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State of the Field

A VIEW FROM ABROAD: POST-1968 U.S. HISTORY, THE END OF THE NEW DEAL ORDER, AND NEOLIBERALISM

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In the past twenty years, American historiography has produced a burgeoning body of scholarship dealing with the deep social, political, and cultural transformations of the 1970s, 1980s, and 1990s. Historical scholarship on American conservatism and U.S. political history established the highly productive line of research centered around the resurgence of conservatism *cum* neoliberalism and the "rise of the right" in the United States. The associated narratives have earlier been criticized for their simplifying dichotomy.[1] Joining in this criticism, a group of historians recently called for a "new political history" to transcend the familiar "red-blue divide" and the long influential narratives of the rise of conservatism and the end of the New Deal order. Instead, historiography should investigate the deeper forms of consensus and long-term structures in the American polity by studying the various relationships between the twentieth century American state and its citizens in the capitalist and (later) globalized economy.[2] Bruce Schulman, in this journal, characterized this trend as "Neo-Consensus History." Rather than emphasizing social and political conflicts, increasing polarization, and ideological divides in U.S. politics and society since the end of the 1960s, this historiography underlines common attitudes and orientations across party lines, like the development of suburban attitudes and policy preferences, the expansion of the carceral state, and the embrace of neoliberal ideas and policies across the political spectrum. Focusing on consensus, it also emphasizes continuities rather than historical breaks and shifts.[3]

As a German historian who has dealt intensively with post-1968 U.S. history in the past ten years, I am rather ambivalent about the "neo-consensus" approach. It is my contention that if we flatten the concept of neoliberalism to free-market ideology and a capitalist consensus that has permeated the American political tradition regardless of party affiliations throughout the twentieth century, as suggested in *Shaped by the State* (2018), edited by Brent Cebul, Lily Geismer, and Mason B. Williams, we risk losing sight of the deep impact of neoliberal thought and categories on politics and society since the last quarter of the twentieth century. If we want to understand the driving forces and the scope of the wide-ranging shifts in our societies on both sides of the Atlantic and beyond, it is essential, then, to be more precise about neoliberalism as an analytical concept and as a tool to grasp historical change. This is one of the goals of Gary Gerstle, Nelson Lichtenstein, and Alice O'Connor's recent look at the New Deal order and its transformation *Beyond the New Deal Order* (2019).[4] Refining the earlier claim of a radical shift brought about by the presidency of Ronald Reagan, the authors instead point at an accumulation of changes which, ultimately, signaled the inception of a new "neoliberal order." Though both *Shaped by the State* and *Beyond the New Deal Order* cover a broad range of issues and questions, only the latter works with an integrating analytical framework, which complements a similar approach in German historiography and opens up transnational and comparative perspectives for the history of the late twentieth century.

In U.S. historiography, the "end of the New Deal order" stands out as the most influential interpretive framework and analytical approach aimed at describing and explaining the emergence of a new socio-political order since the 1970s. German historiography, too, has turned its attention increasingly to the last three decades of the twentieth century. Though the academic communities and intellectual debates focusing on U.S. national history on the one hand, and on German twentieth-century history on the other, are only loosely connected, they share the broader interpretation of the 1970s and 1980s as a historical turning point. German historians, too, designed an analytical framework, tagged "after the boom," to grasp broad-scale transformations of the underlying ordering principles of society, economy, and polity after the end of the post-war boom decades. And, as in the U.S., German authors have recently concluded that the new configuration that has emerged since around 1980 should be called the "neoliberal order." Still, it remains rather unclear what ultimately constitutes this order.

This essay connects the German "after the boom" framework and the American "end of the New Deal order" and relates them to the history of neoliberalism. Transnationally compatible analytical frameworks like these encourage comparative approaches and enable us to enhance our understanding of national developments and peculiarities. U.S. scholarship on neoliberalism fills a crucial gap in "after the boom" research, which has to date largely neglected political history and the history of economic thought. American scholars have contributed substantially to identifying the individuals, organizations, and networks that developed and promoted neoliberal economic and political theory and its core categories, policy concepts and ideas of government, and how they aimed to turn them into actual policies and institutional reforms. Neoliberalism is one of the key analytical categories to grasp wide-ranging changes in the economies, societies, and polities in the Western world and beyond. Flattening the concept to capitalist free-market ideology obscures more than it reveals about these transformations and their sources.

The "after the boom" approach stood at the center of scholarly debates in the field of *Zeitgeschichte* in Germany in the past ten years, yet most papers and books have been written and published only in German. In *Nach dem Boom* (2008), Anselm Doering-Manteuffel and Lutz Raphael laid the groundwork for a research agenda that has since permeated German historiography of the post-1970 decades. First and foremost, they offered a new periodization to move beyond the practice of "decadology" which, following the opening of archival records, tried to carve out the dominant features of "the" 1950s, then proceeded to "the" 1960s, and later took on "the" 1970s.[5] Further, they attempted to widen the perspective of German *Zeitgeschichte*, which, at the time, tended to "end" with the conclusion of the Cold War and German reunification in 1990, to include the history of the present—that is, to analyze the roots of problems, phenomena, and developments of the present time.

