REVIEW ESSAY

Liberal Biopolitics Reborn


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Introduction

What interest is there in talking about liberalism, the physiocrats, [Marquis] d’Argenson, Adam Smith, [Jeremy] Bentham, the English utilitarians, if not because this problem in fact arises for us in our immediate and concrete actuality? What does it mean when we speak of liberalism – when we, at present, apply a liberal politics to ourselves, and what relationship may there be between this and those questions of right that we call freedoms or liberties [libertés]?1

There is something uncannily familiar about Michel Foucault’s lectures at the Collège de France in the spring of 1979. This twelve-lesson lecture course, intriguingly entitled Naissance de la biopolitique, was published posthumously in French in 2004 and translated into English as The Birth of Biopolitics in 2008,2 and it now seems that Foucault was already then describing the nativity of an imminent future in remarkable detail.


Covering topics such as the art of government, population, liberalism and neo-liberalism, the state, civil society, political economy, sovereignty, enterprise, liberty, security, governmentality, and, not least, biopolitics, Foucault's account truly seems to provide what he later called “an ontology of the present.” The lectures seek to disclose the “domain” [champ] in which several of our “currently possible experiences” come about as something we must engage in or relate to. But while Foucault had previously explored more specific areas of modern experience – madness, the clinical gaze, the rise of language as subject, delinquency, sexuality, etc. – the experiential domain at the center of Foucault’s attention in 1979 is of a much more extensive nature. In fact, The Birth of Biopolitics addresses nothing less than one of our greatest commonplaces, that is, the experience of the social order that we currently take for granted, which Foucault, characteristically, prefers to describe through the history of the domains in which this experience has taken shape as well as place. Certainly, this is not the phenomenological experience of society without calendar or geography, nor is it a theoretical reconstruction of political philosophy; rather it has to do with the critical experience of society after it has become the privileged site for “the government of men insofar as it appears as the exercise of political sovereignty.”

Foucault’s lectures address a situation where the primary field of intervention for the arts of government materializes as a civil society inhabited by a population that is somewhat self-regulating and at the same time somehow juxtaposed to both the super-institution of the state and the global environment of the market. It is in this context that Foucault in 1979 studies the “rationalization of governmental practice in the exercise of political sovereignty” as it has been worked out by different variants of liberalism.

Compared to Foucault’s other works, The Birth of Biopolitics has a relatively simple outline. After a short review of classical eighteenth-century liberalism (Lectures 1-3), Foucault presents his investigations of two forms of neo-liberalism of the twentieth century: the German neo-liberalism associated with the ordo-liberals in the 1930-50s (Lectures 4-7) and the American neo-liberalism associated with the Chicago School of Economics in the 1960s (Lectures 9-10), linked by a short reflection on French liberalism in the 1950-70s (Lecture 8). After that, Foucault returns to a small selection of related problematics of classical liberalism, including the creation of homo economicus, the question of the invisible hand in Adam Smith, and the rise of civil society in Adam Ferguson (Lectures 11-12). Yet, even if the subject of liberalism appears to occupy most of the space in these lectures, the societal experience in question is not reducible to the “lack” of society typically associated with neo-liberalism.

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3 Michel Foucault: “Qu’est-ce que le lumières” (1983), in Michel Foucault, Dits et écrits IV. Edited by Daniel Defert and François Ewald (Paris: Gallimard, 1994), 687-688.
4 Ibid., 688.
5 Foucault, The Birth of Biopolitics, 2 [Foucault, Naissance de la biopolitique, 3].
6 Ibid., 2 [4].
7 Cf. e.g., Margaret Thatcher: “There is no such thing as society. There are individual men and women, and there are families.” (Margaret Thatcher, “Interview”, Women’s Own (1987), October: 8-10). Cf. also Sverre Raffnsøe, Alan Rosenberg, Alain Beaulieu, Sam Binkley, Jens
tures do not address an experience we can simply distance ourselves from, be it historically or academically, critically or ideologically, although this has often been the case in the one-sided debate on neo-liberalism with reference to Foucault’s work. The lecture course also contains a philosophical exploration that runs in some way beneath or parallel to the mainly sociological elaborations carried out from the “governmentality perspective,” the existence of which is the main reason why the content of The Birth of Biopolitics is not unknown even though the full text version has only been generally available within the last few years. While The Birth of Biopolitics is obviously required reading for anyone who aspires to advance and widen the studies of governmentality, it is by no means exhausted by this perspective. The lecture course also demonstrates how the societal experience has grown under our skin and is partaking of our everyday working and private lives, whether on the margins or at the centre of the social order. It has become the other face of our own governmentality, and in order to study it a question such as this must be asked: “What is then this ever so fragile moment from which we cannot detach our identity and which will carry this [identity] along with it?”9 The immediate answer might simply be that it is a “biopolitical moment.” However, in order to corroborate such a reading it is necessary first to take account of the allegedly very limited reception of the role of biopolitics in The Birth of Biopolitics.

Even though the concept of biopolitics has received enormous attention in modern research over a great range of societal and economic problematics, both in conjunction with the governmentality perspective and more independently, there seems to be an incompatibility between the title of The Birth of Biopolitics and its actual content. On this ground a number of commentators have emphasized that the lectures in fact do not deal with biopolitics, but rather represent a long digression into the his-

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tory of liberalism. Even Foucault himself seems to be of this opinion. In the course summary of the 1979 lectures he writes that this “year’s course ended up being devoted entirely to what should have been only its introduction,” and during the lectures he almost apologizes for himself: “I would like to assure you that, in spite of everything, I really did intend to talk about biopolitics, and then, things being what they are, I have ended up talking at length, and maybe for too long, about neo-liberalism.” However, although there might be good reasons for such a reading, the central argument of this review essay is that such a conclusion underemphasizes the extent to which these lectures on liberalism and political economy actually do deal with biopolitics in a fundamental way. This review argues, not only that political economy already in its modern conception is biopolitical by nature, but also that Foucault’s account, much more than a mere prelude to biopolitics, represents an exposition of biopolitics analyzed in the register of liberal governmentality.

In order to substantiate this argument, the essay begins with (1) a brief account of how the concept of biopolitics found in Foucault’s 1979 lectures both differs and concurs with the assorted characterizations of the concept he had previously presented. Here it is also demonstrated how *The Birth of Biopolitics* should not be regarded as a mere parenthesis in the history of liberalism, but as Foucault’s most comprehensive analysis of modern biopolitics, situated within the framework of what he in 1978 designated “the history of governmentality” and in 1979 “the general dispositive [dispositif] of governmentality.” Having established a more comprehensive con-

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15 Foucault, *The Birth of Biopolitics*, 70 [Foucault, *Naissance de la biopolitique*, 71] (translation modified). Here Foucault himself uses the French word “dispositif”, which we choose to translate not with the common, yet inaccurate, “apparatus”, but with the old, now rather rare
cept of biopolitics, the next three sections review Foucault’s studies of (2) classical liberalism, (3) German neo-liberalism, and (4) American neo-liberalism, with special emphasis on how biopolitics is deeply involved in these liberal arts of government. As a conclusion, the review (5) recapitulates the different accounts of liberal biopolitics and outlines Foucault’s analysis of French neo-liberalism in the 1970s.

1. Governmental Concepts of Biopolitics

And this ‘bio-politics’ must itself be understood on the basis of a theme developed since the seventeenth century: the management of state forces [la gestion des forces étatique].

The reason why it is difficult to resolve whether Foucault’s lectures of 1979 do or do not deal with biopolitics is that such judgments presuppose that the meaning of ‘biopolitics’ is both clear in itself and in Foucault’s work. The judgment becomes even more difficult since the notion of biopolitics, which was not originally invented by Foucault, has a history that both precedes and succeeds his writings considerably. It stretches from an eugenic kind of biopolitics, which was primarily advocated by German and Swedish scholars of a National Socialist orientation in the early twentieth century, to a biologically oriented biopolitics, which was originally delineated as a subfield of political science focusing on biological factors involved in political behavior by a group of American and French researchers in the 1960s. After Foucault, the concept has been expanded even further to include not only a well-known biopolitical distinction between “bare life” (tò zôon) and political existence (ho bíos) in relation to sovereignty, but also a biopolitical mode of production in the world of postmodern capitalism, although the most prevalent use of the concept is perhaps to be found in a sizeable literature having as its critical target the biopolitics that is related to new inventions of biotechnology and bioeconomy. None of these delineations of biopolitics match Foucault’s, although many have found inspiration in his work.

and obscure English word, “dispositive.” As a noun this word has the connotation of “something that disposes or inclines,” but in accordance with the adjective form, also “dispositive,” which is more precisely designating: first, being “characterized by special disposition or appointment;” second, having “the quality of disposing or inclining; often opposed to effective, and so nearly [equivalent to] preparatory, conducive, contributory;” and, third, “having the quality or function of directing, controlling, or disposing of something; relating to direction, control, or disposal” (cf. Oxford English Dictionary, OED Online, 2009, s.v.).

