Beyond Structuralism and Hermeneutics*, Second Edition (Chicago, IL: University of Chicago Press, 1983), 218.

¹³ Foucault, *Security, Territory, Population*, 2. See also his elaborations of his analytics of power in an interview with Pasquale Pasquino in 1978 “Precisazioni sul potere. Riposta ad alcuni critici” (Foucault, *Dits et Écrits II*, 625ff.).

¹⁴ Foucault, *Security, Territory, Population*, 196.

¹⁵ Foucault, *Dits et Écrits II*, 631.

¹⁶ Michel Foucault, *Discipline and Punish: The Birth of the Prison* (New York: Vintage Books, 1995).

¹⁷ See paradigmatically the last chapter in Foucault, *The History of Sexuality*, 140f.

political. In this respect, Foucault comes close to a certain theoretical program for which Bruno Latour has long argued, which asks for going beyond the traditional divisions assumed by modernity by unearthing their common and entangled constitution.¹⁸ What Latour suggests in respect to the division between society and nature, Foucault suggests implicitly for the economic and the political sphere.¹⁹ But while Foucault might pose the question of the symmetrical making and envisioning of economy and politics, his concept of governmentality retains a thoroughly asymmetrical structure. For understanding this asymmetrical nature and the limits it entails, we need to briefly revisit the basic elements of Foucault's discussion of economy from the perspective of governmentality.

Foucault suggests that the emergence of the modern meaning of economy as a "level of reality" should not be understood as the mere effect of a presumed differentiation of the economy into a functionally coherent subsystem of society.²⁰ Instead, it belongs to a political problematization of a particular rationality of governing that aims at the social body as a whole. Foucault thus sees the conceptualization of economy as part of the "episode in the mutation of technologies of power and an episode in the instalment of this technique of apparatuses of security that seems to me to be one of the typical features of modern societies."²¹ These technologies take the population as their main target of intervention.²² *Security, Population and Government*—this series defined modern politics for Foucault. The knowledge and rationalities of economy prominently underlie this series.²³

The novel conceptualization of economy as a self-regulated reality and the birth of the new collective subject of the population are, Foucault maintains at various points, inextricably tied together in their common function of framing new objects, technologies and techniques of governing.²⁴ Evolving in tandem, the modern concept of economy divests the object of population from the cameralist techniques of the *policey*, with their administrative logic of minute control and encyclopaedic

¹⁸ Bruno Latour, "Postmodern? No, Simply Amodern! Steps Towards an Anthropology of Science," *Studies in the History and Philosophy of Science*, 21, 1 (1990): 145-171.

¹⁹ Bruno Latour, *We Have Never Been Modern* (Cambridge, MA: Harvard University Press, 1993), 13ff.

²⁰ Foucault, *Security, Territory, Population*, 95.

²¹ *Ibid.*, 34.

²² *Ibid.*, 64f; 95.

²³ *Ibid.*, 76f.

²⁴ The differentiation between the notion of technique and technologies in Foucault is notoriously indeterminate. In his lecture-course, Foucault suggests understanding technologies of power as the very "complex edifice" or "system of correlation", in which different specific techniques—as for example the "disciplinary techniques of putting someone in a cell"—are aligned. While the history of techniques is precise and long-winded, the history of technologies is the "more fuzzy history of correlations" defining the "dominant feature" (Foucault, *Security, Territory, Population*, 8).

knowledge.²⁵ At the same time, the concept of population pushes the meaning of economy outside of the narrow confines of the household. No longer referring to the proper administration of the *oikos* or the prudential advice of saving on means, economy projects a new social ontology: a plane of circulatory flows, naturalness and internal forces, forging a complex causal intermeshing between a milieu and its population."²⁶ It is therefore the problem of circulation and causality that is at stake in this notion of milieu...The milieu, then, will be that in which circulation is carried out. The milieu is a set of natural givens—rivers, marshes, hills—and a set of artificial givens—an agglomeration of individuals, of houses, etcetera. The milieu is a certain number of combined, overall effects bearing on all who live in it."²⁷ Very prominently, the notion of the milieu and its circulatory structure articulate the population as a composite figure comprising natural circumstances, habits, urban settings or laws *inter alia*. Political economy thus appears as a form of knowledge integral to a new *dispositif*, whose outlines ignore the usual division maintained between the economy and the political sphere.

The conception of economy is thus firmly positioned within the field of governmental reason and technique. To what extent does this transposition allow a conceptualization of the economy and economic practices—now loosely referring to the specificity of modes of ordering which rest upon the mediation through by money, objects, valuations—as framed and shaped by a security-*dispositif*? Asking this question is not a play on words, rather it posits and tests the viability of the security-*dispositif* to function as a symmetrical analytical device capable of equally dislodging both the state and the market. In other words: Does the discourse on economy succeed only in elaborating the new *dispositif* of power, being itself exclusively geared toward the re-articulation of the state? Or does it allow the development of a challenging analytical perspective on the economy capable of addressing it in its specificity?

