

Resilience beyond neoliberalism?

Mystique of complexity, financial crises, and the reproduction of neoliberal life

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Abstract

The burgeoning debate on resilience in international relations has seen the emergence of two polarized views: resilience as a manifestation of neoliberal governmentality and resilience as the expression of a post-neoliberal shift. This article explores whether a post-neoliberal resilience may be possible by reflecting upon the ontology of complexity as unknowability at the heart of this view. It argues that this approach neglects how the discourse of complexity as unknowability is a neoliberal technology of government that is instrumental to advance neoliberal forms of resilience. The second half of the article discusses this argument with reference to the 2008 financial crisis. It shows how a resilience-as-post-neoliberal approach resonates with those dominant narratives which have shrouded the causes and mechanics of the crisis in a mystique of complexity, thus encouraging forms of cognitive and political disengagement. The article concludes that by celebrating local knowledge at the expense of an understanding of global dynamics, post-neoliberal resilience offers an impoverished notion of resistance compliant with the dictates of the neoliberal order.

Keywords: resilience, neoliberalism, complexity, financial crises

Introduction

Across a number of academic traditions and particularly in relation to the problem of governance, the burgeoning debate on resilience is crucially linked to the problematization of 'an ontology of emergent complexity' (Chandler, 2014a, p. 47). The latter foregrounds a world too intricate to be known and too mutable to be predicted in which 'humans no longer can ... find epistemological access' (Schmidt, 2015, p. 404). This 'ontology of objective unknowability' (Chandler, 2014b, p. 24), it is suggested, is reshaping contemporary forms of subjectivity and manifestations of agency. The result is that 'the complex, unknowable and forever dangerous landscapes that define the *topos* of contemporary politics' are turning the 'dangerousness of life' from a 'threat' to life to 'its condition of possibility' (Evans and Reid, 2013, p. 87). Hence, the resilient subject cannot – or can only to a limited extent – change and transform the outside world as the latter is impervious to understanding and intervention. In order to survive and possibly thrive in the face of uncertainty, perturbations, and shocks, the resilient subject must abandon the liberal modernist hubris 'of seeking to shape the external environment through conscious, autonomous and goal-

oriented decision-making', and embrace a resilience-oriented form of agency as constant work 'on inner life through learning from exposure to the contingencies of ontological complexity' (Schmidt, 2015, p. 404).

In International Relations (IR), this argument has sparked two main polarized reactions. A first group of scholars has emphasized the close 'proximity between the emergent discourse of "resilience" and contemporary neoliberal doctrines' (Walker and Cooper, 2011, p. 145) by conceptualizing resilience as 'the correlate of neoliberalism' (Zebrowski, 2013, p. 161), as 'a neoliberal form of governmentality', and as 'embedded neoliberalism' (Joseph, 2013, p. 38). Neoliberalism is here understood as a rationality of government performed through regimes of subjectification that extend the logic of the market – and, specifically, the principles of competition and inequality – to all spheres of human activity. By championing resilience, this argument goes, neoliberal governmentality reinforces and normalizes the idea that individuals are ultimately responsible for their social and economic security (Joseph, 2013). They should 'accept the necessity of living a life of permanent exposure to endemic dangers' (Evans and Reid, 2013, p. 95), be prepared, responsive, adaptable, and capable of adjusting to changing and unpredictable circumstances. They should ultimately come to terms with the world 'as it is' as its complexity vastly transcends the state's capacity to govern it. Resilience thus lends ideological support to the neoliberal idea that debasement, destitution, and poverty are not the collective responsibility of states and political institutions, but the responsibility of deficient subjects unable to adjust to the requirements of modern life.

A second group of scholars has challenged this view and considered that rather than being neoliberal, resilience should be more properly understood as the expression of a post-neoliberal shift. The ontology of complexity at the heart of existing discourses and practices of resilience makes it a regime of governance primarily concerned with the 'unknown unknowns' (Chandler, 2014a, p. 50). 'Resilience-thinking' thus would not only challenge state-led top-down liberal rationalities of government based on 'known knowns', but also market-led bottom-up neoliberal rationalities of government based on 'known unknowns' (Chandler, 2014a). It follows that 'the current imaginary of resilience does not operate in continuation of a paramount neoliberal paradigm, but can be understood as a response to its inherent frustrations' (Schmidt, 2015, p. 404). The 'frustrations' of the liberal and neoliberal paradigms performed by the post-neoliberal discourse of resilience may open up the possibility for new forms of self-reflexive governance in which individuals are not mere targets of top-down or bottom-up frameworks of government, but empowered selves in a constant process of learning.

My goal in this article is to reflect upon the ontology of *complexity as unknowability* at the heart of the post-neoliberal idea of resilience. My contention is that this view is crucially informed by a 'leap of faith' in complexity; specifically, a 'leap of faith' in the capacity of the resilient subject of complexity to generate spontaneous and emancipative forms of order out of fragmented sources of local knowledges which may challenge existing regimes of power. This view, I will argue, neglects how the discourse of complexity as unknowability is

a neoliberal technology of government that is instrumental to advance neoliberal forms of resilience. To support this argument, in the second half of the article, I focus on the 2008 financial crisis and explore how a resilience-as-post-neoliberal approach resonates with those dominant narratives which have shrouded the causes and mechanics of the crisis in a mystique and ‘poetics of complexity’ (Christophers, 2009), thus encouraging forms of cognitive and political disengagement. By celebrating local knowledge at the expense of an understanding of complex global dynamics, post-neoliberal resilience offers an impoverished notion of resistance compliant with the dictates of the neoliberal order.

