

New Landscapes of Inequality

1

Introduction

New Global and American Landscapes of Inequality

Micaela di Leonardo

Back in the late twentieth century, in attempting to come to terms with global and national shifts, many of us used the line from Charles Dickens' novel of the French revolution, *A Tale of Two Cities*: "It was the best of times, it was the worst of times."¹ Indeed, the fin de siècle saw the international florescence of a cosmopolitan, multicultural, and tolerant culture—alongside widening gaps between rich and poor. But the events of the post-9/11 years, in particular, have made it increasingly difficult to make arguments for the positive side of the ledger. We cannot avoid noticing the proliferating array of markers of human misery: Endemic warfare continues in the Middle East, Central Asia, and parts of Latin America and Africa—including, most dramatically, the harrowing of Darfur and the redevastation of Lebanon. Post-9/11 American wars of occupation are punctuated by civil war and terror attacks in Madrid, London, and Mumbai. A series of natural disasters of biblical proportions have occurred: tsunami in South and Southeast Asia, hurricanes on the Gulf Coast, earthquake in Pakistan. The global AIDS epidemic continues, and tuberculosis and malaria, as well as other diseases of poverty—and, we might say, of globalization, such as the SARS and avian flu epidemics—are on the increase. Finally, there is a definitive body of scientific evidence for global warming, a process that may be irreversible and could destroy large swathes of habitable global environment.

Behind the headlines of war, famine, and environmental and public health disasters, though, are a series of closely connected but longer-term political-economic processes. These processes are often glossed by the misleadingly general term *globalization*. Even that questionable term is highly polysemous. Some construe it, in a cultural studies vein, to indicate simply the technologically driven, heightened global flows of cultural material over the past few decades (Appadurai 2002; Inda and Rosaldo 2002). Others, in the tradition of neoclassical economics, envision globalization as something like the unfolding of natural law: the necessary freeing of markets, and therefore heightened trade and migration, with the demise of Communism and the triumph of global capitalism (Bhagwati 2004; Friedman 2005). All these phenomena, however, have occurred coincident with another set of processes and ideological shifts—the rise of neoliberal capitalism. For that reason, many critics refer not to “globalization,” but to “neoliberal globalization,” or simply “neoliberalism.”

GLOBAL SHIFT AND NEOLIBERALIZATION

Neoliberalism is a widely used and understood term in Europe, Latin America, and other parts of the world, but still largely confined to scholarly work in the United States. Neoliberal ideology, nevertheless, has had a decades-long developmental process. Beginning perhaps in the 1970s with the Carter administration’s domestic budget cutbacks in the post-oil shock “era of limits” (di Leonardo 1998:264–265), it came to real, institutionalized fruition in the Clinton/Blair West and vis-à-vis International Monetary Fund (IMF)/World Bank policies for the global South (Harvey 2005; Went 2000).

We must first trace neoliberalism back to classic nineteenth-century liberalism—which is not consonant with our twentieth- and twenty-first-century notions of liberal-versus-conservative political slants. Nineteenth-century liberalism, as articulated by theorists Adam Smith, James Mill, John Stuart Mill, and many others, was a theory of whole Western economies that asserted that allowing markets to rule without government interference would bring about the best, most efficient social ends. As Adam Smith wrote, echoing religious framings of the Deity’s all-benevolent relationship to humans, the “invisible hand” of the market would intervene to produce the best outcomes.

Even across the nineteenth century, many currents of Western theory and practice—from socialisms, to Christian charities, to anti-modernist interpretations—contested liberal political theory’s overreliance on market mechanisms. These diverse social actors and groups both called for and

created institutions to ameliorate the human misery caused by unchecked capitalist growth: labor unions, settlement houses and other private charities, state supports for the poor. In the early decades of the twentieth century, Western governments, under duress from below and within, instituted state programs guaranteeing public education, sanitation, public health and workplace safety, minimum wages and unemployment insurance, public housing for the poor, and aid to the elderly, disabled, and ill.

