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Series Editor: Anthony J. Marsella, Ph.D.

Carl Ratner

Neoliberal Psychology

International and Cultural Psychology

Series editor

Anthony J. Marsella, Professor Emeritus, University of Hawaii

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Neoliberal Psychology

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Economics are the method [for neoliberalism], but the object is to change the soul.

Margaret Thatcher

There are a thousand hacking at the branches of evil to one who is striking at the root.

Henry David Thoreau

It seems to me that the real political task in a society such as ours is to criticize the workings of institutions, which appear to be both neutral and independent; to criticize and attack them in such a manner that the political violence which has always exercised itself obscurely through them will be unmasked, so that one can fight against them.

This critique and this fight seem essential to me for different reasons: first, because political power goes much deeper than one suspects; there are centers and invisible, little-known points of support; its true resistance, its true solidity is perhaps where one doesn't expect it. Probably it's insufficient to say that behind the

governments, behind the apparatus of the state, there is the dominant class; one must locate the point of activity, the places and forms in which its domination is exercised. And because this domination is not simply the expression in political terms of economic exploitation, it is its instrument and, to a large extent, the condition which makes it possible; the suppression of the one is achieved through the exhaustive discernment of the other. Well, if one fails to recognize these points of support of class power, one risks allowing them to continue to exist; and to see this class power reconstitute itself even after an apparent revolutionary process.

*It is only too clear that we are living under a regime of a dictatorship of class, of a power of class which imposes itself by violence, even when the instruments of this violence are institutional and constitutional
(Chomsky-Foucault, 2006, pp. 41, 39).*

Foucault

*To Lumei. Lemon tree very pretty and the
lemon flower is sweet*

Preface

The Reasons, Purposes, and Outcomes of This Book

This book is about the psychology of people living in neoliberal capitalist society. Their psychology is neoliberal psychology. It is infused with neoliberal form and content. These characteristics of neoliberal psychology are derived from the characteristics of neoliberal society and require a deep understanding of the latter. Neoliberal psychology is thus a vital insight into neoliberal society. Neoliberal psychology brings society into psychology, and psychology into society. It breaks down the false, artificial division between society and psychology that is practiced in academia and in everyday life.

This book has been motivated by four concerns: (1) to scientifically understand the cultural psychology of people in the neoliberal era, (2) to develop the academic discipline of cultural psychology to become adequate to comprehending neoliberal psychology, (3) to utilize neoliberal psychology to deepen our understanding of neoliberal society (which is dominant around the world), and (4) to utilize our understanding of neoliberal psychology and neoliberal society to enrich/improve our current psychology and social system. We need a coherent understanding of the present and its dialectical potential for a qualitatively improved future. The current lack of this understanding is responsible for the triple errors of current social trends: (a) ignoring or accepting the true causes of oppression, and electing economic and political oppressors as social leaders, (b) attacking innocent scapegoats such as immigrants, gender, religious groups, and race, and (c) lacking a vision of a viable, comprehensive alternative to neoliberalism. All of these errors intensify the oppression and crises that afflict the populace.

The distinctive contribution of cultural psychology to social emancipation lies in the scientific conceptualization of psychological phenomena as cultural phenomena that are elements of cultural factors and processes. It follows that enriching, fulfilling, and emancipating psychology requires enriching, fulfilling, and emancipating its cultural basis and character. No other psychological approach includes

emancipating the social system within its purview because no other approach conceptualizes psychology as elements of the system.

The political, critical, transformative, and emancipatory thrust of cultural psychology is particularly necessary in this era of cascading geopolitical, environmental, economic, and moral disasters. This book elucidates the contribution that cultural psychology can make to salvaging and advancing human civilization.

Neoliberal Psychology: The Cultural Psychology of Our Era

Neoliberal psychology is not simply certain natural reactions to neoliberal society. It is not simply that neoliberal society galvanizes our anxiety or confusion or hyperactivity or suspiciousness or defensiveness or depression or confidence, or creativity. These abstract, psychobiological reactions to neoliberalism do not capture the neoliberal form and content of our psychology. They would actually reduce neoliberal psychology to a quantitative point on a universal scale. They would reduce culture to a simple, quantitative regulator of universal, specific psychological processes. (This is the methodology of most cross-cultural psychologists who compare diverse cultures on their degree of “religiosity,” or “neuroticism.”)