Resolving this question requires a discussion of Foucault's somewhat incomplete analysis of the technologies and techniques of the security-*dispositif*.²⁸ The outline, he presents, juxtaposes the security-*dispositif* with disciplinary techniques in terms of their organization of space, time and norms.²⁹ The space of the security-*dispositif* is no longer organized within the cells and grids of discipline, neither does

²⁵ Foucault, *The Birth of Biopolitics*, 323f and 328.

²⁶ Foucault, *Security, Territory, Population*, 94; 30f; 45.

²⁷ *Ibid.*, 21.

²⁸ The cursory explication of the security-*dispositif* by Foucault has given rise to the complaint that Foucault's analytical strategies focus too much on purely theoretical or textual material (Pat O'Malley, Lorna Weir and Clifford Shearing, "Governmentality, Criticism, Politics," *Economy and Society*, 26, 4 (1997): 501-517). The question posed here has a different concern: it inquires about the fecundity of inspiration, which Foucault's analysis contains for developing a richer, more detailed or more material account.

²⁹ Foucault, *Security, Territory, Population*, 44f.

it rely on the temporality of homogeneous units of time, or impose the norms of disciplinary conduct on the individual body. Instead, it assumes a given milieu of circulation, it assumes the aleatory occurrences of events, and it derives its norms from statistical regularities calculated on the level of the population. It is, Foucault concludes, an “idea of a government of men that would think first of all and fundamentally of the nature of things and no longer of men’s evil nature.”³⁰

Foucault’s analysis of this *dispositif* is not comparable to the dense materiality and detail he marshalled in describing the *dispositif* of sexuality or the disciplinary arrangements of visibility, knowledge and sanctions. Still, his cursory remarks on this subject are inspiring because they call attention to the ordering of spatiality, temporality and norms as unique aspects of economic regimes of circulation. But despite his invocations of the economic as modulated by a specific *dispositif* of organizing time, space and economic norms, this line of research is not pursued consistently through his investigations. The analytics of the security-*dispositif* are not geared towards understanding the circulation of things and money. They do not point towards unearthing what might be called an “economic order of things” in its epistemic, juridical, spatial and strategic dimensions, and in terms of their unique effects. Today, as genetic engineering, intellectual property regulation, derivatives and techniques of transplantations refashion the very ontology, obligations and measurements tied to the order of things, the omission of these orders becomes even more accentuated. Instead, Foucault directs our attention to the interplay between a milieu and the wills and interests of the subjects by which “one tries to affect the population.”³¹ Certainly, as Foucault states, within the security-*dispositif*, the “multiplicity of individuals is no longer pertinent, the population is.”³² However, the individual still plays a decisive role in his analysis of the economic government of population “to the extent that, properly managed, maintained and encouraged, it will make possible what one wants to obtain at the level that is pertinent.”³³ Although the population had been introduced as a composite figure including things and spatial settings, this figure becomes more and more a composite of sentient, willing and interested individuals responding with their calculations to given incentives.³⁴ The “conduct of conduct” through the manipulation of interest becomes the single most

³⁰ Ibid., 49.

³¹ Ibid., 21.

³² Ibid., 42.

³³ Ibid.

³⁴ Stuart Elden has discussed how territoriality has elapsed from the analytical perspective, while being so prominently featured within the very title of the lecture-course: *Security, Territory, Population*. He argues that this omission might be remedied within the very framework proposed by Foucault, but remarks nevertheless this curious obliteration, at the cost of an exclusive account of population analytically separated from territoriality (Stuart Elden, “Government, Calculation, Territory,” *Environment and Planning D: Society and Space*, 25 (2007): 562-580).

important key for rendering this *dispositif* analytically intelligible. As a consequence, the analytical visibility given to the market-economy in Foucault's perspective increasingly resembles the well-known outlines of the prevalent liberal understanding of the economy. Sifting through his lectures, one finds the following all too familiar imaginary of the (market) economy as part and parcel of the governmental re-articulation: it is a bounded space of circulation, it answers to the forces of reality itself, it is regulated through incentives. It is about exchange or competition and it is situated—repeating the usual oppositions—vis-à-vis the interventionist welfare state. Traditionally, Foucault's genealogies and archaeologies have drawn their analytical power from a disruption of the known oppositions and options, already pre-figured at the surface of dominant discourses. In respect to the question of economy, governmentality appears to fall short in attaining this expected "Foucault-Effect".