The discussion is divided into four sections. The first section introduces the debate as to whether resilience should be understood as neoliberal or post-neoliberal. The second section considers how post-neoliberal resilience rests on an ultimate ‘leap of faith’ in complexity, which reproduces the very neoliberal life it would want to challenge. The third section shows how a resilience-as-post-neoliberal approach resonates with those dominant narratives which have shrouded the causes and mechanics of the 2008 financial crisis in a mystique of complexity. The fourth section discusses how the mystique of complexity at the heart of post-neoliberal resilience and of dominant narratives of the financial crisis undermines the possibility that states – and political institutions more broadly – may regain political control over the markets, with the effect of impairing the very possibility of political agency.

The analysis is not primarily driven by the desire to endorse the resilience-as-neoliberalism perspective, but to investigate whether post-neoliberal forms of resilience may be possible. While holding that this possibility should remain a central ambition of resilience scholarship, the article shows that, as it stands, this approach falls prey of a mystique of complexity. The result is that it fails to recognize and investigate the manufactured nature of complexity as a product of regimes of power and knowledge. Moreover, post-neoliberal resilience rests on an ultimately reductive understanding of the state as the enforcer of liberal/modernist top-down rationalities of government. As I shall discuss, in ‘suggesting a move away from collective identities and actions based around such things as class or nation-state’ (Joseph, 2016, p. 378), post-neoliberal resilience ends up with an individualized, voluntarist, and consumerist understanding of political action that is ultimately fully inscribed in the neoliberal paradigm. The article thus challenges the ‘beyond states and markets’ approach of post-neoliberal resilience and suggests that states as well as international organizations, political parties, trade unions, and other traditional associative institutions cannot be transcended, but must rather be re-appropriated as sites of political contestation of existing neoliberal logics.

Resilience: neoliberal or post-neoliberal?

For Michel Foucault (2008), neoliberalism is a rationality of government in which effective control of the population is achieved not by ‘governing more’, but by ‘governing less’

through mechanisms of self-disciplining and self-regulation (Foucault, 1994). These regimes entail 'normalizing and disciplining society on the basis of the market value and form', namely, extending the market logics of competition and inequality to all spheres of human activity, thus performing a fundamental process of *economization* of society and state (Foucault, 2008, p. 146 and p. 242; see also Brown, 2015, p. 31 and Dardot and Laval, 2013, p. 17).

Numerous scholars have approached resilience as a manifestation of neoliberal governmentality. Resilience, they argue, requires modern subjects to be adaptable, flexible, and entrepreneurial. It requires them to be capable to withstand, adjust to, and thrive under systemic changes, uncertainty, shocks, and crisis stemming from heightened competition and inequality. This form of intervention instantiates a new regime of power that performs an inversion of responsibilities (Joseph, 2013). Since global economic and financial processes are portrayed as beyond the capacity of states to fully understand and manage them, governments no longer have the duty to shelter their citizens from social exclusion, marginalization, and poverty. In the neoliberal episteme, 'the only role for government is that of facilitation and enablement of more adaptive and capable individual choices' (Chandler and Reid, 2016, p. 4) and individuals are solely responsible for their successes and failures. From this perspective, the celebration of resilience is the correlate of the abdication of social and political responsibilities (Bourbeau, 2015). It fosters forms of moral debasement and social and political nihilism (Evans and Reid, 2013) that ultimately produce 'a much degraded subject' with substantially 'diminished capabilities for autonomy and agency' (Chandler and Reid, 2016, p. 1). As Jonathan Joseph summarizes, resilience is the correlate of the 'neoliberal conception of active agency' that grants the 'illusion of autonomy' and the reward of freedom, even though this is just a disguised form of 'market discipline' that denies the very autonomy and independence of the subject (Joseph, 2013, p. 47).

This perspective has been most notably challenged by David Chandler (2014a, 2014b), who maintains that resilience or, as he puts it, 'resilience-thinking', represents an overcoming of both the liberal and neoliberal frameworks of governance. Central to this argument is the idea that a fundamental transformation in the episteme of knowledge and unknowability is taking place. The liberal perspective, he argues, was grounded in an unremitting faith in science and its capacity to correctly identify, fully grasp, effectively manage, and successfully ameliorate social, economic, and political dynamics. The liberal view framed 'the "known knowns"' as central to governmental reason' (Chandler, 2014a, p. 50). It considered governance as a form of external, top-down intervention on passive subjects who should be directed according to 'universal assumptions of the progressive accumulation of knowledge of laws and regularities of human affairs' (Chandler, 2014a, p. 50). The neoliberal outlook, on the other hand, acknowledges how the conceit of the liberal perspective – ignoring 'the interactive complexity of life' – may lead to 'potentially counterproductive' policies (Chandler, 2014a, p. 50). For neoliberalism, then, governing requires 'a greater sociological or anthropological awareness of social interaction to enable more effective policy

interventions', namely, an in-depth search for 'known unknowns' (Chandler, 2014a, p. 50). The result is the neoliberal style of governing 'from below' entails a series of tailored interventions on the population aimed at creating a scheme of incentives that may promote forms of self-government.