Foucault, “Course Summary” (1978), Security, Territory, Population, 367 [Foucault, Sécurité, territoire, population, 377].

It is not enough, however, to disentangle the relationships between the various types of biopolitics and Foucault’s use of the concept, since he does not employ the notion of biopolitics with a stable set of connotations over time. When he first introduced it in 1974, in the context of social medicine, he only loosely indicated that biopolitics had to do with a political regulation of the biological aspects of human beings insofar they were members of given cities, nations or other groupings of people. In the closing section of The Will to Knowledge (1976), meanwhile, in which sexual matters from the eighteenth century and onward are described as a kind of contact point between a disciplinary anatomo-politics of the human body and a regulative biopolitics of the population, the concept becomes more distinct. While the first dispositive or major social technology of discipline works by atomizing a multiplicity of people into individuals in order to organize, monitor, utilize or cultivate them as discrete bodies, the latter dispositive of biopolitics works by amalgamating the same multiplicity of people into a population in order to stimulate, assist, regulate or manage them as a living resource residing in a particular environment. In Foucault’s work, therefore, the notion of biopolitics soon begins to designate a societal dispositive which is not only different from the classic juridical dispositive of law and sovereignty that originates in medieval times but also from the modern dispositive of discipline and surveillance established at the beginning of the eighteenth century. It is also in continuation of this new regulatory dispositive of the late eighteenth century that Foucault can call attention to what he regards as a decisive transformation in the general economy of power, from the sovereign’s right to take life and let live to the biopolitical capacity to foster life or disallow it to die, also described in 1976. Biopolitics now comes to involve a new set of political techniques that situate human life at the center stage of the political order, but also the effects of these techniques upon other political notions, phenomena and institutions such as sovereignty, the state, democracy, law, economy, civil society, etc. In the second part of the eighteenth century, biopolitics thus came into view as a kind of “threshold of political modernity,” at the same time as the “population” appears as a

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“machine of production” for the actualization of prosperity and welfare by use of its own resources and potentials.\textsuperscript{25}

So it is true that \textit{The Birth of Biopolitics} does not deal directly with these more familiar instances of the concept. It does not address the mentioned biopolitics of social medicine, of sexuality, or of power of death versus power of life, nor the well-known biopolitical war of races and state-racism in the nineteenth century, or even the famous shift during which the Aristotelian human being, “a living animal with the additional capacity for political existence,” becomes modern man, “an animal whose politics places his existences as a living being in question.”\textsuperscript{26} This is so because the understanding of the concept of biopolitics that is at stake in Foucault’s study of liberalism in 1979 passes through the comprehensive history of governmentality he embarked upon in the previous lecture course of 1978 known as \textit{Security, Territory, Population}. Here many of the connotations of biopolitics are integrated into Foucault’s re-conceptualization of “the ugly word ‘governmentality’,”\textsuperscript{27} but without leaving the biopolitical scope behind.\textsuperscript{28} In addition to referring the concept to the governmentalization of the state, and to the historical conflict between this major social technology of government and the dispositives of law and discipline, Foucault thus defines governmentality as:

\begin{quote}
the ensemble formed by institutions, procedures analyses and reflections, calculations and tactics that allow the exercise of a very specific, albeit very complex, power that has the population as its target, political economy as its major form of knowledge, and dispositives of security as its technical instrument.\textsuperscript{29}
\end{quote}

It is through and in continuation of this historical triangulation that Foucault develops the biopolitical framework in which he begins to study the liberal arts of

\begin{footnotes}
\item 25 Michel Foucault, “Les mailles du pouvoir,” in Foucault, \textit{Dits et écrits IV}, 193 (translated by the authors).
\item 26 Foucault, \textit{The Will to Knowledge}, 143 [Foucault, \textit{La volonté de savoir}, 188].
\item 28 Foucault, \textit{Security, Territory, Population}, 1 [Foucault, \textit{Sécurité, territoire, population}, 3].
\item 29 Ibid., 108-109 [112] (translation modified; emphasis added).
\end{footnotes}
government in *The Birth of Biopolitics*, which is also why a short summary is appropriate here.\textsuperscript{30}

First, Foucault considerably expands his conception of the *population* as a biopolitical target of government in 1978. When describing the emergence of “the human species” [*l’espèce humaine*] as an alternative to “mankind” [*le genre humaine*] in the eighteenth century, he is not only referring to the integration of this new species of living beings with biology, but also to the opening up of “the public” [*le public*].\textsuperscript{31} Representing the population when it is seen from the perspective of its opinions and beliefs, ways of doing things, customs and habits, forms of conduct and behaviour, requirements, fears and prejudices, this is the field where the population becomes manageable, but in a positive line of attack by way of campaigns, education, promotion, alteration of attitudes, or assurances.\textsuperscript{32} So even if Foucault designates this new field of biopolitical intervention as the natural “environment” or “milieu” of the population, this environment does not match a biological habitat. Rather it is a particular *biosocial domain* in human history, in which different series of events produced by the population itself interconnect with the more circuitous natural events happening around the living beings that constitute this population. For that reason, the population is not merely a biological species, a group of legal subjects, or individual bodies of discipline; it also represents its own natural or intrinsic logic, constituted as it is by different probabilities, by uncertainties and temporalities, by dangers, risks, and contingent events, in the same ways as this population varies with the climate, the material surroundings, the intensity of commerce, the circulation of wealth, laws and traditions, etc.\textsuperscript{33} Hence, in 1978 Foucault conceptualizes the governmental target of the population as a new collective focus of biopolitics, representing a “political object” insofar the population is that on which and towards which the acts of government are directed, but also a “political subject” insofar as it is the population that is called upon to conduct itself in a particular way.\textsuperscript{34}


\textsuperscript{31} Foucault, *Security, Territory, Population*, 75 [Foucault, *Sécurité, territoire, population*, 77].


\textsuperscript{33} Foucault, *Security, Territory, Population*, 20, 70 [Foucault, *Sécurité, territoire, population*, 22, 72].

\textsuperscript{34} Ibid., 42-43 [44-45].
Secondly, in Foucault’s account the surfacing of a population being both self-regulating and regulated in this way is incomprehensible without the second component in the triangulation, that is, political economy. Here Foucault departs in a seminal transformation from a mercantilist to a physiocratic problematization of scarcity and the circulation of grain in the eighteenth century. While the mercantilist policy had worked for the protection of the wealth of the state by preventing scarcity from occurring by various disciplinary restrictions on the cultivation, pricing, storage and export of grain, the physiocrats advocated for an opposite strategy that was based on the free circulation of grain, both within and between nations. Instead of working to prevent the one singular event of scarcity, this new approach allowed for spontaneous fluctuations in a free circulation, being composed of various series of plural events – of pricing, supply, demand, and production; of the behaviour of producers, consumers, buyers, importers, and exporters; of weather conditions; and of the world market – which were now all being analyzed as processes not to bring under control but to grant their natural course. According to Foucault, the activation of the physiocratic agenda thus entailed that economic government should not so much aim to prevent something in advance in accordance with the logic of the established “juridical-disciplinary system” as to be “working within the reality of fluctuations between abundance/scarcity [or] dearness/cheapness.” Parallel to widening the concept of the population, Foucault also expands the relevant form of governmental knowledge relevant for biopolitics to include not only such disciplines as social medicine, public hygiene, statistics and demographics but also political economy, constituting a science that analyses and reflects upon “the production of collective interest through the game of [individual] desire” along with its circulation within the household of society.

