

Chapter 6: 'Performativity matters: economic description as a moral problem.'

Philip Roscoe, University of St Andrews

pjr10@st-andrews.ac.uk

Enacting Dismal Science: New Perspectives on the Performativity of Economics

Editors: Boldyrev, Ivan A, Svetlova, Ekaterina (Eds.)

<http://www.palgrave.com/de/book/9781137492104#aboutBook>

Abstract

If performativity theory simply repeats that economists design markets, much of its radicalism is lost. Instead, researchers must consider the mechanisms by which economization transforms social arrangements. This chapter develops the argument that economic description constitutes aspects of the social as economic. Following Austin and Butler, I argue that such description has a performative force, and is therefore politically and ethically charged. I suggest that an understanding of economic description as performative explains how economics can at once constitute and claim authority over an object. The chapter explores how economic description transforms social relations. It connects performativity theory to existing critiques of economic relations, and suggests that performativity research can develop ethically rich narratives without losing theoretical or empirical rigour. Finally it urges performativity research to rediscover its radicalism in its ability to unseat the 'metaphysical presumptions' of economics.

Introduction: Why performativity matters

Would an economist be upset if ‘accused’ of designing markets? It seems unlikely, in the light of Alfred Roth’s work on barter markets for transplant organs (Roth, Sönmez, and Ünver 2005) and his subsequent Nobel Prize for innovations in market design, or the much trumpeted success of Ken Binmore’s mobile spectrum auctions (Binmore and Klemperer 2002). On the contrary, economists seem to delight in their success as designers of markets. This poses a problem for the sociological study of markets and performativity – at least if that is all that performativity has to say, for performativity ‘simply loses its radicalism’ (Frankel, Ossandon, and Pallesen 2015), repeating the truism that market designers work on markets. Moreover, to limit performativity to the building of markets lays the thesis open to an easy critique: that the infinite permutations of the social are simply too complex to be presented as the outcomes of a single economic theory, and that performativity accounts are little more than victor’s histories as told by the economists themselves (Nik-Khah and Mirowski 2007). Yet social scientists do have much to say about the role of economics in the constitution of the social: the ‘anthropology of markets’ research programme has drawn attention to the socially constituted nature of market agency, and to the social and organisational processes that contribute to ‘economisation’ and the formation of markets (Çalışkan and Callon 2009). The cornerstone of this analysis is the performativity thesis which, when taken seriously, implies much more than just economists as builders of markets: that economics itself constitutes the economy, that the economy is ‘embedded in’ economics, and, perhaps most importantly of all, that the economic agent is a product of economics (Callon 1998).

In this chapter I seek to elaborate on the concept of performativity, not simply as market design, but as the careful configuration of social life along the lines predicted by economic theory. I will argue that the processes of description in which economic modelling and simulation specialises are performative not only of organisational settings, but also of

individual rationalities and behaviours. On this basis, I will seek to connect the concept of performativity to a rich tradition of thinking critical of market arrangements as iniquitous, commodifying and even contrary to human flourishing (Sandel 2012, MacIntyre 1981). It is not my intention to develop this critique, so much as to indicate how performativity offers a theoretical and empirical means of connecting the sociological study of the economy to such philosophical arguments. As it is uninteresting to say that economists build economic objects, our attention should instead focus on the framing, overflowing and reframing that occurs as they do so. Our lens must slip from the market itself to the organisational settings it configures and the behaviour it engenders; away from the trivial observation that a market designer builds markets to the weightier truth that in building markets she restructures society. For we must, in the end, ask what kind of world we wish to see performed (MacKenzie 2006a).

The literature of the anthropology of markets has remained mute on the topic of ethics. Despite the existence of a recognisable critical narrative in the social sciences concerning the problems with markets and marketisation (Sandel 2012, Roscoe 2014, Polanyi 2001 [1944]) market studies, which deals with so many pressing contemporary concerns, has never allowed itself to take sides. Certainly it is the case that the founders of science and technology studies – from which the anthropology of markets has sprung – were keen to break with existing critical sociological theory. Yet positions have softened over the years: Latour, whose differences with his critically-inclined predecessors were never understated (Schinkel 2007), has taken up a strong position on the subject of climate change and the anthropocene (Latour 2013). Perhaps, in its hastiness to disassemble the ‘social’ (Latour 2007) and the ‘economic’ (Callon 1998) market studies has left itself no firm ground upon which to assemble its critique.

Its silence is all the more uncomfortable as economics does not shy away from involvement in the political and moral – austerity, taxes, social security, immigration, education, and many others are ethically charged issues where economic interventions have substantially dictated policy. Cost benefit analysis and the study of trade-offs are often the basis of explicit normative appeals. For example, when discussing responses to global warming Robert Mendelsohn, Professor of Environmental Economics at Yale, argues that ‘the ethical justification for intentionally overspending on selective projects with low rates of return is weak indeed’ (Mendelsohn et al. 2008:309). Equally, Horst Albach, the preeminent scholar of business ethics in Germany, argues decision theory and calculating trade-offs automatically give rise to ‘ethics’ when appropriately applied (Hühn 2014: 529, 537).

