The Transformation of Citizenship, Volume 1

*The Transformation of Citizenship* addresses the basic question of how we can make sense of citizenship in the twenty-first century. These volumes make a strong plea for a reorientation of the sociology of citizenship and address serious threats of an ongoing erosion of citizenship rights. Arguing from different scientific perspectives, rather than offering new conceptions of citizenship as supposedly more adequate models of rights, membership and belonging, they deal with both the ways citizenship is transformed and the ways it operates in the face of fundamentally transformed conditions.

This volume *Political Economy* discusses manifold consequences of a decades-long enforcement of neo-liberalism for the rights of citizens. As neo-liberalism not only means a new form of economic system, it has to be conceived of as an entirely new form of global, regional and national governance that radically transforms economic, political and social relations in society. Its consequences for citizenship as a social institution are no less than dramatic. Against the background of both manifest and ideological processes the book looks at if citizenship has lost the basis it has rested upon for decades, or if the institution itself is in a process of being fundamentally transformed and restructured, thereby changing its meaning and the significance of citizens’ rights. This book will appeal to academics working in the field of political theory, political sociology and European studies.

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This is a timely, sharp and important collection of chapters exploring the tremendous impact that neo-liberalism has had on our lives as economic citizens – from monetary union, through social insurance, to consumer democracy. This volume is essential reading for anyone who wants to engage with the deep penetration of neo-liberal structures and systems into the social, political and economic fabric of a whole range of different societies. – Nigel Dodd, London School of Economics

An impressive assemblage of authors, tackle a frightening question: can the institution of citizenship, so long the cornerstone of modern political and social institutions, be dismantled in the course of a few decades? Their insights create a foundation for a debate that must be engaged, not just by social scientists, but by everyone who values their citizenship. – Peter Evans, Professor Emeritus, University of California at Berkeley

By now, neo-liberalism has left a deep imprint not only on the economy but also on the social structure of most countries around the world. This excellent volume looks at one aspect of this process, namely the way that the current notion of citizenship has been redefined and challenged by neo-liberalism. This volume is a very valuable and useful resource for students and researchers. – Richard Swedberg, Cornell University
The Transformation of Citizenship
Volume 1: Political Economy

Edited by Jürgen Mackert and Bryan S. Turner
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Foreword

Since the publication of T.H. Marshall’s essay ‘Citizenship and Social Class’ in 1950, the concept of citizenship has not enjoyed consistent interest in the social sciences. Scholarly attention to citizenship re-emerged in the 1970s in response to the rise of neo-liberalism leading to the demise of the British welfare state and deep transformation of Western and non-Western societies.

There have been very diverse debates on citizenship, but it became an important topic again because of neo-liberalism’s political and economic agenda that culminated in the 2008 banking crisis. Since then, austerity politics have threatened civil, political and social rights of citizens in all Western democracies. However, people have begun to confront these politics by organising popular resistance. As one critical effect of de-industrialisation, welfare cuts and growing social insecurity, while publishing these books we face growing threats from right-wing populism in the US elections, Brexit, growing populist social movements and political parties, as well as from emerging and re-emerging autocratic regimes in Eastern Europe, Russia or Turkey.

These edited volumes concentrate on three critical dimensions of recent global developments with regard to citizenship. The political economy that has an impact on citizens’ rights given austerity politics in almost all countries after the banking crisis; newly emerging boundaries that establish multiple processes of inclusion and exclusion, as we see in such different fields as surveillance of citizens or the political reactions towards migration; struggles, resistance and violence that remind us of the often neglected history of conflict that characterises people making claims for citizenship, and that we saw again in such different contexts as the Arab uprisings or the London riots.

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1 Introduction
A political economy of citizenship

Jürgen Mackert and Bryan S. Turner

In the course of the last four decades, neo-liberalism (or neo-conservatism, in the American terminology) has established itself as the dominant form of governing both national societies and global affairs. What began in the 1930s as a marginal and insignificant academic movement in economics may be understood today as a global economic regime that we can subdivide into different strands, namely an economic theory, a political ideology, a policy paradigm and a social imaginary (Evans and Sewell Jr, 2013: 36). In somewhat different terms, one can conceive of neo-liberalism as a technical policy debate, as an institutionalised crisis containment strategy, and as a hegemonic ideology or system of thought (Centeno and Cohen, 2012: 318). Thus, neo-liberalism is not only the dominant paradigm of a scientific discipline, but also the triumphantly dominant framework in the everyday life of citizens. Around the globe, neo-liberal economics deeply affects both civil societies and the institution of citizenship through the intrusion of market principles into the private sphere. We have also witnessed the rise of new elites, the marketisation of citizenship, growing income inequality, and shifting power relations between state, market and the citizen.

