

NEOLIBERAL CAPITALISM: THE AUTHORITARIAN TURN

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Inescapably we live in both interesting and disturbing political times. These are times, which, since the election of Donald Trump, yield daily experiences of new political extremities bordering between the unimaginable and the farcical. Nor is Trumpism an isolated example of a new political extremism, despite its specifically US features. His combination of media savvy and nationalist populism offers a salient reminder of the extent to which widespread dissent can drive electoral success elsewhere in our times, at least from the perspective of an erstwhile complacent belief in the secure position of liberal (even if not social) democracy. For, in the recent past, authoritarian governments have been installed in a wide variety of countries by different means, including more or less objectionable elections (Argentina, Hungary, India, Italy, Poland), judicial-parliamentary coups (Brazil, Honduras, Paraguay), the abuse of constitutional prerogatives (Turkey), and military coups (Egypt, Thailand).

While the concepts of neoliberal authoritarianism or authoritarian neoliberalism¹ are often used interchangeably to address these developments, the former suggests a neoliberal variety of a transhistorical political authoritarianism, while the latter – our preference – specifies an authoritarian turn within neoliberalism.² Yet, what careful analyses of these political forms share in common is attention, if not reduction, to economic factors and the political responses to them. This suggests that to understand the nature and causes of authoritarian neoliberalism, the (economic) nature of neoliberalism must be specified, and how it conditions both the political and the ideological and their contradictory relations. Indeed, the policies and practices associated with neoliberalism and financialization have been drawn into question in the wake of the global financial crisis of 2007-08.³ In the domain of ideology, the mantra that unleashing free – especially financial – markets could sustain

economic prosperity indefinitely, subject to a modicum of macroeconomic regulation through manipulation of interest rates by an independent central bank, was rudely shattered, revealing an extreme and naïve vanity. Tellingly, Alan Greenspan, erstwhile head of the US Federal Reserve when he was called no less than the ‘Master of the Universe’, confessed to being ‘in a state of shocked disbelief’, accepting that ‘you found that your view of the world, your ideology, was not right, it was not working’.⁴

In aftermath of the crisis, state intervention was launched on an unprecedented scale to rescue finance through the provision of unlimited support to large financial institutions. The biggest of banks in the world were temporarily taken into public ownership and otherwise targeted for bail-outs and easy access to funds at minimal interest rates through emergency asset purchases and a policy of ‘quantitative easing’ (QE). After a decade of limited recovery, it is clear that these responses did not deliver a renewal of economic performance on the scale experienced during the 1990s, let alone over the post-war boom; recently, the global economy has entered a ‘secular stagnation’ with no end in sight.⁵ Meanwhile, the economic tribulations of neoliberalism have been compounded by an escalating crisis of democracy and a drift towards authoritarian forms of rule in a growing number of countries. We show below that this shift cannot be reduced (as if these developments were epiphenomenal) to an easily reversible advance of untenable projects led by self-centred, thieving, or megalomaniac politicians.

So, what exactly is the nature of neoliberalism that it can simultaneously both rely upon state intervention and deny its efficacy by recourse to political and ideological populism, quite apart from appeals to other (conservative) collectivities – nationalism and racism, in particular – in the context of market individualism? Coherence is not the order of the day, but there is underlying order in the chaos as our argument here, summarized as follows, suggests.

First, what occurred in 2008–09 was a severe *crisis within neoliberalism*, exposing the limits of reliance on finance as the driver of global accumulation. Initially taken by many as a fatal crisis of neoliberalism, especially as the market failed spectacularly in its favoured arena of finance, the crisis proved nothing of the sort.⁶ Indeed, despite such expectations, it never became a *crisis of neoliberalism*, since the reproduction of the system of accumulation was never threatened by a systemic alternative.⁷ Consequently, despite the decline of GDP growth rates and the vast and continuing reverberations of the crisis, neoliberalism remains alive and well in the economic domain and beyond. Indeed, in most respects, neoliberalism has been *strengthened* during the last decade.

Second, the social and institutional changes brought about by neoliberalism, and furthered by the finance-first and fiscal ‘austerity’ policies imposed in the wake of the global crisis, have destabilized the political sphere formed under neoliberalism and steadily sapped the ideological legitimacy of the system of accumulation. Indeed, neoliberal policies had already hollowed out progressive forms of political participation partly through the weakening of labour as well as exclusionary forms of rule, facilitated by the capitulation of left-of-centre political parties as neoliberal prescriptions became both common sense and institutionalized in government. These developments have not quelled political activism entirely, but they have severely undermined its traditional forms of expression and created fertile conditions for more extreme politics as new vulnerabilities to livelihoods emerged.

Third, while neoliberalism was, previously, typically grounded in increasingly shallow and formal practices of liberal democracy,⁸ its current political forms are transitioning towards unstable modalities of which authoritarianism is increasingly common, with ‘spectacular’ leaders driving right-wing exclusionary programmes and the emergence of mass movements of the right both supporting and pushing them forward. We argue that these political shifts are not transitory phenomena ensuing directly from poor economic performance, that will reverse once faster economic growth resumes. Instead, they are the outcome of the degeneration of liberal democracy under neoliberalism. Neoliberalism (in the long term) and the global crisis (in the short term) have fatally destabilized the political system built by neoliberalism from within, unmooring it from its former centre of gravity in the promotion of (global) capital and finance with minimal pressures and concessions.

Yet, to understand whether authoritarian neoliberalism is a transitory adjustment phase to the murky post-crisis world or becoming the ‘best-fit’ political arrangement for neoliberalism,⁹ the tendencies and counter-tendencies characterizing the present phase of neoliberalism need to be identified and disentangled. For the fate of authoritarian neoliberalism inevitably hinges on how such tendencies will be resolved – a process which is chaotic, still in flux, and by no means predetermined.

CAPITALISM, NEOLIBERALISM, FINANCIALIZATION

Although we live in the age of neoliberalism, few would self-describe as neoliberals. The label marks a critique rather than acceptance for even the leading representatives of contemporary capitalism, just as authoritarians will describe themselves as democratic. The current (neoliberal) stage of capitalism emerged in the wake of the end of the post-war boom, first in

the UK and the US, rapidly spreading to their core allies in Europe and the periphery through Atlanticism and the Washington Consensus, via a wide variety of paths in distinct countries and regions. The origins of neoliberalism are appropriately associated with Thatcherism and Reaganism, but these monikers can be misleading: even though neoliberalism has had a significant impact on many areas of social reproduction, it is not reducible to a mere shift in elected administrations, ideology, economic and social policies, class relations, or the otherwise undifferentiated relationships between state and market, workers and capital-in-general, or finance and society. Neoliberalism is each of these, but also more than them all. In short ‘the originality of neoliberalism is precisely its creation of a new set of rules defining not only a *different* ‘regime of accumulation’, but, more broadly, a *different* society’.¹⁰