If performativity were only to imply that economists build markets, or intervene in policy, perhaps the moral codes of economics would matter less. We might take refuge in the well-worn distinction between fact and value, and comfort ourselves in the relative scarcity of empirical cases documenting ‘genuine’ – what MacKenzie (2006a) calls ‘Barnesian’ – performativity. But it is increasingly recognised that fact and values are mutually constitutive, overlapping and intertwined (Dussauge et al. 2015). I extend that claim to argue that much of the moral work is done in the ‘utterance’ itself. In this essay, therefore, I offer a bare-bones account of performativity as centring on the act of *description* – the primary task of economic theory. Description, by this account, carries illocutionary force. Following Austin (1978) and more recently Muniesa (2014), I argue that description alone represents a substantial enough instance of performativity to make us take note of moral quandaries that it produces; descriptions, as Muniesa puts it, ‘provoke’, act, and present us with a ‘new ontological deal’. Descriptions are facts, acts of classification with consequences in the world (Bowker and Leigh Starr 1999, Pollock and D’Adderio 2012); they are complicit in the act of economization, for they happen at the boundaries, in ‘the agonistic field, where the

delimitation-bifurcation between the economy and politics is constantly being debated and played out' (Callon 2010:165).

To say that economic utterances are complicit in economisation is to claim that they performatively recast aspects of the social as economic, and governed by a particular form of instrumental-rational authority. The performativity thesis suggests a subordination of critical discourse through the construction of economic modes of action; it is what the critical theorist Judith Butler (2010) calls 'a hermeneutic phenomenon' where the answer to the question (or at least the manner in which the answer must be specified) is determined in advance. So, for example, economic calls for austerity must be met, not by arguments based on justice, rights or notions of jubilee and forgiveness, but by other economic arguments. If the only response to a strongly-normative economic claim is a counter claim made in the same language, we are offered little possibility for critique. Economic arguments, in short, demand economic answers, deflecting attention from other means of accessing difficult problems (Roscoe 2013). Moreover, if taken seriously, it involves the substitution of one set of normative arrangements with another – the construction of rational economic calculations of worth and ethical action to replace existing claims and justifications. Finally, the performative reclassification, by means of description, of an activity as economic radically changes the nature of social interactions and of the goods and virtues available to social actors participating in that activity. Critical narratives have shown economic interactions to be instrumental, means-end-rational, commodifying and corrosive of virtue (Sandel 2000, MacIntyre 1981, Roscoe 2014); if performative descriptions constitute such social practices then performativity itself presents a difficult moral problem, for performativity implies that theorists and market builders are complicit in all of the above. At the same time, echoing Butler (1997), the recognition of performativity's moral force gives us a basis for enacting social change – a problem performatively recast as opportunity.

My argument proceeds as follows: first of all I will explore how social scientific description constitutes reality, via the work of Law and Urry (2004) and of JL Austin (1978) and Butler (2010). Following Butler, I examine how ‘hermeneutic’ performativity weakens the critical capacity of social scientists. Finally, I explore performativity and the reconstruction of social relations. Throughout I illustrate with examples, both from the market studies literature, and from my own empirical studies of online dating and organ transplantation.

Economics describes

Let us consider first of all a point on which there must be universal agreement: that economics describes. But what does it mean to claim that economics describes? Moreover, what does economics do *in* describing? It is clear that economics has consequences both in and for society; as with all social sciences, economic methods ‘participate in, reflect upon, and enact the social’ (Law and Urry 2004: 392) wherever they are invoked. But political arguments based on GDP or of deficits, while they exemplify the interactions of state and social science, do not in themselves counter the assumptions of empiricist realism: that there is a world to be discovered which exists prior to and independently of the process of discovery, and that the world can be unproblematically separated from any knowledge we might gain of it. Law and Urry press the case further. The social sciences, they argue, ‘have effects; they make differences; they can help bring into being what they also discover’ (ibid. 393). Durkheim’s investigation of suicide is a case in point, transforming the phenomenon into an analytic category, a national problem, and a potential site of political intervention. It follows that there are multiple possible realities attached to multiple available research processes, and that choices of reality become political matters; that ‘every time we make reality claims in social science, we are helping to make some reality more or less real’ (ibid.

396). Just as Durkheim's investigation helped to demarcate the 'social' through the use of novel statistical measures, so the practices of economic investigation carve out the 'economy' as a distinct site of economic expertise.

What are the transformations in performances of an aspect of the social, then, if we choose to describe it in a specifically *economic* way? That depends, of course: such a question can only be answered by empirical work of the kind in which the anthropology of markets specializes. Let me offer an example. Shiona Chillas and I have argued that online dating is an example of the performative construction of a market, driven by an economic model of relationship formation as utility-maximizing, rational matching, and underpinned by positivist social science methods (Roscoe and Chillas 2014). We explored how online dating instantiates abstract categories such as 'love' and 'happy marriage' into forms tangible enough to be sold on subscription. As with other instances of market design – such as Holm and Nielsen's (2007) study of fishing quotas – economic theory is able to enrol other kinds of scientific knowledge into its performative network. In the case we studied, positivist psychology lends a hand. An entrepreneur and an (equally entrepreneurial) psychologist set to work to establish the basis of a happy marriage, through the discovery of key factors underlying stable long-term relationships. In order to identify these factors, they conducted large-scale surveys of married couples in the United States. The surveys were detailed and included a standard measure of marital happiness used in the social sciences (Spanier 1976). This asks, for example, about the frequency of holding hands or arguing with spouses. Factor analysis across the population identified the factors that could be linked with couples scoring in the upper quartiles of marital happiness, with happiness measures taken as a proxy for long-term stability. These factors, of course, form the basis of the site's commercial offering: they are social scientific descriptions of the basis of a happy marriage.

