The Politics of Equivalence

Mark Devenney (m.devenney@brighton.ac.uk)

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Introduction

Laclau and Mouffes’ *Hegemony and Socialist Strategy* (1985) was published in the last years of the cold war. It was an attempt to rethink socialist politics and political strategy against emergent neo-liberal logics, notably the privatisation of state assets, the attack on the welfare state and bureaucracy, the articulation of neoliberalism with neoconservative security discourses, and various academic justifications for neoliberalism in the works of Friedman, Hayek, Nozick and Brzezinski (Laclau and Mouffe 1985: 171-175). The authors could not then have anticipated the specific registers of contemporary neo-liberalism: the deployment of technologies of debt and finance extended to every part of the social fabric (Lazzarato 2012 and 2015); the extension of infrastructural processes of equivalence through the soft law of international frameworks and processes ((Easterling 2014 and Brown 2015); the reframing of states as businesses, evaluated and organised by the same metrics as enterprises (Brown 2015) and the dominance of an ideal of self-investment and capitalisation which reframes even classical notions of individual subjectivity. The theoretical categories central to that text – antagonism, hegemony, difference, equivalence and radical democracy – are inadequate to the particular modalities of financial capital. (see for example Boucher 2009; Zizek 2006). I develop this argument through a critique of the notion of equivalence they first developed in *Hegemony and Socialist Strategy* (1985) and in subsequent texts by Laclau (1990, 2006, 2014). Their account proceeds from a critique of Marx’s labour theory of value. While I endorse their rejection of the labour theory of value their alternative - equivalence as the articulation of hegemonic links between diverse struggles against oppression – leaves to one side the problem of the money form and its role as a universal mediator. They ignore the role that money and measure play in the articulation of any political hegemony. My reading demands an extension of their critique of Marx, and a modification of the categories developed by Laclau. This begins the task of a post-Marxist critique of the logics of contemporary capital.

1. Laclau on Hegemony and Equivalence

The notion of equivalence was central to Laclau and Mouffe’s critique of Marxism and their reconceptualization of socialist politics in *Hegemony and Socialist Strategy* (Laclau and Mouffe 1985). The political is thought as the contingent articulation of equivalence between different demands, identities and movements. Political demands do not arise endogenously from a regionally defined area but are always over-determined. For Laclau *antagonism* is constitutive of the political. For Laclau antagonism points to a heterogeneity which cannot be subsumed within any historical narrative, contrary to Marxist accounts which locate
antagonism in terms of class position, Antagonism is neither a logical contradiction – it concerns the social and political struggles of actors; nor a real opposition between rival physical forces, say contrasting weights as in a tug of war. Rather, antagonism points to the limits of social objectivity as such (Laclau and Mouffe 1985 and Laclau 2014). The logic of the political does not determine in advance who the antagonistic other happens to be – this will depend on the politics of a specific situation.

If there is no central principle of organisation for a society – say class, sovereign power, or human reason – is the social world simply a set of autonomous differences without relation? Laclau refuses this banal post-modern claim, arguing that this replicates the notion of society as a unified totality, but now at the micro level of independent differences. Rather, any hegemonic order is the result of contingent articulation. In a populist movement for instance equivalence is articulated between different demands, against a common enemy – the state, a ruling elite, the 1%, capitalism – in terms of a common claim, for example justice. Such counter-hegemonies are politically articulated forms of equivalence which are contingent but not random. A conceptualisation of the political on this account specifies the logics constitutive of such hegemonic practices, without determining in advance what justice is, or indeed which actors hold a privileged historical position. Moreover in processes of articulation the identities of the actors engaged in these struggles are also at stake.