Neoliberalism’s most salient feature is the financialization of production, exchange, and social reproduction, i.e. the subsumption of economic and social reproduction by the intensive and extensive accumulation of interest-bearing-capital.¹¹ Thus defined, financialization encapsulates the increasing role of (globalized) finance in ever more areas of economic and social life. In turn, financialization underpins the neoliberal system of accumulation, articulated through the power of the state to impose, drive, underwrite, and manage the internationalization of production and finance in each territory, often under the ideological veil of promoting non-interventionism.¹²

While financialization expresses the control of interest-bearing-capital over the main sources of capital, processes of resource allocation and levers of economic policy – including the exchange rate, the composition of employment, consumption, investment, international trade, and the financing of the state – the global reach of finance both incorporates and reflects the centralization of those levers in US-led financial institutions, and their regulation by US-controlled international organizations. Further, contemporary financialization derives from both the post-war boom and its collapse into the stagflation of the 1970s, and it has been one of the main drivers of the restructuring of the global economy since then – often under the guise of ‘competitiveness’ and ‘inflation control’.¹³ These mutually reinforcing processes have allowed financial institutions to appropriate an expanding share of the value produced in most neoliberal economies. For example, in the US the profits captured by financial companies jumped from a little over 10 per cent of total profits in the post-war period, to 41 per cent in 2002.¹⁴ This share declined immediately after the crisis, but returned to over 30 per cent by 2009.¹⁵ These transfers from the non-financial sector have contributed to the polarization of incomes under neoliberalism.

Neoliberalism and financialization have thus underpinned *both* the recovery of profitability after the crisis of Keynesianism, *and* rising inequality.

This approach to neoliberalism as a stage in capitalism supported by financialization informs a specific pattern of transformations in the processes of growth, investment, production, employment, finance, and consumption. As a result, some countries have been able to sustain impressive rates of growth, with northeast and southeast Asia to the fore; more recently, China has become the export assembly hub of the world. Yet, far from fostering an unproblematic ‘global convergence’, neoliberalism has created new patterns of uneven and combined development. Immense prosperity within and across countries and regions for specific social strata (popularly identified as financial or other elites or oligarchs, the top 1% or even the top 0.01%), coexists with new patterns of poverty, as well as the reproduction of mass poverty in areas where it already prevailed.

In short, financialization has become the main driver of economic and social restructuring both nationally and globally, creating a tendency to short-termism and speculation as opposed to long-term investment in pursuit of productivity increase at ‘microeconomic’, ‘macroeconomic’, and broader social levels, albeit unevenly and through a variety of mechanisms. Accordingly, accumulation under neoliberalism has generally taken the form of finance-driven bubbles, parasitical upon the enhanced exploitation of workers (through the restructuring of production at the global level and the expansion of precarious forms of labour, culminating in the ‘gig economy’), exactions from the periphery (via unequal trade, financial extraction, rents, and so on), and relentless plunder of nature. These bubbles invariably collapse with destructive implications, and their containment and subsequent recovery require state-sponsored salvaging. Representative cycles include the international debt crisis of the early 1980s; the US savings and loan crisis of the 1980s; the stock market crashes of the 1980s and 1990s; the Japanese crisis and subsequent underperformance dragging on since the late 1980s; the crises in several middle-income countries at the end of the twentieth century; and the dotcom, financial, and housing bubbles of the 2000s, ultimately leading into the global financial crisis and its limited recovery. Thus, financialization has been attached to declining levels of investment and increased volatility within and across economic and social sectors, globally and nationally.

The economic contradictions of neoliberalism and financialization in the advanced economies have resulted in underperformance relative to the Keynesian ‘golden age’, despite unprecedentedly favourable conditions for capital accumulation wrought by the transition to neoliberalism. They

include the West's victory in the Cold War; the collapse of most nationalist movements in the Global South; the liberalization of trade, finance and capital movements; unparalleled support to accumulation by competing states; the reduction of taxation, transfers and welfare provision in most countries; the decline of traditional sources of resistance within previous forms of capitalism (trade unions, peasant movements, left parties and social movements); and the ideological hegemony of a bogus but vociferous 'free market' capitalism. Finally, the availability of new technologies has served as a continuing source of productivity increases, to some extent offsetting the effects of financialization, alongside significant increases in the global labour force, not least with China's integration into the capitalist world economy. Instead of thriving from these favourable conditions, global accumulation in core countries has been hampered by continuing instability and, since 2007, by the deepest and longest economic crisis and the weakest and most distributionally regressive recovery on record.¹⁶

In this light, we identify *the economic paradox of neoliberalism* as the staggering inability to capitalize upon extraordinarily favourable conditions for accumulation. This relationship between financialization and neoliberalism can be loosely divided into three phases separated first by the early 1990s, and later the global crisis of 2008.¹⁷ These phases are more logical than chronological, as they can be sequenced, delayed, accelerated, or even overlain in specific ways depending on country, region and economic and political circumstances. The first is the transition or shock phase, going against the previous system of accumulation, with the aggressive promotion of private capital proceeding with limited regard to broader consequences. This transition generally requires forceful state intervention to contain labour, disorganize the left, promote the transnational integration of domestic capital and finance and put in place the new institutional framework. This can be illustrated by the military coups in Uruguay, Chile, and Argentina in the 1970s, which preceded global neoliberalism, followed by Thatcherism, Reaganism and their offspring in other advanced economies, 'structural adjustment' in Latin America and sub-Saharan Africa since the 1980s, and the transitions to capitalism in Eastern Europe, in the 1990s. This phase closes historically with the East Asian crisis in the late 1990s.¹⁸

The second phase emerged in the context of the reaction to the dysfunctions and adverse social consequences of the first. Associated especially with the social democratic 'third way' turn, it focused on the stabilization of the social relations imposed previously, the consolidation and expansion of the financial sector's interventions in economic and social reproduction, state management of the new modalities of international integration, and the

‘rolling-out’ of neoliberal social policies both to manage the deprivations and dysfunctions created by neoliberalism, and to (re)constitute neoliberal subjectivities. In this way, neoliberalism redefined the relationship between the economy, the state, society, and individuals, constraining the latter to give their lives an entrepreneurial form and subordinating social intercourse to narrow economic criteria.¹⁹ The ideology of self-responsibility has been especially significant, since it is antagonistic to working-class culture and agency: it deprives citizens of their collective capacities, values consumption above all else, places the merit of success and the burden of failure on isolated individuals, and suggests that the resolution of every social problem requires further individualization and financialization of social intercourse.²⁰ None of this implies, it bears emphasizing, the retreat of the state (especially in its economic roles), as opposed to the emergence of increasingly centralized forms of control and subordination to financial imperatives.

