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Freakonomics as a Discourse of Perversion

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Abstract

In this essay, I interpret the wildly successful book series *Freakonomics* as a discourse of perversion. Drawing upon Lacanian psychoanalytic theory and Žižekian cultural criticism, I first explore how the books function as neoclassical economic theory in practice, then I explain how the series enjoins us to adopt reading strategies that turn us into perverts. Perversion, rather than a moral judgment, is best considered a structural inversion of the position of enjoyment, schematized as $a \emptyset \$$. *Freakonomics* seeks to explain all human behavior as the result of a “hidden force” that organizes social reality—this force is, in every case, an ontological market structure that we all unconsciously obey. The result is that we end up identifying with the mechanisms of the capitalist free market rather than our own idiosyncratic, idiotic desires, and see our desires retroactively narrated as the result of these market mechanisms. If perversion is, following Lacan, about propping up the law, I argue that *Freakonomics* not only props up, but instantiates, the big Other of the market by disavowing a noneconomic space and registering all of social reality under a single market structure. *Freakonomics* gives readers, as Lacan puts it, the “père-version” of events.

“Economists love incentives. They love to dream them up and enact them, study them and tinker with them. The typical economist believes the world has not yet invented a problem that he cannot fix if given a free hand to design the proper incentive scheme... An incentive is a bullet, a lever, a key: an often tiny object with astonishing power to change a situation.”—Levitt & Dubner, *Freakonomics* (2005, 16)

“The question of how we are to hystericize the subject caught in the closed loop of perversion (how we are to inculcate the dimension of lack and questioning in him) becomes more urgent in view of today’s political scene: the subject of late capitalist market relations is perverse, while the ‘democratic subject’ (the mode of subjectivity implied by the modern democracy) is inherently hysterical.”—Žižek, *The Ticklish Subject* (2009: 293)

Freakonomics: A Rogue Economist Explores the Hidden Side of Everything has grown beyond its “unlikely” roots as a collaboration between a New York Times Magazine writer and a Harvard and MIT-educated economics professor at the University of Chicago to veritable mini-industry of pop microeconomic analysis. An updated version of the original book, a sequel entitled *SuperFreakonomics: Global Cooling, Patriotic Prostitutes and Why Suicide Bombers Should Buy Life Insurance* (published in 2009, with a 2010 illustrated “Super Sized” version), a third “self-help” style book from 2014, a blog, a published compilation of blog posts, a movie version of the original book, as well as “a weekly podcast, a segment on [NPR’s] Marketplace every two weeks, an upcoming series of five one-hour specials...that will be heard on public-radio stations around the country...and a few *Freakonomics* Radio live events,” have all sprung up since the book’s initial publishing in 2005 (Dubner 2011). At its peak popularity, *Freakonomics* was listed at No. 9 on Amazon.com’s list of “Business and Economics” books, and No. 2 under its “Humor and Entertainment” category.

This essay has two functions: My primary goal is to contribute to the under-theorized Lacanian concept of perversion; the second is to contribute to a political critique of a specific form of neoliberal governance exemplified in *Freakonomics*. The “freakish” outcomes of *Freakonomics* come from a perverse relationship with the text. By identifying with the “economic approach to human behavior,” what we perceive to be “freakish” about our own idiosyncratic behavior is retroactively symbolized as the expression of a hidden force—a market structure that operates behind our conscious minds. The discursive strategies of the books demand we identify not with our own idiotic jouissance, but with the economic mechanisms that organize social reality into a stable equilibrium. Following the 2008 financial catastrophe, Chicago School economics supposedly had its day of reckoning—in theory, if not in practice.

Yet its influence has metastasized via this cultural avenue; the “economic approach to human behavior” coined by Chicago School economist Gary Becker is the foundation of the Freakonomics worldview. As a dynamic, unstable and amoral system, the capitalist mode of production depends on cultural texts like Freakonomics to rationalize its excesses—its own perversions—as the outcome of rational economic activity. Freakonomics thus enacts an ideological displacement, rendering individuals responsible for their choices and prevents an indictment of the system as perverted itself.

In *The Pervert’s Guide to Cinema*, Slavoj Žižek informs us “cinema doesn’t give you what you desire—it tells you how to desire” (2006). The same is true for Freakonomics, I contend, for it provides the coordinates through which one locates their enjoyment. This is precisely the lure of Freakonomics: No matter how far afield the subject believes she is from mathematizable motives, the rules of the neoclassical game envelop her. In other words, what is “freaky” about Freakonomics is not that actors do not obey traditional economic principles, but that they do. The “freakish” outcomes Freakonomics describes comes from a perverse relationship with the texts—by identifying with the “economic approach to human behavior,” what we perceive to be “freakish” about our own behavior falls away into a deeper rationality. Freakonomics does the duty of disseminating neoclassical economic truisms about social life by wrapping them in perverse identificatory strategies. Freakonomics achieves its goal in three discrete moves—first by exchanging the big Other of the state for that of the market, second by reversing the position of enjoyment, and finally by retroactively narrating all economic outcomes as the instrument of the market Other’s enjoyment. Due to their theoretical commitments to a textbook-definition neoclassical economic subject, the authors only cast moral judgments upon the state, the source of most “perverse” incentives.