According to Chandler, 'resilience-thinking' encompasses a different type of rationality that shifts the problem of government from the epistemological domains of liberalism and neoliberalism to the ontological one. Resilience, he contends, is born out of the recognition that the world is too complex to be known due to its sheer intricacy. Drawing on the insights of complexity theory, Chandler (2014b, p. 9; 2014a, p. 50) considers that for 'resilience-thinking' the non-linearity of existing social interactions not only 'stands in opposition to [liberal] deterministic understandings of the causal power of nature or of socio-economic structures', but also against neoliberal attempts of "filling in the gaps" of knowledge'. From the perspective of the ontology of complexity, 'life reveals itself as an emergent power, neither determined nor merely arbitrary', with the effect that:

For resilience approaches, working on the basis of emergent causality or general complexity, there is no deterministic understanding of 'known unknowns' operating underneath or at a deeper level of causation. In the more open interactive ontology of resilience, it is the 'unknown unknowns' that have the central role in emergent causation meaning that contingent outcomes only reveal concrete causality after the event and are impossible to know beforehand. (Chandler, 2014a, p. 50)

In this framework, governance is no longer conceived as a liberal 'top-down' or neoliberal 'bottom-up' set of interventions, but as an open-ended and potentially transformative process that sees the active participation of resilient subjects. Their 'adaptation' to the 'event' – which cannot be known in advance – is no longer the mere acceptance of externally imposed regimes of power, but an expression of self-reflexive agency negotiated in a mutable and unpredictable environment. Resilience becomes a potentially empowering post-neoliberal subjectivity based on adaptive forms of local knowledge of immanent processes. In 'resilience-thinking', Chandler (2014b, p. 23) explains, governance is imagined as 'being attuned to how life spontaneously self-organises to bring order out of disorder' and thus to the 'constant creative possibilities of interactive life in which governance interventions are reflexively imbricated'. The transformative potential of resilience thus originates from an ontology of complexity that understands life – or, more precisely, 'complex life' as:

generative of self-governing order precisely because it is constantly interactively adapting, communicating and exchanging with its environment or surroundings. Complex life ... brings order out of chaos through this mechanism of interactive adaptation ... The interaction between complex life and governing intervention is open and therefore full of immanent [and potentially empowering] possibilities [for both individual and communities]. (Chandler, 2014b, p. 20)

Chandler's rendering of post-neoliberal resilience rests on two important conceptual moves. First, it extends to the social sciences the natural science idea that our capacity to measure, understand and predict physical phenomena may be limited. This is a view that began to emerge in the 1920s with a series of discoveries, such as the 'uncertainty principle' in quantum mechanics, and theoretical developments, such as chaos and complexity theory (Chandler, 2014a, p. 48). Second, it draws on and, in a sense, radicalizes the thought of neoliberal founding father Friedrich Hayek, particularly the latter's idea of a fundamental 'unknowability of the world'. In the next section, I shall discuss how, moving from this perspective, 'resilience-thinking' frames the unknowability of complexity as the ontological condition of possibility for post-neoliberal resilient forms of agency.

From complexity as unknowability to complexity as 'leap of faith'

As Chandler observes, for Hayek there is no connection between the advancement of technical and scientific knowledge and better forms of government. The reason is that the social world is understood to be imbued with an inherent complexity that transcends the capacity of human reason – and, therefore, of governments – to grasp it in its depth and totality. Hence, Chandler (2014a, p. 52) argues, for Hayek progress has not been the result 'of scientific and technological laws but other forms of adaptive knowledge learnt by imitation and cultural transmission'. Indeed, Hayek (2006, p. 210) vigorously decried the hubris of scientific knowledge as the expression of an 'erroneous rationalism' that claims to be able to grasp and intervene upon the complexity of the social world. For Hayek, tyranny stemmed from the conceit that knowledge may be centralized, and thus from a deep distrust of any governmental form of central planning, whether performed by communist dictatorships, socialist governments, redistributionist states, or central bankers.

Hayek (1960, p. 29) concluded that the only way to escape the 'serfdom of the individual' and defend 'the case for individual freedom rests chiefly on the recognition of the inevitable ignorance of us all', namely, on the recognition that individuals only possess scattered fragments of knowledge and that it is impossible for governments to transcend the inherent unknowability of complex life. He saw the impossibility of centralized knowledge – and thus the impossibility of undertaking meaningful and effective interventions of social engineering – as the condition of possibility for freedom. In a framework of complex unknowability, Hayek maintains, the solution to the problem of social coordination of local, fragmented, and dispersed knowledges is represented by the market. According to Chandler:

For Hayek and classical neoliberal thought, while governments were denied access to knowledge of complex reality (the 'known unknowns'), the market was able to indirectly make accessible the complex interactions of socio-economic life. The market (as the 'truth' of complex interactive and epistemologically inaccessible life) was idealised as the intermediary connecting local and specific knowledges through prices as indicators (Chandler, 2014a, p. 53).

Hayek thus argued that markets have an innate and spontaneous capacity to produce order or, differently said, they are the embodiment of a 'spontaneous order' that is 'the result of human action but not of human design' (Hayek, 1998, p. 20). Hence, any human attempt to correct the occasional inefficiencies of the market, 'even in the midst of crisis free fall', will fail because 'the market always surpasses the state's ability to process information' (Mirowski, 2013, p. 54). Moreover, any such intervention will result in an existential threat to our autonomy. Rather than seeking protection from the uncertainties, crises, and shocks of the market by putting our fate in the hands of 'other men' (Hayek, 2006, p. 210), we should embrace the market wholeheartedly, even in phases of market crisis, as the market will eventually deliver equilibrium and growth. As Hayek emphatically puts it, 'it was men's submission to the impersonal forces of the market that in the past has made possible the growth of civilization' (Hayek, 2006, p. 210). At the heart of Hayek's thought there is an ultimate 'leap of faith' in the complexity and inscrutability of the market as a system of coordination capable of advancing human civilization.