After the shock of the financial crisis, a third phase emerged, characterized by the loss of legitimacy that followed the realization of the stunning – and exceptionally costly – flaws of financialization, the perception that neoliberalism had driven an accelerated concentration of income and wealth and imposed unpopular patterns of employment and social reproduction, and that, despite entirely favourable conditions, the neoliberal restructuring of the relationships between state, finance, and industry had failed to deliver a renewal of accumulation with macroeconomic stability. Yet the crisis eventually led to the reconstitution of the hegemony of finance and the reimposition of radicalized economic, social and political ambitions disguised by the neoliberal orthodoxies of ‘free’ markets and permanent austerity. These have all been part of the emerging forms of accommodation between large-scale finance and productive capital with, for example, states flirting with industrial policy and large-scale infrastructural provision as a means to shower money and contracts so that finance and industry will work together.²¹

Such developments have been enforced through increasingly repressive forms of rule, and validated – despite large cracks in their ideological hegemony – through the discourses and practices of (selective forms of) nationalism and (more or less disguised) racism. Their political form is authoritarian neoliberalism – a form of neoliberalism which, partially breaking out of its previous democratic shell, exacerbates the tendencies of neoliberalism to strengthen the coercive and security apparatuses of the state in order to sustain the system of accumulation despite its evident inability to realize any form of shared economic prosperity.

FROM GLOBAL FINANCIAL CRISIS TO THE CRISIS OF NEOLIBERAL DEMOCRACY

Each capitalist crisis incorporates specific characteristics, whether by virtue of proximate causes, depth, breadth or incidence across the economy, ideology or political system, or through differential impact within and between economic sectors or upon segments of the working class in each country.²² The global financial crisis was remarkable across a number of these dimensions. First, the crisis was not initiated by a speculative frenzy based on primary commodities (e.g. oil), luxury goods (tulips), or the expectation of profits from entirely new fields of investment (South Sea or dotcom). Instead, it was a new type of crisis, sparked by the issuing of mortgages to the poorest households in the US, subsequently re-packaged into new types of financial assets, traded through innovative channels that did not even exist a few years earlier.

Second, nobody could blame the poor for the speculative boom or the crash and its aftermath. Unlike other instances of economic malfunction, 'excessive' wages and benefits have nowhere been targeted as causal, along the lines of neoclassical, Keynesian, or even radical 'profit squeeze' views. In the past, these have helped to legitimize the shift of the burden of adjustment onto working people and the poor. This time, since the working class remains relatively disorganized and non-combative and thus blameless, mainstream explanations for the crisis had to be located in inter-capitalist relations in general, and financialization in particular. However, even if finance and its excesses were guilty, finance had to be rescued to prevent an even worse impact upon the rest of us, whose hardening times for years to come are thereby justified. While this still is presented as being essential to stabilize the public balance sheet in the wake of the extraordinary expenditures in the previous period, in reality 'fiscal austerity' has served to advance the neoliberal agenda on a wider front through higher taxes, lower transfers, and the expanded commodification of social reproduction. These policies might be dubbed 'socialism for the bankers and capitalism for everyone else', justified by ideological acrobatics claiming that heavy state intervention is essential to protect the free market, but must be paid for through austerity policies.²³

Third, the sheer size and pervasiveness of the global crisis initially overwhelmed even the unprecedented levels and forms of (national and international) state intervention seeking to temper its worst effects. Those limitations of macroeconomic policy and international co-operation reflected the complexity of the asset structures and the intermingling of financial institutions built under financialization, creating significant difficulties in

selecting what to target for rescue – by what criteria, to what end, how, for how long, and at what cost, and with what supplementary policies at the domestic and interstate levels.

Fourth, the locus of the crisis and its reverberations shifted over time. At first, the crisis was concentrated on advanced economies, with the US at the forefront, leading to home repossessions and rapidly climbing unemployment. Then its epicentre shifted to the eurozone periphery, with the Greek drama as its most powerful symbol. Finally, the crisis engulfed the middle-income countries, eroding fragile governments and economic strategies, with Argentina and Brazil as the clearest examples.

This interpretation of the crisis contrasts with other critical interpretations of neoliberalism focusing on its limitations and contradictions, especially the decline of real investment because of the comparatively easy returns promised by financial speculation, the erosion of effective demand due to low wages and the rising burden of household debt, or the adverse implications of deindustrialization because of the restructuring of global manufacturing capacity and its relocation to East Asia in general and China in particular. While undeniable, these processes neither directly *caused* the crisis and the social forms it took, nor did they directly imply that neoliberalism is weak, exhausted, or already being replaced by another system of accumulation. Quite the contrary: the crisis was symptomatic of the *strengths* of neoliberalism, especially the centrality of finance for economic and social reproduction, while the measures adopted in its wake were symptomatic of the hegemony of neoliberalism ideologically and policy-wise.

Even though the policies adopted after the crisis achieved the immediate goal of restoring the profitability of global finance, the causes of the cataclysm have remained unaddressed, and the policies deployed to contain it have created new and shifting vulnerabilities. For example, zero interest rates, the rescue policies, and QE were supposed to help reduce systemic (financial) risks. Instead, they are conducive to speculative bubbles that have become especially unstable in the Global South. Between the start of the crisis and 2015, the total debt of financial corporations increased by US\$12 trillion, public sector debt increased by US\$25 trillion (with more than US\$20 trillion in eight OECD countries), and the liabilities of households rose by US\$7 trillion.²⁴ Further, virtually all the gains achieved in the current recovery were captured by the top income strata. In the 2009–13 recovery in the US, *all* the income growth went to the top 10 per cent of families, while the income of the bottom 90 per cent fell.²⁵ Neoliberalism embodies strong tendencies towards the concentration of income when the economy

grows, when it contracts, *and* when it recovers, given its tutelage by financial capital.

In contrast to those at the top who benefit through the policies associated with neoliberalism as well as those implemented in response to the global crisis, the fate of the majority has been subjected to volatile and variegated vulnerabilities²⁶ – as employment, wages, and economic and social reproduction more generally come under the direct and indirect sway of financialized neoliberalism. The politics of neoliberalism, and its unfolding crisis, are founded upon such vulnerabilities, and responses to them.

In addition to the economic processes outlined above, it is clear that, as both cause and effect, there is a wide variety of political paths of transition to neoliberalism. They range across its rollout by constitutional means (in most advanced economies), imposition by dictatorships (in several Latin American and sub-Saharan African countries), to coeval transitions to neoliberalism and bourgeois democracy (in Brazil, South Africa, South Korea and in Eastern Europe). Nonetheless, a ‘typical’ democratic political form of neoliberalism spread in the 1990s. Those neoliberal democracies were necessarily different from the political forms associated with the ‘core’ countries in the ‘old’ or ‘classic’ liberal period before World War I, or the social-democratic ‘compromise’ in place after World War II.