The Lacanian concept of perversion helps explain how the books entreat us to take on the role of the pervert—to enjoy as if the market enjoys through us, and giving us, as Lacan puts it, the “père-version” of events. The psychoanalytic tradition does not pathologize perversion, as a moral judgment. Rather, perversion involves a particular relationship to the signifying order—it is a reversal of the position of enjoyment. Instead of a subject enjoying the Other (like an object-relation, or how Lacan defines masculine *jouissance*), the perverse subject aims to be the instrument of the Other’s enjoyment; the pervert is the object that the Other enjoys. Žižek writes, “The sadist pervert inverts this structure, which gives us a \diamond : by means of occupying himself the

place of the object—of making himself the agent-executor of the Other’s Will—he avoids the division constitutive of the subject and transposes his division upon his other” (2002: 234). Constructing the law of the Other is Freakonomics’ ideological function, a discursive buttressing of the neoclassical law of value that accounts for no structural inequalities or injustices, only the smooth and “freakish” functioning of the free market.

Fink describes the phenomenon thusly: “perversion involves the attempt to prop up the law so that limits can be set to jouissance (to what Lacan calls ‘the will to jouissance’). Whereas we see an utter and complete absence of the law in psychosis, and a definitive instatement of the law in neurosis (overcome only in fantasy), in perversion the subject struggles to bring the law into being—in a word, to make the Other exist” (1999: 165). When Freakonomics explains the “irrational” behaviors of schoolteachers, Sumo wrestlers, murder witnesses and suicide bombers as deeply rational according to orthodox economic theory, I argue that this represents the construction—not discovery—of the big Other of the market. Capitalism may indeed be the symbolic Real (Žižek 2009: 331), but if we wish to rescue contingency from the jaws of a non-agentic, solipsistic flow of capital, we must see how it is propped up discursively.

I adopt Žižek’s reading strategy of discovering the loci of enjoyment in a given discursive cluster. He writes, “The easiest way to detect ideological surplus-enjoyment in an ideological formation is to read it as a dream, and analyse the displacement at work in it” (2002: xc). Since no discourse is “whole,” or as Lacan put it, since there is no “truth about Truth,” the gaps within this ideological discourse are immanent to the texts themselves, and any disavowal of that fact is psychoanalytically noteworthy. There is something deeply libidinal about Freakonomics—oddly, despite the fact that the authors publicly support almost uniformly right-wing political positions (opposition to universal healthcare, teacher tenure, equal pay), liberals seem to love the book series. The third entry, *Think Like a Freak*, was excerpted in the *Guardian*, despite the book foregrounding a closed-door meeting with Prime Minister David Cameron. Further, Morgan Spurlock, director of *Super Size Me*, *What Would Jesus Buy?* and *The Greatest Movie Ever Sold* (all films nominally skeptical of laissez-faire capitalism) directed the documentary version of *Freakonomics*.

Freakonomics certainly functions as neoliberal ideology, but beyond that, I hypothesize that Freakonomics acts as a regulatory mechanism for enjoyment under late capitalism. If the law is, as Lacan puts it, fundamentally concerned with the distribution of jouissance, this cultural

phenomenon provides a coherent account for how and why unknown others enjoy. We need no reference to their interiority if we can account for their actions as utility-maximizing economic actors acting within a perfectly efficient system. Yet acceptance of the neoliberal game is one thing; deriving pleasure from the ideological defense thereof is quite another. The authors attribute *jouissance* to ordinary people, name them as perverts, and in so doing, displace the contradictions of capitalism, thus naturalizing markets at all registers of human experience (and individualizing their outcomes). The remainder of this essay proceeds in three sections: First, I introduce the formal features of *Freakonomics*; I then explain how it functions as a perverse discourse in the Lacanian sense. Finally, I conclude by considering the relationship between perversion and culture to account for the series' popularity.

Freakonomics as Neoclassical Economics in Practice

Freakonomics begins with a remarkably simple proclamation from which all of its conclusions emanate. Levitt and Dubner adhere to a singular premise: "Incentives are the cornerstone of modern life" (2005: 13), "You could boil it down to four words: People respond to incentives. If you wanted to get more expansive, you might say this: People respond to incentives, although not necessarily in ways that are predictable and manifest" (2009: xiv), and "If there is one mantra a Freak lives by, it is this: people respond to incentives... Different types of incentives—financial, social, moral, legal, and others—push people's buttons in different directions, in different magnitudes... But if you want to think like a Freak, you must learn to be a master of incentives—the good, the bad, and the ugly" (2014: 106-7). The apparent neutrality of these statements smuggles in neoclassical precepts regarding human nature, market characteristics, and the state, and every anecdote within the books is a confirmation of this incontrovertible fact.