It seems, then, that one is confronted with an asymmetrical conceptual anatomy of the security-*dispositif*: the discourse on economy elucidates a specific rationality of the security-*dispositif*, which contains plausible suggestions for thinking of the state "without entrails", while the elaboration of this *dispositif* fails to elucidate the order of the economic itself, or, as I have tentatively put it, the economic order of things. A limit appears in how the elaboration of the techniques of governmentality can indeed function as a complete heuristic to displace effectively and productively the implicit universality of both the state and the market—which is not to say that it does not re-articulate the economy to a certain extent. Detecting these specific governmental strategies in different *lieux sociaux*, including firms, consumer programs or bureaucracies, exposes how deeply *this type of power* is enmeshed within economic forms. Nevertheless, Foucault's approach is capable of identifying *only* those strategies of governing that operate through incentives, without successfully conceptualising the economy beyond its liberal imaginary. Wendy Brown's statement—that the governmental account of neo-liberal strategies is not about the economy—while foregrounding the market, is more fitting than one might have hoped.³⁵

At the end of the two courses at the Collège de France, Foucault summarizes his "interpretation" of liberalism" as having pointed out those "types of rationality that are implemented in the methods by which human conduct is directed through a state administration."³⁶ It is certainly surprising and misleading that Foucault restricts the scope of his analysis to "state administration". But Foucault's approach signals the awareness of the specificity of governmentality as it remains geared toward dissecting the modes of "seeing like a state"—borrowing here somewhat polemically the famous title by Scott.³⁷ Given that technologies of governing emanate

³⁵ Wendy Brown, "Neo-Liberalism and the End of Liberal Democracy." *Theory and Event*, 7, 3 (2003). <http://muse.jhu.edu/journals/tae/v007/7.1brown.html#copyright> (accessed June 16, 2008).

³⁶ Foucault, *The Birth of Biopolitics*, 322.

³⁷ James Scott, *Seeing Like a State: How Certain Schemes to Improve the Human Condition Have*

throughout the social body, this allegation is misleading. But it captures nevertheless the asymmetrical weight of the concept of governmentality. The point of contention in respect to how Foucault draws the question of economy into the orbit of political reason is not directed against the political horizon he spans over the economy. The point of contention I am advancing here lies in how he does it: unearthing “the political” in economic forms of ordering could and should mean, from a Foucauldian perspective, the development of an “analytics of power” appropriate to the specificity of this field. But within governmentality, it means to *excavate* the economic, with neither the mediations of relations through money or objects being fully addressed. It is in this sense that the economy remains invisible within the political perspective of governmentality.

III. Tropes of Invisibility—Seeing like a Market

The invisibility of the economy is not only an unwitting effect of Foucault’s elaboration of the security-*dispositif*, it is also explicitly encoded within the genealogy of the economic discourse that Foucault presents in his analysis. The invisible hand plays a paramount and paradigmatic role in Foucault’s account of the liberal politics of truth: key to this governmental interpretation of the invisible hand is the dispersion of the epistemological authority it enforces, and its effect in undermining the authority of the sovereign. But Foucault’s reading fails to account fully for the *political problematic* of visibility and invisibility in the social body; hence only a partial and one-sided genealogy of the invisible hand emerges, one which privileges the critical function of the invisible hand while underestimating the limitations imposed by this trope. The question of what is determined as invisible or visible in respect to the social body, and to whom such visibility is accorded, has a far wider political texture than Foucault is capable of conveying in his lectures. Furthermore, this wider political texture correlates with the inner differences of the liberal tradition—a tradition that, as McClure exemplifies in respect to John Locke, has always been guided and disquieted by questions of knowledge and criteria of judgement.³⁸ Liberalism itself is not unified in respect to the “politics of truth” inscribed within the visible hand. In order to draw out these intrinsic differences within what passes as a purportedly unified liberal tradition, the following discussion draws, if only cursorily, on historical select material. On the one hand, it takes up the short-lived radical democratic-liberal thought of the eighteenth century (exemplified by Thomas Paine or Marquis de Condorcet), and, on the other, it refers to the work of Friedrich A. Hayek, who presents an important strand of liberalism prominent since the nineteenth century. This division between strands of liberalism are not reducible to the historical gap

Failed (New Haven, CT: Yale University Press, 1998).

³⁸ Kirstie McClure, *Judging Rights: Lockean Politics and the Limits of Consent*, (Ithaca, NY: Cornell University Press, 1996), 63; 69.

that divides them. Neither do these strands correlate with the distinction between liberalism and neo-liberalism that Foucault discusses more prominently. Rather, they foreground a difference within the politics of truth implicit within the liberal tradition that has become particularly virulent at the end of the eighteenth century, but exceeds this historical moment. Still, incorporating this particular historical moment is instructive, as Foucault knew, when he chronicled the break between the classical and modern episteme at the turn of centuries in *The Order of Things*. Curiously, for his account of liberal governmentality, this break plays no role. What he disperses in *The Order of Things*, notably the discursive shifts in political economy, remains surprisingly unified in the genealogy of the liberal account of economy he offers in his studies of governmentality.³⁹ Pinpointing these inconsistencies is not merely an exercise in scholarly erudition: these differences correlate with differences in the “politics of truth” contained in the liberal tradition itself, and for this reason their absence constitutes critical omissions. In order to recover these differences, an explication of the trope of the invisible hand, as seen through Foucault’s limited analysis, is required.