These entrepreneurs' investigation is predicated on exactly the kind of naive realism that Law and Urry identify. The methods assume that there is, indeed, an ideal of a happy marriage, of which all actually existing marriages are but shadows flickering on the wall of the cave. Moreover, they assume (and our interviewees stated) that such an ideal is linked to personality traits which are fixed, and therefore stable enough to be analysed as causal mechanisms. There is no consideration of interdependence between investigation and its object, not even that the ongoing research process might have consequences for participants – perhaps the reflexive undertaking of the individual completing the questionnaire to hold hands with their next partner more often and argue less frequently. The knowledge gained can be separated from its object, processed, repurposed and applied for commercial gain, without any apparent effect upon the ontological object of the happy marriage. Yet, if we recognise that social scientific methods constitute the things that they discover, it is clear that this cannot be the case; at the very least the social scientific investigation constitutes the happy marriage as an object of scientific investigation and intervention, and as an object bearing certain characteristics.

In describing the happy marriage, our entrepreneurial pair has constituted it as an analytic object, and a site of intervention and commercial opportunity. In a second move, their project of matching describes a relationship as a maximising partnership of existing traits. Here we can see the shadows of a most economic understanding of relationships, as a bargain settled in advance (Becker 1973). Finding partners for individuals becomes a taxing computational problem, an exercise in algorithmic matching of the state of affairs as it is now; people are no longer things in themselves but bundles of attributes to be instrumentally partnered. There is a double economization at work here. First of all, the economic notions underlying matching surface in the language the industry employs to describe it: eHarmony's founder, Neil Clark Warren, has been quoted as saying 'in successful relationships

similarities are like money in the bank. Differences are like debts you owe.’(Gottlieb 2006). Second, the algorithmic matching processes used within the databases to operationalize pairings are those pioneered by market designers such as Roth, to the extent where dating sites produce algorithmically stable outcomes (Hitsch, Hortaçsu, and Ariely 2010).

Altogether, a particular reality has been brought into being. It is one where a happy marriage exists as a specialized knowledge, and can be operationalized by economic protocols. As Law and Urry (2004) might suggest, this world is equally valid, and equally real as any other socially and discursively constructed understanding of partnership. Butler (2010) points out that such performatives proffer an ontological quandary: what was there before? Perhaps a happy marriage was rather like obscenity, as the old joke runs: one knew it when one saw it. More likely it was, like pre-Durkheimian suicide, embedded in a very particular web of discursive and material relations, and that those too are the subject of certain empirically available performatives. That is exactly the point. Studying performativity gives us the ability to unpick ‘metaphysical presumptions about culturally contested categories’ (Butler 2010:148) and these twenty-first century descriptions *do* have consequences. Through a series of descriptions partnership is radically reconfigured. Whatever it was before, it has become something else, an analytic object brought into being through the apparatus of social science and operationalised in the same manner. The use of economic theory and social science methods has fundamentally reconstituted the social relations of meeting, matching, and partnership. I will return to this theme later in the chapter; first of all, we must consider the performative nature of description in more detail.

Performative descriptions

Discussions of economic performativity have seldom focussed on description. MacKenzie is sceptical of performativity as a purely linguistic phenomenon. His ‘Barnesian’ performativity suggests feedback loops driven by material practices and instrumentation

(MacKenzie 2006a). An exception is Muniesa (2014), who anchors his discussion of performativity in pragmatism, particularly the notion of reality as an act of effecting – or ‘effectuation’ – and of signification as an act. He argues that ‘descriptions add to the world... they are all facts, things that happen, events’ (ibid. 18). In the case of financial markets, to take Muniesa’s example, these descriptions constitute the real, developed through representations and reflexive action. The outlandish derivative contracts underlying the credit crisis of 2008 were not only blessed by economics – a standard critique of the discipline’s engagement with the crisis (Turner 2012) – but also constituted by economic methods. It was the calculations of value at risk, the Gaussian copula and others that gave substance to these ideas, fleshed out and made them tradable. Financial objects, although ‘both descriptions and objects of descriptions, are very, very real’ (Muniesa, 2014:20), a real built by networks of relations (Law and Urry 2004).

The emphasis on description seems at first to counter the intention of Austin (1978), who early in his lecture series established a distinction between constative and performative utterances. Some phrases describe; others, notably promises, perform the intended act at the time of being uttered. Mäki (2013) maintains that performativity claims in economics should be limited to promises (such as trades and verbal agreements) that require no further implementation. Even in such a limited sense, however, performativity depends upon the interplay of speech acts and those who hear, read or see them. Cochoy (2015) captures this semantic ballet in his study of the ‘Myriam’ billboards. In August 1981 posters appeared on the Paris underground featuring ‘Myriam’, an attractive woman in a bikini, and the words ‘On September 2, I remove the top’. The promise is, in the strictest sense, a performative. But as Cochoy shows, it is the promise and the audience reaction that constitutes the performative: the combination of a linguistic performance, appropriate conditions of felicity (such as appropriate authority and credibility), and the social logics challenged by the

promise of bare breasts and even nudity – for on September 2 Myriam promises to ‘remove the bottom’. On 4 September the trick is played out. The billboard featured a naked woman with her back to the camera and the caption ‘Avenir, the bill poster who keeps its promises’. There is, as Cochoy makes clear, a ‘magic’ to this promissory performativity, if a magic that depends on the social conditions of felicity into which the performative is uttered (Mackenzie 2006b, Mäki 2013).

