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# PERFORMATIVITY, MISFIRES AND POLITICS

Michel Callon

Does the thesis of the performativity of economics and the embeddedness of the economy in economics not have the effect of depoliticizing the question of the economy? Does it not implicitly grant economists the monopoly on the definition of what is considered 'good' management of economic affairs? Worse still, does it not strengthen the existing tendency, accentuated by the domination of neo-liberal doctrines, of purging political debate of all questions on the modalities of the organization of economic life? These questions raised by Judith Butler are crucial. What I would like to suggest in these brief comments is that the performativity programme, far from putting aside the question of critique and political debate on the economy, seems on the contrary to contribute, in at least two different ways, to making reflection on the economy-politics nexus central.

First, saying that economics, with the multiplicity of frames of analysis and theoretical models that it develops, contributes to the constitution of the object that it studies, means implicitly claiming that there is no single way of organizing the economy and moreover of organizing it satisfactorily or even effectively. In itself the thesis of diverse modalities of organization of economic life is by no means new or revolutionary – no more than that of the diversity of market configurations. What the performativity thesis does add is that there is no one best way, no single form of organization that imposes itself naturally and compellingly, so to speak, as the only one able to ensure the optimal functioning of markets. Markets, to stick to this very specific economic form of organization, are complex realities that can be configured differently, as each configuration can be designed to respond to particular orientations and requirements. This diversity – and on this point the performativity programme adds something essential – stems partly from, and to some extent is expressed in, the plurality of theoretical frameworks devised to account for the various aspects of market functioning. An evolutionary market (as defined by evolutionary economics), organized around a systematic logic of innovation and creation of new resources, is different from a neo-classical market structured around the allocation (if possible optimal) of existing resources: the forms of competition as well as the nature of equilibriums or disequilibriums, differ substantially in each case and imply, among other things, modalities of industrial property or varying incentives (Nelson & Winter 1977, 1982). The performativity thesis leads us to consider that it is feasible to conceive and to enact markets whose functioning corresponds to varying degrees either to neo-classical models or to evolutionary ones. It therefore implies that, in the case, for example, of the design of a new market or the transformation of existing ones, we can (a) define, at least programmatically, a number of requirements concerning the desired modalities of functioning; (b) develop models that are formalized to a greater or lesser degree, to explore the field of possibilities (what we could call economic analysis); and (c) run *in vitro* and/or *in vivo* experiments to test these models and their results, with a view to amending them (Muniesa & Callon 2007; Callon 2009). The fact that there is room for

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choice obviously implies the possibility and, in a democratic system, the necessity of political debate in which economics is a stakeholder. This first form of relations between politics and the economy, mediated by economics, corresponds to what might be called a political engineering of markets. It involves the creation of institutions, procedures and devices that correspond to what we have proposed to call dialogic democracy (Callon *et al.* 2009).

Judith Butler's paper very convincingly shows that we would be wrong to limit our analysis to this first type of relationship. To be sure, the market can be put to the service of political action, but this does not exhaust all possible relations between politics and the economy (for a critique of the limits of this view, see Cochoy 2008). It is necessary first to settle the question of the distribution between politics and economics. The idea is no longer only to design markets intended to internalize political questions and to deal with them by extending political action by other means (like when firms are expected to be socially responsible or when consumers introduce ethical criteria into their purchasing decisions). It is also a matter of drawing a (provisional) dividing line between those questions that we consider need to be treated politically and those that can be delegated to the market. The modalities of this distribution, which can be likened in a sense to a bifurcation (Whitehead 1978[1929]), are likely to generate debate. For example, the question of climate change triggers the creation of programmes that distribute political answers and economic answers differently, as evidenced in the extreme contrast between those who consider that well-organized carbon markets are enough to contain greenhouse gasses and their opponents who contend that the only lasting solution is to leave the carbon in the ground (Lohman 2006).

Once accepted and implemented, the distribution has to be maintained, knowing that it is always likely to be revised and redefined. It is therefore relevant to talk of a process of economization (or marketization) that determines behaviours qualified as economic (or market) (Caliskan & Callon 2009, 2010), and to observe that it is simultaneously a process of politicization. By opening up the analytical perspectives highlighted by Judith Butler, the performativity thesis is useful for analysing this bifurcation and going beyond the question of the delegation of certain political tasks to markets. That is the subject that I now wish to consider.

