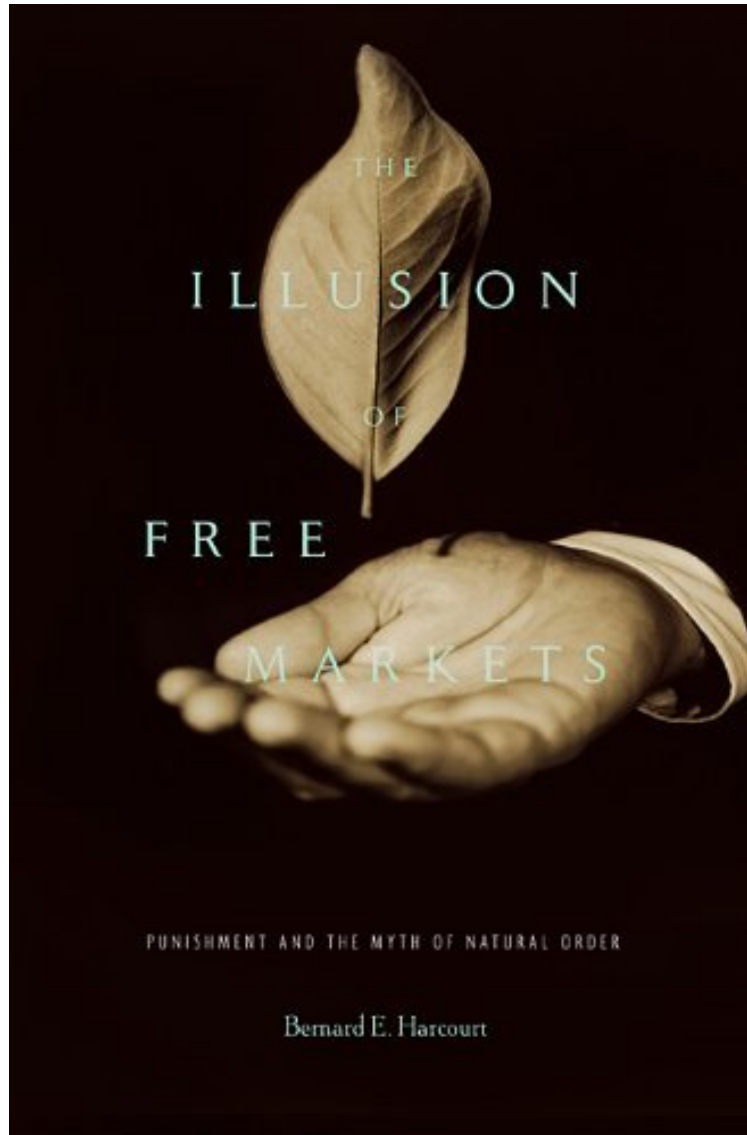


(Pdf free) The Illusion of Free Markets

The Illusion of Free Markets

Bernard E. Harcourt

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Bernard E. Harcourt : The Illusion of Free Markets before purchasing it in order to gage whether or not it would be worth my time, and all praised The Illusion of Free Markets:

0 of 0 people found the following review helpful. ' and though no prescriptive models can be easily derived from this bookBy Andrew MidzakThough I don't necessarily agree with the author's thesis that the market-based approach to sociological engineering in the United States of the late 20th and early 21st centuries has led to the development of a police state, I think the author's contention that there is no such thing as a 'free' market, vis a vis a naturalistic contention such as Dryden's 'noble savage,' is extremely important for theorists and lay examiners of market

economies alike. Much, perhaps too much, of modern economic theory is based on Kiplingesque 'just so stories,' and though no prescriptive models can be easily derived from this book, the qualifying look at the anthropomorphic creation of markets in Western civilization is highly valuable in this day and age. 20 of 23 people found the following review helpful. A timely and impressive critique of neo-liberalism

