

In the thick of it: History and the crisis of neoliberalism

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In the 1980s, the word ‘neoliberalism’ began to trickle into the English language like a light summer rain. The term had been used by opponents of the violent economic policies of the Pinochet regime in Chile since the 1970s and was now increasingly recognized among adherents of the English-speaking left as a fitting word for the seemingly new, radical right-wing politics it found itself fighting—and losing—against.¹ With the left’s increasing marginalization throughout the 1990s and early 2000s, this light summer rain turned into a solid, autumn pour. The more marginalized the left became, the more bitter and more sweeping became its critiques of ‘neoliberalism’. When the left finally began to escape its marginalization, the autumn rain swelled into a veritable flood: as Jeremy Corbyn and Bernie Sanders wandered out of the wilderness, so did the term ‘neoliberalism’ and the radical critique of inequality and austerity associated with it. As of 2019, the term seems poised to become mainstream.

Neoliberalism and the rise of cultural history

Given its association with the (mis)fortunes of the left, the historical discipline’s scepticism regarding the term’s usage is unsurprising. Despite contemporary clichés about latte-drinking, quinoa-eating, ‘cultural Marxist’ college professors, history is not a left-wing discipline. Its own history is saturated with episodes in which historians, far from speaking ‘truth to power’, proved to be the sustainers of a given political and cultural order. *Kulturgeschichte* often sold itself as an apolitical, more purely scientific alternative to the decidedly left-liberal social history of its fathers. Yet, it is no coincidence that the cultural turn swept the discipline around the same time that a

¹ T. C. Boas / J. Gans-Morse, ‘Neoliberalism: From New Liberal Philosophy to Anti-Liberal Slogan’, in: *Studies in Comparative International Development* 44 (2009) 2, 137–161, h. 150–152

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'Third Way' approach took over centre-left parties in the United States and Europe, cementing and frequently radicalizing neoliberal policies. Now, as these policies have entered a fundamental crisis, we begin to see the affinities between these political and epistemological developments.

Such connections are not always as clearly visible as in the case of Anthony Giddens, a major influence on the culturalist theory of structuration as well as a key adviser to Tony Blair's New Labour project, or in that of Michel Foucault, who recorded his interest in, and affinities with, (neo)liberalism in two major lecture series.² They also include the cultural turn's investment in deconstructing the big, collective narratives and imaginaries of post-war Fordist society (from modernization theory to 'social engineering' to the concept of 'the economy'³) and its adherence to the trinity of contingency, complexity, and agency, as well as its pluralist, diffused model of knowledge dispersion.⁴ An appreciation for the empirical richness and theoretical sophistication of culturalist historiography should not blind us to its own historical contours. Such a historicization does not prescribe a return to the essentialist myths we have rightly discarded. Rather, it should alert us as to how our own conceptual apparatus has developed elements of ritualized dogma—foreclosing rather than opening new avenues of historical research and theorizing. Is it possible that some of the routine questions and comments so often heard at conferences—'I want to complicate story X', 'Can we add more nuance to story Y?', or 'Who are the actors in story Z?'—have begun to hamper rather than foster our research?

This brings us back to the scepticism among historians against the concept of 'neoliberalism'. Neoliberalism, it is said, is a category that is too broad and therefore too vague; that doesn't have a concrete, observable equivalent in 'real life'; that is all too often portrayed as an all-powerful process or structure whose omnipotence makes any nuanced account impossible.⁵ Anticipating and broadly sharing these critiques, a new subfield has begun a historiographical discussion of 'neoliberalism' that attempts to avoid the pitfalls of the concept. Often advanced by historically minded social scientists, this strand of research has made neoliberalism a viable concept for history

² . On Foucault's affinities with liberalism and neoliberalism, see M. C. Behrent, 'Liberalism without Humanism: Michel Foucault and the Free-Market Creed, 1976–1979', in: *Modern Intellectual History* 6 (2009) 3, 539–568; P. Mirowski, *Never Let a Serious Crisis Go to Waste. How Neoliberalism Survived the Financial Meltdown*, London 2013, 93–102; P. Sarasin, *Darwin und Foucault. Genealogie und Geschichte im Zeitalter der Biologie*, Frankfurt am Main 2009, 354–369; idem, *Wie weiter mit Michel Foucault?*, Hamburg 2008, 22–29.