Judith Butler points out that the Austinian thesis cannot be reduced to illocutionary performativity, to which it is often wrongly equated, and that it includes perlocutionary performativity. I am convinced – and Butler seems to share this point of view – that the notion of perlocution is actually more fundamental and in any case more general than that of illocution. Illocution can be seen as a particular (extreme) case of perlocution, characterized by the fact that the (material and institutional) conditions required for its success are met. This is what I wanted to suggest by proposing the notion of performance alongside that of the co-performance struggle (Callon 2007). A successful illocution, like a successful performance, implies the active presence of appropriate socio-technical *agencements*. As such an adjustment is always fragile and rare, the general rule is a misfire. We can choose to call this misfire overflowing, when we equate perlocutionary performativity (i.e. performance) with a framing that, like any other, produces or, rather, ends up producing, its own overflows. Illocutionary performativity is a successful performance because it is able to make inactive and invisible the overflows or misfires that comprise any illocution but that will (perhaps) be discovered only later. One simply has to broaden the timeframe to transform illocution into perlocution. At the same time

the analytical separation proposed by Judith Butler, between the production of ontological effects, said to result in the constitution *ex nihilo* of new realities (corresponding to illocutionary performativity), and the alteration of on-going situations (corresponding to perlocution) is a difference of degree and not of nature. In the alternative proposed by Butler, I would therefore tend to favour the latter position ('the risk of breakdown and disruption are constitutive to any and all performative operations', p. 152, this issue) and to consider that it includes the former as a particular case. Depending on the degree of fit between the discourses and socio-technical *agencements* in which they are involved (a fit denoted by the notion of conditions of felicity), the gap between what is done and what is said is likely to vary.

These comments on the notion of performativity may seem abstract. In reality, they have important consequences for understanding and analysing the bifurcation-distribution considered above. Politics, involved in a certain definition of the economy and economic markets, is found in the misfires and overflowings inevitably produced by this formatting. In other words, because it cannot avoid misfires, perlocutionary performativity, which is the rule, generates issues that lead to the explanation and discussion of the politics that it implies. Discourses draw boundaries, exclude and reject, and it is in these mechanisms that the political dimension lies.

It is because the economy is performed, because any perlocution produces misfires, and because these misfires spawn issues, matters of concern, that the performance struggle starts, in the form of controversies over the nature of relations between that which is delegated to the economy and that which remains outside of it. Saying and doing the economy – because all economies are said and done (Caliskan & Callon 2009) – means entering into the agonistic field where the delimitation-bifurcation between the economy and politics is constantly being debated and played out. Structurally, the performativity of economics implies a demarcation between that which is economic and that which is not. Every economic performance programme calls for a counter-programme which takes as its starting point that which was left out, to propose another definition of the economy.

Perlocutionary performativity implies that misfires are the rules of the game. The constitution of economic markets is no exception to the rule: it is an on-going process, constantly restarted. Butler rightly emphasizes the fact that distribution has no origin; it is not carried out once and for all and never permanently defines that which is political and that which is economic: 'the particular separation between economy and society does not just happen once', she writes, '... we would be making a mistake if we failed to see that the separation happens repeatedly, that is part of an iterable structure ...' (p. 149). This (re)distribution is therefore constantly tested, criticized, debated, reconstructed and consequently subjected to endless redefinitions and reconfigurations. This means that its stability, when it exists, can be obtained only by means of a set of investments that are at once cognitive, material and institutional, without which its maintenance is not guaranteed. Contrary to the arguments of Maruyama and Arendt, as analysed by Butler, the definition of politics cannot be separated from that of the economy. We could even say, exaggerating slightly, that politics and the economy are produced jointly in the same performance process.

Once we have recognized the fact that we cannot account for the establishment of the economy without considering the performances from which it stems, and once we have found that these performances make the economy depend on politics in at

least two different ways (and vice versa), we still have to examine how these two relationships of constitution indissolubly linking the economy and politics are mutually organized. The answer that I would tend to give to this question is that the two are linked. It is by saying what the market is, and consequently by clarifying both those political issues that are explicitly covered by markets and those that, on the contrary, are placed, often implicitly, outside of markets, that we frame the distribution between the economic and the political, along with the matters of concern that revive performative activities. In other words, markets that work satisfactorily are markets that comply with the terms of reference imposed on them (in terms of efficiency, equity, etc.) and simultaneously leave it up to the political debate to explicitly address the issues resulting from the misfires and overflowings generated by their enactment. To illustrate this point I will restrict myself to some thoughts on a limited but central aspect of the functioning of markets: the different ways in which they deal with the design and implementation of innovations.