Michel Foucault, *avant la lettre*, diagnoses *Freakonomics* as quintessentially neoliberal:

[Neoliberals] use the market economy and the typical analyses of the market economy to decipher non-market relationships and phenomena which are not strictly and specifically economic but what we call social phenomena... This means that analysis in terms of the market economy—or, in other words, of supply and demand, can function as a schema which is applicable to non-economic domains. (2008: 240, 243)

The "Freakonomic approach" is the apotheosis of this impulse, since quite literally every social, economic, political, or cultural matter can be re-described and rearticulated as an "economic" problem. As the duo writes, "We all learn to respond to incentives, negative and positive, from

the outset of life. If you toddle over to the hot stove and touch it, you burn a finger. But if you bring home straight A's from school, you get a new bike" (2005: 16). According to the authors, a market structure is the "hidden force" that organizes reality; any reference to contexts as noneconomic, or conditioned by other organizing logics is deliberately suppressed in favor of market approaches.

In just their first book, the authors have chapters on late pickup penalties at an Israeli daycare center, Chicago schoolteachers cheating on their students' standardized exams, sumo wrestlers throwing matches, the moral economy of cheating a bagel seller, the takedown of the Ku Klux Klan by a single individual, age discrimination on *The Weakest Link*, how real estate agents lie, online dating profile characteristics, the structure of Chicago gangs, the prevalence of crack in America (relative to nylon stockings), the "infamous Kitty Genovese murder," the legalization of abortion and its impact on crime, whether owning a pool or a handgun is more dangerous for children, the "eight things that make a child do better in school and eight that don't" (2005: vii), the average education level of "white"- and "Black"-named schoolchildren, and many more. Yet the authors insist, "We have therefore done our best to tell stories in this book that rely on accumulated data rather than on individual anecdotes, glaring anomalies, personal opinions, emotional outbursts, or moral leanings" (2009: 16).

Their position is a version of neoclassical economic theory stemming from the work of Gary Becker, who devised the "economic approach to human behavior" at the University of Chicago in the 1960s. His approach presumes that three market mechanisms—prices, stable preferences and utility-maximization—organize all levels of existence. They write,

Our thinking is inspired by what is known as the economic approach. That doesn't mean focusing on "the economy"—far from it. The economic approach is both broader and simpler than that. It relies on data, rather than hunch or ideology, to understand how the world works, to learn how incentives succeed (or fail), how resources get allocated, and what sorts of obstacles prevent people from getting those resources, whether they are concrete (like food and transportation) or more aspirational (like education and love). (2014: 9)

This is the first demonstration of how Freakonomics smuggles in neoclassicism—Levitt and Dubner do not (need to) explain that "love" is a scarce resource, that choices result from underlying meta-preferences, or that it is organized in something resembling a "market."

Arnsperger and Varoufakis claim only three axioms hold together the neoclassical economic tradition: methodological individualism, methodological instrumentalism, and

methodological equilibration (2006: 5). Each feature is present in Freakonomics; I add only the skepticism that neoclassical economists have with the state, since this antipathy is central to the way the authors construct a perverse subject. First, neoclassical theory presumes that individuals act to maximize their utility given a set of stable preferences. These are both concrete preferences for goods, but also non-empirical “meta-preferences” like desire for “comfort” or “prestige” (Becker 1976: 5). Klamer writes, “In an economic analysis preferences are given and are usually assumed to be constant” (1990). Next, neoclassicism relies on the dependability of markets, constantly finding equilibrium via supply and demand fluctuations. Roubini and Mihm note the near-universal approval of this hypothesis: “Markets know best and never fail: this was the conventional wisdom in Washington, London, and elsewhere in the English-speaking world” (2010: 33).

The Freakonomic approach promises that social reality is continuously reaching equilibrium, but not at the visible or sensible level we expect, which is the source of all “freaky” outcomes. But because the Freakonomics project relies on equilibrium models of markets and market actors, “freaky” utility-maximizing subjects are inherently reactive to price signals—not in control, not sovereign. The great irony here is that subjects are merely slaves to their own preference structures. Levitt and Dubner write, “most incentives don’t come about organically. Someone—an economist or a politician or a parent—has to invent them” (2005: 17). Taxes, the insertion of politics into the capitalist mode of production, can only be a “distortion,” self-evidently negative, and inimical to capital flow.

