Original Article

Irrational exuberance: Neoliberal subjectivity and the perversion of truth

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Abstract

Drawing on Freud’s late work, I argue that the social traumas created by neoliberalism bring about perverse modes of subjectivity. When a truth is too painful to bear, Freud argues, we substitute for truth a less painful lie, a disavowal that, when regularly practiced, can issue in perversion. I argue that irrational exuberance, the shared delusion in the United States that, for example, housing prices and the stock market must always go up, ought not be attributed to the greed of ‘human nature’ but rather must be understood in its social context: as a response to the abandonment of the citizenry by government and by the free market fundamentalism that, after the mid-1970s, no longer provided even the bare minimum of security and safety offered by the US form of the welfare state. Clinical material illustrates some of the ways that neoliberal versions of subjectivity appear in symptoms and in the relational dynamics of treatment.


Keywords: neoliberalism; perversion; normative unconscious processes; ideology; disavowal; social trauma

Introduction

In a recent Nation article titled ‘Obama and the Return of the Real’, Jonathan Schell (2009) sets the scene for what I shall discuss in this essay: disavowal and the perverse modes of subjectivity cultivated by neoliberalism. Schell notes five crises besides the economic meltdown that have suddenly occasioned shock and awe throughout the US public: the shortage of natural resources, the spread of nuclear arms and other weapons of mass destruction, the ecological crisis and, finally, ‘the failure of the American bid
for global empire and the consequent decline of American influence abroad’ (p. 21). These crises, Schell asserts, have ‘striking features in common, suggesting shared roots’ (p. 20). Each is ‘self-created’, and each arises ‘from pathologies of our own activity, or perhaps hyperactivity … the oil is running short because we are driving too many cars to too many shopping malls’ (p. 20). Each is ‘the result of excess, not scarcity’, each involves ‘theft by the living from their posterity’, and each is characterized by double standards that block the way to solutions, by which he means that ‘one group of nations, led by the United States, lays claim to the lion’s share of the world’s wealth, to an exclusive right to possess nuclear weapons, to a disproportionate right to pollute the environment … while everyone else is expected to accept second-class status’ (p. 20). Finally, each of the crises has ‘been based on the wholesale manufacture of delusions’ (p. 20).

It is on the subject of the ‘wholesale manufacture of delusions’, what Schell calls ‘bubble thinking’, that psychoanalysis has something to teach us. I want to look here at how psychoanalysis can help us understand a culture-wide promotion and acceptance of a lying relation to reality, what I shall call a social perversion. Schell attributes this perversion of truth to the greed of business, government, media and military organizations ‘who began to tell lies to themselves and others in pursuit of or subservience to wealth and power’ (p. 21), and he goes on to implicate all of us in this madness. I agree that we are all implicated. But rather than attribute the mass madness simply to greed, I want to look at it as possibly being a response to trauma. The trauma I have in mind is not of the shock and awe variety, but of the whittling away over time of a sense of safety, security and trust in those who are supposed to be watching out for the public’s welfare. I want to propose that the excessive greed and political apathy of the past 30 years might be thought of as defensive and perverse responses to social trauma.

Relational Failure and the Fetish Structure of Perversion

Nick Totton (2006) has suggested that rather than look at civilization as neurotic, we think of it as perverse, ‘structured as a response to massive collective trauma’ (p. 144). Freud’s (1927, 1937) elaboration of the relation between disavowal and perversity will be our starting place. At the end of his career, Freud was still struggling to understand the roots of resistance to analysis. In ‘Analysis Terminable and Interminable’ (1937), he wrote that the defenses, originally acquired to ward off threats posed to the ego by a dangerous and unpleasurable outer and inner reality, can themselves become a threat to the self: ‘if the perception of reality involves unpleasure’, he writes, ‘that perception – i.e., the truth – must be sacrificed’ (p. 237). Bion (1991) elaborated on Freud’s insight, asserting that the capacity to bear frustration leads to the capacity to
think: when the raw emotion evoked by frustration is not adequately contained, lying, rather than thinking, may become a customary way of defending against what he calls catastrophic change.²

As some have argued, Freud’s late papers suggest he may have been on the verge of replacing repression as the central defense mechanism with disavowal. Disavowal is a simultaneous knowing and not knowing, ‘a self-deception in the face of accurate perception’ (Basch, 1983, p. 133). In his 1927 paper, ‘Fetishism’, Freud argued that disavowal is the defense at the heart of perversion, and his specimen case was the boy’s disavowal of the reality of castration. As several analysts have pointed out (see, for example, Basch, 1983, p. 130; Grossman, 1993, p. 426; Steiner, 1993, pp. 92–93), among Freud’s examples of disavowal in the fetishism paper are two that are not about castration at all but rather about a child’s repudiation of the reality of a father’s death. This suggests that our understanding of fetishism and, therefore, perversion need not be restricted to the sexual realm. Indeed, as Bass (2000) has convincingly argued, Freud’s analysis of fetishism as a solution to castration anxiety does not exemplify what Freud claims it does: the oscillation between a fantasy, that women have a penis and a repudiated reality. For the repudiated reality is no reality at all, but rather a male fantasy: that girls are castrated boys. The fetish is thus marked by an oscillation between two fantasies: that girls have a penis and that they are castrated boys. There is a repudiated reality, but the reality is that girls are different from boys (see, among others, Irigaray, 1985; Chasseguet-Smirgel, 1986). Because of this ‘phallus-y,’ we need to re-think the nature of the fetish structure that operates in disavowal, and thus, in perversion.