As Keynesian economic theory, with its focus on the necessity of state stimulation of the economy and the key importance of mass consumption, strengthened toward mid-century, a state of affairs that scholars label the regulatory regime of “Fordism” took hold. That is, there evolved an implicit compact among large corporations, labor unions, and states: corporations would guarantee living wages and some benefits to most of their workers, who could then afford to buy the consumer durables (such as Ford cars) they were producing. Unions would guarantee labor peace in exchange for relatively high wages and benefits. The state would provide the essential benefits—unemployment insurance, AFDC (Aid to Families with Dependent Children, or welfare)—that would support those workers who fell through the cracks of Fordism, thus guaranteeing general social peace (Braverman 1974; Piven and Cloward 1971).

Fordism, like other regulatory regimes, was always a set of tendencies, not an ironclad set of rules. Just as the majority of 1930s black American workers, in agricultural and domestic service jobs, were excluded from the benefits of Roosevelt’s Depression-era New Deal (see MacLean, chapter 2, this volume), the bulk of minority and white women workers—absent, for example, auto workers—failed to benefit as much as white males from the guarantees of Fordism. The legislative and policy gains garnered by the civil rights and feminist movements of the 1960s and 1970s, however, began to integrate those benefits—just as Fordism began to unravel with the rise of neoliberalism.

Neoliberalism, as developed over the second half of the twentieth century, is an intellectual/political stance that presumes that capitalist trade “liberalization”—the end of all state regulations on business, and indeed, the end of all state-run business—will lead inevitably to market growth and, *ceteris paribus*, to optimal social ends:

Neoliberalism is in the first instance a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong

private property rights, free markets, and free trade.... State interventions in markets... must be kept to a bare minimum because, according to the theory, the state cannot possibly possess enough information to second-guess market signals (prices) and because powerful interest groups will inevitably distort and bias state interventions (particularly in democracies) for their own benefit. [Harvey 2005:2]

As former prime minister Margaret Thatcher's dour, unconsciously Orwellian acronym slogan TINA proclaims, "there is no alternative." John Gledhill (2005:340) has noted that this stance goes considerably further than that of the classic liberal political theorists: "What makes neoliberalism something that a classical liberal such as Adam Smith would have found as disturbing as Pope John Paul II does is its elision of the distinction between a market *economy* and a market *society*, to the point where the latter seems to engulf life itself."

In the United States, Europe, India, Japan, and other industrialized states, neoliberal policies have mandated the shrinkage and selling off of state-run utilities and services and have withdrawn support for independent labor organizing/unions, thus backpedaling from welfare state (or semi-welfare, in the United States' case) provisions and regulations that ameliorated the naked operations of capital and provided widespread social safety nets. (One of neoliberalism's innate contradictions is its reliance on "unnecessary" states to intervene repeatedly in economies to shore up business—to provide a "good business climate" [Harvey 2005: 117].) In the global South, neoliberal ideology has been implemented through World Bank/IMF "structural adjustment programs," beginning with Chile's experiment under the post-1973 coup dictator Augusto Pinochet. These programs demand that states denationalize industries, end protectionist policies that safeguard native industries, open their markets to international trade, and ruthlessly cut back social programs. In some cases, as in the People's Republic of China (PRC), neoliberal policies have stimulated economic growth, but always at the cost of increasing inequality and heightened poverty populations.

Despite the immense social suffering that has resulted from the implementation of neoliberal ideology, it has gained enormous purchase, worldwide, through its celebration of rapid technological change; through the spectacle of new cornucopias of globally traded goods and individualized consumption—furthering the commodification of identity that Marx first analyzed; through faux-populist rebellions against "useless government

bureaucracies”; and, finally, through neoliberalism’s novel melding of neo-classical economic theory with an identity politics reading of civil liberties. That is, neoliberal ideology incorporates the notion of various populations’ civil, but not economic, rights. Thus, politicians, North and South, can claim to stand for the rights of women, racial and religious minorities, and even homosexuals while blandly observing the growing immiseration that disproportionately affects most of those populations.

RETURN TO IMMISERATION: THE HISTORICAL BARBELL

We might thus envision the past century in the West as having a barbell shape: Anatole France’s *fin de siècle*, in which the state in its infinite majesty forbade both the rich and the poor to sleep under bridges, would constitute one end. The long Keynesian decades of the twentieth century, in which states, responding to Progressive Era ideologies and to working-class and left organizing pressure, established social welfare programs and constrained industries’ exploitation of (white, male) labor, would be the shaft in between. The current era of neoliberal capitalism triumphant, with its associated identity politics minus class discourse, as well as its burgeoning wealth and immiseration, would constitute the other end of the bar.