Thirdly, Foucault stresses that the art of government requisite for the economical perception of the population’s self-regulation is not that of the prototypical dispositives of law and of discipline, the former working by prohibitions in relation to legal subjects in a territory of sovereignty, and the latter by prescriptions in relation to individual bodies in a coordinated space of surveillance. Instead, this government works in accordance with “the dispositive of security” [“le dispositif de sécurité”], which seeks to regulate the open series of events produced by the population in its natural environment, not by “assurance” and “safety” [“sûreté”], but by “taking into account that which can happen” [“sécurité”]. As such, security could oftentimes “make use of some instruments of prescription and prohibition,” but then as means to an end and not as goals in themselves, and this end would be “to respond to a reality in such a way that this response cancels out the reality to which it responds – nullifies it, or lim-

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35 Ibid., 29-53 [32-56].
36 Ibid., 45 [47].
37 Ibid., 37 [39].
38 Ibid., 72 [74].
39 Ibid., 4-9 [6-11].
its, checks, or regulates it.” Therefore it is not the case that security lets anything happen at random or arbitrarily, but that it allows things to happen exactly at the level where certain things are able to regulate themselves naturally. In other words, security works by

allowing circulations to take place, controlling them, sifting the good and the bad, ensuring things are always in movement, constantly moving around, continually going from one point to the other, but in such a way that the inherent dangers of this circulation are canceled out [through] a progressive self-cancellation of phenomena by the phenomena themselves.42

The basic principle that is set up for state government by this logic of security is that government must in some way constrain itself in respect of the natural processes of the population and not intervene too much by prohibitions and prescriptions. In its place, the government will have “to arouse, to facilitate, and to laisser faire, in other words to manage [gérer] and no longer to control through rules and regulations [réglementer]. The central objective of this management [gestion] will be not so much to prevent things as to ensure that the necessary and natural regulations work, or even to create regulations that enable natural regulations to work.”43

Consequently, what Foucault establishes in the lectures of 1978 is an indissoluble triangulation of security, political economy and population, which should be regarded as genuinely biopolitical insofar it does not dismiss his earlier conceptualizations but rather adds to or adjusts them. This adjustment is carried out within the historical framework of governmentality, whose new “fundamental objective ... will be state intervention with the essential function of ensuring the security of the natural phenomena of economic processes or processes intrinsic to the population.”44 Yet, it is also in this historical development of the eighteenth century that Foucault discovers how the questions of “freedom” and “liberalism” arise as internal problematics for the new governmentality to handle. For the freedom that surfaces here is neither the old aristocratic question of exceptions and privileges to be granted to certain individuals nor the juridical question of legitimate individual rights as opposed to the abuses of power of government or sovereignty.45 What arises is the problem of managing an element of freedom that has become indispensable and vital to government itself, and without which the government will fail to govern not right but well, that is, in accordance with the self-regulation of the population. Thus Foucault corrects his earlier claim that the establishment of liberal policies and demands for freedom in the eighteenth century should be seen on a background of disciplinary observations and in-

41 Foucault, Security, Territory, Population, 47 [Foucault, Sécurité, territoire, population, 48].
42 Ibid., 65-66 [67-68].
43 Ibid., 353 [360-361].
44 Ibid., 353 [361].

In the biopolitical history of governmentality the major social technology against which the conduct of free conduct should be analyzed is now security, according to which “freedom” becomes nothing other than “the correlative of the development of the dispositives of security,” which cannot “operate well except on condition that this freedom is given to the circulation of things.” What Foucault discovers in this history is a modern form of freedom, that is, “the possibility of movement, change of place, and processes of circulation of both people and things,” which is also what the liberal arts of government began venturing to secure and bring into play by acting on the actions of the population.\footnote{Foucault, Security, Territory, Population, 48 [Foucault, Sécurité, territoire, population, 49].}

It is on the background of all this that Foucault launches his biopolitical exploration of liberalism and neo-liberalism in The Birth of Biopolitics, which is clear from the following note found in the manuscript for his first lecture in 1979:

> With the emergence of political economy, with the introduction of the limiting principle into governmental practice itself, an important substitution, or doubling rather, is carried out, since the subject of right on which political sovereignty is exercised appears as a population that a government must manage [doit gérer] … This is the point of departure for the organizational line of a “biopolitics”.\footnote{Foucault, The Birth of Biopolitics, 22n* [Foucault, Naissance de la biopolitique, 24 n*] (translation modified). Foucault did not present this point at the lecture but only in the manuscript, which is found in a footnote in the published edition.}

“But who does not see,” Foucault continues, “that this is only part of something much larger, which [is] this new governmental reason?” And then formulates the general aim of the lectures: “To study liberalism as the general framework of biopolitics.”\footnote{Ibid.} So while liberalism and biopolitics are by no means equivalent constructs, they are not entirely separable in Foucault’s work of thought either. Rather they present themselves as major overlapping circles partly covering each other in a comprehensive study of “the way in which the specific problems of life and population have been posed within a technology of government which, although far from always having been liberal, since the end of the eighteenth century has been constantly haunted by the question of liberalism.”\footnote{Ibid.}
2. Classical Liberalism

Starting from the end of the eighteenth century, throughout the nineteenth century, and obviously more than ever today, the fundamental problem is not the constitution of states, but without a doubt the question of the frugality of government.\(^{51}\)

In Foucault’s reading, the birth of liberalism is inseparable from the notion of “frugal government” by which the question of “the too much and too little” develops into the central criterion around which the art of government will revolve.\(^{52}\) However, in order to understand how this principle attains the importance it does, it is necessary to consider first Foucault’s study of liberalism in the context of the governmental practice and rationality associated with sixteenth- and seventeenth-century *raison d’État* or reason of state, which was the topic of several of his lectures from 1978. Because this type of government had the maximizing of the state’s strength as its primary objective and therefore was relatively autonomous in its workings, Foucault links it to mercantilism regarded not only as proto-economical doctrine, but also as a particular organization of commercial production and circulation, according to the principles that the state should enrich itself through monetary accumulation, strengthen itself by increasing the population, and uphold itself in a state of permanent competition with foreign states.\(^{53}\)

While this last principle was the permanent objective of an external military-diplomatic technology of the state, Foucault finds the other two to be organized by an internal technology of the police, also described in the 1978 lectures. Seeing that this police technology, which represented a set of administrative techniques and statistical knowledges concerned with maximizing the volume, productivity and health of the inhabitants within the state territory in order also to maximize state power, was principally exercised by means “of permanent, continually renewed, and increasingly detailed regulation,” Foucault also links the birth of liberalism with the “breaking up” of this “over-regulatory police” being unable to deal with the “spontaneous regulation of the course of things.”\(^{54}\)

Yet, what Foucault in 1979 locates in the tradition of classical liberalism is first of all an ongoing reflection on the question of how to rationalize that exercise of government that was already established between state reason, mercantilism and the police. Taking this existing governmental practice as a point of departure, the liberal critique problematized and embarked upon correcting the rationale and practice of reason of state from the inside. Rather than overthrowing the established order, the

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52 Ibid., 28 [30].
critique pointed to “an internal refinement of raison d’État,”\textsuperscript{55} being principally opposed to the continuously expanding government of state reason. An incessant and indefinite government of this self-sufficient type, the liberal critique objected, would never be able to give any comprehensive account as to why it was governing in the first place, or how it was to govern in the best possible way. In opposition to the principle of maximizing government, the liberal critique pointed to the principle that government should recognize and take account of the self-regulation of the governed, which also implied that not just any type of government would be an appropriate government. The regulation of government should take hold of this self-regulation of the governed by imposing on itself what Foucault describes as a work of “auto-limitation.”\textsuperscript{56} Accordingly, classical liberalism established itself as an art of government that was to economize with its interventions on a scale between minimum and maximum, almost by the same logic as the dispositive of security mentioned above, but always prioritizing the minimum as the optimum, as long as this was possible and appropriate with regard to the self-regulation of the population.