The art of politics then is the articulation of equivalent relations between different identities, subjects, social groups and demands. If successful such articulations may establish a new hegemonic horizon setting the terms on which day to day political decision making and debate takes place. What though does it mean to say that differences are articulated as equivalent? What is it that is equivalent across differences? Laclau and Mouffe (1985, 129) note that there are only two alternatives: either all the differences share something positive or they are unified by reference to something external, something which is not part of the system of differences. They reject the first option – a positive determination does not require the articulation of equivalence because the common feature is immediately expressed, and does not require articulatory intervention. What then of a common relation to something external: ‘the external reference cannot be to something positive’ (Laclau and Mouffe 1985: 127) because then the equivalence is once again articulated with reference to another positive element within a system of differences. Instead, they conclude, through equivalence ‘something is expressed which the object is not.’ (Laclau and Mouffe 1985: 128) The equivalential link is expressed negatively, unifying different demands, identities and social groups against something which all oppose.

Laclau develops these arguments further in On Populist Reason (2006). Any social order will be confronted with a number of distinct demands. Demands are both claims made to authorities and a request that something change. When isolated, authorities might well
respond to demands. However, if an extant order is unable to respond to isolated demands they may become equivalent not because the demands overlap, but because they have not been fulfilled. Over time an equivalential chain may extend and become symbolically unified into a stable system of signification (Laclau 2005: 72-74). In this case each demand is divided between the particularity of its claim and its universalising articulation with other demands. The model for this account is derived from structural linguistics.

The logics of difference and equivalence interact ‘just as linguistic identities are the seat of both syntagmatic relations of combination and paradigmatic relations of substitution.’ (Laclau 2005: 80) For Laclau the value of a difference within any system of signification is relational. The question then is how a system (social, linguistic, or otherwise) might signify its own limits? We have seen already that the equivalential link is expressed negatively, unifying different demands, identities and social groups against something which all oppose. On the one hand then different demands are unified against what they oppose, in the experience of a certain lack. On the other hand unity is maintained because one of the elements comes to signify what all others lack. It becomes a signifier of affective investment and equivalential articulation. In Laclau’s example the phrase Solidarity in the context of 1980s Poland expressed both the unity of those in opposition to the Communist regime, and the particularity of the workers in Gdansk.

The study of hegemony then is a study of the play between these logics of difference and equivalence. Laclau, in his later works, insisted on the rhetorical foundations of the social. Hegemonic logics are catachrestic through and through. How so? The fullness of society is unachievable and any presentation of necessary laws of history deploys rhetorical devices to cover over this lack of objectivity, in particular metaphor and metonymy. The articulation of equivalential links in any hegemonic order may be interpreted in terms of these tropes, analogous to the logics of substitution and combination, which Saussure and Jakobson identified as central to any semiotic system. Any existent order will be articulated between these two poles on a continuum, representing impossible extremes: either the dispersal of the social into different demands, or the complete unification of the social around one demand, an empty signifier with all particulars subsumed under this general logic: ‘rhetoric is coterminous with the very structure of objectivity.’ (Laclau 2014: 65) This returns us to one of the characteristics of the social discussed earlier: a heterogeneity which cannot be recuperated or mastered in any political discourse. This heterogeneity ‘has as one of its defining features a dimension of deficient being or failed unicity.’ (Laclau: 223) It is immanent to any being, but shows its presence ‘as that which is absent. (Laclau: 223) Identification with the universal is in effect identification with a stand in universal. It is the only form of identification that is possible. Laclau’s account of equivalence, as a political logic, assumes that there is no ontological grounding to the social. The articulation of a populist or a radical democratic opposition to a dominant order assumes that nothing essential
binds demands together. Rather, this depends upon political articulation, and affective identification, in the creation of a tendentious unity against a perceived oppressor.

2. **Revisiting Marx on Equivalence**

Equivalence on this account is central to the articulation of any hegemonic politics. There is *no a priori* reason why any particular political logic or argument should prevail, and no essential principle which underpins social order. What though do Laclau and Mouffe make of the analysis of the universal equivalent analysed by Marx, the money form? We know that their version of equivalence is drawn from the immanent critique of structural linguistics, the development of rhetorical logics to comprehend the political, and a focus on the relationship between difference and equivalence. In their view Marx undermined the radicalism of his concept of equivalence by explaining it, and the social formation, in terms of another universal, abstract labour. Abstract labour is – at least in principle - measurable and, as value, is distinct from the materiality of commodities. However, in rejecting Marx’s account of abstract labour the authors do not rethink the money form. They are right: at first blush Marx seems to regard labour as the substance of value, the one element common to all commodities which is coterminous with their value. The relations of equivalence analysed by Marx are on this reading not hegemonic, but are the indirect expression of a positive content, namely human labour power. However, a closer reading shows that Marx cannot sustain the claim that abstract (human) labour is the positive value underlying the general equivalent. The positive determination of exchange value, abstract labour, cannot be expressed other than as a wager. Abstract human labour on my reading is a ghostly, metaphorical, phantasm never adequately expressed in the universal equivalent. I develop the implications of this reading in section 3 below, but first let me read what Marx in fact says about equivalence a little more carefully.