This immiseration, although often ignored by cheerleaders of capitalism triumphant, is clearly real. Worldwide, we face the disappearance of middle class sectors as extreme wealth and poverty increase rapidly within and across most nation-states (World Resources Institute 1999). In the United States, economist Paul Krugman has written extensively on the heightened inequalities and disappearing middle classes created by post-Fordist deregulation and the shift to regressive taxation in the late twentieth century (Krugman 2002). The US Gini Index, the measure of income inequality since 1913, indicates that American incomes seemed to be “depolarizing” from Depression-era inequalities over the middle decades of the twentieth century but then repolarized, “thanks first to the deep recession of the mid-70s, the subsequent inflation, and then the long wave of social spending cuts, union-busting, factory closures, the explosion of Wall Street wealth and power, and all the other familiar features of the neoliberalism of the 1980s and 1990s” (Henwood 2004:4).

In 2004 the US Gini Index reached its highest (most unequal) level since the early 1940s (Henwood 2004:4). A recent Congressional Budget Office study indicates that “income gains have become increasingly concentrated at the top of the income scale over the past two and a half decades” and that the “income gap widened significantly between 2002 and 2003”

(Shapiro and Friedman 2006). The *New York Times* reported in late 2006 that “the buying power of the minimum wage is at a 50-year low” and that “wages and salaries now make up the lowest share of the nation’s gross domestic product...[while] corporate profits have climbed to their highest share since the 1960’s” (Greenhouse and Leonhardt 2006).

Much of this new income and wealth inequality may be traced to changed corporate policies: good, unionized jobs are outsourced, leaving laid-off workers to struggle to find lower-paid, often service sector jobs while CEOs are now hyper-rewarded. Over the past thirty years, the average CEO compensation in the top one hundred US corporations has mushroomed from thirty-nine times the average worker’s pay to more than a thousand times that average (Krugman 2002). In late 2005 the US Census Bureau reported that “even as the economy grew, incomes stagnated and the poverty rate rose” (Leonhardt 2005). For the first time on record, “American household incomes failed to increase for five straight years” (Leonhardt 2005).

These worsening indices of inequality in the United States are also highly racialized. Since the Reagan presidency—including the two Clinton terms, despite common progressive apprehensions—we have had a stalled civil rights revolution. Two years after the fiftieth anniversary of *Brown v. Board of Education*, racial segregation in American public schools, once on the downturn, is worsening and has been since the late 1980s (Cohen 2004). The capital and muscle the federal government has not put into improving education have gone instead into incarceration—a run-up to about two million people jailed in the United States, disproportionately black and brown, most for nonviolent crimes. Amnesty International reported in 2004 that the United States is one of just four countries responsible for 84 percent of all executions worldwide (Huggler 2004). A series of “innocence projects,” especially in Illinois, have exonerated hundreds of those convicted of serious crimes—including many men on death row. A University of Michigan study suggests that there are thousands of wrongfully convicted people in US prisons (Liptak 2004). For those black Americans who manage to avoid incarceration, recent studies, reported in the *Wall Street Journal*, indicate how profoundly the job market is not a level playing field: “The disadvantage carried by a young black man applying for a job as a dishwasher is equivalent to forcing a white man to carry an 18-month prison record on his back” (Wessel 2003).

The American labor market is thus extremely disadvantageous to both male and female residents of color. But even white women, despite a quarter-century of feminist organizing, protest, and legislation, are doing

poorly. The famous 59 cents rallying cry—women earning 59 cents for every male dollar—has improved since the 1970s to 78 or 79 cents. But most of the improvement from the 1990s forward is due to men’s worsening status rather than to women’s higher pay (Fisher 2003; Uchitelle 2004), and women bear the brunt of social program cutbacks—worsening health care, child care, and nursing home access.