Methodological individualism relies on the assumption that individual behavior contains insights about economies and societies as a whole. Wickens writes:

Modern macroeconomics seeks to explain the aggregate economy using theories based on strong microeconomic foundations... In modern macroeconomics the economy is portrayed as a dynamic general equilibrium (DGE) system that reflects the collective decisions of rational individuals over a range of variables that relate to both the present and the future. These individual decisions are then coordinated through markets to produce the macroeconomy. (2008: 8)

Aglietta writes that the “new macroeconomics” hypothesis of the “representative agent” renders us indifferent to actual individuality—“individuals are so completely socialized that they are the same!” (2002: 9). Within Freakonomics, the authors explicitly argue against macro-explanations for economic phenomena, preferring to view even catastrophic, systematic failures as the result

of misguided individual decisions. Regarding the 2008 financial crisis, they offer, “After recent events, one might wonder if the macroeconomy is the domain of any economist... Believe it or not, if you can understand the incentives that lead a schoolteacher or a sumo wrestler to cheat, you can understand how the subprime-mortgage bubble came to pass” (2009: 16-7).

From this perspective, the macro-economy is simply aggregated individuals making rational choices within preexisting incentive structures. Analyzing the financial crisis becomes simply assessing “rent-seeking” behavior of individual investors, rather than a rigorous interrogation of the priorities of the system as a whole. Shrewdly positioning themselves as underdogs despite the overwhelming superiority that neoclassical microeconomics has in the American academy, the authors write, “We hope that...you’ll realize there is a whole different breed of economist out there—microeconomists—lurking in the shadows. They seek to understand the choices that individuals make, not just in terms of what they buy but also how often they wash their hands and whether they become terrorists” (2009: 211).

We come to neoclassicism’s skepticism about the state. Freakonomics’ initial step in constructing a perverse subject is by substituting one big Other—the state—for another, the market. According to the Freakonomics authors, “Governments, for instance, often enact legislation meant to protect their most vulnerable charges but that instead ends up hurting them” (2009: 138). Brennan and Moehler write, “Neoclassical economists...insist that government intervention is justified only if there is a reasonable expectation that democratic politics will do better in relation to the policy issue than will the market. On this view, the prospects for effective political intervention in the economy cannot be properly assessed without an empirically informed and realistic account of the workings of democratic politics in agreement with the analysis of markets drawn from conventional economics” (2010: 947). Since Freakonomics is committed to the inviolability of utility-maximizing, individual subjects, any suboptimal outcomes are displaced onto the state. Ackerman and Nadal note that general equilibrium approaches obey “the common practice, in applied economic analyses, of referring to all taxes and tariffs as ‘distortions’ assumes that only a hypothetical pure laissez-faire economy could be undistorted” (2004: 7). For Freakonomics, it is not that governments do not produce incentives (laws, social programs, regulations), but rather, it is that they produce the wrong ones.

Public choice theory, to which the authors subscribe, metastasizes the presumption that markets function more efficiently (and therefore more effectively) than democracies. Crouch

writes that public choice “presents nearly all state activity as the self-seeking and self-aggrandizement of political figures and officials. For this school, a proposal to develop a public service should not be seen as having anything to do with the substance of the service in question, but as politicians and officials expanding their scope for patronage” (2011: 62-63). That is, because humans are selfish actors (voters, politicians, bureaucrats and consumers), and because markets deliver outcomes efficiently, then politics itself is an unnecessary distortion—unless it conforms to market-based approaches to social policy. The “Freakonomic” approach to social problems explicitly disavows the rectitude of state action:

Governments aren’t exactly famous for cheap or simple solutions; they tend to prefer the costly-and-cumbersome route. Note that none of the earlier examples in this chapter were the brainchild of a government official. Even the polio vaccine was primarily developed by a private group, the National Foundation for Infant Paralysis. President Roosevelt personally provided the seed money—it’s interesting that even a sitting president chose the private sector for such a task. (2009: 157)

There is a rhetorical elision at work in the Freakonomists’ dismissal of the state. Certainly, arguing that states only go for “costly and cumbersome” routes to solve social problems enables the authors to ignore the state as a site of political struggle. Because “public choice” theory posits that all actors (organizations, individuals, states) all behave “selfishly,” the very idea of a government as a non-economic zone of influence is forbidden.

Instead, laws and regulations are simply constraints on economic action, typically for the worse. Resentment about the scope and nature of the state is an incredibly powerful communicative resource by functioning as a scapegoat. McCloskey delights in pointing out the “ironies in social engineering” that follow any attempt to improve the world legislatively (1990: 15). For example the Freakonomics authors write, “The Endangered Species Act created a similarly perverse incentive. When landowners fear their property is an attractive habitat for an endangered animal...they rush to cut down trees to make it less attractive. Some environmental economists have argued that ‘the Endangered Species Act is actually endangering, rather than protecting, species’” (2009: 139). By assuming markets reach equilibrium in such a way that counteracts, nullifies, or reverses the intended result is what Hirschman calls a “perversity thesis,” or “the attempt to push society in a certain direction will result in its moving...but in the opposite direction” (quoted in Aune 2001: 25, italics mine) This properly dialectical notion, the

notion of unintended consequences, disables any alternative modes of thinking since the “economic” approach demonstrates how futile any exercise in amelioration can be.