The dictionary defines perversion as a turning away from the truth. In fact, the first occurrence of disavowal in our lives, according to Freud (1900), appears as a resistance to acknowledging the reality of dependence on others. The hungry baby, who has no control over the appearance or disappearance of the mother, hallucinates the breast, thus finding an omnipotent solution to a painful reality: I don’t need you; I’m self-sufficient. Bass (2000) argues that the tension arising from hunger and the need for the breast is a confrontation with the demand to differentiate, which he calls the trauma of Eros. While I do believe that an obstruction to processes of differentiation is at the heart of what I am calling perversion, I do not agree with Bass that the trauma that gives rise to disavowal is the demand to differentiate. Rather, like Bach (1994), Coen (1998), Goldberg (1995) and others, I understand the trauma to derive from consistently unmet dependency needs and profound relational failure. In cases in which the caretaking surround is unable to contain anxiety and meet the dependency and assertion needs of the vulnerable child/citizenry, we will find disturbances in agency and dependency that do have as a consequence an inability to tolerate difference. It is in such conditions that difference becomes traumatic and is experienced in hierarchical pairs of inferior/superior, rather than as mere difference.
The capacity to hallucinate a way out of painful tension and inevitable environmental disappointments (the breast cannot always be there) can be a source of creativity, to be sure. But when that capacity becomes a regularly practiced disavowal of the truth of dependence, interdependence and vulnerability, we have the makings of a perverse situation. And this is precisely the situation created by the triumph of neoliberalism, and, more recently, in the United States, the triumph of neoconservatism. In what follows, I will argue that a perverse relation to reality is a solution to the social traumas of profound failures in caretaking and containment that have accompanied increasing economic inequalities and an increasingly dangerous world. The solution is marked by fetish structures that oscillate between two destructive fantasies that we might think of as disorders of disavowed dependency: a fantasy of self-sufficient omnipotence and a fantasy that we will be totally taken care of without any effort on our part.

A dream a White patient told me a week or so after Hurricane Katrina illustrates the social trauma, the disavowed reality and the fetish structure as pseudo-solution:

I’m watching this dream unfold: there’s a black woman who feels ill. She seems to get progressively worse. Her friends dig up a pit in the dirt and with water make it into a mud bath. They have her in it, rolling her around, back and forth, making more mud all the while. I’m worrying that they might be intending to put her under water. I don’t want to be watching and not doing anything; I have to hope they have her best interests at heart and that they know what they’re doing. The woman is in a delirium. When just her head is visible, her daughter, who has been watching, cries out, ‘That’s my mama,’ and rushes closer to her to hug her. I don’t remember seeing her submerged or getting better.

In the next scene, however, there’s a whole crew of people escorting her to a tv show where she was supposed to be going on, but they were filling in for her because of her illness. Not only had she recovered, she looked absolutely stunning, glamorous: reminiscent of Oprah. Her friends were rushing ahead and there was commotion as they were letting the tv people know that she was coming and to plan for her to come on.

Like many of my patients, this patient had not mentioned Hurricane Katrina at all in sessions immediately following the event. When I asked for her associations to the dream, she first said that it seemed to her the dream was about the personal transformation that she was undergoing, one that held great excitement and promise but also great risks and anxiety. Let us call this the individualist interpretation. And then she said, ‘I don’t know why the people were black’. I asked what came to mind. She said it made her think of Hurricane Katrina and all the poor, Black people. She said she was very upset about what was going on and then went on to speak disparagingly about ‘them’, those horrible people in the Bush administration and in New Orleans who didn’t think about how poor people without cars were going to get out. I was struck by
the part of the dream where she says ‘I don’t want to be watching and not doing anything’, and where she hopes the people in charge know what they are doing but fears they do not. So I asked her if she perhaps felt complicit in some way. She said she did not; she’d never let such a thing happen.

Shame had set in, and I realized only later that addressing the complicity rather than the helplessness had likely suggested my own refusal of complicity, as though I somehow was able to stand outside as the curious, but NOT HELPLESS onlooker. Thus, I was not able to help her connect emotionally to the way that the dream and associations suggested a relational unconscious in which we are all interimplicated and interdependent – ‘that’s my mama’. Yet, at the same time, the dream and associations disavow that reality and so point to a contemporary social reality whose discourses deny interdependence and therefore deny complicity. It is this situation that I refer to as perverse.

The dream ends just as every US disaster movie and Oprah show end. My patient’s unconscious turned a tragedy in which we were all complicit, a tragedy of class, race, and the indifference to human vulnerability manifest in neoconservative foreign policies and neoliberal monetary and domestic policies, into a spectacle, a story of personal triumph over adversity. An omnipotent solution resolves the problems of abandonment, danger and helplessness. The dream thus struck me as revealing something important about the connection between current social circumstances and unconscious process.