For Chandler, post-neoliberal 'resilience-thinking' shares Hayek's idea of the fundamental 'unknowability of the world' and turns Hayek's defence of ignorance and of the dispersed nature of knowledge, and his radical quest for freedom, into a celebration of local knowledges as the expression of 'the ontological unknowability of the constituent power of life' (Chandler, 2014b, p. 67). In particular, he maintains, '[i]n resilience-framings, parochial or local knowledges are not a limit but a policy goal, once it is understood that all knowledge can only be local, contextual and time and place specific' (Chandler, 2014b, p. 42). Local knowledge is thus a 'vital resource' against 'any top-down [state-led] attempts to direct or control the social world' (Chandler, 2014b, p. 12) as well as against bottom-up neoliberal attempts of governing from below through the promotion of self-government.

In resilience-thinking, he continues, complex life should be understood in its 'wondrous radical creativity' (Stuart Kauffman, cited in Chandler, 2014b, p. 33) and as 'clever, resourceful, ... serendipitous' and 'sacred' (Chandler, 2014b, p. 35, 37). These attributes are ultimately a measure of life's capacity to produce – 'by definition' – an order in which 'life is always in excess of power's attempts to control it' (Chandler, 2014b, p. 66). Hence, complexity as the 'ontological unknowability' of the world is constitutive of the 'power of life,' namely, of its capacity to 'continually evade[...] power's appropriation' (Chandler, 2014b, p. 66-7). In this framework, resilience is a crucial quality of self-reflexive agents who need 'to adapt in an ever shifting environment' (Chandler, 2014b, p. 4) that transcends liberal and neoliberal determinations. Resilience thus emerges as an empowering form of post-neoliberal subjectivity that creatively engages 'with a complex world' beyond the powers of liberalism and neoliberalism (Chandler, 2014b, p. 46).

This possibility, however, rests on a fundamental leap of faith, namely, Hayek's leap of faith in the complex market system is replaced with a leap of faith in complexity and complex life per se. Indeed, from the idea that complex life always exceeds both liberal/top-down/state-led and neoliberal/bottom-up/market-led rationalities of government, it does not automatically follow that complex life will produce an order that transcends existing

regimes of power. Differently said, the imperfect capacity of liberalism and neoliberalism to unveil, respectively, the 'knowns' and the 'unknowns' of complex life does not necessarily imply that 'life continually evades power's appropriation' and that complexity is 'a reality against which power is powerless' (Chandler, 2014b, p. 65). Neoliberal regimes – which, as previously mentioned, incorporate both top-down and bottom-up rationalities of government – may still use their imperfect 'access to knowledge of complex reality' to direct subjects through the constitution of competitive frameworks that promote forms of self-government.

Moreover, if it is the case that complexity cannot be fully understood and grasped, how can we know that complexity, rather than being a limit to the power of neoliberal regimes of governance, may be a condition that further enables and empowers these regimes? The problem is that the post-neoliberal 'resilience-thinking' analysed by Chandler moves from an understanding of complexity as *ontologically given* and therefore as *external* to regimes of power and knowledge. Hence, it interprets the imperfect capacity of neoliberalism to fully grasp and manage complexity as an indication of the excess of power of complex life over neoliberal regimes. As such, it rests on an ultimate a 'leap of faith' that idealizes complexity as the excess of life over power.

The effect is that this post-neoliberal rendering of resilience neglects how complexity may be endogenous to existing neoliberal regimes and purposefully designed to encourage the acceptance of allegedly complex unknowable events, disguise responsibility for their effects, promote and amplify neoliberal logics of profit and capital accumulation, and further justify the existence of neoliberal regimes. In sum, post-neoliberal 'resilience-thinking' neglects how complexity may be a product of neoliberal rationalities and, as such, it may be instrumental in advancing the very notion of neoliberal resilience that it seemingly challenges. The limits of this post-neoliberal idea of resilience as grounded in the unknowability of complexity shall be further explored in the next two sections with reference to the 2008 financial crisis.

The mystique of complexity of the financial crisis

One of the fundamental innovations introduced by neoliberalism over the last thirty years is the idea that 'the natural complexity of market phenomena' is such that 'no centralized authority could hope to predict, much less control, the precise evolution of individual elements in the system' (Walker and Cooper, 2011, 149). This view, crucially derived from and captured by the thought of Hayek, has resulted in the notion that states are not able to place themselves 'outside the logic of risk and speculation' through centralized knowledge (Konings, 2016, p. 278). The implication is that states and more broadly political institutions, while not able to prevent market crises, should actively manage them 'after the event' by embracing the logic of risk and speculation through the purchase of the 'toxic assets' of financial institutions in distress (Konings, 2016, p. 274).

This is the politics of bailouts: an entrenched feature of neoliberalism that has been increasingly used to address the crises produced by neoliberal policies of mounting competition, leverage, and speculation by transferring the risk from private actors to the public. The politics of bailouts, particularly in the aftermath of the 2008 financial crisis, has resulted in more neoliberal policies of dismantlement of welfare provisions, and of privatization of gains and socialization of losses. These policies have ultimately banked on the resilience of individuals and populations by calling on them to adjust and adapt to an even harsher neoliberal regime of austerity, precarization, casualization, and individualization of social security. At the heart of this vicious circle in which the very diseases produced by neoliberalism call for more neoliberal cure is the idea that the financial market is unknowable due to its extreme complexity. Hence, the negative effect of this complexity cannot be pre-empted through political interventions that draw on forms of centralized knowledge.