I would suggest, however, that there is more to performativity than simple promises. It is worth revisiting Austin’s (1978) original distinction between the illocutionary and the perlocutionary utterance, where the former suggests doing *in* saying, and the latter *by* saying. Both are contrasted to the locutionary utterance, or simple statement. Austin’s intention is to unsettle the distinction between the speaker and the act of speech, which is implicit in an everyday conception of statements or persuasion. In Austin’s classification the locution is ‘he said to me, shoot her’ (ibid. 101, his example!); the perlocution is ‘he persuaded me to shoot her’; while the illocution is ‘he urged (ordered, or advised) me to shoot her’. Only in the latter case is the work of the phrase done in its utterance: the perlocutionary merely reports on unspecified means of persuasion (perhaps he kidnapped a loved one, or offered a bounty).

There is a tendency in market studies to view the performativity of theories as perlocutionary. Theories, according to this view, act by persuasion. They are utterances that may (or may not) cause things to happen in the world, e.g. by indicating opportunities for profit or highlighting risk. Such is the case in MacKenzie’s work, or Svetlova’s (2012) discussion of the performative power of the discounted cash-flow. She suggests that the ability of the model to determine the shape of the world depends upon institutional arrangements, particularly the ‘calculative culture’ of individual asset management firms. While some firms use such models in a rigorous manner, others treat their outputs as starting points for discussion, or work with the model to achieve an outcome in line with existing

opinions and expectations. Therefore, an appropriate calculative culture becomes a ‘condition of felicity’ for perlocutionary performativity; performativity only takes place if the firm wants it to. I fear that such a reading of performativity strips it of much of its power, eroding the basic claim that linguistic performativity occurs, whether one wants it to or not. Austin, I think, would also find this reading less interesting, precisely because the connection between the perlocutionary and the happening in the world is tenuous and dependent upon other factors:

for clearly *any*, or almost any, perlocutionary act is liable to be bought off, in sufficiently special circumstances, by the issuing, with or without calculation, of any utterance whatsoever... you may, for example, deter me from doing something by informing me... what the consequences of doing it would in fact be’ (Austin 1978:110).

Austin is most interested in the work of illocutionaries. These, he says, have ‘a certain *conventional force*’ (ibid. 109). He eventually finds in *every utterance* some degree of illocutionary force. Such an illocutionary utterance may be felicitous or otherwise, but Austin’s point, so far as it is accessible at all, is that saying is always doing. In stating, we are always doing something:

Once we realise that what we have to study is not the sentence but the issuing of an utterance in a speech situation, there can hardly be any longer a possibility of not seeing that stating is performing an act. Moreover, comparing stating to what we have said about the illocutionary act, it is an act to which, just as much as to other illocutionary acts, it is essential to ‘secure uptake’ (Austin 1978:139).

Illocutionary utterances are acts which take place in the world, securing uptake and offering meaning in individual situations. Importantly, truth and falsehood elude them: is impossible

to say whether the statement ‘France is hexagonal’ expressed in a school geography class, is true or false. It is merely ‘rough’, adequate, fit for purpose. What matters, it seems, is the *conventional force* associated with the illocutionary, implying repeated, understood, and pre-existing linguistic resources.

What does Austin mean by conventional? Simply the language that has gone before. Thus economic description is a cumulative, conventional process. Repeated illocutionary acts establish, bring into being and stabilise; the construction of economic categories through illocutionary utterance is a spatially distributed and temporally iterative processes (Butler 2010). The social construction of the world is not performed anew with each speech act; instead, each act contains within it the accumulated power and authority of those utterances that have gone before (Karl 2013). The speaking subject is, therefore, recognised as an effect of the speech that produces it: iterative, citational and circular. Focusing on the way that a financial model is used by asset managers, for example, ignores the many, many performatives that have gone into constructing the financial world that they inhabit. It seems relatively unremarkable to say that financial market actors are economic agents – yet it is, in fact, quite remarkable to discover carefully crafted financial or organisational rationality in action. Karl (2013) shows how Butler’s account of performativity allows us to understand how economics offers a causal logic that can bring financial markets into being and at the same time claim authority over them. Paraphrasing Butler, when an economic description is made, for example, it is not simply that a subject performs a speech act; ‘rather a set of relations and practices are constantly renewed, and agency traverses human and nonhuman domains’ (2010:150).

In summary, focusing on description as a performative act offers a version of the performativity thesis that is both theoretically meaningful and empirically robust. It allows us to understand the recursive, citational practices by which economic theory can

simultaneously constitute and claim authority over the economy. It can complement existing investigations into the perlocutionary force of models and theories by drawing attention to the state of the world brought about by the description itself. It helps unpack the claim that the economy is ‘embedded in’ economics (Callon 1998) and to understand how the economy may be maintained as a place of economic rules and economic rationality: an ongoing purification through the sheer power of description.

