Marketisation continued? Views on Britain from History, Political Science and Economics

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Although the latest financial crisis has gambled away the trust in the marketplace, it is more than ever one of the most important organising principles of modern societies. From housing and employment to healthcare and education, there hardly seems to be a sphere of human relations which is not organised according to the principles of supply and demand. Apart from the USA the state of 'marketisation' is nowhere more advanced than in Britain, the first full-blown and one of the most successful market societies in Europe to date. Although Britain is suffering from the continued experience of marketisation, the country seems to be unable to take on the challenge in a creative manner, as the advocates of the market predicted. This observation was the point of departure of the conference „Marketisation continued? Views on Britain from History, Political Science and Economics", organised by Christiane Eisenberg for the German Association for the Study of British History and Politics/Arbeitskreis Deutsche England-Forschung (ADEF) and funded by the Thyssen Stiftung. The conference brought together academics from various disciplines bringing with them their distinctive views of the role of markets in British social history and economic thought.

In her opening address CHRISTIANE EISENBERG (Berlin) distinguished between two different meanings of marketisation. Historically the term refers to the creation, spread and shaping of markets for goods, services and resources, as well as the mediation of social relationships via money; in this definition marketisation is often understood as an agent of modernisation. In the social and political sciences the term describes the intrusion of market relations into non-economic areas of social life and the delegation of state powers to private actors. Not only are these different perceptions of marketisation, up to now there has been very little exchange between historians, economists and political scientists on this matter. Eisenberg expressed her hope that the conference would start a dialogue between the various disciplines working on specific aspects of marketisation. She then introduced the keynote lecture by AVNER OFFER (Oxford), who combined in his person the research experience of both an economist and a social historian.

Offer started his keynote entitled „A Warrant for Pain: Market Liberalism c. 1970-2012" with the observation that the current financial crisis has triggered a lingering unease about a more profound moral crisis, and asked how ethics could be incorporated into economic thought. Following these theoretical deliberations he then looked at the establishment of market-liberalism since the 1970s and its consequences for the health system. Comparing various western societies Offer argued that market-liberalism, as conceived by professional economists has no „warrant for pain". However, he criticized the discipline of economics because they used the doctrine of market liberalism as an ideological weapon in public discourse. Offer regarded market liberalism as a political movement that uses and misuses science to gain credibility for vested interests. Asked to sketch out alternative uses of economic models, Offer questioned the possibility of providing an alternative piece of clockwork, calling into doubt the helpfulness of models in general. Instead he stressed the importance of what John Maynard Keynes once called a „reasonable hunch", i.e. the intuition of researchers.

After this keynote the first panel of the conference dealt with „Marketisation as a Long-Term Process". In her paper „The Rise and Decline of 'Doux Commerce': Change of Experience or Change of Perception?" CHRISTIANE EISENBERG used the term „doux commerce", a buzzword of seventeenth and eighteenth-century political discourse, as a starting point into a long-term investigation into the perception of the market in British

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history. The advocates of the idea argued that the growth of trade and commerce would bring an end to traditional power relations, and the requirements of bargaining and mutual adjustment would link the actors even and especially when they had different interests. Awaiting such a development, they welcomed the generalization of market relations which they regarded as the cultural basis of civil society. However, during the nineteenth century this idea lost its persuasive power – a shift that has been explained in literature by the triumph of capitalism and the industrial revolution. Eisenberg was critical of this explanation and argued that the decline of the idea of „doux commerce" can better be explained by social and political transformations, namely the rise of the popular press and the tendencies towards a democratisation of British society (suffrage, competition of political parties) which emphasized the confrontational aspects of market action. As a result, at the turn of the twentieth century the market was believed to threaten civil society from within instead of creating it.

The second paper of this panel, „Market Failure in the Liberal State: Mill, Sidgwick and Pigou" by KEITH TRIBE (Brighton), combined arguments from economic history with those from the history of economic thought. Tribe stated that while „market failure" is a twentieth century term, the phenomenon it describes can be traced back to nineteenth century economic theory and especially to three key texts: John Stuart Mill's Principles of Political Economy (1848), Henry Sidgwick's Principles of Political Economy (1883) and Arthur Cecil Pigou's Wealth and Welfare (1912). Tribe questioned the popular belief according to which John Maynard Keynes was the first economist to take into consideration government activities in his writings, and drew attention to Mill's reflections on government intervention. Mill also can be seen as the first economist to reflect on market failure as he drew attention to the specific social problems caused by free markets and asked how they could be solved. His ideas were later taken up by Sidgwick and Pigou, two economists unjustly forgotten, as Tribe concluded.

„Political Expectations in the Market", the second panel, dealt with the perception and the rhetoric of the market in the two political camps of the British Left and Right in the second half of the twentieth century. SEBASTIAN BERG (Bochum), gave a paper on „The British Left's Changing Perceptions of 'the Market'". He started by pointing to the different notions in the relevant literature of „the market" as well as of „the Left", and then discussed in greater detail the positions of three sub-groups of „the Left": the Centre-Left (i.e. the Labour Party and the major trade unions) which came to reject market socialism in favour of the free market in the 1980s; the so-called Intellectual Left which developed from a traditional market scepticism to embracing market socialism; and a more recent Anti-Market Left at the grass roots crystallizing in the British Green Party and the Occupy movement.