This dynamic resonates with the view advocated by post-neoliberal 'resilience-thinking' that 'in complex processes and interrelationships' characterised by ontological unknowability 'contingent outcomes only reveal concrete causality after the event and are impossible to know beforehand' and thus can only be tackled through forms of resilient self-reflexive agency (Chandler, 2014a, p. 50). In a similar fashion, Hayekian advocates of neoliberalism would argue that the complexity of the market is such that financial crises can only be managed through 'local knowledges' and only 'after the event', that is, after the burst of the crisis. Of course, it could be argued that these 'local knowledges' are not those of the individuals and communities affected by austerity policies, as post-neoliberal 'resilience-thinking' advocates, but those of states, which responded with top-down (neo)liberal policies. Yet, this objection notwithstanding, this case suggests that complexity is not necessarily 'a reality against which power is powerless' as post-neoliberal 'resilience-thinking' maintains. Even more, this case invites us to consider that complexity may be a condition, a state of affairs, a perception, and a discourse that is cultivated by neoliberalism in order to generate profits – by adopting riskier strategies as risk will be eventually transferred to the public – and encourage the resigned acceptance of catastrophic events and disguise responsibility – by presenting financial crises as unpredictable because the product of dynamics that no one fully understands, let alone can manage.

From this perspective, 'resilience-thinking' is not the overcoming of the limits of a neoliberal governmentality, but the instantiation of a neoliberal governmentality instrumental to govern (and ensure the reproduction of) neoliberalism after the crisis. Indeed, as Mitchell Dean (2014, p. 159) has acutely observed, what we may be witnessing in the aftermath of the 2008 financial crisis is a series of 'possible mutations of neoliberal rationalities and technologies'. This is resulting in a global regime of government that, through the trope of complexity, naturalizes 'the inevitability of catastrophe' (Dean 2014, p. 160) and the powerlessness of politics, thus encouraging individuals and communities to be resilient to face the next unavoidable disaster.

The ‘pervading fatalism’ (Joseph, 2016, p. 381) at the heart of resilience represents a fundamental evolution of the neoliberal idea that the complexity of the market escapes ‘the very possibility of management of systemic risk’ (Mirowski, 2013, p. 55). Neoliberalism before the crisis still appealed to the idea that the unfathomable complexity of the market would eventually translate into a ‘spontaneous order’ capable of bringing ‘ever more complex states of self-realization’ (Mirowski, 2013, p. 55). After the crisis, what is in sight is no longer prosperity and growth, but the possibility of a looming new disaster. In this scenario, resilience and complexity are mutually reinforcing technologies of government: whereas resilience insures preparedness before the catastrophe and adaptation in its aftermath, the hegemonic narrative of complexity is what makes the acceptance of resilience possible.

The aftermath of the 2008 financial crisis has seen the consecration of the narrative of complexity as a fundamental neoliberal technology of crisis management. Indeed, complexity was almost universally blamed as the official culprit of the 2008 financial crisis. As Giselle Datz (2013, p. 459) observes, ‘official accounts of the crisis have explicitly and recurrently referred to “complexity” in the nature of the securities transacted (especially collateralized debt obligations [CDOs] and the credit default swaps [CDS] created around them) as well as in the structure of the financial industry’. This framing intentionally ‘blurred the element of agency in the deliberate design and commercialisation of complexity’ (Datz, 2013, p. 460). In fact, ‘complexity was not a “natural” affliction that engulfed financial transactions; it was a profitable business strategy’ (Datz, 2013, p. 460). To better understand this argument, it is necessary to briefly dwell on the nature of the securities transacted – CDOs, CDSs and asset-backed commercial papers (ABCPs) – and the mechanism of securitization that linked them and that was at the heart of the crisis.

As it has been extensively discussed in popular media, specialized outlets, and academic literature, the global financial crisis started as a subprime mortgage market crisis in the United States. The bubble in house prices fuelled a booming market for home loans, which encouraged their further commercialization. Residential mortgages were pooled, tranced, and sold as CDOs. Increasingly, new CDOs would be created by pooling and tranching other CDOs (Christophers, 2013; see also Datz, 2013). In order to protect their investment in CDOs, financial institutions would also often buy CDSs, a sort of insurance contract which would guarantee a one-off payment if CDOs defaulted. Often, though, the institutions that decided to purchase CDOs would not have the cash to fund their investment, so they would purchase an ABCP, a loan collateralized by financial assets such as CDOs (see Christophers, 2013). The official account is that this dynamic responded to a logic of securitization aimed at the distribution and reduction of risk. This eventually backfired, the official account continues, as the complexity of the securities and of the whole financial architecture made it impossible to evaluate ‘the fundamental values and risk profiles of underlying assets’ (Pierre Landau, Deputy Governor of the Bank of France, cited in Datz, 2013, p. 466). The result was widespread fear and a global credit-crunch when the housing bubble burst.