By Augustus Carmichael Harcourt's "The Illusion of Free Markets" is exactly the kind of book you should be reading right now. It's an impressive study of one of the most influential ideas in Western history in its origins, evolution, and the continual danger it poses for democracy. Harcourt presents the reader with two engaging stories that highlight the contradictions of neo-liberalism, the "grain police" in royal France and the modern Chicago Board of Trade. The grain police were an organization dedicated to regulating grain markets and enforcing prices in the name of the public good, and were used as an example of an illiberal institution by many early pro-market thinkers. However, the Chicago Board of Trade, perhaps one of the best examples of neo-liberal trade in action, is also defined by strict codes and harshly enforced rules of behavior, without which this vitally important market wouldn't even exist. Harcourt asks the reader why this change in perception in Western political culture occurred, and carries out a Foucaultian historical genealogy of the relationship between liberalism and criminality, or, the strange paradox of liberalism's dual faith in a "natural" economic order and the imperative to constantly correct the behavior of human individuals. Much of the first half of the book is dedicated to documenting the co-evolution of the concept of an attainable "natural order" in economics and the way early political theorists conceived of criminality. The French physiocrats argued that economics naturally ordered itself, while human behavior required strict regulation. However, the Italian theorist of human punishment Cesare Beccaria began to influence Western political philosophers as diverse as Quesnay, Bentham, and even the Chicago school of law and economics in modern times. Beccaria believed that there was no natural order in human society, and that in order to create freedom, economic and social behaviors needed to be conditioned by the state. Interestingly though, Beccaria's writings on social delinquency became an integral part of liberal political economy, while the economic dimensions of his thought were left in the dustbin of history in favor of a faux-physiocrat faith in the existence of an attainable natural economic order. This led to the two central components of classical liberalism that we see today in neo-liberalism: The claim that human behavior needed to be strictly regulated, but be left unfettered in the economic sphere. From this point onwards, Harcourt explores the various permutations this ideological concoction has taken in the modern neo-liberal world, particularly under the influence of Chicago economics. We see how the paradox led to a so-called liberalization of markets that coincided with a sudden increase in the size and power of the state. Harcourt briefly visits the Jacksonian era to provide more background on the development of the American penitentiary, which in combination with the Reagan Revolution in the late 20th century has resulted in unprecedented levels of mass-incarceration in tandem with a supposed growth in so-called freedom. He also shows that this trend is at work in other Western nations as well through various governmental strategies. Towards the final chapter, Harcourt points out to the reader that liberalism's penal-economic chimera is the reason why the American banking elite can run off with billions in taxpayers' money, while a petty criminal will spend months in jail for merely stealing something. Through a variety of historical twists and turns, we've arbitrarily decided that the banker's behavior corresponds to nature's order, while the petty criminal is violating the laws of natural liberty. I must caution readers of this review. Although Harcourt is deeply critical of the neo-liberals, his analysis is actually very fair. He doesn't "blame" the Chicago school for America's oppressive penitentiary system so much as simply demonstrate the role their influence played in creating it. Like Foucault himself, he sees the evolution of human thought and practice as prone to sudden changes and shifts beyond any individual's control. He is no conspiracy theorist, as he himself makes clear. I highly recommend this book, but would also recommend that it be read alongside Michael Perelman's *The Invisible Handcuffs of Capitalism: How Market Tyranny Stifles the Economy by Stunting Workers*. Its labor-centric approach to neo-liberalism critique would make an appropriate counter-part to Harcourt's penal-governmental approach. 7 of 8 people found the following review helpful. Needs editing

By Brian A. McBride Fascinating ideas. But golly such repetitive writing. The editors did the author a disservice but not streamlining his arguments. I'm a generalist and my love for the subject isn't strong enough to drive me through repetitions of the same idea in slightly different clothes.

Harcourt argues that the way we think about markets has distorted the way we think about criminal justice, to the detriment of both spheres. He calls to task the conceptualization of market exchange as "freer" and "natural," an idea he traces back to the 18th-century French Physiocrats, and finds reinforced in modern neoliberal theory. This "illusion" continues to contribute to the expansion of American penalty, as those who bypass the natural order of the market system are subject to policing and punishment by a government whose primary purpose is to protect the unfettered operation of capitalism.