Neoliberal psychology, like all psychology, is a concrete form and content of psychological processes—e.g., emotions, perception, cognition, motivation, memory, and psychological disturbance. Neoliberal psychology is not how we respond to neoliberalism on the basis of our individual (biological or personal) response mechanisms (which are outside neoliberalism). Neoliberal psychology is how neoliberalism forms our psychological responses to things, events, and people. We do not simply respond to neoliberalism; we are neoliberal responders.

The concrete, neoliberal form and content of psychology are our self, our emotion of love, our sexuality, our attention and perception, our memory, our child development, our femininity, our masculinity, our parenting, our eating, our dressing, our thinking/reasoning, our needs, and our communicating.

Our psychology is not simply situated within a neoliberal context; our psychology is infused with the features of that context. (Vygotsky 1994b, p. 348, said “The environment is a factor in the realm of personality development, and its role is to act as the source of this development … and not its context.”) The neoliberal context is within us as well as outside. We do not simply live in neoliberal capitalism; we live neoliberal capitalism. Neoliberalism is our life, and we are the life of neoliberal capitalism; we are neoliberal subjects, we are neoliberal agents, and we have neoliberal psychology which is the subjectivity of neoliberal capitalism.

Neoliberal psychology is as much our character as being French or Italian is. Italians do not simply live in Italy; they *are* Italian, and their psyches and bodies *are* Italian in the sense that they have Italian form and content; they act and think and dress and eat “Italian.” Neoliberal psychology is our cultural psychology, just as Italian is cultural psychology. We *are* neoliberal subjects just as we are Italian or French. Our psychology has neoliberal form and content. Just as we emphasize the unique,

concrete, incomparable, untranslatable qualities of Ifaluk emotions (e.g., “fago”), Japanese Amae, Yroba mental illness, Wahhabi Islamic femininity, Victorian sexuality, and the Kibbutzum self-concept, so we must emphasize the concrete, incomparable, untranslatable form and content of the neoliberal self, neoliberal emotions, neoliberal perceptions, neoliberal femininity, neoliberal childhood, neoliberal motives, neoliberal needs, and neoliberal sexuality.

Our neoliberal indigenous psychology merges with and modulates our Frenchness, our Italianness, and our Chineseness. We are neoliberal Frenchmen, or French neoliberals; we are Chinese with neoliberal characteristics; just as Germans are feudal Germans or bourgeois Germans, depending upon the political-economic system they live in. Their feudal and bourgeois characters are as pronounced as their “German” character is—and modulate their Germanity. The same holds for the neoliberal features of culture and psychology—they are as pronounced as their national features are—if not more so. Contemporary Germans are neoliberal Germans just as their forebearers were medieval Germans.

Neoliberal psychology is a new cultural form, along the lines of Eric Fromm’s cultural personality types such as the receptive, exploitative, hoarding, marketing, and productive personality. In cultural terms of customs and rituals, capitalization is the central ritual of neoliberal capitalism.

It is apparent that transnational neoliberalism is becoming a more powerful cultural force than national cultural histories are. Liu (2008, p. 193) found evidence of this in her detailed ethnography of Chinese youth: “In planning their lives and attempting to achieve their life goals, the young people have adopted an individualized approach, displaying a form of the autonomous, self-authoring and individualistic neoliberal subject, with little reference to the socialist collectivist values with which the Party has been attempting to indoctrinate Chinese citizens.” (I would argue that the neoliberal self of a 20-year old Chinese girl in Shanghai is more similar to an international cohort’s self in neoliberal Berlin than to a cohort from her national Chinese culture such as the Sui Dynasty.) Of course, national cultural histories remain important factors in society and psychology. They modulate or mediate neoliberalism in each particular culture. Neoliberalism is not a singular variable (Ratner 1997a).