This is why Foucault suggests that this biopolitical and liberal art of governing of the late eighteenth century is describable as the emergence of a new “frugal government” within the governmentality of raison d’État; it was the entry into the art of government of the problematics pertaining to the question of the necessary amount and extent of governmental intervention.\textsuperscript{57} Here a good government is no longer automatically equal to a detailed and comprehensive government. Rather, a good government is a government that takes into consideration, reflects upon and fine-tunes its operations according to its overall goals, as well as the nature of what it governs. As such, good government also reflected the answer that a group of merchants, in Marquis d’Argenson’s famous account, should have given to a mercantilist minister asking them what he could do for commerce: Laissez-nous faire.\textsuperscript{58}

In this period of time, when Europe began to gain the position of a particular and privileged region of unlimited economic development in relation to a world market, Foucault also identifies two interrelated problematics of primary importance for the formation of the new art of government. The first of these is the installation of the market as a place and instrument for the formation of truth.\textsuperscript{59} From the Middle Ages to the eighteenth century, the market was essentially “a site of justice,”\textsuperscript{60} in the sense that it was characterized by an extreme and thorough regulation pertaining to what

\textsuperscript{56} Ibid., 10 [12].
\textsuperscript{57} Ibid., 28 [30].
\textsuperscript{58} D’Argenson, “Lettre à l’auteur du \textit{Journal économique} au sujet de la Dissertation sur le commerce de M. le Marquis Belloni, \textit{Journal économique}, April (1751): 107-17; quoted in Foucault, \textit{The Birth of Biopolitics}, 25 n16-17 [Foucault, \textit{Naissance de la biopolitique}, 28, n16-17]. D’Argenson was also the originator of the related expression \textit{pas trop gouverner} (“do not govern too much”).
\textsuperscript{59} Foucault, \textit{The Birth of Biopolitics}, 29 [Foucault, \textit{Naissance de la biopolitique}, 31].
\textsuperscript{60} Ibid., 30 [32].
products were to be sold, their origin and manufacture, and not least their price. This price had to reflect “the just price, that is to say, a price that was to have a certain relationship with work performed, with the needs of the merchants, and, of course, with the consumers’ needs and possibilities.” Adding to this, the market was a site of justice, tightly organized in order to prevent fraud and theft. Overall, the market could thus be seen as “a site of jurisdiction” in the sense that it functioned as “a place where what had to appear in exchange and be formulated in the price was justice.” Meanwhile, what happens in the eighteenth century is a fundamental transformation of significant importance for the formulation of a liberal art of government. By way of eighteenth-century political economy the market is reconfigured as a place that has a certain naturalness, which one has to be knowledgeable about. From being an ordre artificiel, established and regulated through the mercantilist policies, the market now becomes an ordre naturel. From being a site of jurisdiction, the market becomes a site for the formation of a “normal,” “good,” “natural” or “true price”; that is, a price that “fluctuates around the value of the product” and is determined by the interplay between the costs of production and the concrete demand. Thus, to the extent prices are formed through “the natural mechanisms of the market they constitute a standard of truth which enables us to discern which governmental practices are correct and which are erroneous.” In this sense, the market becomes a site of the formation of truth, a “regime of veridiction” as to the governmental practice. Not because political economy as such tells the truth to government, but because political economy points to the site where government will have to look “to find the principle of truth of its own governmental practice.”

Foucault associates the second problematic of importance for the formation of the new art of government with nineteenth-century English radicalism and utilitarianism. Here a new critique of the proper limitation of government was established based on an estimation of the utility versus the non-utility of governmental actions and interventions. Being less directed at the question of whether government had the legal

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61 Ibid.
62 Ibid., 31 [33].
63 Ibid.
64 Ibid., 32 [34].
65 Ibid., 36 [38]. With his neologism of “the regime of veridiction” (which is later on also called an “alethurgia”) Foucault aims at studying “under what conditions and with what effects a veridiction is exercised, that is to say, … a type of formulation falling under particular rules of verification and falsification” (ibid., 36 [38]). Therefore Foucault does not seek to study what truth is as such, but rather how something has come to work as truth in particular ways. In connection with this he can also retrospectively point to his earlier work on the psychiatric institution, the penal system and the sexual confessional, to some degree included in the same formation of specific “veridictional regimes” with “political significance” (ibid., 36 [37-38]).
66 Ibid., 32 [34].
67 Foucault, The Birth of Biopolitics, 51 [Foucault, Naissance de la biopolitique, 53]. Cf. also Foucault, Security, Territory, Population, 74 [Foucault, Sécurité, territoire, population, 76].
right or not to interfere as is does, this critique considered instead government in terms of its concrete objectives and whether the exercise of government was in accordance with these objectives or if it was governing too much or too little. This critical question about the appropriate and desirable way to limit governmental practice was therefore also a question regarding what kind of auto-limitation government should impose on itself given that it was to regulate in agreement with the self-regulation of the governed and with their natural environment and actual conditions. With reference to the general utility of the governmental practice the critique was to confront cases where regulation would be unreasonable, counterproductive or simply futile, and for that reason it would seek to define the limits of governmental competence on the basis of what it would be useful or useless for government to do or not to do. It is from this position that the radical limitation-critique can persistently raise the question to every single governmental action: Is this useful and for what? Within what limits is it useful? When does it stop being useful? And when does it become harmful? But even if these questions are very close to what Jeremy Bentham sought to distinguish as the agenda and the non-agenda, designating the economic actions of government with regard to whether or not they increase general happiness according to the utilitarian principle of maximizing happiness and minimizing pain, Foucault is cautious not to reduce English radicalism to a mere projection of utilitarian theory or ideology onto the field of political practice. Instead, it is utilitarianism that could be regarded as more than a philosophy or science, since it is first and foremost to be considered a technological attempt to define the competences of the art of government, with a more or less direct reference to what Foucault regards as “the fundamental question of liberalism”: “What is the utility value of government and all actions of government in a society where exchange determines the true value of things?”

These two central elements – the market as a site of veridiction operating through the principle of exchange and the limitation calculus by which the utility of government is measured – Foucault understands as tied together by the category of interest. The new art of government is not organized around a self-referring state, seeking the maximization of its power, men and wealth, but must deal with the complexities of interests as they become manifest in the complex and delicate “interplay between individual and collective interests, between social utility and economic profit, between the equilibrium of the market and the regime of public authorities, between basic rights and the independence of the governed.” From directly interfering with

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68 Jeremy Bentham, Method and Leading Features of an Institute of Political Economy (including finance) considered not only as a Science but also as an Art (1800-1804); quoted in Foucault, The Birth of Biopolitics, 24, n9 [Foucault, Naissance de la biopolitique, 26-27, n9]. Besides the agenda and the non-agenda Bentham also works with the third category of sponte acta, designating the economic activities spontaneously developed by the members of the community without governmental intervention.

69 Foucault, The Birth of Biopolitics, 40 [Foucault, Naissance de la biopolitique, 41].

70 Ibid., 46 [48].

71 Ibid., 44 [46].
and regulating things, men and wealth with the aim of maximizing the strength of the state, as in the logic of state reason, government should now only deal with these insofar as they are of interest to somebody. Hence, as Foucault states, government “is only interested in interest.”\textsuperscript{72} But at the same time government “must not obstruct the interplay of individual interest,” not only because of respect for freedom of circulation and self-regulation of the population, but also because it is impossible for government to have full knowledge of the logic of this multiplicity of interests it seeks to encourage.\textsuperscript{73} This is why Foucault accentuates the “invisibility” rather than the “hand” in the famous analogy of Adam Smith. In addition to the existence of something like a providence bringing together the multiple threads of individual interests, the analogy also refers to the fact that the connection between individual pursuit of interests and profit and the growth of collective wealth and welfare is essentially imperceptible.\textsuperscript{74} Both to facilitate the formation of individual interests for the collective good and to allow this invisible formation to self-regulate thus becomes another exigent balance for the liberal art of government to work with again from the standpoint of too much or too little.