The result of the authors’ equilibrium approach means that eliminating social welfare programs will have minimal injurious effects (2009: 122), and this thesis finds corroboration in the 2014 book, *Think Like a Freak*. They write, “To think like a Freak means to think small, not big. ... There isn’t a single big problem we’ve come close to solving; we just nibble around the margins” (89). Yet the first chapter of the book involves the duo advising then-Prime Minister David Cameron to cut and privatize the National Health Service, a recommendation to which even he expressed reticence. “When people don’t pay the true cost of something, they tend to consume it inefficiently,” they counsel (2014: 15). That is, one can think “big” if you wish to privatize socialized medicine, but to think “big” for interventionist, redistributive, or regulatory policy is not just impossible, but forbidden.

To be clear, Levitt and Dubner’s position is not hypocritical, but rather what Eagleton calls an ideological “performative contradiction” (2007: 24). Their theoretical commitments to the “economic approach to human behavior” (utility maximization, equilibrium, individualism) lead to a political commitment against the state. Since within the classical liberal universe, the major tension in society is that of the individual and the state, the market (along with “civil society”) represents the zone of freedom and non-coercion. This exemplifies what Lacan calls the *point de capiton* (“I exchange all other fears...”), since it is not that the state is one of several liberty-inhibiting institutions, it is that the state is the only institution that inhibits a subject’s freedom.[1] In *Freakonomics*, no subject is ever wrong, no outcome is ever inequitable, every action is proof of one’s incentives, no individual activity can ever be impugned. Every outcome we believe to be odd, distasteful, or astonishing is simply the proof of an ontological market structure—people are deeply rational beyond our expectations, and they act in accordance with their preferences. If a woman is paid less than a man, it is because she has a “weakness” for raising children in the same way men have a weakness for money (2009: 45). Or if a parent would rather pay a late fee than pick up their child on time from daycare, that is simply proof they have exchanged money for guilt.[2] In *Freakonomics*, the superegoic injunction “Enjoy!”

1 And since every individual addresses the Other of the market as an autonomous buyer/seller of goods, there is no freedom the state can inhibit

2 Which is truly, a properly Freudian insight

casts no shadow, allows no neurosis, never allows a subject to ask if she is enjoying in the right way.

On Perversion(s)

But I do not seek to moralize—it is a trap to be rejected outright. There are three distinct concepts of perversion worth distinguishing here: the traditional definition, next, the worst nightmare of the economist, the “perverse incentive,” and finally, a Lacanian definition that transverses the two. The first two definitions are simply mirror images of one another: One dismisses perversion from the moral standpoint of society, the other disdains it as economically inefficient. Regarding the common definition of perversion, Roudinesco writes,

“Perversion” is currently used...to describe a personality disorder, a state of delinquency or a deviation, but it still has multiple facts, including zoophilia, paedophilia, terrorism, transsexuality. Often confused with perversity, perversion was once—especially from the middle ages to the end of the classical age—seen as a particular way of upsetting the natural order of the world and converting men to vice, both in order to lead them astray and to corrupt them, and to avoid any confrontation with the sovereignty of good and truth. (2009: 3)

Yet for Roudinesco, perversion also “means creativity, self-transcendence and greatness,” and a “social necessity” (2009: 4, 5). Perhaps perversion is the inevitable result of culture itself, the signifying order.

Following Freud, perversion is so endemic to the human condition that practically every pleasurable activity, aside from copulation, could qualify as “perverse.” Swales writes, “We are all born with a polymorphously perverse disposition, and socialization...is responsible for what we call “normal” sexuality... With this argument, Freud debunked completely the idea that there is an innate sexual instinct that draws people together for heterosexual reproductive-oriented intercourse to the exclusion of all other types of sexual enjoyment” (2012: 3). As Miller puts it, “Freud goes so far as to suggest that foreplay is perverse” (1996: 311). (Any swerve of desire around an object through a mediating object produces the possibility for perversion. The great irony, of course, is that the pursuit of money does not qualify as perverse in *Freakonomics*.) The classical pervert enjoys his [3] transgression against a reigning moral order—he revels in the disgust of the Other, or the Other’s non-knowledge. (Both a flasher and a “peeping Tom” can be categorized as perverse.)

³ I gender the pervert here advisedly—Lacan and others claim that “men” are more likely to be perverts.

Freakonomics deploys the term “perversion” to describe the consequences of poor incentive structures, and indeed achieve the opposite of their goal. Because of the authors’ political commitments to utility-maximization, they reserve most of their scorn for governments that unnecessarily distort—pervert—individuals’ incentive structures. Perversion is wrong not because people act in accordance with their own desires, but because their activity does not contribute to total social utility. (For instance, Gary Becker once complained that equal sharing of domestic duties is inefficient, and therefore perverse, because women have more human capital outlays for domestic work, and men have higher capacities for wage earning.) The Other of the market cannot enjoy if individuals follow the incentive structures that governments lay out for them—low-income housing will simply produce more poverty and crime; regulations on greenhouse gases increase pollution, and the Endangered Species Act harms endangered animals. “Perverse incentives” names the pleasure that economists take in reminding us that the market wins every time, we both ought not and cannot change the world, since the law of unintended consequences is iron(ic).