The rising dominance of neoliberalism in society and psychology is not surprising given the neoliberal integration of countries today. Liu (2008, p. 210) explains this neoliberal cultural conditioning of psychology in China: “The fierce competition based on the ‘jungle law,’ lack of social security, including old-age care of the parents—which constitutes emerging burdens especially for the only-child—credentialism, widespread corruption and consumerism, all seem to teach people that it is oneself and one’s family that it is the most reliable welfare agency for individual well-being, which is increasingly being defined according to the western middle-class lifestyle.”

Bhatia and Priya (2018, p. 662) report the same occurrence in India: “New forms of Indianness are also being shaped by media, transnational circuits, travel, and outsourcing. The presence of American cultural symbols and practices, the establishment of the IT industry and call centers, and the insertion of cross-cultural

psychology, psychotherapy, testing, and personality evaluation through psychological science and new-age psychology is not only impacting the work life of young Indian workers, but it is also reconstituting the very meaning of “Indianness.”

International neoliberal capitalist organizations, such as the World Trade Organization, Devos, G20, Asian Pacific Economic Cooperation, agree on common neoliberal economic agendas for all their members. National characteristics are marginalized. A shopping mall in China or Saudi Arabia or Los Angeles is indistinguishable. Educational standards are also becoming globalized and interchangeable as students shift from one country to another during their studies. In addition, professional psychology, in academia and in therapeutic interventions, is becoming globalized and neoliberalized. For example, Chinese academic psychology is identical to American, neoliberal, positivistic psychology.¹ Since professional psychology frames many psychological constructs of everyday life, it contributes to the internationalizing of neoliberal psychology in the populace. For instance,

Urban Indian workers are expected to largely follow the ideology of Western corporate culture through individual transformation, embracing a self-Orientalizing framework, acquiring new behaviors of increased emotional intelligence, assertiveness, flexibility, productivity, and self-regulation. The corporations deploy a series of personality tests to recruit, evaluate, and to assess the personality types and traits of the employees. Soft-skills psychological workshops are conducted to create assertive, confident, happy, and self-reliant workers. For instance, the Myers-Briggs Type Indicator and Transactional Analysis inventories are two of the most commonly used instruments for training purposes in Indian corporations (Bhatia & Priya, p. 654).

Just as we can only understand Italian psychology by understanding Italian culture, so we must understand neoliberal culture, or society, in order to understand neoliberal psychology. Cultural studies must include neoliberal culture.

Because neoliberal psychology reflects and embodies neoliberal cultural factors, it can be an important window into expanding our understanding of neoliberalism. Neoliberal psychology gives life to official, structural, policies; it informs us of the manner in which they are lived by people and the effects they have on real life. Neoliberal psychology testifies to the level of development of neoliberalism in political and economic domains. The more pervasive that neoliberal love, sexuality, self-concept, childhood, parenthood, needs, and interpersonal relations are, the more dominant neoliberal political economy is, because psychology reflects such macro-cultural factors.

Psychological insights into society are valuable for designing strategies to improve society. These insights and strategies may contradict official propaganda and objectives (Ratner 2017b).

¹ Actually, Chinese psychology is more conservative and neoliberal because it lacks the progressive, countervailing scholarship of theoretical psychology, sociocultural psychology, macro-cultural psychology, and critical psychology.

Psychological Theory for Neoliberal Psychology

The fact that neoliberal psychology does not exist for psychologists is a major failure of the discipline. It testifies to underlying inadequacies in the concerns, theories, and methodologies of psychologists. It is remarkable that virtually all psychologists ignore the dominant character of human psychology in the world today. This failure plagues mainstream academic psychologists (cognitive psychologists, developmental psychologists, physiological psychologists, social psychologists, health psychologists, educational psychologists), psychiatrists, psychotherapists, cross-cultural psychologists, and most cultural psychologists. Neoliberal psychology is simply not one of their constructs or topics.