As a lesson of both the global economic crisis in the 1920s and the following political radicalisation across Europe that ultimately led to the catastrophe of World War II, in the post-war period Great Britain and later European societies were influenced by John Maynard Keynes’ economic ideas (Keynes, 1935). In order to fight the war, the state had to assert command over society and the market, and hence Keynesian arguments in favour of state intervention were not especially challenging. Great Britain had become in de facto terms a Keynesian economy. In Great Britain, the Beveridge Report in 1942 created the basis for a national health service that would be universal and not means-tested. Although Churchill was sceptical about the economic costs of a generous national health service, Beveridge’s recommendations for health care were popular with the public – in fact so popular that it is often said that devotion to the National Health Service is a national religion. The Keynesian economic paradigm argued in favour of a macroeconomic equilibrium in national economies and supported the state’s critical role in economic life, especially to promote full employment. Governments largely accepted the significance of fiscal measures with regard to wages, levels of prices and production. These developments in fact created
the basis for the type of social citizenship so ably described in T.H. Marshall’s famous essay on citizenship in 1950.

On the foundation of both Keynesian economic policies and the Bretton Woods system of fixed exchange rates among currencies, the world economy recovered. State intervention in the economy encouraged growth in national economies, low inflation, steady prices and full employment. From the 1950s to the 1970s, mass production allowed for steady economic growth and rising living standards not only for the middle class but also for the working class. This ‘Golden Age’ of capitalism (Hobsbawm, 1994) promised a dreamlike development that seemed to last forever. However, this ‘dream of everlasting prosperity’ (Lutz, 1983) was soon over. The oil crises in the 1970s shocked Western societies that were now confronted with growing inflation, increasing unemployment, an economy that could not match the ever more individualised demands of the citizens any longer and fiscal crises that led to broad political debates about welfare state programmes that suddenly seemed to be the very problem for national households. All that triggered scepticism towards Keynesian adjustment mechanisms as still-adequate means of economic policy in the face of fundamentally transformed economic conditions.

With the erosion of the Fordist model of the economy the social relations associated with it began to dissolve, such as, for example, class relations, the structure of the family, fixed role models for both sexes and a demographic development that had given birth to the generation of the baby boomers and that had allowed for inter-generational policies of redistribution. Various measures to limit the enjoyment of pensions, social security and universal health care by conservative governments have slowly undermined the advances made after World War II. Thus, the deep crisis of the socio-economic system triggered further problems within society and unsettled the institutions of citizenship that were based on Keynesian principles Europe acquired in the 1950s and 1960s.

As both economic and social crises worsened in Western societies and as Keynesian measures did not show significant effects on the economic dynamic of capitalism, a window of opportunity opened for those who had for decades been in the shadow of Keynes. From the 1930s onward, Ludwig van Mises and his former scholar Friedrich A. von Hayek had developed an economic programme that drew very different lessons from the inter-war period and the phenomena of communism and fascism alike. In defence of classical liberalism, Hayek made a plea for setting free market forces in order not only to overcome the deep crises in Western societies but also to overthrow the somewhat socialist British society that had developed during war and into the post-war period. Apparently, he argued against almost any kind of interference of the state in economic processes by denouncing government involvement with regard to taxes, regulation of labour relations, forcing enterprises to contribute to health insurance, or costly welfare programmes. Anything with regard to society that would not be organised by the market was denounced as being socialist, thereby curtailing individual liberty, which Hayek conceptualised solely as the liberty to act freely as a market subject. In Hayek’s writings, we find the whole arsenal of today’s neo-liberal ideology
and political programmes. He already rejected any form of social protection of the most vulnerable, to support citizens in order to enable them to participate in society or to promote a democratic society in that every citizen would be able to be part of the sovereignty of a state that is shared by all citizens. In order to establish the market again as the only legitimate principle by which to organise not only economic but all kinds of social relations, Hayek conceived any state involvement in regulating economic activities as an illegitimate force or constraint, and he also despised the word ‘social’ as a so-called ‘weasel word’. Once added to other words it would deprive them of both their content and sense.