Description, performativity and the critical voice

So we see that speech acts have an illocutionary force, accumulating power through repeated iteration and citation. Economic descriptions are speech acts, performances of reality embedded in ‘dense and extended sets of relations’. As the example of online dating mechanisms shows, descriptions are nature-culture hybrids (Latour 1993) where ends are folded into means (Latour and Venn 2002). To put it more simply: economic descriptions have moral content, hybridized and invisible among the disciplines’ supposedly value-neutral models. Once economic models are in place it is very difficult to move arguments beyond their axioms, and it is hard to find an ‘outside’ on which to base critique (Roscoe 2013). Butler calls this a ‘hermeneutic’ reading of performativity, suggesting that the ‘theory that enquires into the phenomenon establishes in advance what the phenomenon can and will be, and so participates in the making of what it finds’ (Butler 2010:152). In other words, the use of economic methods of analysis to describe a certain question or problem performatively cast that problem as an economic one, to be settled by economic methods.

An example of this hermeneutic nature of economic description is offered by an experiment conducted to determine the efficient allocation of transplant organs (livers) in the UK (for a detailed account see Roscoe 2015). Transplantation is an ethically fraught process, and allocation is closely monitored. In June 2009 the group of clinicians responsible for the supervision of liver transplantation agreed to develop a new, national scheme for the

allocation of these organs, based entirely on clinical evidence of survival rates, and predicated on the assumption that public resources, in this case organs for transplantation, should be used for maximum benefit – a reasonable enough assumption, perhaps, until it is recognised that any calculable definition of maximum benefit immediately excludes other, non-calculable (and popular) concerns such as justice (Ubel and Loewenstein 1996), sympathy, or right of rescue (Tong et al. 2010). It focused on trade-offs, achieving the maximum cost benefit outcomes from each liver, and was based on the agreement that those benefits – potentially defined in many different ways – should be understood in terms of survival outcomes. It proposed a national allocation protocol that aims to maximise the national benefit of any liver donated, calculated on the basis of the total years of life saved at a population level.

To determine this protocol the advisory group conducted a ‘thought experiment’ on allocation policy, which tested three differing allocation schemes: a need-based scheme; a survival-based, or best outcome, scheme; and a ‘transplant benefit’ scheme representing the net gain per patient, or estimated survival with a transplant, less estimated survival on the waiting list. Basing allocation on survival measures alone sees mortality shifted pre- or post-transplant: a best outcome approach, offering organs to the healthiest and youngest candidates on the list produces huge gains in post-operative survival, but results in high waiting list mortality; a needs-based, or sickest-first, approach improves waiting list mortality at the cost of lower post-operative survival. The population life years approach, on the other hand, visualises total life expectancy on both sides of the operation, across the whole patient group. An allocation regime can then be chosen on the basis of the greatest contribution to population life expectancy.

The population life year approach, a ‘thought experiment’, is a novel form of description. A new reality, described by this measure, is assembled through complex relations

of scientific factors – all with their associated measuring techniques, clinical records of survival and mortality, and complex statistical simulations. As with online dating, economics enrolls other kinds of knowledge from the medical and social sciences in order to model and describe possible outcomes. At its heart, however, it is predicated upon economic claims; it is a cost-benefit, input-output model, based on utilitarian efficiency and rational trade-offs. Normative claims about the most appropriate way to organize one aspect of the social are embedded scientific relations, such that ends are inseparable from the means. Transplant allocation is a site of conflicting normative demands, invoking justice, fairness, ownership and obligation (Roscoe 2015). The population life year measure trumps these with its normative assertion that the most appropriate use of resources is the one that will deliver most benefit, and that benefits should be measurable in terms of absolute years saved.

At the time of my study, the population life year simulation remained an experiment; it may gather force and sweep aside other measures, or it may remain a simulation on the statisticians' screens. Whatever the outcome, the experiment matters. These new, ethically charged descriptions, having been imagined and uttered into the world, make visible a different way of interrogating healthcare and offer up a world that is different from what went before. They have provoked, in Muniesa's words, a 'new ontological deal'. Parallel arguments may be drawn from studies of the valuation of nature (Fourcade 2011), or from my own account of the economic modelling of prices for cadaveric organs, and the \$1000 cadaver (Roscoe 2013). Another famous example is the battle over the economist Nicholas Stern's choice of discount rate in his climate change report (Stern 2007); vicious arguments over technicalities, laden with explicit ethical claims, obscured the utility maximising framework taken up by the whole report and crowded out other possible considerations. It is this technical argument that made possible for Robert Mendelsohn's (Mendelshon et al.

2008) to remark that there is no ethical basis for investment in projects facing uncertain rates of return.

Every act of economic calculation gives rise to new descriptions, and these descriptions are performative. The allocation simulation shows how descriptions recast a problem in economic terms, shutting out some ethical claims, while privileging others. Nevertheless, recognizing the performative nature of economic description offers a way into this hermeneutic problem, allowing us to pick away at the ‘metaphysical presumptions’ of such categories (Butler 2010:148) and offering us a space in which we can begin to assemble a critique, should we wish, to do so.

Performing economic relations

Callon (1998, 2010) understands the economy as a clearly demarcated arena of the social world. In the economy, economic rules are followed and economic things done. It may at first seem tautological to define a social space by the activities which are themselves characterised by that space. But performativity offers a different perspective: it is the recursive and citational nature of economic speech which constructs the economy both as a site identifiable through economic actions, and as a space where economic actions are the appropriate form of social relations, where ‘economic things are held stable and meaningful by economic words’ (Cochoy, Giraudeau, and McFall 2010:141). Acts of classification and description demarcate the agonistic boundary between the economy and other social arenas; for Callon the economy must be constantly purified, its overflows managed and reframed. I have argued that the act of economic description is enough to breach this boundary, and to shift the social relations in question into the economic arena, where they become subject to the economic rules presented in the description.