A psychological theory and methodology *for* neoliberal psychology must be developed. It must incorporate the scope of neoliberal psychology—including its cultural basis, socializing mechanisms (How do emotions, perceptions, mental illness take on cultural form and content?), operating mechanisms, relation to neoliberal society—and it must include mechanisms for social and psychological improvement. These points must be built into the psychological theory and methodology so that they can be elucidated by the theory and methodology. Tools are constructed for handling specific kinds of things with particular properties.

A psychology *for* neoliberal psychology must be constructed for apprehending the psychology *of* neoliberalism. Neoliberal psychology refers to both of these. It refers to the everyday psychology of people and to the academic psychology that apprehends it (which I designate with a capital P).

The only suitable theory for researching neoliberal psychology must be a cultural-psychological theory that emanates from, and draws upon, social science research into the relationship between culture and psychology. This research has occurred in psychological anthropology, medical anthropology, sociology of emotions, history of emotions, cultural studies, cultural hermeneutics, cultural linguistics, and sociology of gender and social class. Examples of this work include research on Ifaluk emotions, or language and perception among native American Indians. The theories and methodologies of this kind of research can be expanded to study neoliberal psychology.

The cultural-psychological theory that is the most sophisticated, coherent, and suitable for neoliberal psychology is known as cultural-historical psychology. It was developed by Vygotsky and his colleagues in the wake of the Russian Revolution. Vygotsky's followers have promoted his general concepts in fields such as child psychology, linguistics, and educational psychology. However, they (with few exceptions) have neglected (and denied, distorted, and trivialized) the "macro"-aspects of Vygotsky's theory (Ratner 2018a, b, c, 2015, 2016a; 2019, chapter 5; Ratner & Nunes, 2017b). This leaves them incapable of applying the theory to social issues such as neoliberalism. I have developed Vygotsky's macro-ideas under the name "macro-cultural psychology" (see Ratner 2018a, b, c, 2017a, b, 2016a, 2015, 2014c, 2013, 2012a, b). This is the theory I shall utilize to analyze neoliberal psychology.

The general theory of cultural–historical psychology/macro-cultural psychology informs us about how culture is organized and how this organization structures our psychology.

For example, the general theory of cultural–historical psychology/macro-cultural psychology postulates (from theoretical and empirical research) that psychological phenomena are most powerfully organized/influenced by the political economy of a cultural system. Vygotsky (1997b, pp. 55, 56, 348, 211–212) explained:

Since we know that each person's individual experience is conditioned by the role he plays in his environment, and that it is the class membership which defines this role, it is clear that class membership defines man's psychology and man's behavior. Social stimuli that have been established in the course of historical development...are permeated through and through with the class structure of society that generated them and serve as the class organization of production. They are responsible for all of human behavior, and in this sense we are justified in speaking of man's class behavior.

Vygotsky is saying that the class structure—which reflects political–economic power, wealth, ownership, wage labor, and principles of production—conditions the social roles of society, individual experience (in those roles), and individual psychology (in social experience). This is a cultural theory contained within his psychological theory (or vice versa). The validity of the psychological theory depends upon the validity of the culture theory. If the culture theory directs us to marginal, superficial, or fallacious cultural features, this will impede our ability to comprehend the concrete form and content of psychological phenomena.

Applying this to neoliberal psychology means that we must comprehend neoliberalism's political economy and trace its influence into the class structure, social roles, individual experience, and individual psychology. That will provide us with the most important explanatory constructs, descriptive constructs, and predictive constructs of neoliberal psychology's form and content. My presentation of neoliberal society will therefore emphasize its political economy for understanding other cultural factors and also psychology.

The theory also provides important constructs for explaining the processes by which psychology takes on cultural form and content.

While neoliberal society contains the keys to comprehending neoliberal psychology, it does not hand them to us on a platter. We need a theory to extract them.

This book is a dialectical dance between neoliberal psychology and macro-cultural–psychological theory, with each illuminating the other, and also adapting to the other. Neoliberal psychology is opened by macro-cultural theory to reveal unnoticed features which are conceptually analyzed and organized in new ways; and the theory is opened by neoliberal psychology that stimulates new theoretical concepts, distinctions, and organization. Refining the theory is as important as comprehending neoliberal psychology, because the latter requires the former.