The limitations and contradictions of neoliberal democracy can be located at three levels. First, neoliberal democracies are heavily circumscribed, since they include an institutional apparatus designed to insulate decisions about economic policy from the ‘interference’ of the majority. In these regimes, the substantive choices about social provision, the composition of output, the structure of employment and the distribution of income are transferred to presumably ‘technical’ institutions, including ministries of finance dominated by neoliberal policymakers; so-called ‘independent’ central banks captured by finance and mandated to deliver legally-binding inflation targets (and rescue feckless financial institutions); Treasury departments constrained by maximum fiscal deficits (except when the provision of unlimited resources to finance becomes imperative); floating exchange rates that constrain governments to abide by the whims of market traders; privatized utility companies owned by transnationalized hedge funds; regulatory agencies captured by the conglomerates nominally under their authority, as well as business associations, international organizations, the European Commission, the US Treasury and State Departments, and their local enforcers. At a further remove, policy is both imposed and monitored by transnational financial institutions, the stock market, and the media, whose self-interested interventions can shift asset values in dramatic ways. Their authority is

underpinned by a judicial system tasked with enforcing the laws imposed by neoliberalism itself. In this way, neoliberalism imposes discipline upon key social agents, with the workers at the forefront, but these institutional structures also discipline capital, the state, and even finance itself, with a growing intolerance of dissent. In reshaping the institutional structure of the economy, neoliberalism has also spawned specific forms of corruption and corresponding revolving doors between business, politics, civil service, the media, and unelected advisors.²⁷ These processes reinforce authoritarian tendencies and practices that recently have served to facilitate the accession of ‘mavericks’ to power, as well as spawned exceptional state structures that operate with limited checks and balances.²⁸

These structures not only transferred to finance allocative functions previously performed by the Keynesian state, they also locked in neoliberalism institutionally. It became virtually impossible to shift the system of accumulation from within, following the political rules that neoliberalism had introduced. The outcome was the shrinkage of the policy space available to the institutions of nominally democratic states, in tandem with the contraction of space for legitimate opposition. Increasingly, the consolidation of neoliberalism reduced ‘normal politics’ to the competition between shades of orthodoxy in a circumscribed political market: New Labour versus moderate Tories in the UK; Clinton Democrats versus establishment Republicans in the US; centre-left versus centre-right in Canada, France, Germany and Italy, and so on, with the limits of their friendly duel being policed by an aggressive right-wing media.

These reforms were not simply imposed by narrow (financial) elites aiming to control the state for their own selfish interests. The growing impermeability and depoliticization of the economic domain, and the simultaneous concentration of economic and political power under neoliberalism, spring from the material structures of the system of accumulation and the imperative to secure international competitiveness according to the parameters set by global finance and the US-led ‘international community’. The transnational integration of production and finance directly constrains policy space; globalized production and consumption require international legal and policy harmony through continual negotiations, policy conditionalities, and overlapping treaties, which drastically reduce the scope for variety in the modalities of social reproduction. And the reconstruction of US-led imperialism since the Vietnam War has been associated with a drive to impose neoliberal economic transitions alongside political transitions to ‘democracy’, leveraged by means of financial, commercial, and military pressures.

In neoliberal states, social forces as well as governments have, then, tended to lose the capacity to shape policy within their own borders, reducing the scope for the political system to find negotiated solutions to problems. The degradation of democracy undermines neoliberal claims to defend ‘freedom of choice’ and secure space for the ‘realization of individual ambitions’, and dents the legitimacy of neoliberal states and political systems. Their declining capacity to allow for, let alone address, conflicting demands constructively shows that, while they remain formally inclusionary, neoliberal democracies are exclusionary at the level of decision-making around neoliberalized daily lives – and even the illusion of participation has been eroded.

The second limitation of democracy derives from the fact that neoliberalism has been associated with economic restructuring, including of systems of production across labour processes, technologies, inputs and outputs, with implications for the modalities of international specialization, patterns of employment and consumption, and forms of social reproduction and community life. These processes have created a large array of economic ‘losers’, centred on the working class.

Under neoliberalism, the workers have tended to become increasingly divided, disorganized, disempowered, and deskilled, falling even further behind capital in political influence. Millions of skilled jobs have been eliminated, especially in the advanced capitalist economies (AEs), as entire professions have either vanished or were exported to cheaper shores. Employment opportunities in the public sector have languished because of privatization and ‘retrenching’, job stability has declined, and pay and conditions have tended to deteriorate. Severe losses have ensued for informal workers, whose prospects of stable employment have shrunk, and for skilled workers, who fear the export of their jobs while simultaneously bearing the stresses of overwork, as their employment has become increasingly precarious even in formal workplaces. Analogous pressures are felt by an indebted, impoverished, anxious, endangered, and increasingly vulnerable middle class. Across the wealthiest countries in the world, the remnants of this ‘privileged’ social strata previously characterized by rising real incomes, bewail their inability to bequeath similar improved material prospects to their offspring.

While the economic changes imposed by neoliberalism have created large numbers of ‘losers’, the transformation of social structures, institutions, and the law have tended to evacuate the political sphere, rendering the losers increasingly unable to resist against neoliberalism, or even to conceptualize alternatives. These processes help to explain the decline of left parties, their supporting organizations, trade unions, and most other forms of

collective representation. While these outcomes can be advantageous for the consolidation of neoliberalism in the short term, they have also fostered mass disengagement from constitutional politics, created powerful tendencies towards apathy and anomie, and undermined the ideological hegemony and political legitimacy of neoliberalism.²⁹ With traditional parties, leaders, and organizations distrusted, avenues for effective dissent are minimal.

The third limitation of neoliberal democracy today is that the economic, political, ideological and institutional hegemony of neoliberalism has been accompanied by a dramatic narrowing of political ambition and scope for collective action to change society, because of two converging processes. One is the loss of sources of inspiration for policy alternatives after the collapse of national liberation movements and governments in the South, the end of the Soviet Union, the economic transformations in China, and the collapse of revolutionary left parties in most countries. The other is systematic escalation in the policing of dissent, across individual privacy, civil liberties, and collective action, which became especially prominent after 9/11. Consequently, although neoliberal ideology ostensibly promotes the values of 'democracy' and 'freedom' against its purported interventionist and repressive enemies, neoliberal political systems have enforced the logic of TINA (There Is No Alternative), regardless of its severely adverse impact upon the life prospects of the majority, whose concerns are thereby devalued.

The evacuation of neoliberal democracy tends to be perceived by the 'losers' through the lens of 'corruption' (of, and by, poorly specified 'elites') and 'undue privilege' (afforded to the 'undeserving poor', a multiplicity of self-identified minorities, aliens, and foreign countries). While these groups are falsely taken to be favoured by public policy, state institutions can be construed as being hostile to the 'morally upright' losers who, increasingly, find it hard to make ends meet. Today, everything seems to be upside down, in contrast with the misty olden days when people of good character, strong discipline, and sharing 'our' common values – typically males with the right ethnic background – could count on steady employment, rising incomes, promotion prospects, and secure pensions.

Because of the fragmentation of society and the ideological hegemony of neoliberalism, the demands of the 'losers' tend to be framed in general terms and grounded on simplistic discourses drawing upon 'common sense' and a universalist (classless) ethics founded on identity (that is, demanding acceptance within the system of accumulation), meritocracy, and revulsion at corruption (aiming to reform the system, since replacing it seems impossible). This approach to politics can lead to demands for the restoration of earlier privileges, veiled by a classless discourse centred on 'moral values',

‘justice’, a ‘level-playing field’, the assertion of ‘traditional rights’, demands for ‘respect’, and calls for ‘honesty’ in public life. *Nationalism* – grounded on presumably shared values – and *racism* – embedded in the notion of a shared background – offer readily available umbrellas to articulate these narratives.