However, the perception of the market and its capacities to organise society had as much to do with the economy as with the political opponent. This mutual relationship was the subject of the second paper given on this panel, „The Conservatives and 'the Market' – a Natural Alliance? Some Thoughts on Political Languages in the 1960s and 1970s" by MARTINA STEBER (München). She called into question the well-known narrative about the rise of Thatcherism and the unconditional surrender of the conservatives to free market ideology. Rather she analysed historical semantics to find out what the term „market" meant to conservatives at different times and how it could achieve such a prominent place in the conservative rhetoric. Her finding was that the free market ideology contributed to a redefinition of conservatism exactly because the idea of the market had always been a crucial element of conservative thought. Yet this redefinition was successfully completed only when conservatives were beset by a sense of national crisis in the 1970s. During this crisis, that was characterised by strikes and political unrest, conservatives had the opportunity to persuasively blame „socialism", the main target of their market rhetoric, as Steber concluded.

The following panel, „Negotiating Market Devices", moved away from politics and looked at how markets are working. KER-

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STIN BRÜCKWEH (London) started off by asking „How the Citizen Consumer Challenged British Self-Descriptions since the 1950s: Market Research and Consumer Classifications“. Brückweh observed a profound entanglement and interpenetration between social research and consumer research, the British census being – until today – the most important basis for consumer research. She explained in greater detail why the census classification of the British social structure could be used as a classification model for consumer research. From the 1970s on more sophisticated census forms contributed to the rise of „geodemographics“, a scientific branch of market research which links modes of consumption and lifestyles to the places where people live, thus making it easier for companies to target the consumers of a certain neighbourhoods directly. Brückweh took a particularly critical stance towards „geodemographics“ because this technique presents itself as science but is in fact a system of surveillance.

A traditional way of targeting consumers is advertising, the topic of the second paper of this panel by SEAN NIXON (Colchester), „Advertising and the Consuming Self in Britain 1951-69“. Nixon described the activities of the 1960 Pilkington committee on broadcasting which counted among its members the cultural theorist Richard Hoggart. While being favourably inclined towards public service television, Hoggart could not have been more scathing about TV commercials. Although he was impressed by their artistic quality and appalled by their aim and message, he described them as having „virtuosity but no virtue“. In his eyes they communicated a vision of a good life that distorted reality and raised unfulfillable expectations – especially in the working classes. According to Nixon the advertisement industry defended itself against these allegations and at the same time used the criticism to raise the quality and sophistication of TV commercials.

The last paper of the conference „The Accountable Mind: News from the Ivory Market Tower“ by RÜDIGER GÖRNER (London) was designed less as a sober, academic talk than a passionate critique of the developments in the English higher education system since the Blair government, thus bringing university teaching and research into the focus of the conference. In fact, Görner made the mindset and rhetoric of marketisation – and not the budget cuts – responsible for the bleak situation English universities are facing at the moment. This sparked off a lively discussion which, unsurprisingly, did not find anyone in favour of British education politics. Nevertheless, discussants did not come up with quick answers and nostrums, as this most recent experience of marketisation in Britain also underlined the many ambiguities of the process of marketisation.

The conference revealed a plethora of drivers of marketisation but no evidence of the process losing its momentum. This observation contributed to carefully considered and tentative statements when it came to discussing the prospects of alternative policies. Thus, in discussing this last paper the participants experienced themselves the capacity at irritation of the historical process they analysed. Thanks to such effects the conference contributed to a more nuanced understanding of its theme and, hopefully, will stimulate further investigations in this field of research.

Conference Overview:

Christiane Eisenberg: Welcome and Introduction

Keynote Lecture
Avner Offer: „A Warrant for Pain: Market Liberalism, c. 1970-2011“

Panel I: Marketisation as a Long-Term Process

Chair: Andreas Fahrmeir

Christiane Eisenberg: „Some Peculiarities in the Development of Market Society in Britain“

Keith Tribe: „Market Failure in the Liberal State: Mill, Sidgwick and Pigou“

Panel II: Political Expectations in the Market

Chair: Klaus Stolz

Martina Steber: „The Conservatives and 'the Market' – a Natural Alliance? Some Thoughts on Political Languages in the 1960s and 1970s “

§Sebastian Berg: The British Left's Changing Perceptions of 'the Market'

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Panel III: Negotiating Market Devices

Chair: Klaus Nathaus

Kerstin Brückweh: „How the Citizen Consumer Challenged British Self-Descriptions since the 1950s: Market Research and Consumer Classifications“

Sean Nixon, „Advertising and the Consuming Self in Britain 1951-69“

Panel IV: Coping with the Market

Chair: Christiane Eisenberg

Peter Taylor-Gooby: „Marketisation in Britain: the Impact on Attitudes“

Rüdiger Görner: „The Accountable Mind: News from the Ivory Market Tower“

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