Because macro-cultural–psychological theory is the organizing framework that selects and organizes the elements of neoliberal psychology in relation to neoliberal society, it would normally be positioned as the introduction to a book such as this. That would explain what issues and relationships we are looking for, why they are

important, and how they bear on related cultural and psychological issues. However, there are two reasons this is not the best strategy for introducing this book. One is the nature of the theory, and the other is the nature of the subject matter, neoliberal psychology. The theory is a grand, general, scientific theory of cultural psychology; it will appear abstract and distracting to the reader who is looking to comprehend concrete neoliberal psychology. This is an acute problem for this subject matter because neoliberal psychology is a new subject that is undefined. The reader will feel doubly lost reading a grand, general, abstract psychological theory that is supposed to eventually explain an undefined topic.

To avoid these two problems, I will introduce this book with some concise snapshots about neoliberal society and neoliberal psychology. The reader can interpolate these specific referents while reading the theory of macro-cultural psychology in Chap. 2. Neoliberal society shall be described in Chaps. 3, 4, and 5, which address neoliberal political economy, neoliberal education, and neoliberal ideology. These are central structures that organize neoliberal psychological phenomena. Neoliberal psychological phenomena will be selectively described in Chap. 6. The final Chap. 7 will review the relationship between cultural-historical/macro-cultural-psychological theory and neoliberal psychology. It will conclude by explaining how the scientific advances of macro-cultural-psychological theory play a progressive political role in enriching psychology and society. I explain how the macro-cultural-psychological science of neoliberal psychology exposes deep-seated, destructive features of neoliberal society, and these call for society's reorganization in a cooperative, democratic form. This advanced form of society generates psychological phenomena which embody this fulfilling form. Cultural science leads to progressive cultural politics which are necessary for advancing society and psychology. This is the dialectical spiral of science and politics. It makes politics scientific, and science political.

Trinidad, USA

Carl Ratner

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Chapter 1

Introduction: Snapshots of Neoliberal Society and Psychology



Neoliberalism is first and foremost a political economic system. It is an intensification and extension of capitalism. It is capitalist principles developed and purified, which dominate social (and natural) domains where they were formerly muted. These include education, health care, outer space exploration, the military (i.e., military contractors), the courts, religion, national security (70% of which is privately contracted in the USA), news, and scientific research (Rabin 2018; Hertsgaard and Dowie 2018). The specific principles of neoliberal capitalism shall be elucidated in Chap. 3. I introduce them here in the form of brief examples which give the reader a good sense of them.

Neoliberalism intensifies and extends itself by displacing competing socioeconomic forms that restrict it. Neoliberalism is thus hyper-capitalism, super-capitalism, or uber-capitalism. This means that a thorough, nuanced, comprehension of capitalism is more important than ever for understanding neoliberal social life and psychology. Marx's analysis of the essence of capitalism remains unsurpassed. It must be a touchstone for any discussion of neoliberalism and its transformation. Marx's analysis will be incorporated into the macro cultural psychological theory that frames neoliberal society and neoliberal psychology. I will demonstrate that Vygotsky incorporated Marx into his cultural-historical psychological theory. Marxism comprises the macro elements of Vygotsky's theory. Macro cultural psychology rehabilitates and develops this relationship within Vygotsky's work (which his followers have generally ignored, denied, distorted, and trivialized).

My objective in this book is not to assess the degree of neoliberal penetration in particular countries. It is to identify neoliberal practices in a variety of countries. My point is to understand the form and content of psychology that neoliberal practices generate. For this purpose, it does not matter how extensive these practices are in any particular country. I can use neoliberal practices in China to study their associated psychology even if they are not hegemonic throughout the society, and even if China

is not as neoliberal as the U.S.A. [Studying neoliberal psychology in China actually helps to know how extensive neoliberalism is there; for the psychology testifies to the extent to which people have internalized neoliberalism into their consciousness and behavior. The research of Liu that I cited in the Preface indicates that neoliberalism is a popular, lived, Weltanschauung or ethos among Chinese people, which regulations on neoliberal economics do little to dampen.]