³ . On the latter, see Q. Slobodian, 'Doing the Neoliberals' Work for Them, or Is it Time to Stop Un-inventing 'the Economy'?', 2015, https://www.academia.edu/26845025/Doing_the_Neoliberals_Work_for_Them_or_Is_it_Time_to_Stop_Un-inventing_the_Economy (accessed 23 September 2019).

⁴ . On the latter, P. Mirowski, 'Postface: Defining Neoliberalism', in: idem / D. Plehwe (eds.), *The Road from Mont Pèlerin: The Making of the Neoliberal Thought Collective*, Cambridge, MA 2009, 417–455; M. Beddeleem, 'Fighting for the Mantle of Science: The Epistemological Foundations of Neoliberalism, 1931–1951', PhD dissertation, University of Montréal, 2017, <http://hdl.handle.net/1866/21170> (accessed 23 September 2019). The threads of affinities between culturalist history and neoliberalism and the possible avenues of thinking they foreclose are laid out in much more detail in W. H. Sewell, Jr., 'The Political Unconscious of Social and Cultural History, or, Confessions of a Former Quantitative Historian', in: idem, *Logics of History: Social Theory and Social Transformation*, Chicago 2005, 22–80; J. Werner, 'Turning Back to Totality: Social Theory and the Critique of Empiricism in PRC Historiography', in: *Positions: Asia Critique*, 2020 (forthcoming).

⁵ . See, for example, D. Rodgers, 'The Uses and Abuses of "Neoliberalism"', in: *Dissent*, Winter 2018, <https://www.dissentmagazine.org/article/uses-and-abuses-neoliberalism-debate> (accessed 23 September 2019); J. Burns, 'Across the Great Divide: Free Markets from Left to Right', in: *Modern Intellectual History* 11 (2014) 1, 253–265, h. 259–262; P. Hoeres, 'Gefangen in der analytisch-normativen Westernisierung der Zeitgeschichte: Eine Kritik am Konzept der Zeitbögen', in: *Vierteljahrshefte für Zeitgeschichte* 63 (2015) 3, 427–436, h. 430–432.

by focusing on a network of actual *actors* who sometimes called themselves ‘neoliberals’.⁶ This aim has largely been pursued within the confines of *intellectual* history, a subfield whose methodological commitment to individual agency, despite all theoretical refinements, remains particularly stark. In effect, this has made it possible to pursue historical research in this field by replacing a discussion of ‘neoliberalism’ with one of ‘neoliberals’, and thus by conceptualizing neoliberalism in the actor-centred terms that currently prevail in the broader discipline of history.⁷

Yet, through this detour, historians, too, have entered a debate about the structural transformations of global capitalism since the late twentieth century. Research on neoliberalism remains fundamentally interdisciplinary, and the success of the intellectual history of neoliberalism would be unthinkable without the theoretical promise and political tension emanating from the topic more broadly understood. However, this context is all too often actively renounced, as when Jennifer Burns rejects neoliberalism as ‘an over-theorized term that lacks a historically specific constituency’⁸ or when Daniel Stedman Jones distances himself from ‘the loose use of the term neoliberal as a general conceptual category’.⁹

From specificities to commonalities

But what if its broadness is the term’s promise, not its weakness? What if the constant insistence on ‘historical specificity’ has obscured the deep connections across time and space that bind together the single stories we tell into something that can be named neoliberalism? Why is it that this term is now being used for so many things in so many places? Has everyone but us, the historians, gone mad? Or might there be threads in our common, global society that those who are not trained in splintering everything up into single stories dependent on ‘specificities’ identify as belonging together? And why have we historians become so invested in a splintered, fractured picture of the world in the first place?