Calling the new period of analysis "after the boom," they argued that since about 1975, a "structural rupture" occurred in the industrialized countries of the Western world, accompanied by "social change of revolutionary quality."[6] Suggesting we were no longer dealing with business-as-usual historical change, they posited that we were instead confronted with a broad-scale historical shift that qualified as a turning toward a new historical era. To grasp the scope and depth of the shift, "after the boom" rolled out a research agenda that included social, cultural, and economic history; intellectual history; the history of social theory; and the history of social norms, orientations, and values. The post-1970 transformations were not only pitted against the era of the post-war boom, but signaled the end of *industrial modernity* understood as an overarching, long-term socio-economic, institutional, and ideational order which characterized most parts of the Western world since the 1890s.[7] Expressly avoiding the use of earlier popular, normatively charged, and deterministic concepts such as post-Fordism, post-modernity, late-modernity, post-industrial society, or neoliberalism, the future research agenda would be centered around the questions of what constituted the new era that presumably extended into the present time, which concepts and categories could be used to describe and analyze it, and which processes and factors contributed to its inception—that is, which fields, developments, and phenomena required our scholarly attention and empirical research.

Initially, Doering-Manteuffel's and Raphael's characterization of a "structural rupture" referred primarily to the modes of production, organization of physical labor, social structure, and cultural orientations associated with the steel and coal industry as the core of national economies, such as those of Germany and Great Britain. Hence, the structural transformation of the economy and the workplace stood at the center of interest.[8] Recession, inflation, reform gridlocks, and the crisis of heavy industry, combined with neoliberal economic theory promoting radical ideologies of the free market, Doering-Manteuffel and Raphael argued in tune with standard accounts of political economy,[9] destroyed the Keynesian "socio-economic consensus" between labor, business and politics and led to broad-scale privatization and deregulation. Economic, social, and political change were entwined; at the same time, a new emphasis on the freedom and creativity of the individual and its liberation from government paternalism, and new views of the social world centered around the individual justified our "unhinging" (*Entankerung*) from those social structures and conditions that had previously provided security and stability. The structural ruptures and changes did not occur all at once, but were scattered over different domains; some started in the mid-1970s, some only the 1990s. Social and economic change accelerated in the 1990s when digital technology created new virtual spaces and instant channels of communication, and drove the transformation of the economy even further toward a new mode of "digital finance-based capitalism".[10]

The "after the boom" approach triggered a continuing wave of research on the post-1970 period,[11] yet, there is, to date, no monograph that weaves all of the findings together. In 2016, Doering-Manteuffel and Raphael concluded that it seemed plausible to characterize the period "after the boom" as the "neoliberal era" because ideas and policies pertaining to the complex of neoliberal economic thought by the 1990s pervaded the European and Anglo-American countries as well as the non-Western world, social-democratic parties, institutions of transnational and global governance, regimes of social and economic regulation, government institutions, public policy and the state, and the cultural orientations and individual behavior of all strata of society.[12] Still, neoliberalism remains a rather murky concept in German historiography.

Four aspects need to be underlined to help explain why U.S. political history is pivotal to filling some of the gaps of "after the boom" scholarship and to sharpening our analytical framework regarding late-twentieth and early-twenty-first-century change: First, the "structural rupture" hypothesis was not meant to be limited to German history, but to apply to the modern industrialized world and democracies of Western Europe and North America as well. Still, research has thus far only focused on Germany and Western European countries including the UK, leaving the United States out of the picture. Second, though neoliberal theories, ideas, and policies repeatedly figured as pivotal forces of the historical shifts "after the boom," German historiography has to date been highly skeptical,[13] if not vehemently opposed[14] to taking up the concept as an analytical category or object of study.[15] Third, most German scholarship on the post-1970s period has focused on social, cultural, and economic history, some intellectual history, but little on political history and transformations of the state and public policy. Fourth, the American "end of the New Deal" scholarship established an interpretive and analytical framework that posits a broad-scale historical shift around 1980 when the socio-economic and political order which had emerged in the 1930s was replaced by what has now been termed the "neoliberal order."[16] From a German perspective, it is therefore necessary to expand our perspective to include U.S. history, especially because American scholars have been highly productive in historicizing different facets of neoliberalism, connecting, in particular, the history of neoliberal ideas and political history.

In 1989, at the end of Ronald Reagan's second term, Steve Fraser and Gary Gerstle argued that Reagan's presidency marked the end of a historical era and buried the hitherto dominant "order of ideas, public policies, and political alliances"[17] which they called the "New Deal order." This era had begun with the presidency of Franklin D. Roosevelt in the 1930s and had been consolidated during the 1940s. It was dominated by the liberal agenda of the Democratic party, sustained by a particular electoral coalition and networks between policymakers, economic elites and interest groups, collective bargaining units, and held together by a Keynesian political ideology that aimed at full employment, high wages, and a welfare state who's social benefits would further expand mass consumption.