It is true, that a social market economy is no market economy, a social rule of Law is no rule of Law, a social conscience is no conscience, social justice is not justice – and, I am afraid, a social democracy also is no democracy. (von Hayek, [1979] 2004 – transl. J.M. and B.T.)

This analogy clearly shows Hayek’s liberal radicalism as an economist but, none the less, his reinterpreting of critical concepts had far-reaching consequences. Democracy, social order, justice, government, individualism and so on are all conceptualised against the background of a radical individualism, conceiving the individual as nothing but a market actor realising his or her interests by making choices. Further, the decades-long scientific project of propagating liberalism did not remain an ideational one alone, but clearly brought to the fore that Hayek had been aware of Max Weber’s dictum that ‘very frequently the “world images” that have been created by “ideas” have, like switchmen, determined the tracks along which action has been pushed by the dynamic of interest’ (Weber, 1946: 280). Hayek was also well aware of the fact that his world image of liberalised and marketised societies that had been created by his economic ideas would only become efficacious if it found support among powerful actors who were dedicated to pursuing their interests by transforming modern society. Thus, as early as 1947 he founded the Mont Pèlerin Society, an association including academics, business people, journalists and politicians that until today operates as a liberal think tank, dedicated to influencing policy makers and spreading liberal ideas (Mirowksi and Plehve, 2009).

Thus, when he published his rejection of ‘social’ ideas for the first time in 1979, Hayek was already the economic advisor of Margaret Thatcher’s conservative revolution and thus one of the most important actors of the enforcement of what today we know in Europe as neo-liberalism. Not only did Hayek’s ([1944] 2007) The Road to Serfdom become Thatcher’s cornucopia of arguments to reject any kind of ‘socialism’; her well-known statement – ‘And, you know, there is no such thing as society. There are individual men and women, and there are families. And no government can do anything except through people, and people must look to themselves first’ (Sunday Times, 1987) – resonates clearly with Hayek’s rejection of any idea of the ‘social’ itself or of any kind of responsibility of society for its citizens’ life and well-being. In passing we may note that Thatcher’s famous claim is contradictory because ‘families’ are clearly social.
Thatcher’s policies were not automatically adopted within her own party. Those who supported her were referred to as ‘dries’ and her opponents ‘wets’. Factionalism within the party was contained by the Falklands War in April–June 1982, because in war-time the party and the nation are inclined to support the government. In 1983 the Conservative Party triumphantly won the general election and was now equipped with a majority that allowed Thatcher to launch the liberalisation of British society. At the same time Ronald Reagan, who in 1981 had been elected US president, started a similar economic programme. Not only did Thatcherism and Reagonomics trigger a fundamental shift of economic policy within their national societies in the short run, but, in the long run, the policies that are linked with both denoted the beginning of a restructuring of the global economy.

In many respects Thatcher’s economic policies – deregulation of the economy and privatisation of many public utilities – were not wholly successful and had uneven results, with more economic concentration on the south and neglect of old industries in the north. Attempts to cut expenditure on the National Health Service actually failed and expenditure in real terms rose by 3 per cent per annum. With the rising number of retired and elderly people in the population it was difficult to contain costs against these demographic pressures (Sked and Cook, 1993: 347). Her policies were also highly contentious, creating major social disruptions such as the Miners’ Strike (1984–1985) and the poll tax (or ‘community charge’) in 1988–1989. Her policies created strong opposition in Scotland, thereby sowing the seed of an independent Scotland. Why, then, was Thatcher so successful in political terms? She was above all a populist who led a revolt against the old land-owning conservative elite represented by people like Lord Hume. Her housing policy that allowed tenants to buy their own council houses was enormously popular. She was seen to be especially strong in her foreign policy, from which she acquired the label ‘The Iron Lady’ (Campbell, 2009). The Conservative prime ministers who followed her – John Major and David Cameron – have lived in her shadow (Heppell, 2014).