The losers in contemporary neoliberalism are, then, driven to frame their disappointments, resentments, fears, and hopes through the prism of an ethical conflict between insiders and outsiders in a moral universe in which there is no generalized exploitation within the socio-economic system. Instead, members of ‘our’ group are surrounded by predatory non-members and, within the group, ‘honest’ individuals are besieged by dishonest characters: ‘our’ values of honesty and hard work are being undermined by politicians stealing ‘our’ money, immigrants crowding ‘us’ out of ‘our’ houses and hospitals, and distant countries stealing ‘our’ jobs – without this leading for a moment to the questioning of the processes and injuries of capitalism and imperialism.

These destructive tendencies have been intensified by the fiscal austerity imposed in the wake of the great financial crisis, the cumulative effects of low economic growth, and the growing awareness of the inequities of neoliberalism. The inability of neoliberal states to address those concerns has contributed to the perception of a loss of efficacy and legitimacy for policies, practices, parties, and leaderships that were previously unassailable. In the meantime, resentments old and new have fuelled mutually incompatible demands for ‘change’, destabilizing the neoliberal democracies built between the early 1980s and the mid-2000s. However, because of the social, institutional and political changes imposed by neoliberalism itself, the resumption of mass political engagement has fuelled a narrative that solutions must lie either outside conventional politics or based in intransigent campaigns (because it is necessary to push hard to elicit responses from a rigid system). Such a political scene also leads to the projection of social agency onto individual ‘leaders’, as the structures supporting collective action have been disabled. Political activity along these lines can have destabilizing – but not transformative – impacts on the system of accumulation. In this sense, the hegemony of neoliberalism (and the economic and political degradation of the working classes) has structurally destabilized neoliberal democracy, and severely limited the scope for alternatives.

The *political paradox of neoliberalism* concerns the disintegration of neoliberal democracy under the weight of its own internal contradictions. The political hegemony of neoliberalism is predicated on the discourse of the reduction of the economic role of the state while, in reality, it facilitates financialized modalities of social reproduction and an individualistic subjectivity, which

are realized *through* the state. Neoliberalism reduces the spaces for political negotiation and collective initiative, so that self-serving agents are governed by neoliberal policy rules. The consolidation of this perverse political order simultaneously erodes its legitimacy, while the stresses of the global crisis undermines the ideological hegemony of neoliberalism.

These circumstances have fostered the rise of anti-systemic forces dominated by the far right, and polarized by authoritarian nationalist leaders vowing to confront the neoliberal state, finance, globalization, the elites, foreigners, and so on in order to garner the support of the losers, while simultaneously enforcing policies intensifying neoliberalism. The political crisis of neoliberalism is, then, about much more than Donald Trump (who received fewer votes than Hillary Clinton), Brexit (that won at the margin, and even though there was no possibility of an agreement about what the vote was *for*), or the myriad of authoritarian neoliberal leaders emerging elsewhere: this is a systemic crisis of great import for the system of accumulation.

THE RISE OF AUTHORITARIAN NEOLIBERALISM

The disintegration of neoliberal democracy became evident when elected governments were excluded from office and replaced by so-called non-party technocrats (in reality, experienced political operators committed to the status quo) in the Eurozone periphery (as in Greece and Italy).³⁰ Subsequently, the Syriza administration in Greece, elected for its advocacy of unconventional strategies, was forced to abandon them. The malaise eventually reached the ‘core’ NATO countries when Brexit won in the UK and Donald Trump was elected in the US. In France, Marine Le Pen of the Front National reached the second round of the Presidential elections, which were won by Emmanuel Macron, an unconventional politician leading a new party firmly aligned with neoliberalism. Nativist populism grows in Austria, Switzerland, and Scandinavia. Across the Eastern periphery of the EU, far-right politicians thrive on the basis of startlingly exclusionary and xenophobic programmes. Meanwhile, across the global periphery, authoritarian leaders and movements have won elections by fair means or foul (Argentina, Hungary, India, Russia, Turkey), while dissenting governments were more or less forcefully discarded (Brazil, Egypt, Honduras, Paraguay, and Thailand, with escalating pressures on Nicaragua and Venezuela). The policies pursued by these new administrations have converged around more overtly repressive and racist forms of neoliberalism, justified by unwieldy combinations of ‘national’ values and the imperatives of austerity.

In Europe, many traditional parties, especially the social democratic,

have split, shrunk or even imploded – as exemplified by PASOK in Greece (with ‘Pasokification’ even becoming a new term of political discourse). Mainstream conservative parties have shown greater resilience, partly because they are more closely identified with the dominant ideology, and partly because the right is used to deploying misleading programmes and nationalist slogans to remain in power. However, even these parties have been compelled to navigate increasingly strident nationalist and exclusionary programmes as a new generation of nationalist parties and neo-fascist movements threatens their core vote. Given the electoral collapse of the radical left over the previous decades, there has been an unambiguous shift of the political spectrum towards the right.

The rise of a specifically authoritarian form of neoliberalism is neither a transitory political anomaly which, after inevitable failure, will soon lead to the restoration of centre-right ‘normal’ neoliberal politics, nor a marker of the ‘end of neoliberalism’.³¹ Instead, the rise of authoritarian neoliberal leaders is a symptom of the decomposition of neoliberal democracy, an indirect consequence of the crisis of ‘restructured’ economies, popular alienation from the political system and institutions of representation, and the mobilization of mass discontent by the far right. These are all signs of the emergence and potential consolidation of *new* hegemonic blocs under the leadership of the far right within global neoliberalism.

Such an emerging bloc is grounded on the vulnerability of the ‘losers’ to capture by the far right, because of the erosion of a sense of collectivity and potential agency based on shared material circumstances, and a degradation of working-class culture and organized political capacities.³² Consequently, the very material feelings of social vulnerability of the ‘losers’, and their anger at the dysfunctionality of the political system, is mobilized by politicians, right-wing forces, and the media against social groups (immigrants, minorities) at the very bottom of society for the daily social anxieties inflicted. Crises of health care, education, or housing provision must be the fault of people even poorer than us, who are ‘taking’ what rightly is ‘ours’. And larger crises of deindustrialization, unemployment, or deskilling, must be the fault of countries even poorer than ‘us’.

These political views are necessarily destructive of progressive forms of collective identity. They are partly (if often perversely) tempered by the convergence of interests around the rejection of corruption (that offers the only legitimate form of political opposition within neoliberalism), and in support of nationalism (the only permissible form of collective identity under neoliberalism, although it all too easily slides into racism).