Neoliberalism, Backlash and Perverse Modes of Subjectivity

As De Tocqueville (2000) noted in the mid-nineteenth century, individualism has been a dominant feature of US life from the country’s earliest days. But to attribute the form of individualism that has been dominant in the past 30 years to an unchanging US character is to collude with the dehistoricizations and decontextualizations that are in fact the very mark of bourgeois ideology. In the US neoliberal social reality of the past 30 years, the free individual of bourgeois ideology has been shaped like perhaps never before by what even some mainstream economists refer to as free market fundamentalism (for example, Shiller, 2005). I want to look at some of the mediations that operate between culture and psyche and investigate further the traumatic structuring of what I think of as neoliberal versions of subjectivity.

As argued above, as babies and children we need containment, holding and, more generally, the presence of a caretaking attitude toward our vulnerabilities if we are not to be overcome by anxiety. As citizens, we need the same from our social environment. As Esping-Andersen has noted (1990), ‘wage-earners in the market are inherently atomized and stratified – compelled to compete, insecure, and dependent on decisions beyond their control’ (p. 16). Thus, the welfare state itself becomes an agent that fosters social solidarity and a sense of agency. But
over the past 30 years, we have been essentially abandoned by our collective containers, and this has bred an anxiety that has, in many ways, been socially channeled toward finding individualistic rather than collective solutions to economic distress and collective social problems. Many theorists (see, for example, Lasch, 1991; Stein, 2000; Krugman, 2002; Sennett, 2006) have ascribed the social trauma in which we in the United States have found ourselves to the imposition of free market capitalism, which, they argue, was a response to the economic crises of the 1970s and to the anxiety provoked by demands for economic equality made by various left-wing social movements of the 1960s. In A Brief History of Neoliberalism, David Harvey (2005) suggests that the inflation, surging unemployment and crisis in capital accumulation that occurred in the United States by the late 1960s led the upper classes to panic about their loosening hold on power and wealth. But panic was hardly restricted to the upper classes. The humiliating loss of the Vietnam War, racial turmoil in the inner cities, generational conflict and the radical politics of various social movements, the loss of trust in government that accompanied the Watergate scandals, and the recession of the early 1970s all contributed to creating the kind of conditions that, according to Klein (2007), prepare populations to accept what she calls ‘disaster capitalism’. Champions of neoliberal economic policies, who had in fact been awaiting their moment for decades, pointed to the stagflation of the early 1970s as proof that Keynesian principles of government intervention in the economy had not worked, and the country’s leaders began to embrace a neoliberal, free market ideology that ended the postwar compromise between labor and capital, broke the back of unions, deregulated public services, and generally made ‘big government’ into a villainous term. The changes wrought by neoliberalism created a shameful gap between rich and poor, a gap larger than any seen in the United States since the so-called gilded age of the late nineteenth and early twentieth century. Even before the economic collapse of 2008, many of us were already living in conditions of precarity caused by shifts in labor markets that offer little to no security to the workforce (for example, the loss of secure manufacturing jobs to low-wage service jobs with no benefits; the end of defined pension benefits; the hiring of temporary workers on short-term contracts; the shifting of jobs overseas; the decline of union power to negotiate collective contracts). After the economic collapse, the sense of vulnerability has been all the more widely shared.

In What’s the Matter with Kansas?, Thomas Frank (2004) pondered why the people from his home state would vote consistently against their economic interests and waste their energy fighting against abortion and homosexuality rather than fight for economic equality. By the 1990s, Kansas had become a bastion of the anti-abortion movement, and Frank details the simultaneous devastation of the state’s economy and the rise of backlash movements. Frank’s analysis implied that the people of Kansas were conned by the kind of manipulations that did indeed occur in the run-up to the election of Ronald
Reagan, our first free-market fundamentalist president. Reagan’s campaign was rife with messages that encouraged the White working class and White poor, especially in the South, to ally with the White rich rather than with poor people of color – one can trace a line from here to Hurricane Katrina. But Frank omitted from his account what his former teacher, Christopher Lasch (1991), had well documented: that the right-wing backlash took off in the very year, 1974, that Democratic neoliberals such as Paul Tsongas and Gary Hart were elected to the Senate. In the wake of the oil crisis and economic recession of the early 1970s, the neoliberal economic agenda that began to be shared by both Democrats and Republicans alike paved the way for social issues to be the only subjects open to left–right debate. Perhaps the people of Kansas were not stupidly voting against their interests but rather were registering the reality that no one was representing their economic interest.