The question of visibility and its related epistemology is central to how Foucault related the concept of economy to the liberal rationalization of government. Foucault sought to understand the very boundary between the spheres of politics and economy as a specific epistemological construction: “Political economy was important, even in its theoretical formulation, inasmuch as (and only inasmuch as, but this is clearly a great deal) it points out to the government where it had to go to find the principle of truth of its own governmental practice.”⁴⁰ The decisive issue is not this or that particular economic theory or fact, nor does this truth exist within “the heads of economists.”⁴¹ Instead, of paramount importance is the very structure of association established between political reason and truth. Political reason and the sphere of politics are within liberalism, according to Foucault, tied to the market as a “court of veridiction”.

The link established by liberalism between the truth of the market and the rationalities of governing does not constitute a straightforward relation. Key to liberal-

³⁹ Adam Smith, who assumed in the former account a middling position between the modern and the classical age, turns later into a paradigmatic figure for the modern liberal political rationality. Also, the modern “finitude of men” Foucault diagnoses in the *Order of Things* is not properly translated into his account of governmentality. Attending to this shift towards finitude might help to provide answers to the question of the relation between biopolitics and economy—which is not sufficiently addressed by Foucault. See Ulrich Bröckling, *Menschenökonomie, Humankapital. Eine Kritik der biopolitischen Ökonomie*, in *Disziplinen des Lebens. Zwischen Anthropologie, Literatur und Politik*, ed. Ulrich Bröckling et al. (Tübingen, GER: Gunter Narr Verlag, 2004) for an argument about the missing link between biopolitics and economy.

⁴⁰ Foucault, *The Birth of Biopolitics*, 32.

⁴¹ *Ibid.*, 30.

ism is the paradoxical nature of this relation as it refers political reason to an object of knowledge that remains invisible. The economy, in other words, defies the aspirations to know, resulting in a paradoxical epistemological ground. Paradigmatically, the “invisible hand” of Adam Smith stands for this disruption of the authority of a sovereign vision; it articulates the impossibility of seeing the whole of society from a single vantage point. The singular most important point in respect to this invisibility is the limit of power it produces, according to Foucault. The following words, which Foucault puts into the mouth of the *homo oeconomicus* in a fictitious dialogue with the juridical sovereign, nicely exemplify this stance: “He also tells the sovereign: You must not. But why must he not? You must not because you cannot. And you cannot in the sense that “you are powerless”. And why are you powerless, why can’t you? You cannot because you do not know and you do not know because you cannot know.”⁴²

Therefore, the figure of the invisible economy has a pivotal role for the discursive initiation of these limits and their governmental effects. Foucault distinguishes on this ground between liberal political rationality proper and its Physiocratic predecessor. The Physiocrats, Foucault emphasizes, referred political reason not to an invisible economy, but, on the contrary, they procured a *tableau économique*, which enabled a sovereign vision over the whole. The truth of the socio-economic body, transparent to sovereign eyes, was to guide the decision of the sovereign, without dislodging him. Liberalism proper, on the other hand, according to Foucault, begins by asserting a barred vision of the social body.⁴³ At several places throughout these lectures, Foucault describes economic thought as the very discursive stronghold that establishes such limits, which is in fundamental ways also an epistemological limit. Hence, in contrast to the wisdom of political philosophy, Foucault thus ties liberalism—in its essential aspects—not to the form of law, but to the discourse on economy.⁴⁴ The “heretics” of the police-state with its “megalomaniacal and obsessive fantasy of a totally administered society”⁴⁵ were, he points out, the economists as they posed a reality, which had its own density and naturalness: “[...] It was the *économistes* who mounted a critique of the police state in terms of the eventual or possible birth of a new art of government.⁴⁶ The discourse on economy, with its attending notions of circulatory flows, milieus, interests and aleatory occurrences,

⁴² Ibid., 283.

⁴³ Ibid., 285f.

⁴⁴ To be precise, one has to add that Foucault’s argument here is strictly historical, as political economy as a form of knowledge is not liberal “either by virtue or nature” (Foucault, *The Birth of Biopolitics*, 321). For a more extensive discussion of the relation between law in its function as a limit and the interpellation of the economy as a natural limit, see the lecture from 17 January 1979 (Foucault, *The Birth of Biopolitics*).

⁴⁵ Nikolas Rose and Peter Miller, “Political Power beyond the State: Problematics of Government,” *British Journal of Sociology*, 43, 2 (1992): 189.