Thus, the final sense of perversion elaborates and contravenes both of the previous two: If perversion is concerned with propping up the law of the Other, as Fink writes, then it is fundamentally a mechanism of distributing *jouissance*. That is, perversion ought not be tied to morality, nor to the pedantry of “perverse incentives” peddled by economists, but rather in the precise psychoanalytic sense in which the agent of enjoyment is reversed, from the subject to the Other. Lacan’s “fundamental fantasy,” $\$ \diamond a$, is inverted in perversion: the *objet a* (the object-cause of desire) is positioned as the agent and relates to the barred subject, producing $a \diamond \$$. He writes, “Strictly speaking, it is an inverted effect of the phantasy. It is the subject who determines himself as object, in his encounter with the division of subjectivity” (1998: 185). Economic outcomes, according to Freakonomics, are “freaky” because they are unexpected, irrational and astonishing according to “common sense,” but not according to the mechanisms of the market economy.

Certainly, it is “common sense” to say that Chicago public school teachers cheating on their students’ exams, women engaging in prostitution only on holidays, sumo wrestlers throwing matches, naming a child “Loser,” or doctors recommending chemotherapy despite its inefficiencies are all “perverted” behaviors, since they violate our typical understandings of morality, profit and the ideologies of the various social fields therein. Yet the authors’ point is

the reverse: Human behavior is always calculating, rational and “incentive-driven,” so what we perceive to be “freaky” is underwritten by a meta-rationality of the market. This approach retroactively and symbolically reduces complexity of behaviors to a single alibi, and smuggles in concepts from neoclassical economics to justify behavior: Hence Becker’s insistence on “[t]he combined assumptions of maximizing behavior, market equilibrium, and stable preferences” that organize all social behavior (1976: 5).

This symbolic stitching-up of human behavior involves perverse reading strategies: If we begin to identify with the economic/Freakonomic approach, then we begin to identify with the functioning of our actions as the unconscious expression of market mechanisms. As Becker wrote, “When an apparently profitable opportunity to a firm, worker, or household, is not exploited, the economic approach does not take refuge in assertions about irrationality, contentment with wealth already acquired, or convenient ad hoc shifts in values (i.e., preferences). Rather it postulates the existence of costs, monetary or psychic, of taking advantage of these opportunities that eliminate their profitability—costs that may not be easily ‘seen’ by outside observers” (1976: 7). All costs, benefits and rewards are calculated as a reflection of external market forces qua internal preferences—being “freaky” is simply a matter of perspective, not priorities.

This is accomplished textually by enjoining readers and listeners to consider themselves as these instruments of enjoyment. Note how different this formulation is from Foucault’s judgment of economic thought, wherein there is no God/god-function, only market actors. Foucault writes, “Economics is an atheistic discipline; economics is a discipline without God; economics is a discipline without totality; economics is a discipline that begins to demonstrate not only the pointlessness, but also the impossibility of a sovereign point over the totality of the state that he has to govern” (2008: 282). In Foucault’s formulation, it is structurally impossible to represent all economic activity in something other than a price system—in other words, there is no big Other of the market, which accounts for the failures of macroeconomic policy writ large.

In contrast, Freakonomics raises the level of accounting to that of all social reality—even the price system is inadequate to symbolizing reality because markets of all kinds organize life at equilibrium. Freakonomics produces what Lacan calls a big Other—the figure of the market that functions as a neutral register of all symbolic activity, a discourse without remainder or room for an outside. Foucault misses the mark when he says there is no god-function in neoliberal

thought, because the god-function is “the market.” As Lacan says, “The reason why there is human desire, that the field can exist, depends on the assumption that everything real that happens may be accounted for somewhere. Kant managed to reduce the essence of the moral field to something pure; nevertheless, there remains at its center the need for a space where accounts are kept. On the far edge of guilt, insofar as it occupies the field of desire, there are the bonds of a permanent bookkeeping, and this is so independently of any particular articulation that may be given of it” (1997: 317-8). For Freakonomics, we are asked to identify not with ourselves as idiosyncratic, individual subjects, but rather, perversely to ourselves as always calculating, rational ones.