Drawing on Bion, Abel-Hirsch (2006) has noted that one way to think about perversion is as the ‘choice’ to feel pain rather than suffer the painful truth (see Bion, 1991, 1993). I am suggesting that the trauma of indifference to increasing economic inequality has indeed been registered but has been disavowed. Rather than experience the extreme vulnerability resulting from the loss of care and containment, one finds in the backlash movements both a hatred of the vulnerable ‘other’ – women of all colors, gays, the poor, non-Whites (who, as Žižek, 1991, argues, are paradoxically envied, experienced by the haters as stealing their enjoyment) – and, in the case of the anti-abortion movement, an unconscious identification with the most dependent and vulnerable of all – the helpless fetus. Backlash, I am suggesting, is a perverse solution to the anxiety produced by failures in caretaking, a solution marked by a fantasy of invulnerability and a retaliatory response to injury.³

When a social reality is too traumatic to take in, attachment to collective identities – like Christian fundamentalism – can operate to make loss tolerable, and it just may be that the economic losses and dislocations we have experienced – and neither rebelled against nor mourned – have led many of us, in Georgis’s (2007) words, to ‘find consolation in separation from others’ (p. 254). One could argue (see, for example, Lewis, 1996) that the welfare state in its UK and less social democratic US incarnations already had implicit within it one kind of benefit that is universal and equal (for example, early education, social security and, in the United Kingdom, health care) and another kind that marks out difference (such as entitlements for the poor and mandatory desegregation of schools). From the very beginnings of the Johnson era welfare reforms in the United States, there were struggles over the latter kind of entitlement. But the rise of the neoliberal state has fostered an even greater tendency to collapse difference into distinctions between superior and inferior groups, and refuge has been increasingly sought in the grandiose fantasy of superiority. Libidinal attachments to ethnic, racial and class identities offer many psychological comforts, among which is ‘safety in an insecure world’
(Bauman, 2001). But they simultaneously can operate as defenses against suffering the trauma of a lost sense of interdependence and a failure of care.

**The Bush Years: Institutional Indifference, Conflicted Vulnerability and the Oscillation between Omnipotence and Helplessness**

In the past 30 years in the United States, political and institutional orders have primarily served the interests of economic growth and fostered the fantasy that such growth is the only way to address scarcity and vulnerability. One result has been an increasing institutional indifference to the fate not only of the poor but of the citizenry and work force at large. As Obama has reiterated, there is a lot of suffering and there has been little accountability or responsibility for what has caused the suffering. We are always at the mercy of the indifference of nature to human suffering, but it is quite another thing to be subject to the indifference of our political leaders and our employers. Sennett (2006) writes that an indifferent institutional order breeds ‘low levels of informal trust and high levels of anxiety about uselessness’ (p. 181). Political and social institutions, which have increasingly modeled themselves on ‘cutting edge’ corporate cultures, foster an ideal self that ‘publicly eschews long-term dependence on others’ (p. 177). In our increasingly individualist meritocracy, a few people are recognized as truly talented, and the rest are relegated to the non-special status of a disposable mass. The untalented masses come to feel that they have only themselves to blame for being not special. Along with the self-esteem and harsh super-ego issues that this obviously would produce – it is no surprise perhaps that self psychology, with its focus on self-esteem regulation, becomes popular in the United States during this period – Sennett finds that an important consequence for individual psychology is that people feel anxious not so much about failure as about being found useless or redundant. People who have been deemed redundant or whose jobs are downsized or outsourced, are, indeed, disposed of in very traumatizing ways, ways that conjure images of Nazi deportations (Stein, 2000). The threat only heightens the sense of precarity for the rest of the population.

During the Bush years, tax cuts for the wealthy, corporate welfare, and the costs of a terribly unpopular war decimated public services, which left the middle classes on their own to fend against very real anxieties that they will end up without health care, without pensions, without social security. Harvey (2005) writes:

> As the state withdraws from welfare provision and diminishes its role in arenas such as health care, public education, and social services, which were once so fundamental to embedded liberalism, it leaves larger and larger segments of the population exposed to impoverishment. The social
safety net is reduced to a bare minimum in favour of a system that emphasizes personal responsibility. Personal failure is generally attributed to personal failings, and the victim is all too often blamed. (Harvey, 2005, p. 76)

Vulnerable and dependent feelings, increasingly shameful states since the Reagan revolution, have only become more shameful since the events of 9/11 and the US response to those events: during the Bush years, vulnerability and fear were simultaneously stoked, by both media and government, and treated as shameful. The culture-wide repudiation of vulnerability, which indeed it is less and less safe to feel, makes it hard to tolerate states of dependence and makes it hard to acknowledge how we are all connected to one another.

Bionian Pistiner de Cortiñas (2009) offers some thoughts about the relation between a sense of helplessness and cultures that are committed to lying:

In thoughts and in the developing of thinking, a tolerance of the emotions that stimulate feelings of helplessness has been achieved, these being uncertainty, ignorance, and the finite-infinite relationship. In lies, when it comes to facing feelings of helplessness, there is an increment in the doses of omnipotence and the need for obtaining collusions that disavow helplessness. (p. 121)

Key to the capacity for truth-telling is the capacity to tolerate uncertainty, helplessness and vulnerability rather than disavow the reality that evokes those states. So what happens to possibilities for truth-telling in a culture that makes uncertainty and shame about the vulnerability it evokes a way of life?