⁴⁶ Foucault, *Security, Territory, Population*, 347.

defies any aspiration to govern directly, minutely and *en detail*—to the same extent that it made the sovereign vision over these processes impossible: “The possibility of limitation and the question of truth are both introduced into governmental reason through political economy:”⁴⁷ “I think that fundamentally it was political economy that made it possible to ensure the self-limitation of governmental reason.”⁴⁸

We have thus arrived at the heart of Foucault’s reading of the trope of the invisibility of the economy: The essential and politically relevant understanding of the famous “invisible hand” centres on the very restriction it imposes on the sovereign hubris to know and to rule the whole of society and its economy from a central position. With an almost surprising verve, Foucault elaborates this point after having drawn parallels between the limits Kant imposed on the proper uses of pure reason on the one hand, and the self-limitation of political reason enacted by political economy on the other:⁴⁹ “Thus the economic world is naturally opaque and naturally non-totalizable. It is originally and definitely constituted from a multiplicity of points of view [...] economics is an atheistic discipline; economics is a discipline without God; economics is a discipline without totality; economics is a discipline that begins to demonstrate not only the pointlessness, but also the impossibility of a sovereign point of view over the totality of the state he has to govern.”⁵⁰ It is the invisible economy that provides the tool for this limitation.

This account of the invisibility of the economy as an impossibility of a sovereign perspective is certainly kindred to the critiques of modern epistemological authority and claims to universality presented by post-structuralism, feminism and post-colonial theory. The sovereign ‘view from nowhere’ is de-authorized by reference to the multifarious and limited perspectives within the depth of the social body. Hence, a certain proximity and fondness colours Foucault’s account of the trope of

⁴⁷ Foucault, *The Birth of Biopolitics*, 17.

⁴⁸ *Ibid.*, 13.

⁴⁹ The comparison reads as follows: “Kant too, a little later moreover, had to tell man that he cannot know the totality of the world. Well, some decades earlier, political economy had told the sovereign: Not even you can know the totality of the economic process. There is no sovereign in economics. There is no economic sovereign. This is a very important point in the history of economic thought, certainly, but also and above all in the history of governmental reason” (Foucault, *The Birth of Biopolitics*, 283).

⁵⁰ Foucault, *The Birth of Biopolitics*, 282. The invisible hand is thus essential to liberalism, which is, Foucault contends, pre-occupied with the question of limited or frugal government and can be defined “as a technology of government whose objective is its own self-limitation [...]” (*Ibid.*, 319). It is haunted by the constant question of why to govern at all and subjects itself to the incessant critique of its own, [...] I would be inclined to see in liberalism a form of critical reflection on governmental practice (*Ibid.*, 321). The theme of limited government and the motif of critique circumscribe, according to Foucault, the Janus face of liberalism: as an elaboration of mostly indirect forms of rule - which might paradoxically turn out to be quite extensive - and as a “tool for the criticism of reality” (*Ibid.*, 320).

invisibility. This fondness might never have stopped him from telling a story of liberalism that chronicles the mechanisms undercutting this announced ethos of delimitation. But the present argument is less concerned with the merits of Foucault's analysis of liberalism *tout court*, than with the particular reading of the invisibility of the economy and its theoretical effects and omissions.

That this reading omits decisive aspects can be perceived by revisiting the historical record. A reworked genealogical perspective provides the clues for unearthing a much wider *political problematique* of visibility than Foucault's narrative presents. Emma Rothschild's history of *Economic Sentiments* draws our attention towards the contested tropes of invisibility at the end of the eighteenth century. It is a time at which, she emphasizes, the boundaries between the economic and political spheres were far from clearly drawn.⁵¹ The turn towards the nineteenth century, in the wake of the French Revolution, was rife with intense contestations of how and to whom the social was visible. The *political problematique* at stake revolved in a much more general sense around the uncertainty of vision within a situation defined by the intense questioning of inherited structures of authority at a time of political upheaval. In contrast, if one follows Foucault's account, one would expect the major difference within the liberal tradition to reside between the nineteenth century and the neoliberalism of the twentieth century respectively. But a more careful genealogical account, which intends to uncover the contestations, struggles and "the appropriations of vocabulary,"⁵² would find rather, that such fissures were pertinent and present around 1800, when economic reason did not yet pose a strict limit for the exercise of its counterpart.⁵³ Sheldon Wolin has remarked how easily these differences in liberalism seem to slip from attention.⁵⁴ But around the time of the French Revolution, they came to the fore in an intense contestation about the questions of seeing and knowing the socio-economic body. The following historical ma-

⁵¹ Emma Rothschild, *Economic Sentiments. Adam Smith, Condorcet, and the Enlightenment*, (Cambridge: Harvard University Press, 2001), 50.

⁵² Foucault, *Society Must Be Defended*, and Michel Foucault, "Nietzsche, Genealogy, History", 154f.

