**Book Review**

Editors; Paul de Gay and Glen Morgan

**New Spirits of Capitalism? Crises, Justifications and Dynamics**

Oxford University Press

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In the aftermath of the international financial crisis why is it that the rationality of neoliberalism remains so resilient? This is a question that puzzles scholars around the globe and one that economic sociologists are perhaps best placed to answer. This book, edited by sociologists Paul de Gay and Glen Morgan, contributes to the debate by interrogating the insights and techniques developed in Luc Boltanski and Even Chiapello’s highly contested book; ‘New Spirits of Capitalism’ (hereafter NSC). The volume is divided into three parts: a long introductory chapter that elaborates on the core ideas of NSC, six chapters that develop and critique the core concepts of NSC, and five empirical chapters that use the techniques and tools of NSC in various case studies. The core question, and stated explicitly by the editors in the introductory chapter, is whether the core explanatory concepts developed by Boltanski and Chiapello can be applied to understanding the current crisis of the democratic state. NSC is an ambitious attempt to weave together ideas from French philosophy, economic sociology, management studies and political economy. It is an eclectic 800 page text that analyses the discourses, justifications and legitimising techniques that have accompanied the rationalisation of capital accumulation in three distinct periods of capitalist development. The core argument is that ‘capitalism’ (note the absence of variation) contains no internal moral legitimation. It requires a ‘spirit’, in the Weberian sense, in order to justify itself. It must legitimately claim to be organised in the interest of the common good. This ‘spirit’ is achieved through internalising the criticisms of those who oppose it. The capacity to internalise the dominant critique within each phase of accumulation becomes the motor of capitalist change, not material profit or elite interests. Eve Chiapello states this explicitly in chapter 3 where she argues that “capitalism only survives by incorporating its enemy’s value system”. The ‘new spirit of capitalism’, which defines and conditions the neoliberal era, emerged after the left-libertarian revolt in France during 1968. In response to this, French managerial elites rejected the hierarchical and bureaucratic mode of organisation associated with the Fordist mode of production. The shift from ‘hierarchy to network’ celebrated individual autonomy, flexibility and liberty, and thus legitimated the shift toward subcontracting, outsourcing, flexible hours and temporary work. By internalising the ‘artistic’ critique of 68’, capitalists disabled the ‘social’ critique of the traditional left. Capitalism could now justify the shift toward societal liberalisation and precarity through the legitimising discourses of autonomy and freedom. But can this dubious French experience really provide us with the analytic tools to explain what Colin Crouch describes as the ‘strange non-death of neoliberalism’ in the aftermath of financial crisis? This question is posed in the introduction but it is not tackled or theorised in part 1 of the book (chapters 2-7). Luc Boltanski alludes to why this might be the case in chapter 2, where he admits that NSC did not contribute to a renewal of social critique. He argues that this is because “actors are realistic and do not ask for the impossible” and calls for a “pragmatic turn in sociology”. This requires an analysis of institutions. The purpose of a “sociology of critique” is to study the clash of criticisms that takes place within institutions. This is developed in chapter 3 by Eve Chiapello where she rearticulates the argument that capitalist change is driven by the criticism of capitalism. There are four types of critique: conservative, social, artistic and ecological. These are evolving in new ways but the new spirit today is a variant of corporate social responsibility or ‘Green Capitalism’. Chapters 4-7 do not attempt to develop the theoretical argument of NSC but primarily aim at critiquing its core concepts. Paul de Gay argues that we need to re-read Weber and bring professional ethics back into public sector management. He reads Weber as a historical anthropologist and unconvincingly argues that critique can be renewed through an emphasis on neo-stoic conceptions of persona. Hugh Wilmot debunks ‘cultural’ political economy by arguing that the new spirit of capitalism was primarily driven by “the materialist call to make money”. The driving force of capitalist development in the post-Keynesian era was the reorganisation of finance, as a response to the 1970’s profit squeeze. For Martin Parker, NSC is an arrogant attempt to explain everything based on a selection of pop managerial texts in France. The NSC argument is based on limited empirical evidence and does not consider the possibility of capitalist diversity or incremental change. Part 1 concludes with a chapter that can only be described as a poetic reflection on the reshaping of time and space in the new expressive infrastructure of capitalism. Think Facebook. The empirical section of the book contains the most interesting analysis. Isabelle Huault and Hélène Rainelli-Weiss convincingly argue that OTC finance markets are fundamentally different in nature and form from all traditional measures of a ‘competitive market’. Finance operates according to an NSC capitalist logic of ‘connexionist projects’. Financial innovation and projects define banking. But the technicality of these products and their extraterritorial space means they can disarm all forms of public control and criticism. In Chapter 9, Peter Hull Christensen applies the concept of ‘project’ and ‘network’ to the liberalising welfare states of Northern Europe. Using extensive empirical data he concludes that the Nordic model has escaped the faith of neoliberalism. The Nordic flexicurity model is more than just rhetoric because it enables social mobility. Chapter 10 analyses the role of network-based social movements through a case study of ATTAC. The constraint facing ATTAC in the aftermath of the crisis is that their critique of finance has become widely internalised by the system. The outcome is not a ‘new spirit’ but a reinforced ‘iron cage’.

 Kathia Serrano-Velarde provides perhaps the most original application of NSC concepts by tracing the construction of a discursive benchmark for private investment in European higher education. Public expenditure is presented as rigid and inflexible, whereas private investment is a lucrative opportunity. The EU policy discourse on competition, she concludes, legitimises the profit motive in educational provision. Surprisingly, there is no mention of the real material resource constraints facing the public sector in providing taxpayer funded education. In chapter 12, Paul de Gay analyses the reform of public administration in the UK, and concludes that ‘new public management’ discourses have serious negative consequences for the relationship between person and office in the practice of governmental administration. The final chapter of the book examines the creative industry, a sector that promotes more than most the notion of ‘flexibility’ and ‘authenticity’ at work. The outcome, however, is increased vulnerability for both employees and managers. There is no concluding chapter to the book, and therefore the editors do not return to the original question: can we learn anything from NSC about the current crisis and the resilience of neoliberalism? I would be inclined to conclude no. What the edited book does offer is an insightful application of NSC concepts in various empirical case studies. But given that the original NSC argument was an analysis into how capitalism justifies itself in response to critique, the book would have been much better served by empirically examining how this takes place today. This would require an analysis into the legitimising discourses and justifications used by the dominant actors and institutions that reproduce the international neoliberal governance regime of financial capitalism. It would require a dialogue with *political* economy.