**Neoliberal Subjectivity and ‘Amoral Familism’**

My patient’s Hurricane Katrina dream captures the underlying feelings of precarity that have now extended deeply into the psyches of the White middle classes, the feeling more and more people have that they have been left on their own to sink or swim, that perhaps they are not as unlike the Black poor of New Orleans as they have wanted to believe. Rachael Peltz (2005) has most helpfully traced some of the psychic effects of public indifference on the professional middle-class patients she treats. Like the social theorists cited above, she, too, argues that when the government abdicates responsibility for containing anxiety and for ‘holding’ the vulnerable and the needy, dependency becomes more and more shameful. She suggests that those who have been lucky enough not to fall through the now huge holes in the social safety net have taken refuge in a manic defense against need. Left on our own by the commitment of government and corporate cultures to greed and power, unable or unwilling to make the links
necessary to understand our predicament and rebel against it, many of those fortunate enough to be able to do so have defended against feelings of abandonment, helplessness, and vulnerability with the ‘lie’ of self-sufficiency. As Peltz elaborates, those of us in the professional middle-class have accepted as normal a state in which we daily run ourselves ragged: we feel virtuous when we can fit 100 activities in the shortest amount of time and we feel like lazy slobs when we cannot.

Like the patients Peltz describes, most of us in the US professional middle class have dutifully shaped our subjectivities in accord with dominant individualistic norms that, even moreso than in past eras, unlink the social from the individual (Layton, 2006a). And so we consistently rail against ourselves when, for example, our small businesses fail or when we are unable to balance career and child care. We imagine that there are stronger, special others who can do it all and that if only we weren’t weak, inferior beings, we, too, would succeed. Adapting to the lack of accountability, the ‘politics of disengagement’ (Bauman, 2001) that have marked our all too recent past, we have successfully made ourselves solely responsible for our so-called failures (Layton, 2009). In so doing, many of us have anxiously retreated to the private or professional sphere, disavowing our connections to the goings on in the wider world. Sociologist John Rodger (2003) calls the disengaged response to the disengagement of the post-welfare state ‘amoral familism’, a term borrowed from Banfield (1958), who, according to Rodger, described it as ‘behavior which followed the dictum that the individual should maximise the material and short-run advantage of their nuclear family and assume that everyone else in the community would behave similarly’ (Rodger, pp. 415–416). The ethic of social solidarity that characterized the UK welfare state, Rodger argues, has been replaced by a tendency to limit concern only to the self and to those in one’s intimate circle. Amoral familism is another popular response to the culturally fostered denial of mutual interdependence – one that the clinic, in its general exclusion of any social realm beyond the family, tends to encourage.

We can see, then, that the disavowal of vulnerability and need takes two prominent forms: the retaliation that characterizes backlash and the withdrawal that characterizes amoral familism (Layton, 2006b). And these two classic reactions to trauma can be understood as responses to profound failures in the caretaking environment. Retaliation and withdrawal are at the heart of the sadomasochistic object relations that characterize social perversion.

**Containment and Care: Neoliberal Subjectivity in the Clinic**

It is in this context that I want to explore in more depth some clinical manifestations of neoliberal subjectivities, which rest on the perverse disavowal of vulnerability, dependency and interdependence. These disavowals issue in an
intensified individualism and thus an intensified version of narcissism. By the late 1970s, psychoanalysts such as Kohut (1971, 1977), and cultural analysts such as Lasch (1979), and Kovel (1980), were already describing an increased prevalence of the character structure of narcissism, the empty selves that need more things, bigger things, better things in order to feel even momentarily adequate (see also Cushman, 1995). Relevant perhaps to the present discussion is the way that Kovel linked narcissistic character to a middle-class family structure in which children came to feel that parental love was contingent on their economic and professional success. A narcissistic individualism has been exacerbated by the vicious circle of heightened vulnerability and increased lack of containment characteristic of neoliberalism. The defenses that sustain this version of narcissism are perverse, marked by a fetish structure that oscillates between fantasies of omnipotent self-sufficiency and fantasies that one need do nothing to be taken care of. Like the Hurricane Katrina dream, my examples suggest that politics enter the clinic not only in the direct discussion of political events, but in the very conscious and unconscious expression of our subjectivity (Samuels, 2007).

Vignette #1

Sally, a woman now in her 40s, made the decision in her 30s to stop working full-time in her very demanding profession and stay home to take care of her children. She continued to work part-time, but the decision made it difficult to practice her profession and she often feels marginal and frustrated. Sally’s husband was a salaried white-collar worker when they married but, feeling the pressure of looming college costs and his wife’s desire for a bigger house, he has recently tried to parlay his expertise into something more lucrative. His work is now more stressful; he gets manically busy and is away from home a lot more. Sally sometimes feels he is married to his job and, disavowing the way she participates in his drive to get more money, she experiences only abandonment. The business dealings leave the family subject to moments of high promise and big letdown. Whenever her husband’s characteristic cockeyed optimism hits a roadblock, Sally spirals downward into a familiar despair about the possibility of ever getting what she wants: a bigger house. Of course the wish for a bigger house has multiple meanings, but for a moment let us not reduce it to a wish for a penis – or even a wish for more psychic space, which it certainly is. Let us think of it rather as a fetish object, a stand-in for a traumatic failure of social and individual caretaking.