⁵³ Rothschild, 38f.

⁵⁴ Sheldon Wolin, *Politics and Vision: Continuity and Innovation in Western Political Thought*. Expanded Edition, (Princeton, NJ: Princeton University Press, 2004), 263. Sheldon Wolin is more inclined to take such differences not as internal to liberalism, but as signaling two different traditions easily "lumped together": democratic radicalism and liberalism. Thomas Paine would belong to the former, whereas Adam Smith to the latter. Emma Rothschild tries to draw out the differences between Adam Smith and the liberalism of the nineteenth century, which was ever more inclined to secure the foundations of unquestioned (epistemological) order. These differences are here accounted for as they help to distinguish the differences in respect to the politics of visibility or invisibility. But of course, it is important to keep in mind that Adam Smith and David Hume's skepticism towards the democratization of judgment was profound.

terial does not only refer back to the end of the eighteenth century, it *uses* this moment to illustrate differences within liberalism between, on the one hand, thinkers such as Thomas Paine, Condorcet and to some extent Adam Smith, and on the other, Friedrich von Hayek.

We learn from the historical record that the socio-economic body was not only, deemed invisible to the sovereign: the invisibility of society and its correlate blindness were also prominently attested to those newly attending the political stage, those who had but a limited “private stock of reason”, as Edmund Burke famously put it. It was allegedly they who could not see and to whom societal necessities and impending structures remained essentially invisible. Jacques Necker, Minister of Finance at the time, maintained that the people are like children, acting without reflection, only enlightened by their instinct, as “in all this immense space which is called the future... they never see more than tomorrow.”⁵⁵ Similarly, Adam Ferguson complained that “every step and every movement of the multitude are made with equal blindness to the future.”⁵⁶ Only guided by the immediacy of their own perceptions and failing to take the socio-economic rules properly into view, their political utterances lacked the intelligibility and vision necessary. “The mob”, as the famous scholar of population and economy Thomas Robert Malthus has put it, was “goaded by resentment for real sufferings but totally ignorant of the quarter from which they originate.”⁵⁷ For that reason, they were easily led to “follow the chimeras of thought” and “flights of the imagination” and were easily “deceived by appearances”. But of course, so were the philosophers and radical liberals, such as Thomas Paine, “who has shown himself totally unacquainted” with the structure of society.⁵⁸ Visibility and sight, blindness and ignorance, virtues and vices were attributed variously among the sovereign, the people, and those who allegedly deceived them with their theories. Hence, even such limited historical snapshots draw attention to the multiple, highly debated and heavily charged allegations with respect to claims of knowledge.

Foucault himself has suggested that any writing of the genealogy of knowledge in this period has to do away with the binaries of enlightenment posed between blindness and sight, night and day, knowledge and ignorance. Rather, it should comprehend the extended struggle, not between knowledge and ignorance, but between different forms of knowledge.⁵⁹ Following these lines of conflict, even

⁵⁵ Cit. Rothschild, 39; 23.

⁵⁶ Ibid., 123.

⁵⁷ Thomas Robert Malthus, *An Essay on the Principle of Population*. Sixth edition (London: William Pickering, 1986), 501; 494.

⁵⁸ Malthus, 526; 505.

⁵⁹ Foucault elaborates this in a discussion about philosophy and science and the disciplining of knowledge. See the lecture of February 25 in the lecture course Foucault, *Society must be Defended*.

minimally, shows that undoing the hubris of sovereign knowledge and asserting a structural invisibility are two distinctive moves associated with invisibility and with different effects.

One can observe a profound discursive break between the radical democratic liberals of the eighteenth century such as Thomas Paine or Condorcet and the subsequently dominant form of liberalism since the nineteenth century.⁶⁰ To the latter, the social body appeared “frighteningly complex” and uncertain in all its overlapping relations.⁶¹ This socio-economic ontology of countless interdependencies defied the transparent *tableau économique*, just as Foucault would have expected. Yet, early liberal political thought was busy producing certain forms of knowledge about the socio-economic body that would answer to this complexity. Condorcet coined the “social mathematics” in order to retrieve a probable truth amidst the uncertain and changing opinions, while always remaining cautious in respect to proposing a truth of society.⁶² Thomas Paine was equally busy determining a calculative and political knowledge about shares of civilisation to be distributed. It would be the task of a more thorough historical epistemology to unpack the “politics of truth” associated therewith. But more important for this discussion was the mere fact that neither a general nor structural invisibility of society was asserted, nor was a secure position from which to judge and to know ever assumed. They projected a “fatherless world”—using a term Rothschild coined—of unfounded and uncertain epistemological authority, but did not assume a barred vision in respect to the socio-economic complexity. Even Adam Smith, whose scepticism led him to assume that “politics is the ‘folly of man,’”⁶³ did not venture to maintain the impossibility of any form of theoretical visibility of the socio-economic. As Rothschild argues convincingly, the assertion of the “invisible hand” had no deep prohibitive structure of vision in Smith. For Smith, as for Condorcet, Rothschild argues, the “enlightened disposition” was an uncertain condition. While no certain epistemological ground was to be had, it entailed theorization and envisioning.⁶⁴ The “fatherless world” of uncertain judgements offered no sovereign or certain vision, but neither did it impose any specific prohibition on rendering the economic visible per se.