What could it mean to involve ourselves more deeply in understanding these common threads? This essay offers two preliminary thoughts regarding this question. The first comes from my own research project, which deals with the question of neoliberalism’s ‘moral force and affective charge’.¹⁰ This question helps lead us away from a more individualist reading of neoliberalism as reliant on the agency of elites to one that focuses on neoliberalism’s paradoxical *collective* grounding. In following this thread, I try to bring the current resurgence of theories of populism to bear on our understanding of neoliberalism, particularly those theories that were originally formulated in the midst of the crisis of legitimacy that established the neoliberal hegemony in the

⁶ . See esp. Mirowski / Plehwe (eds.), *The Road from Mont Pèlerin*; Q. Slobodian, *Globalists: The End of Empire and the Birth of Neoliberalism*, Cambridge, MA 2018; D. Stedman Jones, *Masters of the Universe: Hayek, Friedman, and the Birth of Neoliberal Politics*, Princeton, NJ 2012; A. Burgin, *The Great Persuasion: Reinventing Free Markets since the Depression*, Cambridge, MA 2012; M. Cooper, *Family Values: Between Neoliberalism and the New Social Conservatism*, New York 2017; B. Walpen, *Die offenen Feinde und ihre Gesellschaft. Eine hegemonietheoretische Studie zur Mont Pèlerin Society*, Hamburg 2004.

⁷ . I should note that my own research, currently pursued in my PhD dissertation ‘The Market’s People: Mass Media and the Making of Neoliberal Populism in the US and UK, 1940–1990’, is fundamentally part of this subfield (even though it does not quite follow the trajectory of *intellectual* history in particular). To the extent that this is a critical assessment, the criticism is directed at myself at least as much as at the scholars who have thankfully created this opening. As F. W. Bernstein famously wrote: ‘Die schärfsten Kritiker der Elche waren früher selber welche.’

⁸ . Burns, ‘Across the Great Divide’, 260.

⁹ . Stedman Jones, *Masters of the Universe*, 17.

¹⁰ . M. Konings, ‘Imagined Double Movements: Progressive Thought and the Specter of Neoliberal Populism’, *Globalizations* 9 (2012) 4, 609–622, h. 609. Martijn Konings and Melinda Cooper have provided some of the most important inroads for thinking about these matters. See especially M. Konings, *The Emotional Logic of Capitalism: What Progressives Have Missed*, Stanford 2015; Cooper, *Family Values*.

first place: Ernesto Laclau and especially Stuart Hall and Chantal Mouffe were influenced by their observation of neoliberalism's deep collective resonances during its breakthrough phase in the 1970s and 1980s.¹¹

As I have tried to show elsewhere,¹² in this phase, neoliberalism cannot be reduced to what William Davies calls 'a deconstruction of the language of the "common good" or the "public"'.¹³ Rather than (or in addition to) circumventing democratic ideas and mechanisms, neoliberalism directly engaged in and worked with democratic politics. Around this time, neoliberal discourses in mass media and politics constantly worked precisely with concepts such as 'the public', embedding them in a specific framework. This populist framework posed an 'elite', identified as 'big government' with all its 'vested special interests', against a collective people who could only rely on the market—and thus on individual choice and agency—to protect itself from the thieving hands of the government. This neoliberal populism resonated with a broadly based feeling of alienation from top-down, totalizing frameworks—such as that of the Fordist, paternalistic nation state—and, arguably, still resonates with the culturalist academy today. With the help of these resonances, neoliberalism has, over several decades, developed into a totalizing framework in its own right.¹⁴

If neoliberalism is something akin to a totalizing framework, then a deep interdisciplinary conversation is needed to understand it. Yet, and this is the second preliminary thought I offer, it is important to keep in mind that other disciplines are currently stuck in similar binds and debates as history. The debate around 'political economy' is a case in point. A discipline meandering between economics, political science, sociology, science studies, and history, 'political economy' constitutes a promising area of cross-fertilization, but one that is fraught with its own contradictions. One significant debate within this diverse field has shifted around the influence of experts and knowledge. This has led to important research on the influence of knowledge systems and discourses, as well as of scientists, think tanks, and experts in international institutions on modern modes of governance. However, this analysis has also led to a rather narrow focus on certain elite actors whose ideological commitments, knowledge, and skills are said to influence the development of political economies.¹⁵