On the other side of the Atlantic neo-conservative think tanks such as the American Enterprise Institute (AEI) and the Foundation for Economic Education (FEE), as well as the Mont Pèlerin Society (Hartwell, 1995; Mirowski and Plehwe, 2009), also spread their message of ‘individual liberty, free markets, low taxes, deregulation, and limited government’ (Stedman Jones, 2012: 135). However, in the US from the 1940s onward neo-liberal ideas met with different strands of American conservatism. Against the background of the experience with totalitarianism, World War II, anti-communism and the Cold War, as well as a critique of secular mass society at the cost of religious conviction, a specific blend of both conservative and neo-liberal thought emerged: ‘The fusion of cultural and economic conservatism through anticommunism paved the way for the later electoral success of Ronald Reagan . . .’ (Stedman Jones, 2012: 146). With Reagan’s presidency, a neo-liberal market-oriented rebuilding of US society began that until today has been carried forward by all subsequent presidents, be they Republicans or Democrats.

Generally speaking, neo-conservative policies in the United States and neo-liberal policies in the United Kingdom replaced the principle of effective demand by
supply-side economics and meant an entire departure from Keynesian economics, as in for example the reduction of state involvement in the economy with regard to the politics of redistribution and social policy, the privatisation of utilities and services, an emphasis on individual responsibility, and austerity politics. Furthermore, until today they enforce tax cuts for the wealthy and a huge project of the redistribution of wealth in societies to the disadvantage of both the middle class and the poor, the consequence being growing inequality, poverty, exclusion, and conflicts for the right to have rights and to make a living in Western capitalist societies.

Reagan’s most important economic advisor was no less a figure than Milton Friedman, one of the most important economists of the twentieth century and one of the leading figures at the renowned Department of Economics at the University of Chicago. In his influential *Capitalism and Freedom* (Friedman, 1962) he outlined the foundations of his market liberal thoughts, his idea of personal freedom and recommendations for neo-liberal policies in a number of important fields. Nobody was as convinced as Friedman that free markets would generate the best of all worlds, thus making a strong plea for cutting down government spending, reducing taxes, and restricting government’s tasks to protecting people against enemies from within and outside, to guarantee private possession and to ensure that contracts might be fulfilled.

However, Friedman did not only advise the then most powerful man on the globe. The historical information about the Department of Economics at the University of Chicago quite reservedly refers to the so-called ‘Chicago Boys’ having been a group of Chilean economists, the majority of whom had been trained in the Department of Economics. Upon their return to Latin America they adopted positions in numerous South American governments as economic advisors, many of them reaching high positions. They are credited with transforming Chile into Latin America’s best performing economy and one of the world’s best business climates, although, this is not without controversy.1

Indeed, this controversy is not only about a much poorer economic performance than usually claimed by neo-liberals and disastrous consequences for society until today, but much more about Chicago’s economists and their guiding figure Milton Friedman having made themselves the lackeys of Pinochet’s dictatorship – one of the most bloody military juntas of the time. While the rest of the Western world was busy handling the effects of the emerging global economic crises, Chicago’s economists took the chance to see how neo-liberal ideas and programmes would work if they were backed by an authoritarian regime that offered laboratory conditions while at once making sure that their policies would not be opposed by citizens defending their rights.

With regard to people’s rights as citizens, this ‘social experiment’ made clear that capitalism and political democracy neither necessarily complement one another nor that there is an elective affinity, but that capitalism may even flourish better for some if the majority are suppressed by an undemocratic regime. In this
In spite of Milton Friedman’s encompassing neo-liberal economic programme, which he presented only shortly after 11 September 1973 to General Pinochet, the ‘rebirth of the liberal creed’ (Fourcade-Gourinchas and Babb, 2002) actually came as a surprise to scholars, intellectuals and people in Western societies alike. It disabused all those following the economic historian Karl Polanyi ([1944] 2001) who argued that experiments with free markets had proved to be disastrous for the social web of so-called market societies as they had resulted at the time in the deepest crisis of the world economy. Furthermore, in Polanyi’s view, the ludicrous endeavour to create market societies by pushing faith in the power of self-regulating markets had not only caused a global economic crisis but also triggered what he called a ‘double movement’ – that is, measures taken by society in order to protect itself from the disastrous consequences of the free market dystopia. Unfortunately, as Polanyi made clear, such a double movement does not necessarily have to be progressive. While in the 1930s in the United States the ‘New Deal’ and later ‘The Great Society’ tried to counteract economic disasters with inclusive politics (albeit not for all citizens), Europe drowned in fascism and national socialism – unleashed by Nazi Germany but also prominent in Italy and Spain – as political and social catastrophes.