What of individuals and their agency? People can choose how to act. Does this not have a bearing upon the eventual working out of a performative? Esposito (2012) considers

the illocutionary construction of the social world as unproblematic compared with the radical uncertainty which sets in when individuals begin to exercise agency in deciding whether to participate in a theory. Yet this is where performativity really matters, for at the heart of Callon's programme we find the claim that economics constructs the economic agent; that the cardinal assumption of economic theory, the existence of the instrumentally rational, maximising actor (Townley 2008), is the product of economic theory itself.

Again, as a general claim, this may appear tautologous, but the concept of performativity allows us to investigate the processes of configurations through which the economic agent is organised and constructed. In other words, it provides a motivation for the kind of empirical work in which market studies excel; while economics strives for generality and theory, the performativity thesis requires us to examine the economic agent as an 'agencement' of the material and the discursive, of competencies and embodied skills (Callon 2007:142). Thus we have a mutually constitutive relationship between economic agency, evaluative or calculative competence, and ethics. This returns us to the problem of performativity. For economic accounts of competent valuation suppose that the agent, and the agent's knowledge, can be unproblematically separated from the world. But the data which the economic agent must evaluate are themselves descriptions which are bound up in multiple performativities, and the calculative resources upon which the agent must call are also products of, and productive of, economic and scientific theories. Agents, as I have argued, are caught up in a hermeneutic web of performative descriptions which allows no outside. Once an act is constituted as economic, it will be enacted according to economic rules, economic valuations, and economic norms.

As noted above, there are ready narratives in the social sciences for those who wish to critique the steady march of markets. Philosophical criticisms of economic relations argue that the proliferation of the economic converts social ties into instrumental ones and

encourages a preoccupation with individual self-interest (Sandel 2012). Kantian perspectives suggest that economic relations are predicated on willingness to exchange and therefore demonstrate our disregard for uniqueness and dignity (Walsh 2001); economic social relations commodify persons and diminish individual dignity. MacIntyre (1981) argues that economic relations are emotivist, subversive of means-ends relationships, and fundamentally corrosive of human flourishing and the development of social goods.

Such narratives become more compelling at an empirical level. Recognising the performativity of economics offers us a means of understanding exactly how social relationships may be reconfigured into instrumental, economic exchanges, how individuals may be commodified and may commodify themselves, and how the development of social goods may be retarded. In the case of online dating, for example, the competence of actors to self-interestedly determine possible matches depends upon computer systems which are themselves performative of 'quality' in a potential partner. Online interfaces implement particular categories of understanding and accounting for the body and for personality, creating a 'standard body' (Jeacle 2003); journalistic accounts of what succeeds online (e.g. Webb 2013) suggest that they create a 'standard personality' as well. Users make individual rankings of the relative value of these categories and are encouraged, therefore, to establish the relative merits of different categories (hair colour versus hair length, for example), and their value. The searcher (of either gender) is constituted as the one who controls, selects, and manipulates potential matches from the available pool. Selection decisions are made by the agencement of user and online interface: the economic agent rationally and instrumentally maximising their preferences. At the same time, these devices performatively enact what categories and qualities are perceived as important. The evaluative practices that must be employed on a dating site are inseparable from the process of commodification by which others are rendered into the material for commercial exchange. The user of the online dating

site may exercise agency, but configured as a ‘cyborg-dater’ in an agencement structured by economic axioms and social-scientific methods, it is an agency of a very specific kind. Recognizing the performativity of economic descriptions and tracing their subsequent translations through human agency and material devices allows us to present a compelling account of the economic structure of one particular set of social relations.

My argument, then, is that performativity has moral consequences, and that research should not refrain from recognising them. In the case of the organ allocation experiment, the methods described above radically reshape the nature of care (Roscoe 2015). From the predicate that maximum utility should be gained from each liver transplant, we arrive soon enough at the allocation by survival benefit proposed under the steering group’s thought experiment. With transplantation framed in this way, the good clinician is committed to the needs of the population, rather than individual patients. The organ must be directed where it can do the most ‘good’, where the definition of ‘good’ is settled by economic and medical modelling and embedded in the allocation algorithm; it can only arrive at the right recipient through rigorous compliance to the evaluative framework demanded by the allocation calculations. Good practice becomes good measurement, reporting, and a dispassionate, even arm’s-length, handling of the patients in one’s immediate care. Just as the descriptions underlying online dating radically reshape the basis of a new partnership, so the allocation models transform the nature of care; for those who see the basis for human virtue and flourishing in partnership and care (Roscoe 2014, MacIntyre 1981), such a transformation is one of real ethical significance.

Concluding remarks

I began this essay with a call – not mine alone – for a performativity thesis that retains its radicalism, and does more than just repeat what economists already know: that market designers design markets. Such radicalism, I have argued, should pay attention to the

overflows and the re-framings – the reshaping of society that accompanies the construction of economic arrangements in a particular space or activity. Few feathers will be ruffled by the statement that economists make markets. But the claim that economic descriptions are performative – and here I include models, theories and assumptions as well as the knowledges they eventually produce – *does* come as a surprise to the economist. The discipline of economics is predicated on the existence of a world beyond its postulates. As Esposito (2012:104) notes, ‘mainstream economics is ill-equipped to deal with the circumstances in which the relevant information is produced by the very behaviour of the observers’. I have elaborated an account of the performativity of economic description, following Austin (1978), Butler (2010) and Muniesa (2014) as a means of understanding how economics can at once constitute the activities as economic, claim authority over them, and at the same time present those activities in such a way as to preclude other moral or ethical claims, what Butler terms a ‘hermeneutic’ reading of performativity. Economic descriptions constitute the social and so have an inherent ethical freight. They are not detached scientific facts, but active performatives, laden with normative force and moral consequence.