While corruption is perceived to undermine the economic system from

above, the feckless poor and immigrants corrode it from below, and foreign countries attack it from outside. As neoliberalism's systemic shortcomings are displaced towards (individual and country-level) dishonesty, 'cheating', and the like, the failings of the system of accumulation are effectively concealed. Nationalism offers 'the people' a way to respond to these injuries, reaffirming their 'innate' virtues and spirit of cohesion. These binaries are being used to support reactionary programmes justified by appeals to common sense, and fronted by supposedly 'strong' leaders who can talk 'honestly', represent 'the people', and 'get things done' by force of will, often allegedly demonstrated by recourse to claims of business acumen, with seamless ideological shifts between machismo and the making of the new man or even woman. Personal strength of character is perceived to be both essential and sufficient to bulldoze the entrenched interests, corrupt politicians, selfish civil servants, and captured institutions that undermine 'our' nation and harm 'our' people.

The political autonomy and stature enjoyed by authoritarian neoliberal leaders has only superficial similarity with earlier political phenomena: their actions are not championing transformative economic, social, and political agendas aiming to break with the ancient order and stabilize a more advanced form of capitalism, nor do they derive their power from a temporary convergence of interests of antagonistic classes. Instead, they have made their way into political power by clever ploys, expensive advertising, planned agitation, and brute force, with the aim of enforcing a radical neoliberal programme grounded in a conservative politics willing to use a strong state to steamroll opposition. This is not mere 'populism', or Bonapartism under neoliberal conditions. It is, rather, the politics of demagogues, con men, and illusionists who have risen through the opportunistic exploitation of country-specific fractures in the neoliberal order. To their right stand even more dangerous movements claiming to represent the 'losers' in more belligerent and even violent ways. The transformation of authoritarian neoliberalism into a material force is the reflex of the increasingly desperate search by the losers for ways to short-circuit a political system that is unquestionably jammed, and to secure gains for people who have grown tired of feeling unfairly disadvantaged and losing out to undeserving 'others'.

The *paradox of authoritarian neoliberalism* is that it fosters the personalization of politics through the emergence of 'spectacular' leaders untethered by 'stabilizing' intermediary institutions (such as party structures, trade unions, social movements, and the law), who are strongly committed to both neoliberalism and the expansion of their own self-referential power, not least through the promotion of socio-economic agendas that harm their own political base. In government, these leaders invariably promote a radical

version of neoliberalism while attacking all forms of opposition, promoting greater, and unchecked, globalization and financialization, even if indirectly, and rendering even more power to the fractions of the neoliberal elite who already support them. Society is further divided, wages decline, taxes become even more regressive, social protections are eroded, economies become more unbalanced, and poverty grows. Mass frustration intensifies, feeding further anxiety and discontent. It follows that authoritarian neoliberalism is intrinsically unstable and offers greater prominence and scope to the far right. In doing so, and as the economics and politics of neoliberalism are corroded from within, modern forms of fascism gain a fertile political terrain in which they can openly operate and prosper.³³

CONCLUSION

Neoliberalism is trapped, we have argued, within its three paradoxes. The *economic paradox* is that the creation of favourable conditions for accumulation has been associated with a striking inability to capitalize on them. The *political paradox* is that the consolidation of neoliberal democracy undermines the hegemonic political order and the ideology that legitimated it, leading to the rise of anti-systemic forces dominated by 'spectacular' leaders, the rightward shift of the entire political spectrum and the emboldening of the far right. The *paradox of authoritarian neoliberalism* is that, since the emerging political leaders are equally – if uneasily – committed both to an extreme form of neoliberalism and the consolidation of their own power, their governments' radical version of neoliberalism enforces an economic programme that harms their own mass base of support.

Neoliberalism as a policy regime and form of social rule has been unable to create economic conditions for shared prosperity and has instead fostered new social instabilities and space for new administrative and explicitly political forms of authoritarianism to emerge. As these authoritarian political forms cannot deliver stability, they provide a potential conduit for the consolidation of new forms of fascism, which are bound to prosper as neoliberal economies face continuing volatility and mounting political instability. *In the absence of a strong political left*, neoliberalism is likely to enter a prolonged period of crisis politics: increasingly anti-trade in the epoch of globalization; pro-finance when the damages wrought by financialization are widely recognized; anti-immigrant in an age of unprecedented human movement; nationalist when international policy co-ordination is centrally important for capital accumulation, and so on. Yet, none of these conflicts and contradictions will spontaneously lead neoliberalism to be supplanted by a more progressive system of accumulation.

Authoritarian neoliberalism is, then, an original phenomenon. It has not emerged to shield capitalism against the insurgency of the left (as was the case amidst the initial emergence of neoliberalism in the 1970s) or in a period of much lower international integration of production (as was the case with fascism in the 1930s). The new form of authoritarianism is typically *neoliberal*: it expresses the (co-)option of the disorganized fury of the ‘losers’ under neoliberalism, in circumstances of an evacuated democracy, and is posited against a state apparatus that has lost legitimacy as the potential bearer of economic improvements and social cohesion. In the short term, the rise of authoritarian neoliberalism is due to the destabilization of economies, societies, and political systems – first by the global financial crisis and then by its strategy of containment through the intensification of financialization. In the longer term, it derives from the contradictions in the restructuring of production, social reproduction and structures of representation under neoliberalism. Instead of confronting strong systemic rivals both at home and abroad, neoliberal authoritarianism focuses on attacking the weak: immigrants, refugees, the ‘undeserving poor’, women, and so on, under the guise of addressing corruption or undue privilege.

In these circumstances, how best to address the regressive features, instabilities and limitations of neoliberalism? In certain sectors of the left, there remains the illusion that a return to Keynesianism can restore more favourable economic and social conditions today. Even though higher taxes, controls on trade, domestic finance, and capital flows, expanded social provision and the fine-tuning of aggregate demand can help to address competing macroeconomic goals and promote short-term improvements in economic performance and social welfare, these policies would have only limited bearing on the long-term performance and underlying dynamics of the global economy. They would also bypass completely the political limitations of neoliberalism. Consequently, even if social democratic policy aspirations were achievable today, they would remain hostages to the competitive imperatives conditioned by neoliberalism.

Any alternative programme must draw upon, first, traditional left concerns with equality, improved distributional outcomes, and the promotion of collectivity in the workplace and in society more generally. Second, it must involve the recognition that neoliberalism has repeatedly demonstrated its resilience both in practice and in the realm of ideas, and that overcoming it is an ambitious task that includes, but also transcends, conventional electoral strategies – at least to the end of securing changes in social, industrial, financial, or monetary policies. Third, and most important, in order to transcend neoliberalism it is necessary to recompose the working

class politically. All three of these imperatives can be integrated, and widely different struggles can converge, around the *expansion and radicalization of political and economic democracy*. This can be rendered operational through an immediate programme of decommodification and definancialization of social reproduction (focusing on health, transport, housing, and so on), and advancing compelling economic, political and ideological cases for addressing environmental, industrial, and energy policies. Even neoliberal policymaking cannot avoid interventions into these sectors. The challenge will be to find cracks and contradictions within the state for alternative policies and forms of mobilization and policymaking that challenge the power of finance and the logic of enforcing corporate control over property and economic decision-making.