Although Polanyi undoubtedly delivered the most convincing analysis of both the development and the consequences of free market strategies in modern politics, his prediction did not hold true that global economic crises, two world wars and the experience with fascist regimes would bring to an end all further experiments with free and unregulated markets. Today, we face this scenario again. What began in Great Britain and the United States in the 1970s has developed into a global political-economic regime. ‘When the Reagan administration took control of Washington, it quickly tried to fashion the IMF and the World Bank into what Joseph Stiglitz calls “missionary institutions” for neo-liberalism (2002)” (Evans and Sewell Jr, 2013: 45). In 1989 the employment of these two international institutions lead to what we know as the ‘Washington Consensus’, namely an orthodox neo-liberal programme that completely reorganised financial aid for developing countries or countries in need of credit. Any support now depended on programmes of structural adjustments in these countries that included strict neo-liberal political measures, such as: fiscal discipline; a redirection of public expenditure priorities toward fields offering both high economic returns and the potential to improve income distribution, such as primary health care, primary education and infrastructure; tax reform (to lower marginal rates and broaden the tax base); interest rate liberalisation; a competitive exchange rate; trade liberalisation; liberalisation of inflows of foreign direct investment; privatisation; deregulation (to abolish barriers to entry and exit); secure property rights.2

The Washington Consensus pushed further the doctrine of liberalisation by setting free market forces and stimulating a thorough ‘re-regulation’ (Block and Somers, 2014) of the economy, and, until today, as the so-called EU rescue programmes for
Greece show, orthodox neo-liberal politics, especially the demand for austerity, are at stake in the global political economy. However, these new rules strictly follow the neo-liberal persuasion that the state should not wither away but should guarantee capital’s interests of reproduction.

It is even true that these orthodox neo-liberal ideas today confront us in a radicalised way with what Polanyi declared to be the core of the unregulated markets’ evil. Market societies are extremely destructive of the social fabric, as they treat land, labour and money as commodities, although – unlike real commodities – they have not been produced. Thus, he argued that these three factors were ‘fictitious commodities’:

In other words, according to the empirical definition of a commodity they are not commodities. Labor is only another name for human activity which goes with life itself, which in its turn is not produced for sale but for entirely different reasons, nor can that activity be detached from the rest of life, be stored or mobilized; land is only another name for nature, which is not produced by man; actual money, finally, is merely a token of purchasing power which, as a rule, is not produced at all, but comes into being through the mechanism of banking or state finance. None of them is produced for sale. The commodity description of labor, land, and money is entirely fictitious. (Polanyi, [1944] 2001: 75–76)

Both the clear-sightedness of this analysis after more than 70 years, and the potential destructiveness of treating the ‘fictitious commodities’ as real commodities for both social relations and citizenship claims for rights, become very obvious if we look at them against the background of the neo-liberal global economy.

In recent years, neo-liberalism has carried the commodification of these critical factors for the reproduction of both social relations and societies too far. With regard to land, encompassing processes of ‘land grabbing’ (Liberti, 2013) by both multinational corporations and states not only hinder citizens’ ability to farm the usually most fertile land but frequently eject them from their former property, turning them into landless people. As well as land, water, as another vital factor, is also increasingly turned into a costly commodity by multinational corporations with quite the same consequences. While land grabbing and leaving the land uncultivated increases speculative gains for basic food by artificially generating a shortage of supply, the privatisation of water supply not only raises the costs all over the world but commits the public task of guaranteeing the supply of nourishment for all citizens into the private hands of profit maximisation (Meek, 2014).

With regard to labour, similar processes are at work since, with regard to comparative cost advantages, neo-liberalism has generated a new global division of labour. This not only has reorganised Western labour relations and security systems alike but has no less generated working conditions in countries such as Bangladesh, India and Pakistan that remind us of those of nineteenth-century Manchester capitalism. Both men and women quite often experience inhuman working conditions in the factories of multinationals that leave them deprived
of basic rights as workers while demanding extremely long working hours and exposing them to dangerous working conditions, toxic substances and so forth.