As in D. H. Lawrence’s (2007[1926]) short story, ‘The Rocking-Horse Winner’, I imagine that Sally’s current house reverberates with the desperate sound of ‘There must be more money’. Sally moved into that house around the time she gave up full-time work. The house is in a very expensive suburb in
which housing prices skyrocketed in the late 1990s, which made it impossible for her to move to a bigger house. She keeps trying to fix her current house, but it will never be what she wants. Sally’s parents were locked in a miserable marriage and everyone in the family was emotionally abused by the alcoholic patriarch. Mother was loving but failed Sally by not leaving her husband and so not truly protecting her children and herself from abuse. Mother, a pre-women’s lib subject, felt unable to leave because she had no profession and thus no way to take care of herself and her several children. Sally’s psyche is marked by the feeling that nothing will ever change for the better. Attracted at first by her husband’s optimism, she has come to see that his optimism is often based in wishful thinking or a need to please, and this has made her sink even further into despair. She has come face to face with the failure of a fantasy that she would get what she wanted without having to do anything to get it.

Sitting with Sally’s despair is quite difficult. Like so many of my patients, she can be brutal toward herself with scathing self-recriminations. And like my patients with failing small businesses, I am often amazed by Sally’s inability to see her life in any but an omnipotent individualistic or victimized context – she never seems able to remember, for example, that she chose to stay home with her kids, even though, when pressed, she will reiterate that she’d make the same choice today. Instead, she measures herself against those of her friends who have the big house and wonders what the hell is wrong with her, why is she so weak and stupid. A good subject of bourgeois ideology in its neoliberal incarnation, no context, no history enters into Sally’s thinking. Indeed, when she is in despair and railing against herself, there is little evidence of thinking.

I have made many interpretations of what it means to Sally to have a better and bigger house, but Sally sticks to her wish with a concreteness and pain that finally made me try a different tack. And that tack was to supply the missing context, which, unanalytic as it may seem at first glance, I have come to regard as an important part of holding, containment and metabolization. The context here is manifold: Sally is not weak not to be able to balance a full-time career and childcare. As I have argued elsewhere (Layton, 2004a, b), the result of second-wave feminism was a compromise with neoliberalism and patriarchy: rather than alter the structure of domestic and work relations, as socialist feminists had advocated, the version of feminism that succeeded in the United States merely placed middle-class women into the same psychic condition that had prevailed for men, one which demands a repudiation of capacities for nurture, emotionality and dependence and fosters an omnipotent kind of autonomy: the dominant version of neoliberal subjectivity (see Ehrenreich and Hochschild’s (2002) analysis of what they call the ‘care drain’, that is, the importation of third-world women to supply the care functions that first world middle-class families no longer have time to perform). When Sally can think, she is aware that her friends who got the big house missed the opportunity to spend as much time as she did with her children, an experience she wouldn’t trade for
anything, even a bigger house. When Sally can think, she can remember that she made a decision, that she isn’t a helpless victim. But that decision was made within social constraints that did indeed rob her of the chance to experience the sense of work fulfillment for which liberal second-wave feminists fought.

Sally oscillates between feeling like a helpless victim and a failed omnipotent agent. Her fantasies of self-sufficient omnipotence cause her to berate herself for not having known that housing prices in the suburb in which she wanted to live would, so to speak, go through the roof. And everything in neoliberal culture encourages her to think it is her fault – just consider all the books with titles such as *The Courage to be Rich: Creating a Life of Material and Spiritual Abundance* (Orman, 1999), or *The Road to Financial Freedom: A Millionaire in Seven Years* (Schaefer, 1999).

In the wake of the economic collapse, it may come as a surprise that even some mainstream economists have been warning us for several years now that neoliberalism fosters a lying relation to reality that the general population bought into way too eagerly. Robert Shiller (2005), author of *Irrational Exuberance* (a phrase, by the way, coined by Alan Greenspan in a moment of honesty that preceded his own world-altering disavowal), provides context for understanding more about Sally’s psychic dilemma. Shiller, a behavioral economist, chronicles the cultural context of what he calls the feedback loops of speculative bubbles and irrational exuberance. And one thing he points to is the shift in cultural values that accompanied the takeover by free-market fundamentalism. Shiller well understands that as people became more worried about their well-being, they became more vulnerable to ‘the kind of feedback that generates bubbles’ (p. 27), and his own research documents the fact that materialism became a more and more dominant cultural value in the United States beginning in the 1980s. For example, and with regard to the housing market specifically, he writes that

> Before 1960, general public attention to the housing market often tended to take the form of outrage at the exorbitant rents that landlords were able to extract from their tenants, rather than concern about the course of prices of single-family homes. People were … not primed to believe that their well-being depended in large measure on their property. (p. 26)

Until the last decades of the twentieth century, concerns about housing focused on rent control and on a housing cooperative movement. People expected government intervention ‘to prevent home prices from getting out of control’ (pp. 26–27) and to keep things fair. Shiller concludes that ‘Our increasing public commitment to market solutions to economic problems is the ultimate cause of the public’s worry about instabilities in home prices’. This leaves us ‘more prone to the kind of feedback that generates bubbles’ (pp. 26–27).
Shiller lists some of the sources of such feedback: an internet culture that promotes a false sense of omnipotent control, books on amassing wealth that boldly state as golden rules ‘the dictum that any stock market decline must soon be reversed’ (Shiller, 2005, p. 62), and a 24-hour business media whose analysts profit from generating unwarranted optimism. Sally lives in a culture whose character is not unlike that of her husband: a culture of unwarranted optimism that generates fantasies of having it all. For me, this context gives Sally’s unbearable despair new meaning, psychosocial meaning.