It is in continuation of this liberal and biopolitical art of governing, which revolves around the balancing of individual and collective interests, that Foucault returns to the question regarding the relation between security and freedom that he initially raised in the 1978 lectures. According to Foucault, it is futile to state that a liberal mode of governing is more tolerant and flexible than previous modes of governing, because it is founded on and utilizes freedom in a particular way. Such an idea should be avoided, since it presupposes that freedom is a quantitative measurable entity, but also because it implies that freedom is a universally given that is progressively realized over time. Foucault instead proposes that freedom “is never anything other – but this is already a great deal – than an actual relation between governors and governed, a relation in which the measure of the ‘too little’ existing freedom is given by the ‘even more’ freedom demanded.” When Foucault employs the term “liberal,” he is therefore not referring to an art of government that is content to respect or guarantee particular forms of freedom. Instead he is referring to a governmental practice that “is a consumer of freedom” since “it can only function insofar as a number of freedoms actually exists: freedom of the market, freedom of discussion, possible freedom of expression.”\textsuperscript{75} This entails that liberalism is an art of government that constantly has to manufacture and produce freedom, just as it must make sure that there is a sufficient amount of freedom in order to benefit from the natural capacities inherent in the self-regulation of the population and the market. The actual freedoms called for and entailed by this governmentality are not first and foremost established according to juridical principles. Rather, they are balanced according to the dispositive of security

\begin{flushleft}
\textsuperscript{72} Ibid., 45 [47].  \\
\textsuperscript{73} Ibid., 280 [282].  \\
\textsuperscript{74} Ibid., 278-282 [275-284].  \\
\textsuperscript{75} Ibid., 63 [65].
\end{flushleft}
that functions as a counterweight and ensures that the wellbeing of the population is not endangered by an overflow and excess of freedom. According to Foucault, liberalism’s production, consumption and utilization of freedom is thus inseparable from the establishment of a variety of limitations, interventions and controls that show up in limiting the freedom of the market through anti-monopoly legislation, for example, or special taxes on import:

In short, strategies of security, which are, in a way, both liberalism’s other face and its very condition, must correspond to all these imperatives concerning the need to ensure that the mechanism of interests does not give rise to individuals or collective dangers. The game of freedom and security is at the very heart of this new governmental reason. The problems of what I shall call the economy of power peculiar to liberalism are internally sustained, as it were, by this interplay of freedom and security.\(^{76}\)

The emergence of this type of governmental activity also contributes to Foucault’s more formal re-conceptualization in 1979 of governmentality, now being “the way in which one conducts the conduct of men,”\(^{77}\) where the latter notion, la conduite in French, has a twofold meaning for Foucault: (a) the activity of conducting [conduire] and of conduction [la conduction] and (b) the way in which one conducts oneself [se conduire], lets oneself be conducted [se laisse conduire], is conducted [est conduit] – that is to say, the way in which one finds oneself to behave [se comporter] as an effect of a conduct [une conduite] that represents an action of conducting or of conduction.\(^{78}\) When the law prohibits certain acts and legitimizes certain rights, and when discipline prescribes an obligatory behavior under supervision, the economy of power associated with this new formal governmentality approaches the modern freedom of liberalism insofar as both the “political” conduct of others and the “ethical” conduct of oneself actively presupposes and seeks to regulate a freedom that is always already at hand but equally in need of security measures in order not to deteriorate or be led astray.\(^{79}\) The intrinsic challenges for this economy of biopolitical power are clearly discernable in the two adaptations of neo-liberalism that Foucault also studies in the 1979 lectures.

\(^{76}\) Ibid., 65 [67].

\(^{77}\) Ibid., 186 [192].

\(^{78}\) Foucault, *Security, Territory, Population*, 193 [Foucault, Sécurité, territoire, population, 196-197].

3. German Neo-Liberalism

The German model which is being defused, debated, and forms part of our actually, structuring it and carving out its real shape, is the model of a possible neo-liberal governmentality.80

The 1979 course gives considerable attention to German neo-liberalism, primarily in the form of the ordo-liberals of the Freiburg School. Central figures in this School are the economist Walter Eucken and the jurists Franz Böhm and Hans Grossmann-Doerth, but Foucault also analyses the work of Alfred Müller-Armack, Wilhelm Röpke and Alexander Rüstow, who were not part of the Freiburg School but still played important roles in shaping neo-liberal thinking and policies in Germany in the twentieth century.81 Foucault focuses on these thinkers not just because of their historical precedence in regards to American neo-liberalism, which was inspired by the Germans, but also because the “governmental style” that marks the specific form of German neo-liberalism is something that we are “immersed in” – “the contemporary neo-liberalism which actually involves us.”82

Foucault begins his analysis of German neo-liberalism by considering the widespread contemporary “state-phobia” that united otherwise discordant groups all across the political spectrum. He does this in order to show how the phobia of the state is actually caught up in a much more fundamental and important “crisis of governmentality,”83 manifesting itself in a number of re-evaluations of the liberal art of government:

Everyone is in agreement in criticizing the state and identifying its destructive and harmful effects. But within this general critique ... through and in the shadow of this critique, will liberalism in fact be able to bring about its real objective, that is to say, a general formalization of the powers of the state and the organization of society on the basis of the market economy?84

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80 Foucault, The Birth of Biopolitics, 192 [Foucault, Naissance de la biopolitique, 198].
82 Foucault, The Birth of Biopolitics, 133, 101 [Foucault, Naissance de la biopolitique, 137, 105].
83 Ibid., 76 [78].
84 Ibid., 117 [121].
Alongside or below the “state-bashing” efforts and the incautious, imprecise and misleading accusations of the state becoming fascist, Foucault thus identifies a more fundamental and relevant problem which turns on the re-evaluations and proposals on renewing the art of government in Germany immediately before and after the Second World War. In the same way as *Discipline and Punish* had illustrated how the humanization of the practice of punishment was caught up in a more general disciplinarization of the social corpus, and *The Will to Knowledge* had shown how the repression-hypothesis was bound up in a more wide-ranging transformation marked by a proliferation of discourses on sex, Foucault here links the wide-spread contemporary critique of the state with a more fundamental transformation emerging as a crisis and reformulation of governmentality. In doing so, he marks out some important shifts that distinguish German neo-liberalism from the preceding classical form, especially when it comes to the principle of *laissez-faire* and the extension of the associated biopolitics.

First of all, Foucault emphasizes that German neo-liberalism brings with it a reversed relationship between the state and the market. Where the problem for classical liberalism was how to make room for a market given an already existing and legitimate state, the problem for the German neo-liberals is the opposite: “given a state that does not exist, how can we get it to exist on the basis of this non-state space of economic freedom?” The space for this renewal is cleared by the way in which history “had said no to the German State,” and from the neo-liberals’ reevaluation of historical events in light of their experience with Nazism. All the supposed ills of capitalism (one-dimensionality, standardization, uniform mass society, etc.) are according to neo-liberals actually not the result of the market and its allegedly inherent failures. Rather, they are the result of a set of interventionist “anti-liberal policies”, which the neo-liberals locate as invariant components employed and utilized in a wide set of government-programs ranging from the Beveridge Plan and the New Deal to the policies of the Soviet Union and Nazism. Since all the dangers and problems hitherto associated with capitalism and the market’s mode of functioning have their origin in a set of more or less radical interventionist anti-liberal policies, the solution, according to the German neo-liberals, will be to “adopt the free market as organizing and regulating principle of the state, from the start of its existence up to the last form of its inter-

85 In connection with protests against the arrest, incarceration and extradition of the German lawyer of the Baader-Meinhof Group, Klaus Croissant, Foucault had refused to sign a petition circulated by Félix Guattari because it described West Germany as being “fascist.” Cf. Senellart, 393.
89 Ibid., 86 [88].
90 Ibid., 111 [115].
In other words, a state supervised by the market, rather than the other way around.

Yet, this neo-liberal proposal of adopting the market as organizing and regulating principle does not imply a subscription to the naturalness inherent in the classical liberal conception of the market; in fact, the German neo-liberals find it both erroneous and counterproductive to believe in the virtues of laissez-faire and a naturally free market. Instead, the market is conceptualized as a “political-cultural product, based on a constitutional order that requires careful “cultivation” for its maintenance and proper functioning.”

But, although Adam Smith’s invisible hand is in need of a helping hand to function, this helping hand need not interfere directly in the market or with its outcomes. Rather, it should only work on the conditions allowing it to function, which first and foremost means setting up the necessary preconditions for the flourishing of competition. In this prioritization of competition over exchange as the distinctive essence of the market, the neo-liberals diverge from classical liberalism, but in doing so they accentuate what a range of nineteenth century economists – like Leon Walras and Alfred Marshall – had already attributed so much importance to.

Furthermore, since government should not prioritize redistributing wealth, but instead seek to establish the conditional rules under which competition will flourish, this also entails a radical reversal of social policy as traditionally understood. It is no longer a question of compensating for the unfortunate effects of a market economy. Instead, what is to be established is a government that is not against but for the market. And since this necessitates “an active, intense, and interventionist social policy,” aspiring to nothing less than the government of society, it is an exaggeration when Foucault apologizes for having spoken for too long about German neo-liberalism instead of addressing the biopolitical problematic head on. Instead of opposing the two, Foucault’s examination of the social policy proposed by the German neo-liberals should be read as an analysis of biopolitics par excellence, since the neo-liberal proposals imply interventions that would govern everything but the economy, including the population, its conditions of life and social surroundings.