*Capital volume 1* (Marx 1976, chapter 1) begins with an account of the commodity and the transmogrification of the universal equivalent money into capital. Marx sets out the labour theory of value to explain the riddle of the commodity form. Use value reflects the simple fact that in order to be a commodity a thing must correspond to a human desire or want. Exchange value represents the value of a commodity relative to other commodities. This relative value indicates that the value of commodity is expressed in terms of something other than itself. However exchange value cannot be fixed without a common equivalent in which expresses the value of different commodities. The money form allows all particulars to be expressed on comparable terms. The universal represents each particular commodity with a value which appears as a natural attribute of the commodity. The fiction allows for comparisons, and exchanges, to be made between different commodities regardless of their profound differences. Commodities with exchange value evolve grotesque ideas about themselves, as Marx writes of tables, transcending their mere sensuousness and use value.
But what is this universal equivalent? The easy answer is that it is a particular commodity which incarnates the universal equivalent. In fact the universal equivalent, money, merely expresses another universal - abstract human labour - the socially necessary labour time required to produce commodities. The origin of value then lies in human labour, the ghostly presence in the machine that is capital. One might say that for Marx we quite literally consume the lives of others every time we engage in exchange. The commodity embodies in Marx’s florid terms: ‘congealed quantities of homogenous human labour…crystals of social substance.’ [Marx, chapter 1, page REF] But how does one measure the value of the human labour crystallised in the commodity? Here a number of qualifications immediately arise. First, value is only realised retroactively, at the moment of exchange. The commodity has no value other than as a promissory note before it is purchased (this promissory aspect of the value expressed in the commodity is what underpins the various markets in financial risk.) Second, Marx notes that this is abstract human labour. Value does not express the actual time committed to the production of any one commodity, the congealed social substance. Rather the actual price may vary from the abstract labour embodied in any one commodity. Across time and space an equilibrium price emerges, what Marx terms the socially necessary labour across a global system of exchange and production.

What though is socially necessary labour time? There is for Marx no way to back to an accurate measure of the value of human labour. It is not the actual time put in to the production of the commodity. Socially necessary labour time is overdetermined by any number of factors including overproduction, political bartering, the reframing of consumer desire, runs on commodities or changes to the production process. In fact the actual labour may have no value whatsoever. Labour in the abstract produces value, but this value is ‘recognised’ in an act of exchange which transforms a commodity into money, the equivalent form which represents value. Money as the universal equivalent is an expression of socially necessary labour time, which itself depends upon a set of political, ideological and other contingencies which render value contingent (though not random). The qualifiers of the word labour (abstract, socially necessary) do more work here than is generally acknowledged, or than Laclau and Mouffe recognise.

Let’s remember last that this logic of commodification respects no theological limits, even if the commodity abounds in theological niceties. The logic of commodification is all consuming. The ‘agent’ of this process, money, respects no ethical or other boundaries. Quite literally anything may be expressed in terms of the general equivalent. Contingency is at the heart of Marx’s account of capital: the measure of value chases a phantom it cannot capture; socially necessary labour varies from second to second, and is immeasurable. It is this lack of measure that characterises the valences of neoliberal politics. Marx is indeed constrained by
his insistence that abstract labour is the source of value, but his text struggles against the straitjacket he encases it in.

