

# Psychoanalysis, Money and the Economy

International Conference 1 - 4 July, 2010

Freud Museum, London NW3 5SX

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Since the time of Adam Smith and David Hume, economic theory has been operating with a model of *Homo oeconomicus* as a rational, autonomous, self-interested calculator of cost/benefit. This presumed rationality of 'economic man' supposedly guarantees, in turn, the fundamental rationality of the 'self-regulating' or 'self-adjusting' market. Classical political economy, neoclassical economics and neoliberalism have all operated with this model.

But the recent 'global financial crisis' is yet another reminder, were one needed, that the psychology of markets and money-dealers can be far from rational. Even Alan Greenspan had to admit of the 2008-9 crash: "Those of us who have looked to the self-interest of lending institutions to protect shareholders equity (myself especially) are in a state of shocked disbelief." Or as the economist Ian McDonald has put it: '*Homo oeconomicus*, that cool calculator of self-interest, couldn't possibly have been so incautious in protecting her or his wealth.'

Psychoanalysis, from its inception, has viewed the psychology of money as profoundly irrational – a realm of illusion and psychopathology, both individual and collective, the symbolic expression of a host of neurotic anxieties and phantasies. Freud, Ferenczi, Jones, Abraham were just the earliest psychoanalytic theorists to decode monetary transactions and relationships into their presumed unconscious motives. Yet, psychoanalysis has also been notoriously reluctant to speak plainly of its own economics as a profession and business – of how 'filthy lucre' is the indispensable stuff of its own transactions.

The aim of this conference is to stage a timely meeting between economics and psychoanalysis, to ask what they may have to say to one another in 2010, in the shadow of global financial crisis, recession and depression. It will bring together an international cast of leading economists, psychoanalysts, philosophers, cultural theorists and critics to explore all aspects of the nexus between psychoanalysis, money and the economy. There will be some 40 speakers at the conference, beginning on the evening of Thursday 1<sup>st</sup> July with a panel comprising Dr Vincent Cable MP (Shadow Chancellor, Liberal Democrats), Dr Gillian Tett (Assistant Editor, Financial Times) and Dr Oliver James (psychologist and author of *Affluenza* and *Britain on the Couch*), debating the psychology of money and the 'global financial crisis'.

(Extract from David Bennett's introduction to the conference)