Critical readings have pointed out how the financial crisis was primarily driven by a logic of profit, rather than one of securitization. As Brett Christophers (2009, p. 820) observes, ‘while the story that has been told of the origins of the credit crunch may appear to be a very complex one ... it is ultimately just a story of loans (ABCP) being made on loans (CDOs) being made on loans (residential mortgages) ... The same capital “triplicated”, as Marx would have it; or residential property, in Adam Smith’s words, “as the instrument of three different loans”’. This point is echoed by Datz (2013, p. 466), who notes how ‘[e]ach new instrument was an opportunity for financial firms to extract more fees and trading profits’. As Brassett and Holmes (2016, p. 382) summarize:

[C]omplexity, in both market structure—the continual emergence of new quotable markets, investable indices, and so on along with the financialization of non-financial markets—and in product structure—tranching, securitization, collateralized debt obligations (CDOs), credit default swaps (CDSs), and so on—was actively pursued by agents on the basis that they offer opportunities for higher profit.

From this perspective, the global financial crisis simply brought to the fore a longstanding trend in neoliberal finance: the growing connection between complexity and profit. This connection was acknowledged, among others, by the *Financial Times* at the very onset of the crisis: ‘when products become simpler and more transparent, the [profit] margins typically fall. Bankers ... have a strong motive to retain complexity and opacity – which is why the innovation cycle keeps turning’ (cited in Datz, 2013, p. 466). These considerations pose a fundamental challenge to the post-neoliberal discourse of resilience and its framing of ‘complexity as unknowability’ as the excess of life over neoliberalism that turns complexity into an ontological reality ‘reality against which power is powerless’ (Chandler, 2014b, p. 65). Indeed, they deeply question his idea that ‘[t]he emergent order of life as complexity is held to be neither the product of the free will of autonomous subjects ... nor linearly determined by structures, mechanical laws or sovereign power’ (Chandler, 2014b, p. 30) – a view that echoes Hayek’s (1998, p. 20) argument that the ‘spontaneous order’ is ‘the result of human action but not of human design’. Quite the opposite,

Though it is easy to read unintended and/or unpredicted agglomerative outcomes as self-generating and hence exogenous to human agency, they do originate somewhere in the system and – most importantly – are a function of specific business strategies promoted by distinguishable actors at some point in time (Datz, 2013, p. 460).

By embracing the notion of complexity as unknowability and constructing an idea of complexity as exogenous to human action and interaction, post-neoliberal renderings of resilience make it impossible to grasp the manufactured and strategic character of complexity, and thus its power as a neoliberal technology of government. In the next section, I will show how this limitation is compounded by an unwarranted and idealized celebration of ‘local knowledge’ as a resource against liberal and neoliberal regimes of power. The idealized reliance on local knowledge of those who advocate a post-neoliberal

understanding of resilience, I shall argue, ultimately results in interpretive frameworks unable to diagnose the neoliberal offensive and articulate models and forms of action capable of opposing it.

Complexity and the reproduction of neoliberal life

The deliberate construction of the financial market as inherently complex and therefore unknowable served another fundamental purpose: providing ‘an institutional alibi’ to the very financial actors who were responsible for the crisis. William Davies and Linsey McGoey (2012, p. 65) discuss the case of Ralph Cioffi and Matthew Tannin, two former hedge fund managers ‘accused of lying to investors about the precarious state of the funds they managed, leading clients to lose \$1.6 billion when the funds collapsed in the summer of 2007.’ Cioffi and Tannin were eventually acquitted. The reason was that although they were deeply concerned about the soundness of their investments, they did not convey these fears to their clients because, ‘like everyone else’ in a market ‘in which investment behavior was largely governed by credit ratings’, they trusted the positive evaluations of credit rating agencies (Davies and McGoey, 2012, p. 65). In this account, complexity as unknowability translated into a displacement of responsibility.

A similar logic was at work in the famous case of Queen Elizabeth II visiting the London School of Economics (LSE) in 2008 and asking how it was possible that no one saw the crisis coming. Luis Garicano, a professor and director of research in the management department, explained that ‘[a]t every stage, someone was relying on somebody else and everyone thought they were doing the right thing’ (cited in Davies and McGoey, 2012, p. 65). Davies and McGoey (2012) analyse the Cioffi/Tannin and Garicano cases as illustrations of the strategic use of ignorance and ‘the ambivalence of neo-liberal epistemology’. These two cases reveal how partial, limited, and *local* knowledges – the only ones possible in complex ‘ontology of objective unknowability’ according to post-neoliberal ‘resilience-thinking’ – were used as justification in order to deflect accountability. This argument calls into question the idea that local knowledges are necessarily empowering and self-reflexive frameworks which may enable post-neoliberal forms of resilience. According to Chandler (2014b, p. 42),

In resilience-framings, parochial or local knowledges are not a limit but a policy goal, once it is understood that all knowledge can only be local, contextual and time and place specific. This is the reality of the world, seemingly reflected in the ‘ontological turn’ of social theory: the pluralist growth of different knowledges (and forms of knowing) is not merely a pragmatic response to the unknowability of the world but is a result of knowing the world, as it is, in its complex reality.

Undoubtedly, the local knowledges deployed by Cioffi/Tannin and Garicano were an expression of their resilience, that is, of their capacity to bounce back and thrive under

difficult and challenging conditions which questioned their ontological status as, respectively, diligent financiers and competent academic. However, in the case of Cioffi/Tannin, their resilience was not post-neoliberal, but thoroughly neoliberal. It contributed to reproduce the neoliberal idea that the crisis was ultimately the product of the ontological complexity of modern finance – and not of individuals and collective agents that had ‘actively participated in designing the “complexity” they later denounced as too bewildering to prudently navigate’ (Datz, 2013, p.468). Hence, their limited and local knowledge vis-à-vis the unfathomable unknowability of modern finance contributed to reinforce resilience as a neoliberal construct whereby ‘individuals, communities, systems and organizations’ should discard the expectations of ‘economic equilibrium’ and make themselves ‘fit for rigors of the catastrophe yet to come’ (Dean, 2014, p. 161).