Post-9/11, the neoliberal effects on the American economy have been partially masked by two phenomena—the housing bubble and the trade imbalance with the PRC, Japan, and Middle Eastern oil producers. The latter is often remarked (Bajaj 2006), but rarely in terms of what it could portend: that, as Paul Krugman (2006) notes, “the dollar will eventually have to fall 30 percent or more to eliminate the trade deficit.” The former was perhaps more important for its masking effect. That is, post-9/11, the Federal Reserve Bank deliberately kept interest rates low to stimulate the economy. Given the stock meltdown of 2000, consumers saw real estate as a relatively safe investment, as well as the opportunities for refinancing their existing mortgages at much lower rates, and the industry heated up accordingly. Rising home prices, compounded by ongoing cheap interest, led to a huge increase in home equity loans. Homeowners withdrew what they saw as new wealth from their homes to spend on consumer items—many of which were produced in the PRC and other low-wage states. Many commentators noted that this process alone propped up the US economy from 2002 forward. But they also noted the potential for a bursting housing bubble, which would leave millions of home owners without collateral with which to repay their increased consumer debt. Indeed, by 2007 the housing market began to slow, subprime lending scandals broke, and the press began to report a wave of home foreclosures (Bajaj 2007b).

Internationally speaking, “the 400 highest income earners in the United States make as much money in a year as the entire population of 20 African nations—more than 300 million people” (Weissman 2003:1). The gulf between the globe’s poor and wealthy has been widening very rapidly: “The income gap between the fifth of the world’s people living in the richest countries and the fifth in the poorest was 74 to 1 in 1997, up from 60 to 1 in 1990 and 30 to 1 in 1960” (United Nations Development Program 1999:3). Or, if we consider the richest and poorest 10 percent of the world population’s income, that gap jumped from 79 to 1 in 1980 to 117 to 1 in 2000 (Weissman 2003:1).

When we consider the enormous effects on global inequality, it is no coincidence that neoliberal globalization “took off” concurrent with the fall of the Soviet sphere and China’s capitalist turn. First, during the Cold

War, those states played key ideological and material roles in representing an egalitarian social ideal against which the West, the United States in particular, felt it necessary to compete in order to appear democratic to the nonaligned states. The US State Department's integration of the US military under Truman and the Supreme Court's 1954 ruling against school segregation in *Brown v. Board of Education*, for example, were self-consciously crafted with an eye to their effects on the US profile as a democracy on the global stage (Dudziak 2000; McAlister 2001). The post-Cold War United States has cut foreign aid to a mere slice of its previous largesse. Second, although acting most often for its own realpolitik reasons, the Soviet Union, until its demise, helped to underwrite fledgling anti-colonial movements throughout the global South—the most distinguished of which was the African National Congress of South Africa.

Third and finally, the unraveling of the Soviet sphere and China's capitalist opening provided vast opportunities for expanded capitalist accumulation through the privatization of lands and industries and the "freeing" of hundreds of millions of laborers to work for what the market would bear. The new proletarianization of Chinese workers has created social cleavages that have even been "compared unfavorably with Africa's poorest nations" (Harvey 2005:142). For the female half of that newly capitalized labor force, that freedom has led to an explosion of prostitution, of sex tourism, and especially of sex trafficking in both the PRC and the former Soviet sphere, assimilating them to the status of that industry in the global South. These are clear indices of women's overall lack of political power, their drastically lowered economic status in formerly Communist states, and the globally heightened commodification of sex (Kligman and Limoncelli 2005; Schein 1997). Whatever we may think of the economic problems and lack of civil liberties in the former and failed Communist states, their existence did act as a brake on global capitalist accumulation and its human effects. Globally, it is now the case that we have no ongoing state alternatives to the capitalist mode of production.

ACCUMULATION BY DISPOSSESSION

To analyze more clearly the multifarious processes of the recent past and present that we gloss as globalization, David Harvey, in *The New Imperialism* (2003), reworks Marx's fundamental construct, "primitive accumulation"—the process of forced transformation of modes of production, as in the UK enclosure movement or the European conquest of Latin America, that enabled early capitalist growth. Harvey instead wishes us to envision this process as a longer-term "accumulation by dispossession,"

endemic to all capitalist growth and of key importance in the recent past and present:

Primitive accumulation...entails appropriation and co-optation of pre-existing cultural and social achievements as well as confrontation and supersession....The credit system and finance capital...became...major levers of predation, fraud, and thievery.... The strong wave of financialization that set in after 1973 has been every bit as spectacular for its speculative and predatory style. Stock promotions, ponzi schemes, structured asset destruction through inflation, asset-stripping through mergers and acquisitions, and the promotion of levels of debt incumbency that reduce whole populations, even in the advanced capitalist countries, to debt peonage, to say nothing of corporate fraud and dispossession of assets (the raiding of pension funds and their decimation by stock and corporate collapses) by credit and stock manipulations....But above all we have to look at the speculative raiding carried out by hedge funds and other major institutions of finance capital as the cutting edge of accumulation by dispossession in recent times. [Harvey 2003:146–147]

This financialization process took place over the course of the late 1960s to late 1970s in the wake of the collapse of the Bretton Woods system of fixed international exchange rates (Went 2000:57–58):

[Political decisions to deregulate financial markets] cleared the way for the rapid growth of international financial flows, integration and deregulation of financial markets, and for a stream of derivatives and other financial innovations designed as ways to profit from interest rate variations and exchange rate turbulence, which became much more common after Bretton Woods' collapse. The 1980s were the years of financial revolution. In 1980 futures, swaps and options still barely existed; ten years later there were over seven trillion dollars' worth of these and other financial derivatives in existence around the world. [Went 2000:58]

This process of extreme financialization, which involves rather more than can be described using Arjun Appadurai's (2002) ahistorical and political economy-less notion of "finance-scapes," has fostered recurrent

cycles of more tangible accumulation by dispossession: the sell-off of formerly communal businesses, land, and natural resources in the former Soviet sphere and the PRC; the denationalization of industries and commodification of natural resources such as water in the global South; the trend among US corporations (United Airlines, General Motors, IBM) to divest themselves of legal obligations to provide pensions and other benefits to current and former employees—even the stark giveaway of federally financed research products to Big Pharma (Angell 2004; Harvey 2005:57) and the parallel and recurrent gift of bandwidth to telecommunication giants (McChesney 2004).

As Harvey (2005) notes, neoliberalization proceeds precisely *through* uneven geographic development and creates extreme volatility, along with increasing stratifications. These accumulation-by-dispossession cycles have specific effects in shifting national and global spatialities. The most obvious of these are rapidly changing land use patterns that tip and re-tip property away from use-value and toward exchange value. In the United States, we have seen the hyperdevelopment of the coasts; the creation of the Southern and Southwestern Gunbelt (Markusen 1991); the gentrification of inner cities (Logan and Molotch 1987); the touristification of all possible sites as industry continues to move abroad; infilling McMansions in inner suburbs; the rise of gated communities; the use and then rapid abandonment of suburban land for big-box stores; corporate and state abandonment of old industrial centers, small towns, and rural areas (in some cases, replaced by privatized prison corporations); and so on (Low 2003; Sassen 1998, 2001; Zukin 1995). In the global South, we see many of these patterns as well, but also the depeopling of countrysides and vast accumulation of urban-ring squatter settlements as states abandon former regional supports, the enormous expansion of refugee camps on the edges of endemic war zones and natural disaster regions such as South and Southeast Asia tsunami sites, where states have stripped victims of their property rights and given away coastal lands for tourism development (Price 2006).

These shifts in built environment spatiality are innately connected to the shifting patterns of human migration as changes in capital flows and the withdrawal of state supports dictate massive, self-directed labor migration—from North Africa and Eastern Europe to Western Europe, from post-structural-adjustment Mexico, Latin America, and Asia to the United States—or more specific, state-directed labor migrations such as those of Filipino female health workers and caregivers to Italy and the United States (Parreñas 2001) and the forced removal of three hundred thousand-plus New Orleanians in the wake of Hurricane Katrina to multiple sites not of their choosing (M. Davis 2006).

Labor organizers have labeled the process of labor and communities chasing shifting capital “the race to the bottom”—noting the smaller and smaller shares of corporate profit flowing to labor and communities (Ross 1997). Jane Collins (n.d.) has analyzed this process, more technically, as “reverse Fordism,” tracing that movement from the Keynesian shaft of the barbell toward the neoliberal end of the bar.

US WAR, OUTSOURCING, AND ACCUMULATION BY DISPOSSESSION

The American state has retreated from its legally mandated obligations to its citizens—disaster relief, health and safety inspection of industrial sites such as mines and of the nation’s foodstuffs, adequate provision for its own military. This retreat has been central in US headline news for several years. As President Bush’s plummeting poll figures attest, American citizens have not been oblivious to these processes. Nevertheless, technical knowledge of the direct connections between governmental pullbacks and processes of accumulation by dispossession is not necessarily widespread.