Finally, the most important point is money. No doubt, the ever further liberalisation of the financial sector since the 1980s is the most important aspect of these profound constructions of fictitious commodities. The willingness of states to free money and liberalise capital controls (Helleiner, 1994) has profoundly transformed the global economy, finally leading to the global economic crisis in 2008 to the cost of nation-states and their citizens. Neo-liberalism has from its very beginnings neglected both society itself and the significance of social relations beyond economic transactions for the life of human beings. Strangely enough – even after the dot.com crisis in March 2000 and, more importantly, after the global bank crisis of September 2008 – neo-liberalism is still with us; it has survived (Crouch, 2011; Mirowski, 2013; Streeck, 2014).

What was a crisis caused by private capital has long since become reinterpreted as a crisis of national debt. In addition, governments around the world spent citizens’ taxes in order to help private banks to survive, which otherwise would have experienced what the market demands for bad economic behaviour, namely their extinction. This created a new doctrine in which some institutions were presumed to be ‘too big to fail’. In the crisis in 2008, governments readily accepted demands of capital, the International Monetary Fund and further transnational institutions to implement austerity politics. The agents of neo-liberalism were glad to accept a kind of neo-Keynesianism that would rescue them, but at the same time they argued in favour of neo-liberal strategies that the elites of the global political economy would assert against the will of citizens. Saving the banks put enormous strains on national households, which were now made responsible for a desolate situation for which capital itself was to blame (Blyth, 2013). The casting of the blame on states and citizens posed big problems for countries in the so-called PIIGS States (Portugal, Italy, Ireland, Greece and Spain) but also with regard to social services in education, health care, rents or social provisions in general. Another severe and far-reaching consequence is now that the feasibility of democratic politics is constrained by neo-liberal market imperatives and largely rendered impossible (Schäfer and Streeck, 2013).

Although the neo-liberal transformation has been underway for decades (Mann, 2013), it is only recently that we realise how fundamentally the paradigm shift from Keynesian macroeconomics to neo-liberal microeconomics and the following liberal transformation of the global political economy have affected the status of the citizen in modern societies and the concept of citizenship alike.

**Citizenship**

The classical sociological meaning and concept of citizenship as defined by T.H. Marshall (1950) and others after World War II rests on an analysis of the relationship between the capitalist economy and political democracy against the background of ‘embedded liberalism’ (Ruggie, 1982). Today, however, the enforcement of neo-liberal principles in order to turn modern democracies into ‘market
societies’ impinges heavily on our idea of citizenship. We are only beginning to understand how a deep transformation of the political economy not only affects the social rights of citizens but also threatens their status as citizens altogether (Turner, 2016). Thus, it is not only the replacement of the welfare state by the market, namely the marketisation and privatisation of goods and services. Rather, thinking about citizenship implicitly entails normative considerations about not only people’s rights, but also their duties and obligations, the scope of social welfare, protection against dramatically changing living conditions, health care and pensions; debates on citizenship are in one way or another linked to an idea of ‘the good life’ (Tilly, 1997). Thus, in today’s political economy, the constitutive interlinkage of the state and the economy creates a certain regime that not only is powerful enough to suspend existing rules and develop new rules for manoeuvre but also stretches far beyond the power of former patterns of organisation. ‘Its efficiency stands out due to the fact that national and supranational agencies interact with agencies of the financial sector thereby creating a high organisational density while permeating and complementing one another by their activities’ (Vogl, 2015 – transl. J.M. and B.T.).

In the face of such a new kind of sovereignty, we not only have to describe and explain the changing politico-economic basis of citizenship, but we also have to come to terms with the effects that this transformation has on the idea of modern citizenship. Rather than developing new concepts of citizenship, the contributions to this volume take a different approach. In an analytical perspective, they take citizenship as a kind of prism in that the consequences of the global neo-liberal regime for civil society, the institution of citizenship and the life of the individual citizen come into focus and become clearly visible.

Without any doubt, the new global neo-liberal politico-economic regime has attacked and transformed the foundations of the post-war model of modern citizenship. Its political foundation was the modern nation-state that protected its citizens against enemies from both outside and within its territorial borders; citizens’ civil rights protected them against potential arbitrariness of state activities while at the same time citizens remained subject to the state’s authority. Being the ultimate sovereign through democratic elections, citizens vested power in the state while at the same time they depended on the state’s benefits. It was the state against which citizens could demand rights and make claims. The economic foundation of the post-war model was the legitimate participation in a society’s material culture. In order to accomplish this crucial task, modern society had to provide a means of need satisfaction that was guaranteed by systems of industrial mass production. All citizens should be included in this system of economic participation in order to make a decent living. The cultural foundation of modern citizenship rested upon assumptions of a national culturally homogenous community that was conceived to be coincident with the political community: a national community, new loyalties and new forms of solidarity within the citizenry were thought to have replaced pre-modern particularisms (Mackert, 2006).