The case of Garicano, on the other hand, highlights the risk of idealizing local knowledge as a ‘vital resource’ that can contribute to ‘returning power to the individuals and communities, who really have the power to self-organise in relation to the problem’ (Chandler, 2014b, p. 38). Local knowledge without a grasp of the complex dynamics within which is inscribed can be a disempowering force. Consider the letter written by a group of economists of the British Academy to the Queen, a few months after her visit to the LSE. Their answer to the Queen’s question – ‘how could you not see it coming’ – was that ‘the failure to foresee the timing, extent and severity of the crisis and to head it off, while it had many causes, was principally a failure of the collective imagination of many bright people, both in this country and internationally, to understand the risks to the *system as a whole*’ (cited in Harvey, 2010, p. 235, emphasis mine). From the perspective articulated in this article, the incapacity to foresee the crisis was a product of the growing compartmentalization and parcelization of (academic) knowledge at the expense of a sustained attempt to grasp the complex ‘big picture’ of neoliberal financial markets.

The mystique of complexity as unknowability and the related celebration of local knowledges risk amplifying this trend and encouraging an overly narrow analytical lens that, by precluding any intervention on the system because by definition too complex to be grasped, artificially constructs resilience as a form of agency and empowerment, while concealing its merely adaptive nature. This process can be observed in the way post-neoliberal resilience can oppose neoliberal capitalism. From the perspective of post-neoliberal ‘resilience-thinking’, Chandler argues,

[c]apitalism or the market ... becomes a problem not because of the production relations of exploitation and profitability but because of the individual consumption choices of individual consumers who are not ethically aware or politically reflexive enough to make more enlightened choices. If it is global capitalism that bears the final responsibility and if the dynamic driving the emergent causality of the complex social outcomes is individual decision-making, then there is little that governments can directly do. Capitalism then becomes a complex system of associative relations which we are all to different extents responsible for because we are all unequally embedded in the global market system which forms a network

of interconnectivity stretching from our smallest private choices to the largest global political problems. Rather than understanding capitalism as a social system that can be opposed or struggled against, resilience ethics suggest that we see ourselves as in part responsible for the market and its outcomes ... Once there is no separation between capitalism as a structure of social relations and the individual choice-making of consumers, the critique of capitalism operates essentially at the level of self-reflexivity and lifestyle choices. It is thereby through the ethical self-reflexivity of citizens as consumers and as individual choice-makers in their everyday lives that change can happen (Chandler, 2014b, p.139).

This argument suggests that any meaningful, let alone successful, hope to intervene on the complexity of the external neoliberal environment requires an introspective interrogation and transformation of the inner neoliberal self. This goal, according to post-neoliberal 'resilience-thinking', can only be achieved by projecting the individual beyond the market without the help of the state because, as he puts it, 'there is little that governments can directly do', as the neoliberal market is ultimately a projection of the neoliberal self. This approach reduces the possibility of opposing neoliberal capitalism and the market to an act of consumption and pursuit of lifestyles. It reduces political subjectivity to choosing between ethical and non-ethical 'consumption choices', that is, between ethical and non-ethical mortgages, investments, holidays, clothes, dishwashing powders, and so on. The paradoxical conclusion of this argument is that, in order to project ourselves beyond states and markets, we need to adjust our political subjectivity to the dictates of the neoliberal market.

The result is that '[c]itizens ... are rendered as investors or consumers, not as members of a democratic polity who share power and certain common goods, spaces, and experiences' (Brown, 2015, p.176) including the imagination and practice to resist, oppose and struggle against the complex system of relations of production, subjection, and exploitation that define the neoliberal capitalist order. In post-neoliberal 'resilience-thinking' this possibility of resistance is missing because neoliberal capitalism is construed as a direct projection of individual decision-making. This is ultimately a liberal perspective that constructs the individual as a rational and autonomous agent free from multiple, interlocking, and overlapping regimes of power/knowledge. This view fails to consider how the state is not an external agent in the process of neoliberalization. Indeed, as numerous scholarly contributions have recently pointed out, the emergence of neoliberalism has been crucially made possible not by the 'retreat of the state' and 'domination of the market', but by the active involvement of the state which has vigorously fostered processes of *economization* and *marketization* in all spheres of human activity (Foucault 2008; Dardot and Laval, 2013; Brown 2015; Mavelli, 2017). Not to address and engage with the complexities of this institutional and ideological apparatus – the neoliberal rationality – means locking individuals and communities in a diminished political status – the neoliberal framework – in which citizens are reduced to consumers.