For example, information on American failures in Iraq is not hard to come by, but mainstream media have not stressed the direct connection between these failures and the fact that this is the first heavily outsourced war of the modern era. That is, on good neoliberal principles, the American military has subcontracted not only the infrastructural rebuilding of the country but also much of the supply functions for its own soldiers. This is the reason why, beyond former secretary of defense Donald Rumsfeld’s desire not to have a “large footprint” on the ground in Iraq, American soldiers have lacked not only the proper equipment—especially body and vehicle armor—and sufficient medical help but also water, toilet paper, and food. Journalist Herbert Docena, in *Asia Times* (2003), documented the corporate logic of Halliburton, Bechtel, and others in Iraq, which has prevented any infrastructure rebuilding, because to do the job logically and quickly, given the sourcing of Iraq’s present infrastructure, would demand buying spare parts and technology from multinational sources, not supplying entirely new infrastructure, heavily marked up in price, from its own subsidiaries:

The US and its contractors are not even trying, for a simple reason: it’s not the point. To assume that they are striving, but are merely failing because of factors beyond their control, is to presuppose that there is an earnest effort to succeed. There isn’t. If there were, there should have been a coherent plan and process

in which the welfare of the Iraqis—and not of the corporations—actually comes first. Instead, the Iraqis' need for electricity comes after Bechtel's need for billion-dollar projects. The Iraqis' need for decent living wages becomes relevant only after Halliburton has maximized its profits. Indeed, if there were a sincere attempt to succeed, the US, as the responsible occupying power, should have had no qualms giving Iraqis what many emphatically say they need to finally make things work: the authority and the resources. "If only the money and the spare parts were provided," electricity official Jasm said, "we could do a surgical Khsab.... We have been doing this for the past 30 years without KBR. Give me the money and give me the proper authority and I'll do it." But the US won't because who knows what the Iraqis would do? Ask the Russians to repair their power plants? Actually succeed in reconstructing their country without the involvement of Bechtel and Halliburton? [Docena 2003]

This is truly a new and brazenly open form of corporate welfare and crony capitalism.

Outsourcing is one key to the bizarre phenomenon of the inherent contradictions of a state that is simultaneously neoliberal, neoconservative, and engaged in ongoing imperial war. The Vietnam War, for example, was waged largely on the basis of Cold War domino theory, but *this* war was planned long before its inception, in a post-Soviet climate, for New Rightist imperial geopolitical advantage and for the superprofits to be reaped for corporate friends of the White House: from exploitation of Iraqi oil reserves and from the highly advantageous, no-bid government contracts for so-called rebuilding awarded to Halliburton, Bechtel, Raytheon, Boeing, Northrop Gruman, and others (Kwiatowski 2004). That prior model, of course, has now been extended to the "rebuilding" contracting on the Gulf Coast post-Katrina, where Halliburton has again benefited and is again failing to provide its contractual services—in this case, hiring undocumented Latin American workers for pennies and overcharging FEMA at every turn for its own profits (M. Davis 2006).

Clearly, both the New Right geopolitical strategy and crony capitalism violate neoliberal tenets. Neither allows for the "frictionless" workings of the market. Each is highly wasteful of lives and resources and leads to unpleasant public-sphere critiques of oligopoly, fraud, and waste. To date, the Bush White House has responded with threats and a further ratcheting up of the culture of fear. Harvey speculates that we are seeing, in fact,

a global convergence toward authoritarian rule as “democratic” states attempt to silence their critics:

Whether or not this portends a more general reconfiguration of governance structures worldwide remains to be seen. It is, however, interesting to note how neoliberalization in authoritarian states such as China and Singapore seems to be converging with the increasing authoritarianism evident in neoliberal states such as the US and Britain. [Harvey 2005:81]

Actually, our American culture of fear in response to terrorist attacks is part of a much broader phenomenon—the contradictory, simultaneous development of a less and less regulated economy and defunded social programs, with a yet more and more regulated private sphere. That is, we are in the midst of a new cycle of moral panic, encompassing notions of widespread terror, sexual, and familial threats (see Lancaster, chapter 3, this volume). As well as spiking levels of arrest and imprisonment, we see heightened state surveillance and discipline, in short, punitive governance. We have come to equate justice with punishment rather than the achievement of equal rights, to accept the social stigmatization of broad swathes of US residents and the curtailment of fundamental rights of citizenship.