What is the upshot of this reading? Money, and thus capital, are means for the articulation of equivalence. This takes place behind the backs of social actors so to speak and is so taken for granted that the power of this fiction is all too often ignored. Unlike what Laclau terms a politics of articulation money as a universal equivalent establishes relations of equivalence which empty the commodity of its origins in social relations (as Marx argues). However, money also functions as an apparently neutral technology of accounting, accountability and value. Here I point to another reading of Marx, rethinking the logic of equivalence and hegemony without falling foul of essentialism, and simultaneously politicising the general equivalent money. This would entail recognising that the monetary form acts as a universal equivalent, accepting too that money is a febrile technology, and that it resists definition in terms of one essential principle. This is also its strength as an equivalence which may be mobilised to rearticulate social relations, regardless of their differences. It is a shape shifting technology which moulds itself to, and in the process reshares, wholly different ways of being.

[THERE IS NO NEED TO READ THIS SECTION IF YOU WANT TO AVOID ARCANE DEBATES IN MARXIST THEORY. I ITALICISE IT HERE]

[I should note though that this topic has been the subject of dispute in Marxist theory. The debate is easily summarised. The traditional view, as summarised by Mosely, holds that ‘...(1) the necessity of money is derived from the necessity to present the abstract labour contained in commodities objectively; (2) the exchange value of money is derived from the labour-time required to produce the money commodity and other commodities (as a specific case of the labour theory of value); and (3) the quantity of money in circulation is derived from the sum of prices.’ (Moseley, 2005: 4). This reading of Marx, while plausible, disguises the real difficulties Marx has in justifying the labour theory of value. It is impossible to objectively present the abstract labour contained in commodities, and a consequence the price theory as expressions of the ‘real’ exchange value of money is undermined.

In contrast Duncan Foley hold that while this is the correct way to read Marx, in the Grundrisse he tests his own arguments. Foley contends that qualitatively diverse labour cannot be reduced to a single index, and notes that one consequence is that exploitation can no longer be measured. If the commodity theory of money no longer holds (one may question that it ever did) then the architectonic of Marx’s account of exploitation requires reconsideration. Foley argues further that today the liabilities of the state act as a measure of value for the world of commodities. As a consequence the increasingly symbiotic relation between state and Capital has to be refigured. On Foley’s account credit control is another
means through which surplus value is extracted. (Foley, check ref!) This view is echoed by Milios. He contends that money as the general equivalent representing socially necessary labour is merely an intermediate step toward capital-money functioning as an end in itself. In this phase the sphere of production incorporates that of circulation, and while requiring the exploitation of labour power, extends the mechanisms of exploitation to credit, debt and speculation securing profit through interest rate manipulation. In my view these rather arcane debates are of little value. However, they point towards where this article will finish: money becomes an end in itself, no longer requiring the mediation of the commodity to see its value realised; states act as the guarantors of value for a market which respects no limits to the expansion of value; and last the money form needs to be rethought. It is not simply a universal equivalent, but is an infinitely pliable technology which coordinates social life in ways wholly unthought and largely unseen.

What implications does this reading of Marx hold for Laclau and Mouffes’ account of equivalence? While I concur with their critique of the labour theory of value they are too quick when dismissing Marx’s account of the money form. Marx’s text itself undermines the labour theory of value. In fact as Laclau acknowledges, his conceptualisation of the logic of the empty signifier parallels Marx’s description of the transition from the general form of value to the money form (Laclau 2006: 93). Marx writes:

‘The universal equivalent form is a form of value in general. It can, therefore, be assumed by any commodity. On the other hand, if a commodity be found to have assumed the universal equivalent form…this is only because and in so far as it has been excluded from the rest of all other commodities as their equivalent, and that by their own act. And from the moment that this exclusion becomes finally restricted to one particular commodity, from that moment only, the general form of relative value of the world of commodities obtains real consistence and general social validity. The particular commodity, with whose bodily form the equivalent form is thus socially identified, now becomes the money commodity, or serves as money. It becomes the special social function of that commodity, and consequently its social monopoly, to play within the world of commodities the part of the universal equivalent.’

(Marx 1976, chapter 2.)