Zupančič similarly argues that perversion is primarily concerned with propping up the Other, presuming its lack and filling it as the Other’s object: “What is at stake for the pervert is not finding enjoyment for himself, but making the Other enjoy, completing the Other by supplying the surplus-enjoyment she lacks. The pervert wants the Other to become a ‘complete’ subject, with the help of the jouissance that he makes appear on the part of the Other” (2011: 15). That is, Freakonomics produces the big Other as the registrar of activity by producing perverse subjects who work—unwittingly—toward its ends. This is the position of the pervert, in which we become the objects of (simultaneously) our “economic” selves and of market mechanisms. We are always-already incentive-driven—there is nothing prior and nothing outside—so we must come to occupy the place where our motives have been. In SuperFreakonomics, the authors write that while it may be romantic to think of oneself as special, unique and “different” from one another—it is more useful to use a “coldly mathematical approach” to understanding that we are, in many ways, “typical” and “average” (2009: 13, 14). For Lacan, “the perverse subject, whilst remaining oblivious to the way this functions, offers himself loyally to the Other’s jouissance” (2014: 49). The jouissance of the market passes over, supersedes the enjoyment of the self—the line between the two is blurred because in Freakonomics, anyone’s individual enjoyment simply expresses a deep market mechanism. It is for this reason Lacan puns on the term “perversion” by calling it the “père-version” of events.

Žižek, following Lacan, claims that today’s superegoic injunction is not to save, practice responsibility, and think about the future—rather, it is to “Enjoy!” But because of the dictum from outside, this paradoxically produces a lack of enjoyment, or an inability to fully enjoy without the neurotic question, “Am I enjoying enough, or in the proper way?” Perversion as a

concept helps Žižek's proclamation regarding the superego, for Freakonomics riposte to the question is "You have always been enjoying, even in ways not conscious to yourself." Mladen Dolar remarks that the status of enjoyment is central to the division between perversion and neurosis.[4] For the neurotic, there is no enjoyment, only infinite deferral, ritual and circumscription. For the pervert, there is nothing but enjoyment, because every choice they make is calibrated to the underlying fundamentals of stable preferences, utility maximization, and market structures. That is, Freakonomics marks the passage from the neurotic to the pervert in culture.

The "economic approach to human behavior" posits that all human activity is already, constantly, organizing itself like a market at equilibrium: Any attempt to upset this fragile balance is "perverted"—hence the glib dismissals of equal pay legislation and other state action to attenuate pressing social problems, like polio, pollution or helping the disabled. Establishing this limit is absolutely vital for Freakonomics—there is a prohibition on thinking exterior to this law of unintended consequences, of the discipline of the market:

If we know something now about the pervert, it is that what appears from the outside to be an unbounded satisfaction is actually a defence and an implementation of a law inasmuch as it curbs, suspends, and halts the subject on the path to jouissance. For the perverts, the will to jouissance is, as for anyone else, a will that fails, that encounters its own limit, its own reining-in, in the very exercise of desire as has been very well underlined by one of the people who took the floor earlier at my behest, the pervert doesn't know what jouissance he is serving in exercising his activity. It is not, in any case, in the service of his own jouissance. (Lacan 2014: 150)

Lacan precisely diagnoses why perversion is a defense mechanism—identifying with the Other of the market, making one's actions the instrument of the Other's enjoyment—these are merely ways of saying that the discourse of incentives prohibits non-market solutions by positing the ubiquity of "the market" in every and all contexts.

Overall, Freakonomics seeks, and manages to find, "markets" everywhere. "Incentive" functions here as an ideological buffer zone against questions regarding inequality; all motivational problems can be reduced to differences in incentivization or volition. That is to say, the presumption "incentive-driven behavior" functions as a stand-in to imagine the desire of others, since we have no im-mediate access thereto. "Incentive," in whatever form, functions as a way to mediate—to figure—desire in a regularized, calculable way. The anxiety associated with

4 Personal communication, Nov. 19, 2014.

what the other wants is attenuated when we have a set of figures that render the actions of others explicable. The logic of the incentive is fundamentally a process by which these economists retroactively infer the desires of their subjects. Nearly anything can be called an incentive, and the economist always names the incentive retroactively. If someone has a low wage, or if someone is discriminated against, it is because they are incentivized something other than a high wage or respectful treatment. The interesting question is whether that explains anything at all—whether a ground for motive that contains literally everything does anything than re-describe, in economic terms, human behavior writ large.

Lacan points out that in any given speaking situation, the period, or point, is what retroactively confers meaning on an utterance (2006: 677), and in *Freakonomics*, that sense is conferred after the fact to make a stable explanation for behavior. The retroaction occurs in *Freakonomics*: The authors devote the entire final chapter of this book to the question of nominative determinism, or what happens when parents name their progeny stereotypically “white” or “Black” names. The upshot is unsurprising: Names do not determine one’s success, so naming your child “Shithead” does not condemn them to a life of destitution (2005: 174). However, the critical point is that nothing other than class determines whether a name is “white” or “Black,” and so we only associate Alexandra, Lauren and Katherine as “high status” names after viewing the income of their parents after the fact (2005: 176).