PROTEST, ORGANIZING, AND THE UNCERTAIN PRESENT

The instantaneous, transnational communications connections and the volatile movements of capital that are simultaneously the herald and vehicle of global capitalist neoliberalization have both hindered and facilitated global, anti-neoliberal political activism. As Collins notes in *Threads* (2003), for example, the globalization of the apparel industry deterritorialized its labor forces, weakening union and worker strength and ability to plan, protest, or strike through the always present threat of entire factories decamping elsewhere. At the same time, the reemergence of global sweatshops and the sudden impoverishment of towns and regions with capital flight have stimulated union cooperation and amalgamation—as in the founding of UNITE HERE from several previous garment, hotel, and restaurant worker unions—and fostered new organizing energy and international communication and solidarity. As the objects of organizing become ever less palpable, organizers become more transparently visible to one another. Similarly, we have seen the rise of truly global and mutually cooperative anti-racist, feminist, gay, environmental, antiwar, and human rights organizations. Their partial success in the late 1990s, particularly

through anti-globalization protest, was reversed by the American conservative putsch in the wake of the 9/11 attacks.

That conservatizing turn in the United States and elsewhere has been enhanced by the neoliberalization of national and global media: state abandonment of media industry regulations, encouraging mergers and acquisitions within and across industries, allowing new conservative dominance and less room for dissent in television, radio, and print news media (McChesney 2004). As mentioned, the attractive technological-fix, commodity-rich, positive-identity-politics face of neoliberalism vitiates much potential opposition.

Nevertheless, much organizing continues on the ground, and we have also seen anti-neoliberal electoral shifts, particularly in “pink tide” Latin America and in Europe.

IN THIS VOLUME

The chapters in this volume range broadly across our new landscapes of inequality, with a primary focus on US realities. They light on a number of key themes and topics and proceed from varying disciplinary perspectives. Although all work from political economy, all also escape what we might label the “Harvey effect.” That is, much important political-economic analysis still neglects to attend sufficiently to the profoundly important ways in which race, gender, and other stratification processes are inherently part of capitalist growth processes. This failure has been encouraged in the contemporary neoliberal climate, with its seeming acquiescence in civil and women’s rights. In reality, as we have seen, neoliberalism in practice leverages race- and gender-based exploitation in the service of profit.

Our contributors collectively recognize the racial and gender hypocrisy inherent in neoliberal ideology and attend not only to shifting political economy but also to evolving race and gender relations. As a case in point, historian Nancy MacLean (chapter 2) opens our discussion with a pointed critique of David Harvey and other progressive commentators’ failure to recognize the southern United States—and therefore profoundly raced—origins of the rise of American neoliberal ideology and practice. “Odd as it may sound,” she writes, “nineteenth-century southern planters were America’s original neoliberals.” She points out that the core of their “very particular interpretation of freedom” was “devotion to private property rights, hostility to a strong federal state for other than military purposes, faith in punitive governance as the key to social order, and enthusiasm for international trade.” Anthropologist Roger Lancaster (chapter 3) then

demonstrates how punitive governance is rationalized in the American present, focusing on the histories and connections—racial, gendered, sexual, political—among our current popular-cultural moral panics.

Anthropologist Brett Williams (chapter 4) builds on Lancaster’s analysis of the contemporary moral-panic dehumanization of others, by documenting the massive rise of individual indebtedness in the United States. She makes clear the connections among gender, race, increased poverty, and stressed working and middle classes, deregulation of the finance industry, and outsourced, punitive, and dehumanizing collection firms. Political scientist Michelle Boyd (chapter 5) explores the trap of neoliberal discourse in her case study of community development in Chicago’s historically black Bronzeville district. Boyd links the neoliberal defunding of cities to the “narrative of lost social capital.” That is, as urban areas become more dependent on cultural strategies of economic development, black activists tend to shift their focus from political agitation to economic development and are inclined toward “expressions of racial nostalgia” that sanitize the Jim Crow past and the unequal present.