Marx insists, as does Laclau, that the universal equivalent is excluded in order to function as an equivalent. However, Marx suggests that gold acts as the universal equivalent. However, if labour cannot determine the value of commodities (even in the abstract) then neither does a standard such as gold, unless maintained by a hegemonic power, which uses political and financial muscle to secure prices and control trade. Indeed as is well known, since 1971 there has been no standard to secure the value of the universal equivalent. Liberated from reference to any fixed value money does not function as a fixed universal equivalent. Instead, the variation in the value of the equivalent(s) has become one key to understanding the dynamics
of so called financial capital, which thrives on the contingency of value with no need to fix value. This critique of Marx’s account of the money form challenges Laclau’s privileging of rhetorical tropes. Marchart writes in respect of Laclau: “Laclau feels justified (a) to apply metaphor and metonymy to the field of politics, and (b) to see in metaphor and metonymy not merely ‘two figures among many, but the two fundamental matrices around which all other figures and tropes should be ordered’ (Marchart, 2011, 60). Hegemony is theorised as the articulation of differences, subjected to metonymic displacement, into an equivalential chain the links of which are mutually substitutable. It is evident that such logic cannot be restricted to a particular social field.” (Marchart, opcit.)

But is Marchart’s argument justifiable? Is it the case that such logic applies to all fields? In what follows I will argue that they do not. The assumption that these logics apply across all fields means that discourse theory blindsides itself when considering contemporary logics of equivalence. Thus far I have developed this reading through an immanent critique of Marx’s account of value, to demonstrate that there is more in his account than Laclau allows. Marx’s account of the value form does not presuppose any ontology, any question of lack, or indeed of failed meaning. The money form may well be supported by all forms of affective investment, but it transforms the social world through the implementation of abstract, systemic logics, which the rhetorical account of the political cannot grasp. Although the money form is initially excluded from the realm of commodities in order to serve as the universal equivalent, it returns as a commodity which takes itself as an object, without recourse to so called material commodities. The fact that different currencies are guaranteed by different nation states means that currency manipulation as a mechanism for the valorisation of capital becomes possible. Debt too serves as a mechanism to brutally enforce structural adjustment policies. I now turn to two examples of equivalential logic which operate without recourse to a political ontology.

3. Rethinking the Politics of Equivalence

It is certainly the case that money induces all sorts of fantasmatic identifications. However, financialisation function regardless of these identification, and cannot be fully explained in the terms that Laclau deploys. This is true in a number of respects. First, the logic of the empty signifier – the requirement for a system to fix and maintain limits to signification which are both its condition of possibility and impossibility –does not apply to the uses of money as a technology and practice. At least since 1971 the value of money has not been fixed against any standard. This opened the way to the securitisation of debts and credit through the invention of financial products which extend logics of debt and risk across society. Contemporary populist movements are more often than not articulated in direct response to the extension of these financial logics. Second, money can no longer be viewed as a system which requires that value is secured through the closure of the system. There is
no one monetary system and no requirement that value is fixed within a system of
differences. Nor does money stand in for something else, another more real system. What
money is, and how it is deployed, depends as much upon purely calculative logics as it does
on political, fantasmatic and other logics. This is not to say that the uses of money are purely
random. It is to point to an intrinsic contingency integral to the calculative logics of this
equivalential form. In what follows I indicate how these logics operate in tandem with, but
behind the backs of, so called populist or hegemonic logics. I focus on two contemporary
discourses debt and quality control.

(a) Debt

A key element of the financial crisis of 2008 concerned the financialisation of risky
mortgages. As many critics have since noted the ‘liberation’ of money from any guarantees
(the gold standard, the dollar) made pricing and risk impossible to guarantee, especially as the
currency of exchange might itself fluctuate in value. This drove the invention of financial and
insurance products designed to securitize debts over the long term, in particular derivatives.
Designed to insure against risk, derivatives instead extended systemic risk. The reason was
simple. Insurance of risk allowed banks to leverage debt in effect creating more money. Once
insured, money can then be lent repeatedly as long as each loan is securitised. These forms of
arbitrage extend risk in an ever increasing circle. Banks acts as a clearing house for credit,
creating money through the circulation of the same debt any number of times. Let me take the
example of mortgages which were so central to the financial crisis of 2008.