For post-neoliberal ‘resilience-thinking’, however, the ontological complexity of the market can only be addressed indirectly through a self-reflective intervention on the inner self – which, as I have shown, is ultimately an act of compliance with the neoliberal order. At the heart of this contradiction is the mystique of complexity as unknowability that promises the possibility of freedom and emancipation beyond neoliberalism. This mystique of complexity ultimately rests on a ‘leap of faith’ that conceptualizes complexity as a ‘historical a priori’ that escapes regimes of power and knowledge, rather than as a *product* of these regimes. The result of this ontologization of complexity is that, in the post-neoliberal politics of resilience, what the individual is left with is an inward-looking gaze; an introspective interrogation and adaptation of the inner self that, rather than fostering processes of empowerment and emancipation, mimics the very subjugation and contrived resignation it would want to dispel. Complexity as unknowability, then, not only becomes ‘a form of reification or fetishization’ and scapegoating that ‘obfuscates ... processes, relations and spaces’ (Christophers, 2009, pp. 209-10); it becomes a reassuring cloak because if complexity means unknowability and if complexity is given, then there is very little we can do apart from accepting its consequences. The result is that the inward-looking gaze of post-neoliberal resilience is more likely to encourage forms of cognitive and political disengagement rather than emancipation and empowerment.

Conclusion

In this article, I have explored how post-neoliberal ‘resilience-thinking’ rests on a ‘leap of faith’ in complexity that can be traced back to the thought of Friedrich Hayek. Post-neoliberal ‘resilience-thinking’ significantly advances Hayek’s view by replacing his faith in the complex market system – instrumental to advance our freedom beyond the state – with a leap of faith in complex life per se – in order to project resilient life beyond liberal states and neoliberal markets. This construction, however, approaches complexity as an unknowable ‘historical a priori’ to existing regimes of power and knowledge, rather than as their product. Hence, I considered how the mystique of complexity as unknowability at the heart of post-neoliberal renderings of resilience is dangerous because it lends legitimacy to inward-looking forms of agency that ultimately favour, rather than oppose, neoliberal governmentalities.

My goal in this article was not to claim that post-neoliberal resilience is *always* a problematic and potentially dangerous proposition. Indeed, it may have an important contribution to offer for rethinking regimes of post-conflict intervention and reconstruction, as well as for understanding how complex life may ‘inform governance as a self-reflexive process’ in the aftermath of traumatic events such as terrorist attacks (Chandler, 2014b, p. 15). However, when it comes to neoliberal finance, financial crises, and neoliberal life more broadly, meaningful resistance requires demystifying the mystique of complexity and thus transcending the idea that complexity is ontologically given, that it stands for unknowability, and that local knowledges and ‘after the event’ self-reflexivity *alone* may act as a bulwark

against neoliberalism. Without some of the liberal-modernist ‘pretence of knowledge’ that post-neoliberal ‘resilience-thinking’ decries, that is, without a sustained endeavour to grasp the manufactured complexity of existing neoliberal regimes and their effects on our lives, these attributes of post-neoliberal resilience will only facilitate the reproduction of neoliberal life. The analysis carried out in this article thus suggests that, in order to rethink resilience beyond neoliberalism, two moves are essential.

First, it is necessary to reject the mystique of complexity as unknowable ‘a priori’ and unveil and investigate its manufactured nature. What is needed, then, is some sort of ‘modernist’ ontology in which, to use Max Weber’s (1991, p. 139) words, ‘principally there are no mysterious incalculable forces that come into play, but rather that one can, in principle, master all things by calculation’ (Weber, 1991 [1919]-b: 139). For Weber, the outcome of this process of *disenchantment* was a world governed by impersonal bureaucratic rationality, constantly haunted by a loss of meaning, irretrievably alienated by the fragmentation of moral values, and ultimately kept together by the ‘iron cage’ of capitalist mechanism of production and reproduction. What Weber neglected – or could not have possibly anticipated – is the extent to which the very instrumental and anomic rationality of capitalism would end up being *enchanted* – as in the case of Hayek’s ‘leap of faith’ in the market – in order to command attention, respect, and devotion. From this perspective, my call for demystifying complexity is not a defence of the hubris of liberalism and of the technocracy of neoliberalism. It is the idea that only by *disenchaining* the ontology of complexity by showing its manufactured nature as a product of regimes of power and knowledge, we may hope to *enchant* resilience as a post-neoliberal ethos capable of translating the notion that in the neoliberal order ‘there are no mysterious incalculable forces’, in the possibility that these forces may be resisted, opposed, and subverted.

Second, as it stands, post-neoliberal resilience relies on a misleading dichotomy between state-led/top-down/liberal and market-led/bottom-up/neoliberal rationalities of government. This view conceals how states are not external to – or victims of – neoliberal globalization, but have actually contributed to its development by fostering processes of economization. This process of denial actually works to strengthen the neoliberal state and, more broadly, the neoliberal apparatus, as well as to disengage other political and civil society institutions beyond the state such as political parties, trade unions, religious institutions, NGOs, debating societies, and so on. The imaginary of post-neoliberal resilience ultimately produces a ‘beyond states and markets’ utopia that not only fails to account for existing regimes of power, but encourages individualized, voluntarist, and consumerist understandings of political action that are an expression of neoliberalism.

This article thus rejects the post-neoliberal resilience idea that, to tackle global inequality, the best way may be to ‘consider how we as individuals might “compensate for our fair share of the avoidable human rights deficit”’ (Chandler, 2014b, p. 136, quoting Thomas Pogge), rather than ‘joining a political party to change policies or offer solidarity with the resistance of the poor and oppressed’ (Chandler, 2014b, p. 136). It suggests that states, national and international organizations, whether governmental or expression of civil

society, must not be transcended, but rather re-appropriated. These institutions must be reclaimed as primary sites of political engagement, consciousness formation, collective action, and strategic contestation of existing neoliberal regimes of power and knowledge. Only in such a framework may resilience become a resource for creative and innovative political action, rather than an inward-looking neoliberal foreclosure of our political possibilities.

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