This social policy is a far-reaching and widely encompassing form of biopolitics, geared towards governing society by reference to and in accordance with the market. While this could sound like the reappearance and intensification of the commodification process already denounced by Karl Marx, Foucault emphasizes the singularity of German neo-liberalism by stressing its difference from a society of commodities, “in which exchange value will be at the same time the general measure and criterion of elements.” It is not the man of exchange or man as consumer who provides the idea—

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91 Ibid., 116 [118].
92 Vanberg, 9.
93 Foucault, The Birth of Biopolitics, 121 [Foucault, Naissance de la biopolitique, 125].
94 Ibid., 160 [165]
95 Karl Marx, Das Kapital, Buch I: “Der Produktionsprozeß des Kapitals” (1867-1890); mentioned in Foucault, The Birth of Biopolitics, 147.
96 Foucault, The Birth of Biopolitics, 146 [Foucault, Naissance de la biopolitique, 152].
lized figure of the German neo-liberals, but rather the competitive and productive creature of enterprise:

The individual’s life must be lodged, not within a framework of a big enterprise like the firm or, if it comes to it, the State, but within the framework of a multiplicity of diverse enterprises connected up to and entangled with each other, enterprises which are in some way ready to hand for the individual, sufficiently limited in their scale for the individual’s actions, decisions, and choices to have meaningful and perceptible effects, and numerous enough for him not to be dependent on one alone. Finally, the individual’s life itself – with his relations to his private property, for example, with his family, household, insurance, and retirement – must make him into a sort of permanent and multiple enterprise.97

In programming this new art of government, the multiplication and dissemination of the enterprise form within the societal body plays a crucial role. Not merely to be understood as a particular institution, it is the mobilization of a special social éthos marking out a whole competitive and enterprising way of being and behaving in terms of personal plans and projects and with specific objectives, tactics and agendas.98 Thus, it is a matter of nothing less than making the enterprise into “the formative power of society.”99 It is a matter of intervening deeply in the very fabric, tissue or vital parts of society by way of a policy of life – that is, what the economist and originator of the term Neo-liberalismus, Alexander Rüstow, refers to as Vitalpolitik: “a politics of life, which is not essentially oriented to increased earnings and reduced hours of work, like traditional social policy, but which takes cognizance of the worker’s whole vital situation, his real, concrete situation, from morning to night and from night to morning,” including material belongings and moral hygiene, sense of property and of social integration.100 What is at stake here is a biopolitics that should address “all the factors on which the happiness, well-being and contentment of man truly depend,” and which should take into account what Rüstow and Röpke conceptualize as the worker’s “four-fold embeddedness” in his community, in nature, in his property, and in his tradition.101 This is the comprehensive biopolitical and neo-liberal governmentality that is formulated in Germany, and it is this German model, not the “Bismarckian state becoming the Hitler state,” “which is being diffused, debated, and forms part of our actuality.”102

97 Ibid., 241 [247].
98 Ibid., 147, 175 [152, 180].
99 Ibid., 148 [153].
100 Alexander Rüstow is quoted from Foucault, The Birth of Biopolitics, 157, n62.
102 Foucault, The Birth of Biopolitics, 192 [Foucault, Naissance de la biopolitique, 198].
4. American Neo-Liberalism

Liberalism in America is a whole way of being. It is a type of relation between the governors and the governed much more than a technique of governors with regard to the governed.103

Whereas the ordo-liberals endorsed the idea that society should be governed for the market, the effort of the American neo-liberals was rather to redefine all of society as an economic domain or form.104 Noticing this as a general background of the American adoption of neo-liberalism, Foucault’s examination focuses on the governmental and biopolitical implications of the proposed expansion of economic analysis and programming to areas of the social field not formerly associated with economic principles or rationality. This analysis is primarily based on work by economists like Henry C. Simons, Theodore W. Schultz and Gary Becker, whereas Foucault pays less attention to other famous figures of the Chicago School such as Milton Friedman and George Stigler.105

In his reading of the American neo-liberals Foucault accentuates their reconfiguration of the *homo oeconomicus* that was already on the agenda in the works of classical economics. But while economic man in this context was interpreted as a creature of exchange in accordance with his needs and wants, which implied that he represented one of two partners in a process of exchange, the economic man in the anarcho-liberal context is, as with the German neo-liberals, recast as a creature of competition, whose inclination towards competing may not always be actualized by itself, but always potentially ready to be encouraged and spurred. Accordingly, the freedom that is in need of security here becomes the freedom of liberated competitiveness, and the associated competitive *homo oeconomicus* comes into view not just as “an entrepreneur of himself,”106 as was the case in German neo-liberalism, but also as the living being who is in need of being set free to freely compete. The human creature of competition cannot therefore be a man of exchange for the reason that, instead of being one among

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103 Ibid., 218 [224].
104 Ibid., 239-241 [245-246].
other partners in a process of exchange, he is converted into a subject of personal enterprise, who not only earns his own wages, administers his own consumption and produces his own satisfaction, but also embodies his own assets and productivity. Here even consumption becomes another entrepreneurial activity used for the production of personal satisfaction, which also implies that the opposition between an active production and a passive consumption ceases to have any meaning. In short, man has become an amount of “human capital,” which may always be still further augmentable with reference to his acquired and hereditary resources. “The distinctive mark of human capital,” Theodore W. Schultz writes in 1961, “is that it is a part of man. It is human because it is embodied in man, and it is capital because it is a source of future satisfactions, or of future earnings, or of both.” It is the biopolitical implications of this kind of economization of everyday life that draws Foucault’s attention.

Through this reconfiguration of the economical man the interventional field of anarcho-liberal biopolitics becomes a radicalization of the Vitalpolitik of the German neo-liberals, as it includes not only every aspect of enterprising human conduct across all possible social fields but also the very genetic makeup predisposing this conduct of enterprise. But besides venturing to stimulate and ameliorate the human population all the way down to their hereditary equipment, and to prepare for potential situations where this equipment could pose a “danger,” it is primarily on the side of the acquired and acquirable factors that this neo-liberal biopolitics endeavours to have an indirect effect on the economy. It is especially in regard to the making of a “competence-machine” producing a continuous surplus of human capital that Foucault points to how this neo-liberal biopolitics identifies the problems for which it also proposes its solutions. In the case of educational investment, for example, professional and school education is evidently important for the development of human capital. But this radical biopolitics also argues on an experimental basis that the very development of the human being acquiring competences is also relevant and includes factors such as the time spent by the parents on the formation of their child, the emotional atmosphere in the family, or the quality of the child’s social relationships. Foucault thus locates the competence-machine within a comprehensive neo-liberal “environmental analysis” of human capital, entailing the possibility of analyzing

the simple time parents spend feeding their children, or giving them affection, as investment which can form human capital. Time spent, care given, as well as parents’ education – because we know quite precisely that for an equal time spent with their children, more educated patents will form a higher human capital than

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107 Ibid., 225 [231].
108 Cf. Donzelot.
110 Foucault, The Birth of Biopolitics, 243 [Foucault, Naissance de la biopolitique, 248].
111 Ibid., 228-229 [234-235].
parents with less education – in short the set of cultural stimuli received by the child: all this will contribute to the formation of those elements that can produce human capital.\textsuperscript{112}

Every subject matter on the basis of which the population is potentially inclined to reach an end – in childhood, in youth, at work, on vacation, in marriage, in civil life, as parents, in friendships, on retirement, in health care – comprises a field of economic analysis because it is also the ground from which human capital can be extracted and put into production. Accordingly, Foucault mentions how the American neo-liberals also point to the potential human capitalization of assets pertaining to social phenomena such as social mobility, migration, and the innovations conceptualized by Joseph A. Schumpeter.\textsuperscript{113} Even public hygiene, health care, criminality and the function of penal justice emerge as economic forms in this analysis of the Chicago School.\textsuperscript{114}