But the trope of invisibility did turn into a prohibitive bar to the envisioning of the socio-economic world later on. The liberalism of the nineteenth century, filtered through the work of classical economists, was much more invested in estab-

⁶⁰ Wolin and Rothschild.

⁶¹ Antoine-Nicolas de Condorcet, *Sketch for a Historical Picture of the Progress of the Human Mind*. (London: Weidenfeld & Nicolson, 1955), 131.

⁶² Johan Heilbron, *The Rise of Social Theory*, (Minneapolis, MN: University of Minnesota Press, 1995), 168, and Rothschild, 178f.

⁶³ Albert Hirschman, *The Passions and the Interest: Political Arguments for Capitalism Before its Triumph*, (Princeton, NJ: Princeton University Press, 1997), 104.

⁶⁴ Rothschild, 123.

lishing unquestioned foundations of order. Hayek's liberalism, harking back more to Edmund Burke than to Thomas Paine (contrary to what Foucault's historical narrative makes believe) is paradigmatic for the simultaneous assertion of invisibility and foundation:⁶⁵ it is the very invisibility of the whole which demands, according to Hayek, submission to those rules of conduct "that we have never made, and which we have never understood."⁶⁶ It is, he concedes, a "bitter necessity", which is not easily accepted by a "hubristic reason."⁶⁷ The decisive moment of submitting to the assumed rules and regularities of the given is founded on the grounds of this essential invisibility.⁶⁸ The extended order of the market answers to "that which far surpasses the reach of our understanding, wishes and purposes, and our sense perceptions, and that which incorporates and generates knowledge which no individual brain or any single organisation, could possess or invent."⁶⁹ Economics is for Hayek a meta-theory about the "dispersal of information"⁷⁰ and hence it is the only form of knowledge that informs us of our own limits to know in productive ways. Hayek ties the impossibility of knowing the economy from a sovereign position to the prescription of economics as the viable form of self-consciousness about this state of being; he intimately conjoins seemingly critical reflections about the limits of reason—what Foucault associates with a Kantian operation—with a proscriptive ban on theorization, that is, with the prohibition to envision the "extended order" (Hayek) in a different light.

The paradox of the essential invisibility he posits lies not only in the wagering between a critical impossibility to see and its prohibition. It also lies in the very

⁶⁵ For the relations between the founder of conservatism Edmund Burke and the form of neo-liberalism Hayek stands for, see Hayek's own identification as an "old Whig", drawing parallels to Edmund Burke in the postscript *The Constitution of Liberty* titled "Why I Am Not a Conservative." (Friedrich A. Hayek, *The Constitution of Liberty*, (Chicago: University of Chicago Press, 1960), 399f, 409). This title is misleading. Hayek argues against a conservatism that is indistinctively reluctant to any change. Thus, he attempts to distinguish himself, as well as Edmund Burke from a type of "Tory-conservatism" that tends to allow less experimentation than he would embrace. "I am as little a Tory-conservative as was Edmund Burke" (Friedrich A. Hayek, "The Mysterious World of Trade and Money", in *The Fatal Conceit. The Errors of Socialism. The Collected Works of Friedrich August Hayek*, Vol 1. (London: Routledge, 1988), 53). For the intimate links between a form of political conservatism and this strand of liberalism, see also William Scheuerman, "The Unholy Alliance of Carl Schmitt and Friedrich A. Hayek," *Constellations*, 4, 2 (1997)) and also John P. McCormick's discussion of this type of conservatism (John P. McCormick, *Carl Schmitt's Critique of Liberalism: Against Politics as Technology* (Cambridge: Cambridge University Press, 1997), 303f).

⁶⁶ Hayek, "The Mysterious World of Trade and Money", 14.

⁶⁷ Ibid. 64; 76.

⁶⁸ Ibid., 77.

⁶⁹ Ibid., 71.