Of course, social and psychological effects of neoliberal capitalism are easiest to locate in their purest form in countries where neoliberal practices are most dominant and salient. Therefore, most of my discussion will refer to the USA.

The intensification and extension of capitalism produce qualitative changes in capitalist social life. They modify the class structure, social policies, social leadership, rights and obligations, opportunities and restrictions, the form and content of education, entertainment, recreation, work, news information, childhood, eating, self-concept, and sexuality. These social changes directly affect the concrete form and content of neoliberal psychology.

It is instructive at this point to present a few snapshots of the form and content of neoliberal social relations. They will provide a sense of what this book shall amplify as the cultural basis of neoliberal psychology. The snapshots shall also serve as targets for our psychological theory in the next chapter.

A Few Facts that Define Global Neoliberalism

Three people—Jeff Bezos, Bill Gates, and Warren Buffet—own more wealth than the bottom half of the American population combined (<https://www.alternet.org/economy/billionaire-bonanza-2017?akid=16345.152322.rR6bUs&rd=1&src=newsletter1085105&t=12>).

Between 1978 and 2016 (the period of neoliberal economic dominance in the United States), CEO pay rose by 937%, while the typical worker saw compensation growth of 11.2% over the same period. (Truthdig, July 20, 2017; http://www.truthdig.com/report/item/worker_wages_are_flat_but_since_1978_ceo_pay_has_soared_by_937_20170720).

For the past fifty years, the share of national income in America that goes to employees—rather than investors—has been steadily shrinking; by 2010, labor's share had reached the lowest point ever recorded (Lafer 2017).

While the net worth of the bottom half of American households evaporated in 2011–2014, that of the richest 1% grew by an average of \$5 million per family (Lafer 2017).

A research paper titled “Decomposing the Productivity-Wage Nexus in Selected OECD Countries, 1986–2013,” studied 11 advanced-capitalist countries and found that in eight of them median wages have not kept pace with growth in labor productivity. The 11 countries studied were Canada, the United States, Norway and eight members of the European Union—Denmark, France, Finland, Germany, Ireland, the Netherlands, Spain and the United Kingdom. The widest gap between pay and pro-

ductivity growth occurred in the USA, with Germany in second place. Spain, Norway and Ireland were the three exceptions, although in each the gain in wages over productivity is small. Only the wages of the top 1% grew faster than productivity growth. The labor share of income in the United States is the lowest it has ever been since the end of World War II. The tendency throughout the period has been for decline, but the decline has been much steeper since 2001—labor share of income in the U.S. is 15% lower in 2017 than it was in 2001. On a scale of one to five, with one representing the countries with the best ratings (merely “irregular violations of rights”) and five representing the worst (“no guarantee of rights”), Britain and the United States received rankings of four. German wages have been suppressed since 2001 in relation to inflation or productivity gains—the prosperity of German manufacturers has come at the expense of German workers (Dolack 2017).

82% of the global wealth produced last year went to the richest 1% of the world’s population. The 42 richest people now own as much wealth the poorest half of the world’s population. The richest 1% of the world’s population own more wealth than the whole of the rest of humanity. President Trump’s 15 cabinet members have a combined wealth that is greater than the 100 million poorest Americans. More than 2.78 million workers die every year because of occupational accidents or work-related diseases—one every 11 s (Oxfam Report 2018, “Reward Work Not Wealth”; https://www.oxfam.org/sites/www.oxfam.org/files/file_attachments/bp-reward-work-not-wealth-220118-summ-en.pdf).

One half the children in American schools are officially classified by the federal government as low-income (Ravitch 2017).

Almost 1/3 of Americans, some 90 million people, were officially poor for two months or more between 2009–2011 (Madrick 2017).

A production operation specialist on 737 airplane fuselages at Boeing’s sprawling facilities was praised consistently, including a good performance review in 2012. Suddenly, in 2013, it laid her off along with 360 workers: “They walked us out, and wouldn’t let us go back and say goodbye”. “They drove us to an empty parking lot, and that was it.” Most of the laid off workers were over 40 years old—on the path toward receiving seniority wage increases and then pensions—with medical issues that caused the employer’s health care premiums to rise. To cut pension and health costs, the company fired these workers (Olson 2017).