Is it in continuation of this that Foucault draws attention to the neo-liberal construction of a “grid of economical intelligibility” with which it becomes possible to appraise a long range of human behaviours not usually deemed economic as economic nevertheless.\textsuperscript{115} With this grid it is not only possible to analyze all facets of the relationship between mother and child in terms of investments, being measurable in terms of time and convertible into human capital. It becomes possible to invert a vast multiplicity of human conducts and behaviours, which were previously the objects of disciplines such as demography, psychology and sociology, so that they, on a certain level, become visible for the economic rationality at the same time as they begin to express an economic rationality themselves. In this context, however, it is not only every rational aspect of human conduct and life that is amenable to economic analysis, in accordance with the classical formulation that economics “is the science of human behaviour as a relationship between end and scarce means which have mutually exclusive uses.”\textsuperscript{116} According to Gary Becker, this already very extensive definition does not go far enough since economical analysis can perfectly well be applied also to individual non-rational behaviour, with the only criterion being that the conduct in question reacts to reality in a non-random way. Given that the irrational conduct responds to the modifiable stimuli of the environment in a systematic way, given that the conduct in spite of irrationality “accepts reality” in Becker’s words,\textsuperscript{117} it is apposite for economic analysis, and economics become the science of the systematic nature of responses to reality in the form of environmental variables.\textsuperscript{118}

\textsuperscript{112} Ibid., 229 [235-236].
\textsuperscript{113} Ibid., 230-231 [236-238].
\textsuperscript{114} Ibid., 248-261 [254-266].
\textsuperscript{115} Ibid., 246 [253].
\textsuperscript{116} Lionel C. Robbins, “Essay on the Nature and Significance of Economic Science” (1931); quoted in Foucault, The Birth of Biopolitics, 222 [Foucault, Naissance de la biopolitique, 228].
\textsuperscript{118} Foucault, The Birth of Biopolitics, 269 [Foucault, Naissance de la biopolitique, 273].
Meanwhile, in conjunction with this grid of economic intelligibility Foucault also points to the neo-liberal construction of a “critical assessment instrument” directed at the exercise of public power in terms of the market. Where the first construction was “analytical” in its scope, because it was able to make social processes visible and intelligible in a generalized economic form, this second construction is rather “programmatic” in capacity, because it makes it possible “to test governmental action, gauge its validity, and to object to activities of the public authorities on the grounds of their abuses, excesses, futility, and wasteful expenditure.” Together the two constructions form an effective analytic-programmatic technology with which a great part of the social field can be reconstructed so they take part in an economic reality, and with which a permanent economical-political criticism of almost all political and public authorities can be secured and empirically substantiated in terms of the market. All governmental initiatives can be met with this critical assessment according to principles of supply and demand, cost and benefit, efficiency, and the potential losses due to public interventions in the field of the market. In contrast to theordo-liberal rejection of a natural sphere constituting the beneficial functioning of the principle of *laissez-faire*, Foucault argues that the American anarcho-liberals rather turn this principle upside-down by means of their analytic-programmatic technology. “Here the *laissez-faire* is turned into a *ne-pas-laisser-faire* directed at the government, in the name of a law of the market that will permit each of its activities to be measured and assessed.” This conversion of the *laissez-faire* principle leads to a situation where the market no longer functions as the veridictional regime for the self-limitation of government as in classical liberalism, since the market converts into something that is now hostile towards the government. What emerges is “a sort of permanent economic tribunal,” the truth-telling of which is no longer responsive and oracular but determined and antagonistic when it comes to guiding government. Additionally, Foucault specifies, this economic tribunal is not merely a private or cooperate matter, but has been institutionalized in a number of American organizations or think tanks, such as the *American Enterprise Institute for Public Policy Research*, the *Consumer Safety Product Commission*, and the *Food and Health Administration*, from whence the permanent economic tribunal can be brought into action in an almost positivistic critique of the “nonsense” and “contradictions” of governmental procedures and actions. In concert with this radical economization of government action, the American neo-liberals therefore also express a now familiar aspiration to extend the market across all social and political domains, thus breaking down the traditional divisions between the economic, the social and the political in what constitutes not a governementalization but a marketization of both state and civil society.

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119 Ibid., 246 [253].
120 Ibid.
121 Ibid., 247 [253] (translation modified).
122 Ibid., 246-247 [252-253].
5. Conclusion: Liberal Biopolitics and the Economic Game

The lectures on The Birth of Biopolitics represent Foucault’s last encounter with modern biopolitics. Despite its distinctly biopolitical title, the subsequent (still unpublished) lecture course of 1980, On the Government of the Living, begins to trace back to Early Christianity the important connection between the pastoral conduct of conduct and another “regime of veridiction” that took the form of the specific truth-production by which individuals bring into being subjective evidence about themselves. While this study was a revitalization of Foucault’s interest in procedures for truth-telling (e.g., mesure, enquete, examen) in the early 1970s, it was also the beginning of a journey that led him further back to alternative relationships between truth and government of the self and of others (e.g., chresis aphrodésion, epimeleia heautou, parrésia) established in Roman and Greek antiquity. But since Foucault never returned from this journey to the ancient world, he was unable to inaugurate that full-scale genealogy of contemporary biopolitical power that he the year before his death in 1984 not only asserted “could be done” but also “had to be done.” Therefore The Birth of Biopolitics in fact represents Foucault’s very last, and most comprehensive, attempt to uncover the na-
tivity of modern biopolitics. It is here that he for the last time studies the biopolitical rationalization of liberal arts of government being concerned with securing those self-regulatory processes of the population and the economy.  

Hence, in the summary of the 1979 lectures, where Foucault, as touched upon, expresses some regret as to only having covered the introduction to the birth of biopolitics, he also maintains that by “biopolitics” he meant “the attempt, starting from the eighteenth century, to rationalize the problems posed to a governmental practice by phenomena characteristic of a set of living beings forming a population.” And although this summary only mentions such well-known phenomena of life as health, morbidity, hygiene, mortality, natality, life expectancy, and race, a careful reading of the full lecture course also reveals the manifestation of biopolitical phenomena such as competition, consumption, danger, education, enterprise, family life, freedom, genetic equipment, human behavior, innovation, interests, limitation, nature, rights, risks, will and work. The biopolitical nature of many of these phenomena has been exemplified in the previous sections.

Yet, in order to recapitulate more specifically it is therefore not so much on the backdrop of Foucault’s earlier biopolitics of social medicine, of sexuality or of the threshold of life and death that the biopolitical scope of The Birth of Biopolitics should be judged. Instead this scope should be evaluated in continuation of the type of biopolitics that became an important factor in the history of governmentality and in the ingrained triangulation of population, political economy and dispositives of security, which are also the starting point of Foucault’s exploration of the arts of government pertaining to classical and more contemporary forms of liberalism. Accordingly, the biopolitics of classical liberalism revolved around the biopolitical nature of the modern economy and the political economists’ conception hereof insomuch as this field of exchange, intervention and knowledge from the very beginning was directed at a population ranging from its biological embeddedness in the natural milieu, through the human species with its desires, and up to the public with its interests. The objective of this liberal biopolitics became the creation of a regulation that could assist the natural self-regulation of the population to work by way of the correlative logic of freedom and security. It was also through this work of dynamic and facilitative laissez-faire that governmental rationality came upon the need to restrain its activities in order to give room for self-regulation in the new societal household. Likewise, it was in this process that the auto-limitation of societal utility convened with the veridiction regime of the market, in the same way that the process of principally infinite economic growth enabling advancement in the welfare of populations convened with the interplay of interests between the individual and the collective. By way of the new frugal govern-

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127 Foucault, Security, Territory, Population, 106 [Foucault, Sécurité, territoire, population, 109].
129 If this is true, it is therefore somewhat difficult to maintain that the economy has recently become biopolitical, given that it has been so from its modern beginning in the eighteenth century. On this point see Lars Thorup Larsen’s important article “Speaking Truth to Bio-Power: On the Genealogy of Bioeconomy,” Distinktion 14 (2007): 9-24.
mentality, all these elements have worked their way into the political rationality of the occidental world.