⁷⁰ Ibid., 88.

reversal of the subject-positions of knowledge, which it effects. The general indictment of the effort to see beyond the reach of one's own interest has, as its underside, the construction of the market as a site where the social body becomes legible: "It is more than a metaphor", asserts Hayek, "to describe the price system as a kind of machinery for registering change, or a system of telecommunications [...]".⁷¹ In Hayek's account, it turns into a transmission belt for information, producing the amount of knowledge functional to the whole.⁷² "The whole acts as one market ...because their limited individual fields of vision sufficiently overlap so that through many intermediaries the relevant information is communicated to all [...]. The most significant fact about this system is the economy of knowledge with which it operates, of how little the individual participants need to know"⁷³ Thus, the market is "like a telescope", a tool for knowing the relevant, but it is itself neither understood, nor to be revised.⁷⁴ Without letting the market assume this epistemological position, Hayek threatens, we might develop a "different type of civilization, like that state of termite ants"⁷⁵ or will simply sacrifice the "nourishment of the existing multitudes of human beings."⁷⁶

Within this discursive construction, the market becomes *the sole site legitimately producing this knowledge of the whole*. The invisibility of the market and the construction of its epistemological authority go hand in hand. We have stumbled upon a familiar construction: Only that which does not exhibit its particularity can be assumed to be universal; only an invisible market can promise viable sight. In this context, the invisible hand is not just about defying the hubris of "economic sovereignty," as Foucault put it. It is more about defying the forms of critical visibility commonly associated with Foucault's work. The invisibility of the market is directed against the very analytical perspective Foucault typically assumes, one aimed at detecting the instruments, positions, and architectures that produce such epistemological claims and privileges. A more typical Foucauldian approach would commence to undo the invisibility of the economy and the market as an invisible "telescope" and "information-machine". This would mean rendering visible the market's own "machine of seeing", rather than seeing like the unseen market itself.

In sum: omitting the dispersion within the discourse of liberalism may have led Foucault to embrace the invisibility of the economy with too much fondness. Attending to the different "politics of truth" related to the invisible economy requires simply a more extended Foucauldian genealogy. But it also requires an emphasis of

⁷¹ Friedrich A. Hayek, "The Use of Knowledge in Society", in *The American Economic Review*, Vol. 35(4), 1945: 527.

⁷² Hayek, "The Mysterious World of Trade and Money", 94.

⁷³ Hayek, "The Use of Knowledge in Society", 526f.

⁷⁴ Hayek, "The Mysterious World of Trade and Money", 104.

⁷⁵ Hayek, "The Use of Knowledge in Society", 528.

⁷⁶ Hayek, "The Mysterious World of Trade and Money", 100.

the lines of exclusion present in a discursive order, which Foucault is sometimes less adamant about.⁷⁷ Searching for the political element within these figures of economic discourse involves relating the surface of discourse itself to the positions and forms of seeing they provide. Governmentality is right for deciphering the political within the economic; it is right for positing a co-constitution of the world of politics and of economic categories and practices. But the task of deciphering the political and of understanding this common constitution exceeds the reach of this concept.

IV. Epilogue

The foregoing discussion sought to engage the unfulfilled promise of governmentality. The concept of governmentality promises to displace the hypostatizing categories of politics and economics with the critical visibility of the lines of force and the politics of truth. However inadvertently, it drew the economy into the orbit of its critical reach. But while it engaged profoundly with economic discourse in this vein, it had the paradoxical effect of excluding the economy from its critical operation. The economy remains invisible if measured against the critical visibilities Foucault has elsewhere produced. Two reasons for this invisibility have been singled out. The first consists in the persistent asymmetry ingrained within the concept of governmentality itself. While economic discourse is de-essentialized in the governmental account of the state, the economy does not become the object of an “analytics of power” in its own right. Of course, the proliferation of strategies of “conducting conduct”—which work through techniques of responsabilization, evaluation, and choice—can be detected within the public and private realm alike. This is not, however, equivocal to understanding the artifice of economic forms, which produce spatialities, temporalities and epistemologies of valuation. The second argument about the invisibility of the economy within governmentality has concerned itself with Foucault’s reading of the “invisible hand”. The liberal trope of the invisible economy, as it turns out, answers to different “politics of truth”. While it might have effectively barred “economic sovereignty”, it has also been invested with a prohibition to envision and to theorize, however uncertain and contested. In this regard, Foucault accepts and operates within this view of the market as the paramount and invisible machine of knowledge production.

⁷⁷ For remedying this aspect, Judith Butler has always argued that the orders of discourse need to be prominently related to what is undone in their midst (Judith Butler, *Bodies that Matter: On the Discursive Limits of “Sex.”* (New York: Routledge, 1993), 8). Very similarly, Jacques Rancière stressed the divisions between what is rendered intelligible and what is delegated to mere noise. The political artifice resides in creating these divisions and orders of the sensible, as he phrases it (Jacques Rancière, “Ten Theses on Politics,” *Theory & Event*, 5, 3 (2001). http://muse.jhu.edu/journals/theory_and_event/v005/5.3ranciere.html (accessed June 16 2008)).

If one were not afraid of overstating one's case, one could say that the concept of governmentality has to be guarded against the double danger of seeing like a state and of seeing like a market. Fortunately, Foucault's toolbox offers the appropriate safeguards itself.