Anthropologies of markets have examined how performatives travel through socio-material agencements, and how the eventual perlocutionaries are worked out in ‘real life’. Perhaps in doing so, these studies have lost sight of the power of description as an utterance alone. Revisiting Austin and Butler, in conjunction with Callon (1998)’s account of economic performativity, serves to remind us that the acts of classification and framing made possible by language and the rhetorical authority at work in determining the particular set of rules and norms by which an act or decision should be governed, are bound up in the moment of description itself. Yet performativity studies, despite dealing with a politically and ethically charged topic, have shied away from ethical engagement and political critique. We researchers have not yet taken up the emancipatory potential offered by recognizing, and thus

unseating the ‘metaphysical presumptions’ (Butler 2010) of economics and the economic. In this essay I have begun to show that the performativity thesis can speak to established critical narratives within the social sciences, and – most importantly – can do so without losing its empirical and theoretical grounding. Here, I suggest, is the real radicalism of the performativity thesis.

References

- Austin, JL. 1978. *How to Do Things with Words*. Oxford: Oxford University Press.
- Becker, Gary S. 1973. "A Theory of Marriage: Part I." *Journal of Political Economy* 81 (4):813-846. doi: doi:10.1086/260084.
- Binmore, Ken, and Paul Klemperer. 2002. "The Biggest Auction Ever: The Sale of the British 3G Telecom Licences." *The Economic Journal* 112 (478):C74-C96.
- Bowker, Geoffrey C, and Susan Leigh Starr. 1999. *Sorting Things Out*. Cambridge, Massachusetts: MIT Press.
- Butler, Judith. 1997. *Excitable Speech*. Abingdon: Routledge.
- Butler, Judith. 2010. "Performative Agency." *Journal of Cultural Economy* 3 (2):147-161. doi: 10.1080/17530350.2010.494117.
- Çalışkan, Koray, and Michel Callon. 2009. "Economization, part 1: shifting attention from the economy towards processes of economization." *Economy and Society* 38 (3):369 - 398.
- Callon, Michel. 1998. "The embeddedness of economic markets in economics." In *The Laws of the Markets*, edited by Michel Callon, 1-58. Oxford: Oxford University Press.
- Callon, Michel. 2007. "An Essay on the Growing Contribution of Economic Markets to the Proliferation of the Social." *Theory, Culture & Society* 24 (7-8):139-163.

- Callon, Michel. 2010. "Performativity, isfires and politics." *Journal of Cultural Economy* 3 (2):163-169. doi: 10.1080/17530350.2010.494119.
- Cochoy, Franck. 2015. "Myriam's 'adverteasing': on the performative power of marketing promises." *Journal of Marketing Management* 31 (1-2):123-140.
- Cochoy, Franck, Martin Giraudeau, and Liz McFall. 2010. "Performativity, Economics and Politics." *Journal of Cultural Economy* 3 (2):139-146. doi: 10.1080/17530350.2010.494116.
- Dussauge, Isabelle, Claes-Fredrik Helgesson, Francis Lee, and Steve Woolgar. 2015. "Value practices in the life sciences: What might it mean to study the enactment of values in the life sciences?" In *Value Practices in the Life Sciences*, edited by I Dussauge, C-F Helgesson and F Lee. Oxford: Oxford University Press.
- Esposito, Elena. 2012. "The structures of uncertainty: performativity and unpredictability in economic operations." *Economy and Society* 42 (1):102-129. doi: 10.1080/03085147.2012.687908.
- Fourcade, Marion. 2011. "Cents and Sensibility: Economic Valuation and the Nature of 'Nature'." *American Journal of Sociology* 116 (6):1721-1777.
- Frankel, Christian, Jose Ossandon, and Trine Pallesen. 2015. "Markets for Collective Concerns." EGOS Colloquium, Athens.
- Gottlieb, Lori. 2006. "How do I love thee?" *The Atlantic Monthly*.
- Hitsch, Günter J., Ali Hortaçsu, and Dan Ariely. 2010. "Matching and Sorting in Online Dating." *The American Economic Review* 100:130-163. doi: 10.1257/aer.100.1.130.
- Holm, Petter, and Kåre Nolde Nielsen. 2007. "Framing fish, making markets: the construction of Individual Transferable Quotas (ITQs)." In *Market Devices*, edited by M Callon, Y Millo and Fabian Muniesa, 173-195. Oxford: Blackwell Publishing/ The Sociological Review.