Psychoanalytic theory tells us that until Sally mourns the psychic wounds of not having been properly cared for, she will be unable to face limits and withstand the burdens of maturity. But nothing in the middle-class culture of the past 30 years has facilitated either mourning or recognition of limits. I have found that, for Sally, caretaking has prominently involved providing context that suggests that there are different narratives within which to frame her life, narratives in which she is not stupid and weak and in which she did exercise agency, but within particular constraints. This has seemed to enable her to begin to internalize my voice as a soothing presence in a way she had not been able to do before. When she begins to get anxious, she says, she hears me talk about the choices she’s made, choices in conditions that were not of her own making but choices nonetheless. For Sally, a bit of concerned realism has been one aspect of a containment and transformation that has helped contest the fetish structure and thus helped her mourn her disappointments without descending into helpless, victimized despair. Ironically, the economic collapse has also calmed her; along with my voice, her friends’ economic problems and a feeling of being in the same boat seem to have given her permission to cease the self-beratement that was driving her crazy.5

Vignette #2

The following is a brief but quite common example of how neoliberal subjectivity might be enacted and thus legitimized by patient and therapist. A colleague recently presented her work with a college student who oscillates semester to semester between a high-achieving perfectionism and a collapse into alcoholism and anorexia. The presentation was notable for the pull the analyst felt to make sure the student got her papers in on time and didn’t flunk out. The pull is understandable, but it is also a collusion with one pole of the patient’s fetish structure, the one that supports the perverse social norm of non-caretaking and self-sufficient omnipotence to which so many of us have submitted ourselves. Indeed, in attempting to diminish the harshness of my patients’ punitive superegos, I often find myself making interventions designed to help them feel less guilty and less bad about enjoying their privilege, but, in so doing, I fear that I consciously and unconsciously collude with neoliberal norms.
that encourage the privileged not to look at the connection between their fortunate status and the unfortunate status of less privileged others.

Lies demand collusion, and, as Gerson (1996) has suggested, resistances in analysis are mutually constructed. In these examples, the resistances are mutually constructed by what I have called normative unconscious processes that sustain the very norms that have made us sick (Layton, 2002, 2006c). Such collusions create what Ruth Stein (2005) has called a perverse pact: ‘a relationship between two accomplices, a mutual agreement … that serves to cover over or turn the common and mutual gaze of the accomplices from the catastrophic biographical events that had befallen each of them …’ (p. 787). I am suggesting we add catastrophic social events to our understanding of perversion and to our understanding of what our patients suffer from. When we leave out the social context of our patients’ psychic struggles, we, too, collude with the individualist lie that the psychic and the social are separate, and so we do not analyze a most important determinant of what has made the patient sick in the first place.

Vignette #3

I conclude with one last clinical example, one where I made a direct political intervention into a conversation about politics. After Obama’s acceptance of the Democratic Party nomination – an event that took place with great drama before a backdrop of the columns of the Lincoln Memorial, or was it an Athenian temple? – a patient of mine mocked her 60-something-year-old mother for crying at what, to her, was clearly an event staged to call forth tears. I had also cried, so, feeling a tad annoyed, I asked the patient if she knew why her mother was crying. No, she didn’t. But it led to her talking about feeling helpless to do anything political, a comment I have heard many times from patients. When she repeated this a few weeks later, I told her there were things she could do, such as volunteering for Obama. I uncharacteristically mentioned that I’d been going to New Hampshire to volunteer. The next week she seemed angry about everything and complained about how much therapy cost and a variety of other things. I thought the anger might have come from what I’d said. But the following week she opened the session with a hearty ‘thank you’. An African American friend of hers had persuaded her to campaign in a swing state for Obama over the weekend, and although she was loath to give up a WHOLE weekend of academic work, she found the experience exhilarating and an antidote to her feelings of helplessness. Afterwards, she asked her mother why she had cried at the Obama nomination, and her mother said that it was because she had never thought that she’d see an African American nominated for president in her lifetime. Her mother has been politically active most of her life, but her daughter, my patient, came of age in the 80s, the time of withdrawal
from politics, of career uncertainty, and the perverse disavowal of need and interdependence. I noted that the week before she had seemed very angry and I asked her if she had been bothered by my having mentioned my own volunteer activities. She said no, that she was grateful, that I don’t ever give advice but that it felt like I knew her well enough to know that this would be helpful to her. She began to cry and said it had felt like a caretaking response to her feelings of helplessness.