As has always been the case banks make a tidy profit over the life time of a mortgage,
perhaps 6% compound. All potential customers are credit scored in order to evaluate risk.
The credit score determines, in part, the interest rate that customers may be charged, and
represents the bank’s calculation of risk. However securitisation allowed banks to extend and
leverage mortaged loans, using existing debt to loan even more. The key technology is the
credit default swap, a fairly simple financial mechanism. A bank loans out £100000 at a rate
of 6%. It then purchases insurance on the debt, limiting liability in the case of a default. With
insurance in place the same money is repeatedly loaned out. In accounting terms once a loan
is insured against risk it remains on the books. This meant that banks kept less reserve capital
and loaned out even more. Inevitably one or other of the risks will default, so despite the
insurance a set of other financial products were developed. One of these was to bundle loans
so that a few losses were absorbed by profit across the bundle. Every mortgage is insured as
part of a bundle. This credit default swap may then be sold to an insurer because the risk
seems even lower. The bundled loans were then divided up into differently rated credit
default swaps, so called tranching: those deemed to be high risk could be sold at higher rates
of interest. This allowed brokers to purchase job lots of mortgages which were then sold on to
investors. Lenders no longer owned the risks and had an incentive to offer more and more
loans on the same underlying assets.
Determined to make more profit banks offered higher risk mortgages, bundled and insured these in the same way, and sold them as credit default swaps. These ‘sub-prime’ mortgages were bundled up with less risky mortgages and sold as assets. The credit agencies rated these bundled loans according to the perceived risk for investors, with higher profits linked to investment in lower rated products. The insurance products too could then be bundled and sold, as could the promise of profit, the likelihood of default, and the like. Often investors would have no notion of the underlying asset. Risk spread through the financial system from brokers, to banks, to insurance houses, pension funds and anyone or any institution that had invested in these products. Speculation became an end in itself and equivalence a means of manipulating value in order to increase value. The retroactive effect of the pricing of derivatives was that the products designed to protect so called ‘real’ assets, began to have consequences for the pricing of mortgages.

When the mortgages became ‘toxic’ banks attempted to deleverage and credit was drastically cut. This crisis was in part a result of panic, in part an appropriate response to forms of leverage which were and are inherently risky. What was the political response to this? Risks were transferred to purchasers and taxpayers. Purchasers had no way to escape the debt, even once the default had taken place. Taxpayers bailed out banks deemed ‘too big to fail’. The individuals, the institutions and the system responsible for the crisis were, with a few exemplary exceptions, rescued with the transfer of capital from reserve banks. The denouement of this story was that the same institutions – banks, ratings agencies, accounting firms – then targeted states arguing that public debt posed a risk to the economy. They rearticulated parts of the public sector previously exempt from scrutiny such as pensions, schools, welfare, Universities and the military on the accounting terms common in business, and reorganised these sectors as investment opportunities for private capital.

The failure of the demos was in one respect simple to understand: the same logics which structured the markets in risk also subject states to forms of accountability which curtail popular decision making. The system of debt operates through the valuation and the purchasing of the future committing future generations to a particular ordering of life. It undermines the very principle of democracy, namely that the people are sovereign. We might adapt the language of Deleuze noting that capital deterritorialises and rips free of its context even the future. Debt operates in the pluperfect case: it is that which will already have been the case. It colonises the future. Resistance is foreclosed as the citizen becomes the monetised subject, a human resource, devoted to self enhancement and investment. As Wendy Brown has argued the anti-political language of governance introduces metrics of measure, derived from financial logics, which articulate the political subject as an economic being and model the state as a firm. (Brown 2015: 108). These metrics of self-investment and measure shape the conduct of conduct through distant yet intimate technologies, allowing for governance
without Government. Increasingly, Brown contends, the act of governing appears to devolve and responsibilise, while subjecting individuals, organisations and local government to so called best practices, benchmarking and credit evaluation (Brown 2015: 124-130). Lazzarato goes further. Across every part of society the same rules of credit are applied. Credit is a mobile logic – an infrastructure – infinitely flexible, adaptable, and calculative. (Lazzarato 2015: 7-8). The debt economy subjects and subjectivates all individuals as human capital and in so doing externalises all risk (previously collectivised) on to individual subjects who have to manage their own profiles so as not to fall foul of logics of debt. Equality is rewritten as a form of equivalence. Democratic accountability becomes a form of accounting, and the only value with value, is the potential to make profit.