The political room for advancing such an anti-neoliberal programme was earlier glimpsed in Brazil and Greece, despite the stunning defeats suffered there. It was more recently rendered visible again through the Sanders campaign in the US and the gains made by the Labour Party in Britain under the leadership of Jeremy Corbyn. In fact, neoliberalism has never been so unstable, and its hegemony never so brittle. The mainstream economics that used to inspire neoliberal policymakers has been in turmoil for a decade, failing to anticipate the global financial crisis or deal with its long-term implications. The neoliberal orthodoxy is wholly unequipped, in practice even more than in theory, to address the political crisis of democracy. The economic and political crises in neoliberalism are, then, historically unique circumstances with grave implications for the left – but also a singular opportunity for organizational renewal, rekindling political ambition and the influence of socialist ideas.

NOTES

- 1 For neoliberal authoritarianism see: John Weeks, 'Free Markets & the Decline of Democracy', *Prime*, 4 February 2018, available at www.primeconomics.org; for authoritarian neoliberalism see: Cemal Burak Tansel, ed., *States of Discipline: Authoritarian Neoliberalism and the Contested Reproduction of Capitalist Order*, London: Rowman & Littlefield, 2017.
- 2 This is not to suggest that authoritarianism is specific to the current phase of neoliberalism. Indeed, we have Stuart Hall to thank for the term authoritarian populism to characterize the rise of Thatcherism (and neoliberalism in its earliest of phases), and there is the example of fascism in the interwar period and beyond. Significantly, Stuart Hall reserved the term for Thatcherism as opposed to being of general applicability – see his 'Authoritarian Populism: A Reply to Jessop et al.', *New Left Review*, I/151(May-June), 1985. For the broad use of this term in the contemporary context, see Lizzie Dearden, 'Authoritarian populism' Behind Donald Trump's Victory and Brexit

- Becoming Driving Force in European Politics', *The Independent*, 21 November 2016; and Priya Chacko and Kanishka Jayasuriya, 'Trump, the Authoritarian Populist Revolt and the Future of the Rules-Based Order in Asia', *Australian Journal of International Affairs*, 71(2), 2017.
- 3 See, for example: Leo Panitch, Sam Gindin, and Greg Albo, *In and Out of Crisis: The Global Financial Meltdown and Left Alternatives*, Oakland: PM Press, 2010; Philip Mirowski, *Never Let a Serious Crisis Go to Waste: How Neoliberalism Survived the Financial Meltdown*, London: Verso, 2013; Trevor Evans, 'The Crisis of Finance-Led Capitalism in the United States of America', Working Paper No. 51, Institute for International Political Economy Berlin, 2015; Alfredo Saad-Filho, 'Marxian and Keynesian Critiques of Neoliberalism', in Leo Panitch and Colin Leys, eds, *Socialist Register 2008: Global Flashpoints*, London: Merlin, 2007; and Alfredo Saad-Filho, 'Crisis in Neoliberalism or Crisis of Neoliberalism?', in Leo Panitch and Greg Albo, eds, *Socialist Register 2011: The Crisis This Time*, London: Merlin, 2010.
 - 4 Andrew Clark and Jill Treanor, 'Greenspan – I Was Wrong About the Economy. Sort Of', *The Guardian*, 24 October 2008.
 - 5 Coen Teulings and Richard Baldwin, eds, *Secular Stagnation: Facts, Causes and Cures*, London: Centre for Economic Policy Research, 2014; Barry Eichengreen, 'Secular Stagnation: The Long View', *American Economic Review*, 105(5), 2015; Robert J. Gordon, 'Secular Stagnation: A Supply-Side View', *American Economic Review*, 105(5), 2015; Lawrence H. Summers, 'Demand Side Secular Stagnation', *American Economic Review*, 105 (5), 2015; Lawrence H. Summers, 'The Age of Secular Stagnation: What It Is and What to Do About It', *Foreign Affairs*, 95(2), 2016. For an account of the origins of the concept in heterodox economics, compare with Roger Backhouse and Mauro Boianovsky, 'Secular Stagnation: The History of a Macroeconomic Heresy', *European Journal of the History of Economic Thought*, 23(6), 2016.
 - 6 For policy responses that were initially mildly reflationary and welfarist, see: Isabel Ortiz and Matthew Cummins, 'The Age of Austerity: A Review of Public Expenditures and Adjustment Measures in 181 Countries', Initiative for Policy Dialogue and the South Centre, Working Paper, March 2013, available at: policydialogue.org.
 - 7 This argument was originally advanced in Saad-Filho, 'Crisis in Neoliberalism or Crisis of Neoliberalism?'.
 - 8 Alison J. Ayers and Alfredo Saad-Filho, 'Democracy Against Neoliberalism: Paradoxes, Limitations, Transcendence', *Critical Sociology*, 41(4-5), 2015; Atilio Borón, 'The Truth About Capitalist Democracy', in Leo Panitch and Colin Leys, eds, *Socialist Register 2006: Telling the Truth*, London: Merlin, 2005; Colin Leys, *Total Capitalism: Market Politics, Market State*, London: Merlin Press, 2008; Peter Mair, *Ruling the Void: The Hollowing Out of Western Democracy*, London: Verso, 2009.
 - 9 This is to be contrasted with political democracy as the 'best fit' for the pre-crisis phase of neoliberalism, see Ayers and Saad-Filho, 'Democracy Against Neoliberalism'.
 - 10 Pierre Dardot and Christian Laval, *The New Way of the World: On Neoliberal Society*, London: Verso, 2013, p.14.
 - 11 See, for example: Sam Ashman and Ben Fine, 'Neo-Liberalism, Varieties of Capitalism, and the Shifting Contours of South Africa's Financial System', *Transformation*, 81/82, 2013; Ben Fine, 'Financialisation From a Marxist Perspective', *International Journal of Political Economy*, 42(4), 2013-14; Ben Fine and Alfredo Saad-Filho, 'Thirteen Things You Need to Know About Neoliberalism', *Critical Sociology*, 43(4-5), 2016; Ben Fine