Conceptualizing in these technocratic terms also influences political appraisals. Even those in the field who are not shy about placing themselves on the political left have a curious relationship to technocratic modes of governance. William Davies, for example, defends the pursuit of statistics by experts as an enlightened activity to create a vision of public purpose over privatized gain.¹⁶ In reviewing the legacy of John Maynard Keynes, Adam Tooze suggests that

there are good reasons to defend technocratic government against the unreasoning passions of mass democracy. It is all too obvious today how important it is to be able to identify matters of potential technical

¹¹ . S. Hall, 'Thatcher's Lessons', in: *Marxism Today*, March 1988, 20–27; idem, 'The Great Moving Right Show', in: *Marxism Today*, January 1979, 14–20; idem, 'Authoritarian Populism: A Reply', in: *New Left Review* 151, May/June 1985, 115–124; idem, 'The State—Socialism's Old Caretaker', in: *Marxism Today*, November 1984, 24–29; E. Laclau, *On Populist Reason*, London 2005; C. Mouffe, *For a Left Populism*, London 2018, 25–38.

¹² . S. Brandes, 'The Market's People: Milton Friedman and the Making of Neoliberal Populism', in: W. Callison / Z. Manfredi (eds.), *Mutant Neoliberalism: Market Rule and Political Rupture*, New York 2020 (forthcoming), 61–88.

¹³ . W. Davies, *The Limits of Neoliberalism: Authority, Sovereignty and the Logic of Competition*, rev. ed., London 2014, 6.

¹⁴ . I am indebted to Jake Werner, Tobita Chow and Jamie Merchant for moving my thinking in this direction.

¹⁵ . On the implicit elitism of this and related approaches, see Sewell, 'Political Unconscious', 52.

¹⁶ . W. Davies, 'How statistics lost their power – and why we should fear what comes next', in: *The Guardian*, Long Reads, 19 January 2017, <https://www.theguardian.com/politics/2017/jan/19/crisis-of-statistics-big-data-democracy> (accessed 23 September 2019).

agreement beyond politics, whether it is the size of the fiscal multiplier, the efficacy of measles vaccinations or the global threat of climate change.¹⁷

Here again, methodological and political dispositions reinforce each other, in this case making it harder to think politics and political economy beyond (neo?)liberal technocracy. We therefore face a double bind: we are trying to pull ourselves out of a political conundrum with methods that are in many ways a product of, or at least in complement to, that same conundrum.

Luckily, neoliberal technocracy's current crisis of legitimacy may be coming to our rescue: as the *political* self-evidence of neoliberalism dissolves, we have an opportunity to also gain some *methodological* distance to it. Moving away from neoliberal elites and instead considering the collective resonances of neoliberalism as a political project is one way to do so. This can help us to overcome Tooze's juxtaposition of 'technocratic government' versus 'the unreasoning passions of mass democracy'. Modern technocracy also depended, ultimately, on moral underpinnings and 'political passions', that is, a degree of mass legitimacy. Political passions, in turn, are not 'unreasoning', but imbued with their own systems of rationality. For all our training in academic distancing, be it as historians or political economists (or both), even we are invested in neoliberal ways of seeing the world. And for better or worse, these ways are now on trial.

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¹⁷ . A. Tooze, 'Tempestuous Seasons', in: *London Review of Books* 40, No. 17, 13 September 2018, 19–21. On this, see also D. Sessions, 'Adam Tooze, Radical Keynesianism, and Revolution', 14 September 2018, <https://hdavidsessions.wordpress.com/2018/09/14/adam-tooze-radical-keynesianism-and-revolution/> (accessed 23 September 2019): 'the radical-Keynesian perspective evades crucial problems of power by putting the people – the supposed subject of democracy – in the clichéd box of 'passion' and dangerous insurrection in much the same way the neoliberal technocrats do'.