Studies on the functioning of markets, and especially on those in the neo-classical framework, have for a long time under-estimated their role in the production of innovations, which we can limit here to product innovations. Their capacity to favour creation, invention and technical progress has been recognized and saluted by all those who have wanted to show the superiority of market organization, but there has been little systematic theoretical reflection on the subject. Without the remarkable but relatively recent contribution of evolutionary (and neo-institutionalist) economics, our knowledge would have remained fragmented and incomplete. This approach, by focusing explicitly on innovations (whether breakthrough or incremental), shapes an original image of market mechanisms by granting a central place to the relations between knowledge dynamics and economic behaviours. In particular, it has led to a conception of markets as mechanisms that combine activities of exploration with activities of exploitation, in various ways. The design of new products, their iterative qualification and then their (successful) commodification imply cooperation between multifarious agents and institutions (research organizations, financial operators, venture capital, firms, administrations, consultants, professional associations, lead users, etc.). This collective investigation, which places learning processes in the foreground, implies complex, changing and evolving partnerships necessitating specific modalities of intellectual property and contractual arrangements. These forms of organization and coordination are unavoidable, especially when the exploration takes place by trial and error and is largely distributed, and the innovations consequently introduce major discontinuities compared to the existing markets (Abernathy & Clark 1987). This exploration applies both to the goods (and their qualification, Callon *et al.* 2002) and to the agents; it can be analysed as a process of co-production of supply and demand. Exploration can be likened to the creation of a more or less new market which, once stabilized, is dominated by exploitation organized around well established interests, preferences, competencies, as well as stabilized, framed calculations and routines. Exploitation, on the other hand, is structured around activities of mobilization and allocation of resources identified precisely and defined in a (relatively) stable way. Any market is caught in this tension between exploration and exploitation, between on the one hand its renewal and its reconfiguration, and on the other its reproduction. The dynamics of markets are very different, depending on whether in the long term exploration or operations prevail. The type of balance that is sought between these two requirements (designing new products *versus* rationalizing the production and

distribution of existing ones) is a key question for market design. Its answers strongly influence their capacity to renew and extend the world of available goods – what used to be called wealth and which contributes to the constitution of what is now called the common world. This is a profoundly political issue; even one that is doubly political if we refer to what was said above. First, it points to the definition of a market that functions well, that is, one that maintains a balance deemed to be acceptable (according to which criteria?) between exploration (breakthrough innovation) and exploitation (incremental innovations) or, in other words, between the investigation of possible worlds and the gradual extrapolation of those that exist. Second, it concerns the nature and qualification of the goods needed by the various groups and agents, and consequently the mechanisms that organize the exploration of needs. The answers provided to the first question correspond to the first modality of relations between the economy and politics (delegation of the management of certain political questions to the market). The second question concerns the core of relations between the market and politics, by making the modalities of the definition of goods a subject of debate – given that this definition is obtained at the end of a process that inevitably combines political procedures and market mechanisms.

As some examples from current events show, these two questions are closely interlinked. Take the case of GMOs, for instance, and more particularly of transgenic plants. In 2009 the French government created a higher council for biotechnologies (*Haut Conseil des Biotechnologies* – HCB), composed of two committees: a scientific committee (CS) and an economic, ethics and social committee (CEES). The HCB's role is to propose recommendations to the government on subjects such as the conditions of authorization to grow transgenic crops or the organization of clinical trials on gene therapy. Each file is examined by the CS and the CEES. Recently the HCB had to make a ruling on the issue of the renewal of authorization (or, more exactly, non-authorization) to cultivate the transgenic maize MON810, a variety banned in France but grown on a large scale outside of Europe. Its opinion on this occasion finely illustrates the various politico-economic issues linked to the design of new markets. Based on French law which requires that the coexistence of different types of crops and farming be preserved (a coexistence that must leave consumers the choice between transgenic products and non-transgenic products, and producers the possibility of opting for various forms of agriculture), the HCB proposed (a) that this coexistence be evaluated, developed and monitored by ad hoc political authorities, and (b) that the different markets, linked to the different possible forms of crop farming, be organized in such a way that none of them threaten the existence of the others.

In this recommendation the HCB suggested to the government a sharing between politics and the economy. It proposed first that the existence of several markets, with specific rules of organization, be made possible and that this diversity constantly be monitored. For this to be feasible and sustainable, it then advised the government to define with precision the rules of the functioning of each of these markets – rules that would differ, depending on whether they pertained to transgenic plants or not. Those rules primarily concerned the modalities of intellectual property and the allocation of costs related to the maintenance of a coexistence without contamination. After outlining the conditions of the existence of markets, the HCB entered into the details of their engineering. It would have been impossible to identify, analyse and therefore discuss these two distinct but closely entangled modalities of the relationship between politics

and the economy without explicitly applying the economic (essentially evolutionary) theory of innovative markets. Indeed in its recommendation the HCB directly referred to the results of the economy of technical change and innovation, and in particular to the role of increasing returns in the production of lock-in or of intellectual property in the maintenance of diversity. Without this theoretical support, the various political issues related to the marketization of transgenic plants would have remained invisible and difficult to articulate to one another. The discourse of economics contributes to establishing the reality that it analyses and explains. It is owing to this performativity that the economy becomes accessible to the (twofold) political critique.

The example of GMOs is not isolated. The more central the innovation becomes, the more strategic the exploratory activities are to the functioning of markets, and the more important the political dimension of the economy will be. Questions such as the organization of these explorations, and particularly of the conditions for maintaining a certain diversity of options, along with the reversibility of technical engagements, become unavoidable. They could not be addressed without the mediation of economics and the experiments that it authorizes; in short, without its performative dimension. The performativity of economics does not sign the death warrant of politics; on the contrary, it introduces it into the heart of debates on the organization of economic activities.

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