Anxiety is the most common mental-health disorder in the United States, affecting nearly one-third of both adolescents and adults, according to the National Institute of Mental Health. In its annual survey of students, the American College Health Association found a significant increase—to 62% in 2016 from 50% in 2011—of undergraduates reporting “overwhelming anxiety” in the previous year (Denizet-Lewis 2017).

In 2016, San Francisco hedge fund billionaire Tom Steyer contributed \$91 million to federal political candidates and causes; Las Vegas billionaire casino owner Sheldon Adelson contributed \$83 million. (This does not include contributions to state politics.)

A research undertaking funded by the Australian Research Council with a team of researchers based at the University of Sydney and Harvard University ranks the

democratic election integrity of U.S. elections below that of all 19 North and Western European democracies. The U.S. is also below 10 other nations in the Americas (Costa Rica, Uruguay, Canada, Chile, Brazil, Jamaica, Grenada, Argentina, Barbados and Peru), 10 nations in Central and Eastern Europe, nine Asian-Pacific countries, two countries in the Middle East (Israel and Tunisia) and six African nations (<https://www.truthdig.com/articles/who-will-protect-u-s-election-integrity-from-american-oligarchs>).

Rich Chinese entrepreneurs are joining the global billionaires club at the rate of two a week (104 per year). Just 30 years after China allowed private enterprise, the country's billionaires now number 373 and account for almost one in five of the global total of 2158. (There were only 16 Chinese billionaires as recently as 2006.)

China's billionaires saw their combined wealth surge 39% last year to \$1.2tn. The U.S. billionaires club reached 585 after gaining 22 net new joiners, helping to swell their combined wealth by 12% to \$3.1tn. "China has overtaken the US as the place where exceptional wealth is created at the fastest rate" ([Financial Times](https://www.ft.com/content/32e24663-a160-32ce-b748-1d005804f073) 2018; <https://www.ft.com/content/32e24663-a160-32ce-b748-1d005804f073>).

China has one of the world's highest levels of wealth inequality (different from income inequality), with the richest 1% of households owning a third of the country's wealth while the poorest 25% of Chinese households own just 1%, a report from Peking University's Institute of Social Science Survey has found. ([Financial Times](https://www.ft.com/content/3c521faa-baa6-11e5-a7cc-280dfe875e28?mhq5j=e5) Jan. 14, 2016; <https://www.ft.com/content/3c521faa-baa6-11e5-a7cc-280dfe875e28?mhq5j=e5>).

The Chinese top 10% wealth share (67% in 2015) is getting close to that of the United States (72%) and is much higher than in a country like France (50%) (Piketty et al. 2017).

In 2016, China's "Gini Coefficient" (which measures inequality of family income) was higher than the U.S.'s (4.65 vs. 4.52) (<https://www.statista.com/statistics/250400/inequality-of-income-distribution-in-china-based-on-the-gini-index>).

The combined wealth of the 2130 richest Chinese individuals (with US\$300 million each) amounts to US\$2.6 trillion, equivalent to the U.K.'s gross domestic product, the fifth largest economy in the world.

The average wealth of China's richest has grown at 12.5% year-over-year, almost double the pace of the country's GDP growth (<https://www.mansionglobal.com/articles/77248-where-do-the-richest-chinese-live-in-china>).

The World Inequality Lab, report on world inequality, compiled by Thomas Piketty and other economists, reports that in China, the share of public property in national wealth has declined from about 70% in 1978 to 30% in 2015. The top 10% income share rose from 27% to 41% of national income between 1978 and 2015, while the bottom 50% share dropped from 27 to 15%. The top 10% income share in Europe was 37% of national income, which makes China more unequal than capitalist Europe (Piketty et al. 2017, p. 1).

The average income of the bottom 50% (a group that includes 530 million adults) is equal to 30% of the average income in China (ibid. p. 27).

"The percentage of students at Peking University from rural origins has fallen to about 10 percent in the past decade, down from around 30 percent in the 1990s. An