Anthropologist Gina Pérez (chapter 6) adds to this analysis of racial minority investment in neoliberal discourse and picks up the thread of curtailed citizenship rights under neoliberalism. Looking at Latino student involvement in Junior ROTC (Reserve Officer Training Corps) programs in public high schools, Pérez establishes the defunded wasteland in which well-funded military recruitment programs appear to provide desperately needed services and the ways in which Latino youth, longing for respect and convinced that they lack “discipline,” see JROTC training as the key to full political and economic citizenship.

Anthropologist Jane Collins (chapter 7) explicitly names this trend toward the curtailment of economic citizenship “the specter of slavery” in her analysis of the ways in which the post-1996 TANF (Temporary Assistance for Needy Families) programs systematically strip poor, largely minority women of their rights to choose their place of employment. Like the burgeoning moral-panic victimization of nonterrorists and nonsexual predators, like the stigmatization and hounding of debtors, poor women who may have held skilled positions are redefined as unskilled, fit only to cut brush on highway medians. Legal scholar Dorothy Roberts (chapter 8) adds to this portrait of the punitive contemporary neoliberal state in her case-study analysis of the impact of child welfare supervision on a poor black neighborhood in Chicago. The narrative of “child savers” disrupting families and placing children in violent and abusive situations is not new, but Roberts discovered that Woodlawn residents demanded greater agency

Micaela di Leonardo

involvement: “As these neighborhoods are stripped of social programs in the government’s shift to market solutions for poverty, their residents must increasingly rely on more punitive state institutions to meet their needs.”

Anthropologist Melissa Checker’s Georgia case study (chapter 9) further advances our understanding of the spatial consequences of American neoliberalism. She documents how preexisting racist structures such as segregated neighborhoods, never sufficiently ameliorated during the all-too-short era of civil rights reform, have become the fulcrum for economic development—in this case, the siting of hazardous waste production and disposal in black and brown neighborhoods. Checker also shows us how determined community activists against environmental racism may, through strategically harnessing neoliberal discourses, be hobbled in their quest for justice.

Anthropologist Micaela di Leonardo’s dual case-study piece (chapter 10) investigates the negative entailments of and gaps in the neoliberalization of American consciousness. She notes the ways in which residents of New Haven, Connecticut, across class and color, have shifted their understandings of city space over the decades, ending in focusing on rising home-property values in the post-9/11 housing bubble. In the same era, a politically progressive, nationally syndicated black radio show demonstrates the ongoing racial segregation of American media and the political limits of a commercialized press.

Finally, anthropologist Amal Hassan Fadlalla (chapter 11) investigates the neoliberalization of practice and consciousness in an arena rarely considered—the new, high-profile, celebrity-driven institution of privatized international refugee and disaster aid. Fadlalla focuses on the particular case of Darfur and lays out the historical political-economic background that has been occulted by widespread representations of raped and murdered women, of starving refugee children—by our new, neoliberal, humanitarian consciousness. She also shows how religiously inspired activism concerning Darfur engages with neoliberal and neoconservative ideologies that misrepresent Islam and Middle Eastern politics.

Fadlalla’s piece illustrates on the global scale what our other contributors fully investigate on American ground: the ways in which the globalization of newly untrammelled capitalism has exacerbated preexisting inequalities, how the retreat of the (somewhat) benevolent state and the rise of the punitive, imperial state are related, how poorly privatized institutions substitute for responsible state provisioning for its citizens and residents—while ensuring hefty profits for their CEOs and shareholders—how overarching cultural tropes meld neoliberal and neoconservative

ideologies, how recurrent moral panics misrepresent class, race, gendered, and sexual realities on the ground. We hope that this volume will be of use to those working to clarify analyses of the unfortunate present and engaged in organizing to alter the future.

Acknowledgments

I thank the other advanced seminar participants—especially Jane Collins—for help in clarifying the arguments in this chapter. As well, several generations of graduate students in my globalization seminar at Northwestern brought skill, dedication, and necessary humor to our mutual project of tracing the rise and entailments of neoliberal globalization.

Notes

1. Some material in this chapter appeared, in a different form, in my “Global Inequality, War, and the American Scene” (in two parts), *North American Dialogue* 7 (2 and 3).