From Publishers Weekly Not only is the "free" market of laissez-faire doctrine not free, it underpins the extravagant unfreedom of our metastasized penal system, argues this provocative intellectual history. Law professor and political scientist Harcourt advances two awkwardly intersecting arguments. The first, supported by his revealing comparison of police regulations governing 18th-century Paris's grain market with the rules of today's Chicago Board of Trade,

asserts that even supposedly free markets are saturated with arbitrary and biased regulation. The second, based on insightful readings of free market ideologues from 18th-century Physiocrats to latter-day "law and economics" theorists like Richard Posner, argues that the influential concept of the marketplace as a "natural order" that should remain outside government control implies its obverse: a "neoliberal penalty" of harsh state-supervised punishment for criminals who defy the market's ethos. (America, with its market-worshipping politics and swollen prisons, is his main exhibit.) The author mounts an incisive attack on the association of markets with freedom and government with repression, but his linkage of free market theory with the lockdown state is tenuous. The result is a stimulating challenge to conventional wisdom--which sometimes overreaches. (Jan.) (c) Copyright PWxyz, LLC. All rights reserved. The Illusion of Free Markets is a beautifully written and well-researched book that addresses two subjects of great contemporary significance: the conceptualization of market exchange as "free" and "natural," and the expansion of the American penal system. The book argues that the way we think about markets has shaped--indeed, distorted?the way we think about criminal justice, and it is time to rethink both. Harcourt's claims will spur lively and much needed debate. (Alice Ristroph, Seton Hall University) Bernard Harcourt has never had an uninteresting thought, or made an argument that does not provoke or engage or delight or enlighten?or do all of those things simultaneously. (Best-selling author Malcolm Gladwell) Bernard Harcourt has two urgent lessons to teach. The first is that there are no "free" markets, only markets regulated in different ways and by different means. The second is that libertarian devotion to free markets tends to march in step with authoritarian devotion to coercion, the punitive carceral state. This brilliant book, beautifully written and illustrated with a wealth of fascinating detail -- is a subtle and penetrating study of the origins and development of some of our principal modern illusions. (Robert W. Gordon, Yale University) Bernard Harcourt's magisterial book makes a strong and persuasive case for the tight connection of the invisible hand of neoliberal 'free' markets and the iron fist of carceral policies. His erudite blend of history, political thought and economic theory lays bare the dark side of neoliberal penalty. We ignore his powerful democratic voice and view at our own peril! (Cornel West, author of Democracy Matters and Race Matters) In this intrepid book, Harcourt excavates the historical genealogy of the twin myths of the 'free market' and the 'diligent police' to illumine the current American predicament of steep social inequality and gargantuan prisons. From Quesnay to Bentham to Ronald Coase and Gary Becker, he reveals that the current idolatry of the market finds its roots in successive declinations of the eighteenth-century notion of 'natural order,' which fosters both minimal government in economic matters and maximal government in law and order. By retracing how market naturalism and penal despotism come to form the two sides of the same conception of the state, The Illusions of Free Markets offers a bracing critique of neoliberal reason that will stimulate wide debate and heated controversy. (Loiuml;c Wacquant, author of Punishing the Poor: The Neoliberal Government of Social Insecurity) An ambitious and sophisticated exploration of the ideological roots of what might well be the central paradox of modern American culture -- that we insist that we are the leaders of the 'free world' while incarcerating more people per capita than any other country on the planet. (David Cole, Georgetown University) The Illusion of Free Markets explores the concept of natural order that underlies so much of free market economic thought?particularly the Chicago School. Bernard Harcourt's insights into how our economic rhetoric influences the United States' acceptance of incarceration are particularly rich. This book is a must read for anyone who wants to think seriously about those two natural antagonists: markets and democracy. (Lester Thurow, author of Head to Head, The Future of Capitalism, and The Zero-Sum Society) Not only is the "free" market of laissez-faire doctrine not free, it underpins the extravagant unfreedom of our metastasized penal system, argues this provocative intellectual history... The author mounts an incisive attack on the association of markets with freedom and government with repression... The result is a stimulating challenge to conventional wisdom. (Publishers Weekly) About the Author Bernard E. Harcourt is Isidor and Seville Sulzbacher Professor of Law at Columbia University and Directeur drsquo;eacute;tudes at the Eacute;cole des hautes eacute;tudes en sciences sociales, Paris.