Another way of putting this is that “All humans respond to incentives” is empty phraseology. If “incentive” is the ground of every act, then it explains very little, because it explains everything. Basu explains, “Some may argue that what I am describing as cases of foregoing some individual advantage is not really that because those individuals have different preferences, and so it is in their utility-maximizing interest to forego those things. But this is purely a semantic point, with which I have no disagreement except to note that this kind of a definition of utility is tautological and devoid of content” (2011: 36). Yet while “incentives” may purport to be an empty container, a form rather than a content, it does contain a content—that of neoclassical economics’ assumptions about market and individual behavior. Although it is tautological, this tautology “works,” because the re-articulation of social phenomena as economic provides a stable figuration of a chaotic, complex and contradictory reality.

The vocabulary of “incentives” works to attenuate anxieties about the desires of the Other—but to be clear, this other is split between concrete others and the Other of “the market.”

Yet they are sutured together because if we assume that people are always “incentive-driven,” we need not make any other assumptions about them, since they act volitionally within market contexts just as we do. Deferral to the register of “incentives” is a way to domesticate the desire of others: They may be perverts, but they are just like us. And simultaneously, the big Other, this fiction we call “the market” is simply the repetition of that same proposition: it is nothing but others acting within an ontological market structure. Foucault correctly identifies the problem-space that neoliberalism articulates, but just misses the insight that the “God-function” is the market itself. And following Fink, *Freakonomics* elicits pleasure in readers by instantiating this big Other as the registrar of all human activity. In this account, the market is the only mechanism to articulate demands and desires, but it is a universality based on an exception: In a market economy the only thing one cannot profess a preference for is a non-market economy. That is why in the final analysis, the Other, or the market, is not neutral or natural, but a Law based on that singular prohibition from which all other decisions stem.

Conclusion

In sum, *Freakonomics* turns “freaks” into perverts in three discrete moves: First by replacing the Other of the state with that of the market, next by reversing the position of enjoyment, and finally by retroactively narrating subjects’ desire as structurally perverted. The authors can thus buttress the original suppositions of neoclassical economic theory: individuals are autonomous, rational, utility-maximizing and discrete. *Freakonomics* is therefore indirectly an admonition for “better” economic behavior as it simultaneously is presumed to be an accurate depiction of how society has always functioned. Because of this, the authors elicit a “perverted” approach to identification. The authors ask us to identify with the meta(-economic)-rationality behind “freaky” economic outcomes (of holiday-only prostitutes, of Indian television watchers, and of selfish soccer penalty shot-takers). We are better off identifying with market mechanisms—and especially neoclassical assumptions about our own rationality—in order to better act and think in the world. *Freakonomics* does not make us freaks; it makes us perverts, in order to preempt any grievances about fairness in market economies.

What is disavowed in *Freakonomics* is the idea that markets themselves could be perverse. Perversion is the result of a system that is, itself, perverse, incapable of copulation without remainder, the perfect integration of everyone into a functioning system, a totality, that which would eliminate class struggle, and so on. This is why I prefer to pick up Žižek’s (2009)

insistence that the subject of contemporary capitalist market relations is perverse less as hope, more as diagnosis. In 2012's *The Pervert's Guide to Ideology*, Žižek claims that perversion is politically impotent, and one must instead hystericize the political subject. His evolution indicates to me that perversion as a concept simply positivizes, names an individual reaction to a structural impasse. This interpretation is also in accordance with Lacan's fourfold interpretation of perversion and hysteria, culture and society from his seminar on transference. Lacan relates these terms like so:

While society leads, via censorship, to a form of disintegration which is called neurosis, perversion can be understood, contrariwise, as a kind of elaboration, construction or even sublimation—to use that word—when it is a product of culture. The circle closes: perversion contributes elements that shape [travaillent] society, and neurosis favors the creation of new cultural elements. (2015: 31)

Following Grossberg's distinction between society as a set of hierarchies and institutions infused by power relations (1992: 90), and culture as a set of signifying practices (1984: 393), Lacan seems to indicate that society produces neurotics via the superego, and culture produces perverts. The quarter-turn is complete when perverts shape society and neurotics create culture.

Freakonomics simply moves too quickly: As a product of culture, it actively works to instantiate ideological adherence to the social structures that generate the kinds of "freaky" outcomes identified in the books. As bourgeois ideology, it blurs the distinction between the two realms of culture and society, naming them all as parts of a single process, that of the market. The truly "freaky" thing about Freakonomics is that there is no lack—it presents a disavowal of lack, since even our own desires are seen as the expression of hidden, underlying forces that secretly organize and align us to the market's equilibrium. Freakonomics, then, is a "whole" discourse. It avows no outside, through the grounding of all activity in "incentive," and can potentially mathematize and incorporate all behaviors, be they economic or noneconomic. The gamble of Freakonomics is precisely this: Reduce the capitalist mode of production to sets of individualized incentive structures, and disavow the lack within capitalism by retroactively narrating individuals' behavior as perverted. The market enjoys through the acts of individuals, always has, and always will (have been). Much like the rules of capitalism are structurally unequal, so are the rules of Freakonomics: All behavior is incentive-driven; all things can be retroactively reduced to incentives; any attempt to change the status quo is perverted.

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