- Hühn, Matthias. 2014. "You Reap What You Sow: How MBA Programs Undermine Ethics." *Journal of Business Ethics* 121 (4):527-541. doi: 10.1007/s10551-013-1733-z.
- Jeacle, Ingrid. 2003. "Accounting and the construction of the standard body." *Accounting, Organizations and Society* 28 (4):357-377. doi: 10.1016/s0361-3682(02)00021-1.
- Karl, Alissa G. 2013. "'Bank talk', Performativity and Financial Markets." *Journal of Cultural Economy* 6 (1):63-77. doi: 10.1080/17530350.2012.745441.
- Latour, Bruno. 1993. *We Have Never Been Modern*. Cambridge, Massachusetts: Harvard University Press.
- Latour, Bruno. 2007. *Reassembling the Social: An Introduction to Actor-Network-Theory (New Edition)*, *Clarendon Lectures in Management Studies*. Oxford: Oxford University Press.
- Latour, Bruno. 2013. *An inquiry into modes of existence*. Cambridge, Massachusetts: Harvard University Press.
- Latour, Bruno, and Couze Venn. 2002. "Morality and Technology: The End of the Means." *Theory, Culture & Society* 19 (5-6):247-260. doi: 10.1177/026327602761899246.
- Law, John, and John Urry. 2004. "Enacting the social." *Economy and Society* 33 (3):390-410.
- MacIntyre, A. 1981. *After Virtue: a study in moral theory*. London: Duckworth.
- MacKenzie, Donald. 2006a. *An Engine, Not a Camera: How Financial Models Shape Markets*. Cambridge: MIT Press.
- Mackenzie, Donald. 2006b. "Is economics performative? Option theory and the construction of derivatives markets." *Journal of the History of Economic Thought* 28 (1):29-55. doi: 10.1080/10427710500509722.

- Mäki, Uskali. 2013. "Performativity: Saving Austin from Mackenzie." In *Perspectives and Foundational Problems in Philosophy of Science, The European Philosophy of Science Association Proceedings*, 443-453. Springer.
- Mendelsohn, Robert, Thomas Sterner, U. Martin Persson, and John P. Weyant. 2008. "Comments on Simon Dietz and Nicholas Stern's Why Economic Analysis Supports Strong Action on Climate Change." *Review of Environmental Economics and Policy* 2 (2):309-313. doi: 10.1093/reep/ren012.
- Muniesa, Fabian. 2014. *The Provoked Economy: Economic Reality and the Performative Turn*. Abingdon: Routledge.
- Nik-Khah, Edward, and Philip Mirowski. 2007. "Markets made flesh: performativity, and a problem in science studies, augmented with a consideration of the FCC auctions." In *Do economists make markets?*, edited by D MacKenzie, F Muniesa and L Siu, 190-224. Princeton: Princeton University Press.
- Polanyi, K. 2001 [1944]. *The Great Transformation*. Boston, Massachusetts: Beacon Press.
- Pollock, Neil, and Luciana D'Adderio. 2012. "Give me a two-by-two matrix and I will create the market: Rankings, graphic visualisations and sociomateriality." *Accounting, Organizations and Society* 37 (8):565-586. doi: <http://dx.doi.org/10.1016/j.aos.2012.06.004>.
- Roscoe, P. 2013. "On the possibility of organ markets and the performativity of economics." *Journal of Cultural Economy* 6 (4):386-401. doi: <http://www.tandfonline.com/doi/pdf/10.1080/17530350.2013.772069>.
- Roscoe, Philip. 2014. *I Spend Therefore I Am*. London: Penguin Viking.
- Roscoe, Philip. 2015. "A moral economy of transplantation: Competing regimes of value in the allocation of transplant organs." In *Value Practices in Life Sciences*, edited by CF Helgesson, F Lee and I Dussange. Oxford: Oxford University Press.

- Roscoe, Philip, and Shiona Chillias. 2014. "The state of affairs: critical performativity and the online dating industry." *Organization* 21 (6):797-820. doi: 10.1177/1350508413485497.
- Roth, Alvin E., Tayfun Sönmez, and M. Utku Ünver. 2005. "A kidney exchange clearing house in New England." *American Economic Review* 95 (2):376-380.
- Sandel, M. 2012. *What Money Can't Buy*. London: Allen Lane.
- Schinkel, Willem. 2007. "Sociological discourse of the relational: the cases of Bourdieu & Latour." *The Sociological Review* 55 (4):707-729. doi: 10.1111/j.1467-954X.2007.00749.x.
- Spanier, Graham B. 1976. "Measuring Dyadic Adjustment: New Scales for Assessing the Quality of Marriage and Similar Dyads." *Journal of Marriage and Family* 38 (1):15-28.
- Stern, N. 2007. *The Economics of Climate Change: The Stern Review*. Cambridge: Cambridge University Press.
- Svetlova, Ekaterina. 2012. "On the performative power of financial models." *Economy and Society* 41 (3):418-434. doi: 10.1080/03085147.2011.616145.
- Tong, Alison, Kirsten Howard, S Jan, Alan Cass, J Rose, S Chadban, R Allen, and J Craig. 2010. "Community preferences for the allocation of solid organs for transplantation: a systematic review." *Transplantation* 89 (7):796-805.
- Townley, Barbara. 2008. *Reason's Neglect*. Oxford: Oxford University Press.
- Turner, Adair. 2012. *Economics after the crisis: objectives and means*. Cambridge, Massachsettes: MIT Press.
- Ubel, Peter, and George Loewenstein. 1996. "Distributing scarce livers: the moral reasoning of the general public." *Social Science and Medicine* 42 (1049-1055).

Walsh, A. 2001. "Are Market Norms and Intrinsic Valuation Mutually Exclusive?"

Australasian Journal of Philosophy 79 (4):525-543. doi: 10.1080/713659307.

Webb, Amy. 2013. "Hacking the Hyperlinked Heart." *The Wall Street Journal*, January 14.

<http://online.wsj.com/article/SB10001424127887323374504578217973101313736.html>.