- and Alfredo Saad-Filho, 'Marx 200: The Abiding Relevance of the Labour Theory of Value', *Review of Political Economy*, 2018; Saad-Filho, 'Crisis in Neoliberalism or Crisis of Neoliberalism?'; and Alfredo Saad-Filho and Deborah Johnston, eds, *Neoliberalism: A Critical Reader*, London: Pluto Press, 2005.
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 - 13 For a historical overview see: Peter Gowan, *The Global Gamble: Washington's Faustian Bid for World Dominance*, London: Verso, 1999; Leo Panitch and Sam Gindin, *The Making of Global Capitalism: The Political Economy of American Empire*, London: Verso, 2012; Chris Rude, 'The Role of Financial Discipline in Imperial Strategy', in Leo Panitch and Colin Leys, eds, *Socialist Register 2005: The Empire Reloaded*, London: Merlin, 2004; and Alfredo Saad-Filho, 'Monetary Policy in the Neoliberal Transition: A Political Economy Review of Keynesianism, Monetarism and Inflation Targeting', in R. Albritton, R. Jessop, and R. Westra, eds, *Political Economy and Global Capitalism*, London: Anthem Press, 2007.
 - 14 Martin Wolf, 'Cutting Back Financial Capitalism Is America's Big Test', *Financial Times*, 15 April 2009.
 - 15 Matthew C. Klein, 'Crush the Financial Sector, End the Great Stagnation?', *Financial Times*, 16 February 2015.
 - 16 See, for example, Pavlina R. Tcherneva, 'When a Rising Tide Sinks Most Boats: Trends in U.S. Income Inequality', Policy Note 2015/4, Levy Economics Institute, 2015.
 - 17 Ben Fine and Alfredo Saad Filho, 'Politics of Neoliberal Development: Washington Consensus and Post-Washington Consensus', in H. Webber, ed., *The Politics of Development: A Survey*, London, Routledge, 2014.
 - 18 Drawing upon the experience of Labour Governments from the 1980s in Australia (and that in the UK in the 1970s), it can be observed that the first phase of neoliberalism does not necessarily involve right-wing assaults; it can be promoted by presumably left-of-centre administrations, even incorporating the complicity of the labour movement (see: Elizabeth Humphrys and Damien Cahill, 'How Labour Made Neoliberalism', *Critical Sociology*, 43(4-5), 2017; Damien Cahill and Martijn Konings, *Neoliberalism*, Oxford: Polity Press, 2017. For similar analyses of the French Socialist Government in the early 1980s, see also: Rawi Abdelal, *Capital Rules: The Construction of Global Finance*, Cambridge: Harvard University Press, 2007; and Serge Halimi, *Quand la gauche essayait. Les leçons du pouvoir (1924, 1936, 1944, 1981)*, Marseille: Agone, 2018).
 - 19 Philip Mirowski, *Never Let a Serious Crisis Go to Waste: How Neoliberalism Survived the Financial Meltdown*, London: Verso, 2013. Martijn Konings, 'From Hayek to Trump: The Logic of Neoliberal Democracy', in Leo Panitch and Greg Albo, eds, *Socialist Register 2018: Rethinking Democracy*, London: Merlin Press, 2017.
 - 20 Jo Littler, *Against Meritocracy: Culture, Power and Myths of Mobility*, London: Routledge, 2017.
 - 21 By way of illustration, consider the travails of British Rail which, following privatization, has failed continually under private hands, only to be selectively renationalized and reprivatized like a merry-go-round. The two enduring features that underpin this sorry tale, apart from deficiencies in passenger service and safety, have been downward

- pressure on the workforce and a grim determination to ensure the profitability of private contractors underpinned by dependence on private finance. In short, the role of the state is not removed, but it shifts from public to private provision and, simultaneously, to public provision of financialized profits. See Andrew Bowman, et al., *The Great Train Robbery: Rail Privatisation And After*, Manchester: CRESC Public Interest Report, 2013, and Tom Haines-Doran, 'Derailing Neoliberalism', *Jacobin*, 19 October 2016. A little more caution has been exercised in relation to British banks nationalized in the wake of the GFC; they cannot be allowed to fail as opposed to trains running on time. For the other key services, see Kate Bayliss, Ben Fine, Mary Robertson, and Alfredo Saad-Filho, *Financialised Neoliberalism and the Political Economy of Social Provision in the UK*, Aldershot: Edward Elgar (forthcoming).
- 22 See Alfredo Saad-Filho and Ben Fine, *Marx's 'Capital'*, 6th edition, London: Pluto Press, ch. 15.
 - 23 'In the short term defending capitalism means, paradoxically, state intervention. There is a justifiable sense of outrage among voters and business people (and indeed economic liberals) that \$2.5 trillion of taxpayers' money now has to be spent on a highly rewarded industry. But the global bail-out is pragmatic, not ideological. When François Mitterrand nationalised France's banks in 1981 he did so because he thought the state would run them better. This time governments are buying banks (or shares in them) because they believe, rightly, that public capital is needed to keep credit flowing', 'Capitalism at Bay', *The Economist*, 16 October 2008.
 - 24 Richard Dobbs, Susan Lund, Jonathan Woetzel, and Mina Mutafchieva, *Debt and (Not Much) Deleveraging*, McKinsey Global Institute Report, February 2015, available at: www.mckinsey.com.
 - 25 Tcherneva, 'When a Rising Tide Sinks Most Boats', p. 3, figure 4.
 - 26 Ben Fine, 'A Note Towards an Approach Towards Social Reproduction', available at: <http://iippe.org/wp-content/uploads/2017/01/sroverviewben.pdf>.
 - 27 David Whyte, ed., *How Corrupt is Britain?*, London: Pluto Press, 2015; Colin Crouch, *The Knowledge Corrupters: Hidden Consequences of the Financial Takeover of Public Life*, Cambridge: Polity Press, 2016.
 - 28 With the transition from Mbeki to Zuma in South Africa a telling example, see Robert van Niekerk and Ben Fine, 'Conclusion: Harold Wolpe, Towards the Politics of Liberation in a Democratic South Africa', in J. Reynolds, R. van Niekerk, and B. Fine, eds, *Race, Class and the Post-Apartheid Democratic State*, Durban: UKZN Press, 2019.
 - 29 Ayers and Saad-Filho, 'Democracy against Neoliberalism'.
 - 30 Peter Nedergaard and Holly Snaith, 'As I Drifted on a River I Could Not Control': The Unintended Ordoliberal Consequences of the Eurozone Crisis', *Journal of Common Market Studies*, 53(5), 2015; Magnus Ryner, 'Europe's Ordoliberal Iron Cage: Critical Political Economy, the Euro Area Crisis and its Management', *Journal of European Public Policy*, 22(2), 2015; Werner Bonefeld, *The Strong State and the Free Economy*, London: Rowman & Littlefield International, 2017.
 - 31 See, for example, Cornel West, 'Goodbye, American Neoliberalism: A New Era Is Here', *The Guardian*, 17 November 2016.
 - 32 A parallel process is described by Karl Marx in the *Eighteenth Brumaire of Louis Bonaparte*, 1852.
 - 33 'Neoliberalism ... has helped create the conditions for the re-emergence of the far-right whilst, at the same time, the far-right has focused on attacking what it sees as the

symptoms of neoliberalism through racializing its social, political and economic effects ... It is not then that neoliberalism *causes* racism ... in the sense that racism is an organic dimension of it, but rather that neoliberalism is grounded on a *collective socio-economic insecurity* that helps facilitate a revival of pre-existing racialized imaginaries of solidarity', Neil Davidson and Richard Saull, 'Neoliberalism and the Far-Right: A Contradictory Embrace', *Critical Sociology*, 43(4-5), 2017, pp. 715-16. See also Leo Panitch and Greg Albo, eds, *Socialist Register 2016: The Politics of the Right*, London: Merlin, 2015.