In the face of neo-liberal politico-economic global transformations and the following dissolution of the foundations of the modern idea, modern conception and sociological model of the critical institution of citizenship, obviously it makes
little sense to adhere to sociology’s reference point for the debate on citizenship –
namely the Marshallian idea. However, it would also make little sense to develop
alternative citizenship concepts – first and foremost because any kind of ‘neo-
liberal citizenship’ seems to be a contradiction in terms. That this is the case
becomes patently obvious if – as the contributions to this volume do – we look at
the world we have lost or we are about to lose.

The critical aspects of a flawed citizenship go directly to the heart of the idea
of citizenship itself, as both democratic and social participation and a substan-
tial conception of individual liberty all seem to be under attack from the global
politic-economic regime (Michéa, 2007).

Naturally, a system that makes a strong plea for setting free market forces trig-
gers a far-reaching transformation by privatising and marketising once-universal
citizenship services, the consequence being that the quality of social, health or
education services has to be bought rather than being provided by a welfare-state.
Here again Thatcher’s criticisms of the ‘nanny state’ that protected the citizenship
from the cradle to the grave have a long tradition in the conservative oppo-
sition to universal welfare provision. Differences in income and wealth become
vital under such conditions, as we see with regard to how households struggle
in order to avoid precariousness, as Monica Budowski and Sebastian Schief
show in their chapter in a globally comparative perspective. Of course, neo-liberal
transformations have reinforced poverty and at the same time triggered depoliti-
cisation, as Dietmar Loch shows in his chapter. Both processes are critical if we
try to understand the development in French banlieues that has led from political,
sometime violent, fights for inclusion into the republican model to a break with
French society and a tendency towards radical Islamism among French migrant
youth. Not only with regard to citizens’ poverty but also in terms of whole cities,
as Marc W. Kruman shows in the case of Detroit, bankruptcy is a threat to the
population of wider political communities. Not least, we have to take a new look
at the population itself to necessarily take into consideration the demographic
development in almost all developed countries. These fundamental transforma-
tions comprise established systems of rights and social integration that pose the
question of citizenship and migration from a new and different point of view (see
the chapter by John C. Torpey and Bryan S. Turner).

Looking at democracy, two aspects are striking. On the one hand, as Jörn
Lamla shows in his chapter, global consumer culture is going to redefine citi-
zenship while the organisation of transnational value chains are influencing the
institutional reconfiguration of democracy and its capability to renew its social
bonds. On the other hand, both the EU and the situation within its member states
have taught us important lessons in recent years. Not only in the case of Greece
but in the EU as a whole, austerity politics have become the global faith of neo-
liberal economic theory. Economists have thus turned into a powerful global elite
(see the chapter by Christian Schmidt-Wellenburg) at the cost of citizens’ dem-
ocratic participation, dominating the global economy. Along with their allies in
institutions such as the IMF or the EU itself, they are not only going to destroy the
possibilities for citizens to earn a livelihood but also restrict the ability of citizens
to overrule purely economic decisions by their democratic vote, or even make it impossible. This complex interrelation within the political economy has many different facets. In their chapters, Bob Jessop and Heiner Ganßmann analyse processes of the fundamental reorganisation of modern societies because of neo-liberal transformations and recent austerity politics, while the contributions of Margaret R. Somers and Dieter Plehwe concentrate on both the changing foundations and the consequences for systems of social welfare and social security. All these chapters point to the profound transformations of neo-liberalism with regard to citizenship. Jürgen Mackert shows in his chapter that against this background, conceptualising the state and the market as separate spheres, as has been done for centuries, no longer makes any sense if we want to come to terms with the transformations of citizenship in the era of neo-liberalism.

Notes

1 See https://economics.uchicago.edu/content/historical-information. For Friedman’s justification and playing down, see Friedman, 1982.
2 See www.cid.harvard.edu/cidtrade/issues/washington.html.

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