Note the logics of equivalence at play here. Standardised accounting procedures allow for the monetisation of risk, and are applied to all individuals as well as organisations. Debt is extended according to a set of basic rules of assessment (based on the evaluation of risk), and the risks are securitised through a set of mobile derivative technologies such as credit default swaps, bundling and tranching. These procedures are applicable to anything – to individuals, to property, to insurance products, to so called natural assets – and they rearticulate every aspect of the world in the seemingly neutral language of calculation. This is a form of equivalential articulation which is not explicable in terms of the logics of the empty signifier, of lack, or indeed identification.

(b) Infrastructural Logics

Let me turn to consider another equivalential logic which escapes the logic of the empty signifier, Quality Standards.

‘This Evaluation Policy (EP) is part of the Monitoring and evaluation pillar of the Performance Management Framework. It has drawn on ENQA’s Standards and Guidelines for Quality Assurance in the European Higher Education Area, the principles of ISO 9000, ISO9001: 2008, the EFQM Excellence Model and Strategy 2011-14.’ (Evaluation Policy, Quality Assurance Agency, 1)

This seemingly innocuous statement is to be found on ‘The Quality Assurance for Higher Education in the UK’ website (http://www.qaa.ac.uk/en). In developing quality standards the QAA draws on principles ISO 9000 and ISO 9001. The International Organisation for Standardisation, a private NGO, has since the 1940s overseen global technical standards across nation states. In his recent work on infrastructures Easterling focuses on ISO 9000 a seemingly innocuous specification of management guidelines for quality. All trading partners of the EU are required to conform to these quality guidelines and over a million organisations
worldwide now implement these guidelines. (Easterling 2014) Bizarrely, so too does the Quality Assurance Agency for Higher Education in the UK, although Easterling does not talk about this.

Quality assurance standards, initially developed for businesses, now structure the ‘delivery’ of English Higher education. But what are they? Easterling describes infrastructures as ‘the shared standards and ideas that control everything from technical objects to management styles’. (Easterling, 2014, 6) They are the operating systems which structure worlds: for example new builds in cities across the world or the quality processes implemented across institutions, such as schools, universities and libraries. These infra-structures reconfigure the world according to a set of templates which make certain things possible and others impossible. ISO 9000, and its various offshoots, establishes what appear to be formally empty, process focused quality standards, to guide management in any organisation. The key principles are loose in the extreme: focus on customer need; create unity through leadership; consult so that all feel included; implement and manage processes of quality assurance; adopt clear standards to measure quality implementation; constantly modify to improve quality; and establish mutually beneficial supplier relationships. The language of ISO is clearly out of tune with the view that many academics hold of their institutions. However, the QAA process has transformed British Universities rendering their quality processes equivalent to those implemented in businesses. What might appear neutral, bereft of content (indeed ISO 9000 is presented as content neutral), transforms the University, and in the long term transforms how staff and students understand themselves. Translated into quality standards for Universities the language of teaching and research is transformed, as are the processes by which the quality of education is measured. It is common now to speak of markets, of customer focus and satisfaction, of benchmarking and of cost. These same processes encourage staff to view themselves as human capital, or to put it more bluntly, as a cost to the University. Staff are ‘responsibilised’ (Brown 2015) to manage their own capital, to recreate themselves as embodied capital, either through research income or related business activities. These activities – research, working with business and government, impact – are all measured in terms of quality assurance standards and compared both within (internal assessment) and without (external assessment).