My interventions in these examples are not classically analytic, that is, the provision of context and suggestion of activity are quite different from our usual notions of interpretation of unconscious conflict – but they do confront what I am calling perverse defenses of omnipotent self-sufficiency and the cynical or apathetic sense of helplessness. Given the cultural trajectory that I have been tracing, it is interesting to note that in the United States of the 1990s, a new psychoanalytic school, relational analysis, rose to prominence. The dominant influences on that school are psychoanalytic theories that value holding, containment and the real relationship as highly as interpretation, as well as influences that locate the core of trauma in relational failures of caretaking and in traumatizing responses to dependency needs. The more hatred toward dependency there is in the culture, the more disorders of dependency and attachment come to the center of analytic attention – and the more our capacity to care (Hollway, 2006) is called upon.

The definition of social perversion that I have offered centers on the self-estrangement we practice in order to live in a precarious state that systematically makes dependency shameful and frightening, that unlinks the individual and the social in a way that makes it possible to deny the ways in which we are all interconnected, and that therefore encourages the collapse of difference into hierarchies of superior/inferior. Neoliberal subjectivity of course takes on different forms depending on one’s place in the social structure, but it is to be hoped that the wake-up call that led to the election of Obama will help us to reckon with the many painful truths that neoliberalism has encouraged us to disavow. Whether or not this will be the case remains to be seen. A January 2010 US poll shows (see Allstate/National Journal Heartland Monitor Poll Topline, 3–7 January 2010), as Atlantic Media Director Ron Brownstein reports (15 January 2010a), ‘a populist uprising against all institutions’ (with 40 per cent of the poll subjects saying that banks benefited most from the government’s response to the financial crisis, 20 per cent choosing major corporations, 16 per cent wealthy individuals, 9 per cent middle-class individuals and 8 per cent low-income individuals). Brownstein (14 January 2010b) adds: ‘respondents expressed little trust in any institution beyond their own family to help them navigate the financial rapids – giving government, major corporations, and financial institutions all dismal grades’. The question, as Brownstein and other pundits are putting it, is what will be the target of the populist anger? Conservatives are waging a thus far successful campaign to make government
the principal target; the pundits are predicting a Democratic defeat in 2010 that would repeat the 1994 ‘Gingrich revolution’ that brought conservative Republicans to power. Obama, who thus far has governed like his neoliberal Democratic predecessor, bailing out banks and cutting deals with big business, needs to take up the cause of the vulnerable and re-build a sense of social solidarity. And whether or not he does so may largely depend on what use the US population makes of their growing anger against institutional indifference.

About the Author

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Notes

1 Schell does not mention the terrorist attacks of September 11, 2001, and I think that such omissions of traumatic events make it difficult to account fully for the psychological complexities of popular and even political response.

2 When, following Freud and Bion, I use the terms ‘truth’ and ‘lying’, I do not mean to imply that the turn away from painful experience is conscious; nor does my use of ‘truth’ imply transparency. Indeed, I am not speaking here of facts that can be labeled true or false. As I shall elaborate, I am speaking about relational interactions and interactions with the environment that are painful and defensively managed or avoided rather than, to use Bion’s term, ‘suffered’ (see Abel-Hirsch (2006) for a connection between perversion and Bion’s distinction between feeling pain and suffering pain). Hoggett (2000) has usefully distinguished between delusional dogmas and creative illusions. Drawing on Winnicott’s (1974) use of transitional phenomena, Hoggett understands illusion to be a subject’s way of negotiating the inevitable tension between what is internal and what is external. This is a felicitous way to handle the postmodern problem of speaking naively about truths. And yet, in the clinic, one is constantly faced with the patient’s and therapist’s habitual modes of self-deception, the resistance to acknowledging what, at some level, one knows to be true or will discover to be true. The power of resistance is in no small measure due to the fact that often what we take to be the most central aspects of the identity we have constructed, our very way of being in the world, relies on sustaining such deceptions.

3 Distinguishing between an ethic of justice and an ethic of care, Hoggett (2000, pp. 159–160) has pointed out that the British welfare state never adequately concerned itself with care, that is, with attention to the emotional needs and vulnerabilities of the population (as opposed to a focus on material needs). Thus, he finds it not surprising that the Thatcher/Reagan backlash against the
welfare state centered on an attack against the so-called culture of dependency (pp. 164–165, 179). The attack was further executed by Blair and Clinton, who promulgated what became the widely shared fantasy that economic growth is the only way to address scarcity and vulnerability.

4 Note Esping-Andersen’s (1990) contention that the UK welfare state, which once might have been characterized in his schema as a social democratic welfare regime, now more resembles the liberal regime characteristic of US welfare capitalism.

5 Of course, it is quite possible that the symptomatic part of this picture will re-emerge elsewhere in Sally’s life. But I have been struck by how, at times, a change in circumstances can make something that has looked unconscious and deep-seated (see, for example, Volkan, 1988) seem rather easily changeable when the environment changes. For example, research by social psychologists Gaertner and Dovidio (2005) has shown that a change in environmental conditions makes a kind of unconscious racism seen in liberal subjects who consciously understand themselves to be non-racist (what Gaertner and Dovidio call aversive racism) seem to disappear.

References