The biopolitics of both German and American neo-liberalism revolves around the economical enterprization of virtually every individual agent of the population, but does so in different directions. German neo-liberalism inscribes the human enterprise in a “vertical movement” by reversing the relationship between state and market in order to establish conditions under which competition will flourish, being convinced that regulation of prices by the market itself is so delicate that it must be supported and managed. For its part, American neo-liberalism inscribes the human enterprise in a “horizontal movement” by expanding the economic to principally all social forms in order to transform a long range of non-economic entities and activities into means of competition, being confident that the grid of analysis and the decision-making criteria it offers ought to be more generally applicable.130 While the German conception of Vitalpolitik therefore stands for factual reconfiguration of traditional social politics focusing on enabling the individuals to become entrepreneurs of themselves (e.g., assistance to the unemployed, health care cover, and housing policies), the American conception of human capital rather takes for granted the entrepreneurial mode of existence and provides it instead with still new sources from which the capital of competition can be accumulated (e.g., family life, education, and genetic equipment). Thus two biopolitics of facilitation emerge, endowed with a more societal and a more individual proclivity respectively, but both breaking away from the naturalness of classical liberalism. Here German neo-liberalism projected instead a sort of “economic cultivation” for the safeguarding and affluent performance of the market by indirect governmental planning and intervention, whereas American neo-liberalism planned for a kind of “economic realism” according to which a transversal level of economic reality could incorporate almost all social forms in terms of economics, but which at the same time allowed them their differences on all other levels.131 Both strategies thus implied a massive enabling process directed at the population, but in such a way that the population was effectively to enable itself by way of the economy as well. Here the population was not so much to comply with legal prohibitions and disciplinary prescriptions as it was to vitally empower itself through economic forms and work out its own personal norms for this activity, within the continual interchange of freedom and security.

Meanwhile, it is on the topic of French neo-liberalism, which is presented before the anarcho-liberals in The Birth of Biopolitics but succeeding their work chronologically, that Foucault most directly addresses the encounter between liberal biopolitics and the question of social security. With reference primarily to Valéry Giscard d’Estaing, the French minister of finance and economy from 1969 to 1974, and the two economists Christian Stoffäes and Lionel Stoléru, Foucault calls attention to a number


131 Foucault, The Birth of Biopolitics, 256-259 [Foucault, Naissance de la biopolitique, 266-269].
of features pertaining to the challenge of creating a social policy within a neo-liberal framework. D’Estaing held that government should “completely separate that which corresponds to the need of economic expansion from that which corresponds to the concern for solidarity and social justice,” because the social system can disrupt the economic system with negative consequences (e.g., rise of wages, increase of unemployment or uneven redistributions) even if social security is deduced solely from earned wages. By introducing “an economic tax” versus “a social tax,” d’Estaing projects a separation of the economy as a system with its own rules and the social as a system with its own particular objectives, which should at once correspond to and be entirely impermeable to each other. This “decoupling,” Foucault argues, is part of the application of a seminal idea, being equally traceable in German, American and French neo-liberalism, according to which “the economy essentially is a game [un jeu].” This means, on the one hand, that the economy should progress as a game between partners and the whole society should be permeated by it, and that the role of the state in this regard is restricted to defining the rules of the game and to making sure that they are in fact applied. And since the rules of this game, on the other hand, have to ensure that the economy develops and progresses as actively and keenly as possible and to the advantage of the greatest possible number of players, the primary and categorical rule of the game should be one that also ensures that the players do not lose so much that they become unable to continue playing.

It is through this “rule of non-exclusion” in the economic game that Foucault sees the policy of neo-liberal social security coming into view, which he sketches out on the basis of “negative tax” as Stoléru and Stoffaës outlined it in the 1970s. In opposition to positive income tax where government claims a portion of income and where the sum paid increases as income rises, this negative tax system sends money back to the taxpayers if, but only if, their earnings are below a given threshold, and conversely reduces that payment as income rises. Through this system government provides social security in the form of supplementary cash benefits relative to how much the citizen is economically below the threshold, which is usually fixed at “a ‘vi-
tal minimum’ ... of elementary needs.”\textsuperscript{137} According to Foucault, this neo-liberal tax policy has a number of consequences. First, it guarantees the non-exclusion of the economic game because it ensures that citizens who are temporarily made redundant do not end up below what is considered as a proper level of consumption. Second, it nevertheless keeps this assured level of minimum consumption so low as to motivate, incentivize or frustrate the unemployed to always prefer working and participating in the economic system before receiving benefits, thus counteracting the well-known problems with the negative work incentives and benefits dependency of traditional welfare programs as well. Third, the neo-liberal drift in this system is not only that it fully decouples the “economic tax” and the “social tax,” but also that it does not provide the social security associated with a standard policy of full employment; people are not forced to work if there is no interest in them doing so. It only guarantees the possibility of minimum existence at a given level, essentially leaving the incentives to be a matter for the jobless themselves.\textsuperscript{138}

Although Foucault is perfectly aware that the negative tax system has never been applied in full effect or in pure form, it is nevertheless here that he maps out his last outline of neo-liberal biopolitics, chronologically speaking.\textsuperscript{139} Because the negative tax provides something like a minimal level of social security, though at the lowest possible level and principally substituting all welfare such as food stamps, public housing, farm price supports or minimum wage laws with cash benefits defined with regard to the threshold, it allows the economic system and the mechanism of competition to function in the rest of society. Above the threshold the “enterprise society” of vibrant competition and investment in the capital of oneself is thus given free to run its course without any interruption from social security or inopportune citizens below this threshold point:

Full employment and voluntarist growth are renounced in favour of the integration in a market economy. But this entails a fund of a floating population, of a liminal, infra- or supra-liminal population, in which the assurance mechanism will enable each to live, after a fashion, and to live in such a way that he can always be available for possible work, if market conditions require it.\textsuperscript{140}

This type of biopolitics directed at a population that is dynamically divided according to the threshold of enterprise looks as if it rigidly resigns itself and the human beings it comprises to the economic order that was formerly the expression of the self-

\textsuperscript{137} Stoléru 23; quoted and translated in Foucault, \textit{The Birth of Biopolitics}, 213, n51 [Foucault, \textit{Naissance de la biopolitique}, 220, n51].

\textsuperscript{138} Foucault, \textit{The Birth of Biopolitics}, 207 [Foucault, \textit{Naissance de la biopolitique}, 212-213].


\textsuperscript{140} Foucault, \textit{The Birth of Biopolitics}, 207 [Foucault, \textit{Naissance de la biopolitique}, 212].
regulatory household of the same population. According to Foucault, however, it is also a very loose-fitting and alterable economic order:

[It] is not at all the ideal or project of an exhaustively disciplinary society in which legal network hemming in individuals is taken over and extended internally by ... normative mechanisms. ... On the horizon of this analysis we see instead the image, the idea, or theme-program of a society in which there is an optimization of systems of difference, in which the field is left open to fluctuating processes, in which minority individuals and practices are tolerated, in which action is brought to bear on the rules of the game rather than the players, and finally in which there is an environmental type of intervention instead of a internal subjugation of individuals.141

This theme-program, which he also designates “an environmentalism open to unknowns and transversal phenomena,”142 is Foucault’s last proposition of a neo-liberal biopolitics, concurrently regulating the population both rigidly and loosely in accordance with economic principles.

Conclusively, it is also within the framework of a neo-liberal biopolitics such as this that Foucault locates an imperative mutation in the general dispositive of governmentality. Instead of finding its governmental rationality in its own strength, in maximizing itself, or in calculating the forces of itself and others, as was the case in the tradition of raison d’État in the sixteenth and seventeenth centuries, the problem of this new governmentality, being worked upon since the late eighteenth century, has now grown to be a matter of fashioning government

on the rationality of those who are governed as economic subjects ... It is a matter of modeling government [on] the rationality of individuals insofar as they employ a certain number of means, and employ them as they wish, in order to satisfy these interest in the most general sense of the term: the rationality of the governed must serve as the regulating principle for the rationality of government.143

Hence, what has characterized the development of “liberal rationality” in Foucault’s account is “the rationalization of the art of government on the rational behavior of those who are governed.”144

Evidently, this is also the situation in which government as regulation of self-regulation, as conduct of conduct, as management of self-management, or as the articulation of the crossing point between political technologies of power and ethical techniques of the self, comes into view as imperative problematics to engage in both practically and theoretically. Though Foucault’s lectures were given thirty years ago, the relationship between government and self-government in all its different forms,

141 Ibid.
142 Ibid., 261, n* [266, n*].
143 Ibid., 312 [316].
144 Ibid.
not only has long historical roots that need to be further sorted out, but also remains with us and forms our actuality as something we still have to relate to and act upon in our individual and collective ways of being. With the publication of *The Birth of Biopolitics* an important milestone in this historical work on the ontology of our present can now finally reach a wider audience. Additionally, being brought back to the beginning of one of the most elaborate explorations of how modern liberal biopolitics has grown into our cultural skin may also open an opportunity to bring even further our critical evaluations of how this biopolitical endeavor continually seems to be reconfigured and reborn.