My main interest here is not to engage in a critique of this transformation of higher education policy and practice – many have already done so. Rather, it is to note that the mantra of quality is an infrastructural form utilised in different spaces, places and organisations. It is like an open source system, an adaptable but consistent process of management of the quality of products. Its effect is to reframe these spaces according to calculable and measurable logics, compatible with accounting and financial forms, but nonetheless distinct from them. Whether in Universities or other once public institutions, the language of quality transforms what we commonly mean by the terms of democracy: accounting stands in for accountability; equivalence stands in for equality and consultation for democracy. The ‘quality process’
establishes an equivalence between distinct institutions, allowing them to be compared in terms of markers such as customer satisfaction, value for money, speed of response to complaints and the like. The processes of measurable equivalence indicated here – and there are others – bypass the political, fantasmatic and symbolic logics at the core of discourse theoretical analysis. They do not depend upon subjective identification, lack, identity or affectivity. Yet they hegemonise the social field. In the case of money it has become the universal equivalent for exchange, but this universality hides the fact that there is no essence to money – money is constantly reinvented, and made other, adapted to the particular environments and practices that are monetised. Money does not simply monetise areas newly commodified – for example higher education. Rather, monetisation works with a set of other practices which transform the way in which education is understood.

(4) Conclusion

In their critique of Marx’s account of equivalence Laclau and Mouffe leave aside the analysis of money. They recast equivalence without reference to money, or to capital, and open themselves to the charge that their ‘political’ account is unable to conceptualise financialisation and commodification. Mouffe’s recent text Agonistics for example emphasises the importance of agonistic confrontation for a politics of the left in Europe, while revisiting her critique of deliberative and consensual approaches. However, her discussion of neo-liberal policies does not address the logics of financialisation. She contends that neo-liberal policies must be challenged with new economic principles but, more importantly, with an alternative political vision. Mouffe clearly distinguishes economic models from political vision: ‘The economic model is … crucial but to create a Europe of citizens requires more than economic measures, and my main concern is the kind of political vision that needs to inform the economic proposals.’ (Mouffe 2014: 60). Contemporary financialisation however is distinguished by the ‘economisation’ of political relations, and recasting of the state, of individuals and of all other activity in terms of capitalisation and investment. If anything we need to begin with a problematisation of the distinction between the economic and the political, so that the political vision already entails a particular organisation of social and reproductive life. This is not only a difference of emphasis. The hegemony of so called neo-liberalism is secured through forms of equivalence which have little to do with the articulation of a popular will. I have indicated some of these logics above - note only the proliferation of standards and of quality, the abstract forms of property ownership and control, the forms of measurement and quantification which rearticulate the place of politics threatening to render democratic accountability irrelevant. A project for the left must perforce challenge and reframe these apparently neutral infra-structural logics which have recast worlds as calculable assets. Laclau’s account of populism, of the articulation of counter-hegemonic equivalence, and of the logics of identification, subjectification and ontology remains a powerful account of how unity is engendered in the name of a democratic politics. However, these oppositional logics miss their target if they fail to account for the shift shaping technologies of financial and calculative equivalence. These technologies once deployed cement particular ways of acting, thinking and being. They enact
forms of governmentality which radically alter perceptions of, and attitudes to space and money, and to the very terms that constitute the democratic heritage. Thus far discourse theorists have failed to come to terms with these logics.

If any further evidence is needed to show that this is of capital importance to contemporary neo-liberal logics let me finish with two quotes from the memorandum between Alex Tsipras and his European Union partners. Greece is required to among many other nefarious measures: ‘adopt ambitious product market reforms with a clear timetable for the implantation of the OECD (the Organisation for Economic Cooperation and Development) toolkit 1 recommendations.’ What is OECD 1? I quote again:

‘The OECD's Competition Assessment Toolkit helps governments to eliminate barriers to competition by providing a method for identifying unnecessary restraints on market activities and developing alternative, less restrictive measures that still achieve government policy objectives.’

Second: Greece is required to ‘undertake rigorous reviews and modernisation of collective bargaining, industrial action and, in line with the relevant EU directive and best practice, collective dismissals, along the timetable and the approach agreed with the institutions.’ Note that in both of these cases monetisation and financialisation are not immediately on the agenda: what is crucial is that Greece adopt best practice and implement toolkits, already deployed across the world. Need I say more?

Bibliography


