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*Mirror to Nature* (with  
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*Reason and Unreason:  
Psychoanalysis, Science,  
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*The Good Society and the  
Inner World* (1991)  
*Narratives of Love and Loss*  
(with Margaret Rustin)  
(1987)  
*For a Pluralist Socialism*  
(1985)

**The Psychology of Neo-Liberalism**

Since 1980, the dominant form of organisation of Anglo-American society has been what is often called neo-liberalism. This is the ideology that declares that competitive markets are the optimum means of organisation of most spheres of life, especially the economic, and therefore of ensuring the satisfaction and well-being of majorities of people. The deregulation of capitalist economies and the increased global flow of capital has extended the power of such market forces world-wide. This global market system has recently encountered several severe crises – most recently the credit crunch of 2008 – but there has been little sustained critique of its main principles of operation.

In this talk, I ask what, if any, have been the psychological concomitants of the development of this regime over three decades? Has 'social character' been changed by it, and if so, in what ways?

I will explore two aspects of changes that I believe are taking place. The first is the development of narcissistic structures of character, by which I mean a regressive focus on the self and its interests as a consequence of difficulties in sustaining lasting identifications with good objects outside the self.

The second concerns the manner of coping with failure and shame, in a society when unrealisable success is what everyone is expected to achieve. How are experiences of failure to be psychologically survived? In two principal ways, I suggest. On the one hand, by hatred of those outside the self – for example those in government – who can be held to be responsible for all failure. On the other, by locating unworthiness and hatefulness in groups more obviously unsuccessful than one's own, in whom the self's unworthiness can be righteously punished.

I will argue that these patterns of regression are readably understandable, in socio-psychoanalytical terms, as concomitants of our current social crisis. What is problematic is how far psychoanalytical modes of thought and practice can contribute to its resolution, and if so, how?