According to Gerstle and Fraser, this order began to fray in the 1960s, when tensions and splits within the Democratic party and constituency over the War on Poverty and the war in Vietnam, the counterculture, and a new brand of leftist radicalism emerged. The economic crises and fiscal problems of the 1970s then contributed to the dissolution of the New Deal coalition, as white workers and parts of the middle class switched their allegiance toward the Reagan Republicans. By 1980, Gerstle and Fraser concluded, the liberal vision of the state as an agent of economic prosperity and income redistribution was discredited in large parts of the American public.[18]

In 1989, it proved too early to be more precise about what constituted the new order, though Fraser and Gerstle interpreted the Reagan presidency as a conservative "counter-reformation" that resuscitated an "old orthodoxy"—that is, the "nineteenth century's free market ideology."[19] This set a research agenda in U.S. political and intellectual history focused on the decline of Democratic liberalism, the conservative "backlash" and resurgence of conservatism, and the "rise of the right," which brought Ronald Reagan into power.[20] Regarding the New Deal order, later research showed that the political coalition was more fragile and the purported consensus more contested than previously assumed; though economic inequality decreased throughout the end of the 1970s, racial discrimination and ethnic tensions persisted.[21] Still, the New Deal marked the beginning of a distinct era in American history characterized, in particular, by a massive expansion of federal government institutions and policies. Putting the transformation of the American state at the center of analysis, Gerstle and others underlined that the unprecedented growth and expansion of the central government in the United States between the 1930s and the 1960s must be considered as one of the core pillars of the New Deal order.[22] After the first wave of national institution-building initiated by the New Deal, the scope and scale of federal government intervention again increased substantially during the era of the Great Society, in particular, and continued to grow throughout the end of the 1970s.[23]

In their 2019 edited volume, Gerstle, Nelson Lichtenstein, and Alice O'Connor reevaluated the past twenty years of research pertaining to the ideas, policies, institutions, and electoral dynamics of the New Deal order and beyond, refining what constituted that order and explaining what contributed to its end. Concerning its ideational foundations, the New Deal order from the 1930s through the 1970s was centered around a set of core principles: the belief that capitalism and its destructive potential had to be managed and contained by an institutional framework of regulative and social policies; and the conviction that, with the help of professional scientific expertise, government institutions and public policy would be able and were obliged to promote the integration of all Americans into the capitalist economy and consumer society, and to ensure equal opportunity for the individual citizens.[24] Also, influential segments of the Republican party supported this dominant post-war arrangement.[25]

Gerstle, Lichtenstein, and O'Connor once again underlined the transformative role of the renewed conservative movement for the end of the New Deal order and its impact on the political culture in the United States: its opposition to progressivist understandings of government, its resistance against regulatory and Keynesian economic policy and organized labor, and its vehement rejection of an active role of the state in improving social and racial equality in late twentieth-century politics.[26] Consequently, Gerstle characterized the emerging new arrangement in American politics and society the "neoliberal order." Three factors and sources contributed to the turning: First, the resurgence of U.S. conservatism in the 1970s, culminating in the presidency of Ronald Reagan. Second, the impact of the end of the Cold War (a development curiously absent in the "after the boom" approach): with capitalism triumphant, socialism and other ideas of the left constituted no viable alternative to a neoliberal paradigm that was hostile to the core agenda of regulated capitalism and the activist state relying on a redistributive tax regime to pursue a progressive or even social-democratic agenda. Third, the adoption of neoliberal ideas and policies within the Democratic party under the leadership of Bill Clinton during the 1990s.[27]

The neoliberal order, Gerstle summarized, encompasses a set of ideas and instruments aimed at a broad deregulation of the economy in order to liberate markets and corporations from government intervention, and at perforating the protection of labor against the power of capital. "The promise of neoliberalism was that it could make markets work to their full potential and thereby rekindle the kind of economic growth that managed capitalism had failed to deliver in the long 1970s."[28] Just as in the "after the boom" approach, the transformation of the political economy thus stands at the center of real-world institutional and social transformations driven by neoliberal ideas, political ideology, and the interests of business-elite networks who pushed this agenda, as we have learned from in-depth historical and historical social science research over the past twenty years.[29]

Gerstle's understanding of the "neoliberal order" puts the deregulation of markets at the center. Yet reducing neoliberalism to market ideology and deregulation may adequately reflect the hard core of Reaganomics, but it does not represent the broader range of concepts, categories, and worldviews that characterize neoliberal thought as a complex of ideas not only aimed at redefining the role of the state and reconfiguring the political economy but ultimately at creating a new social order by fundamentally altering the norms, rules, and institutions that constituted it. Neoliberalism is one of the key categories to help us understand why, how, and to what extent relations between state, economy, society, and individual have been redefined and reconfigured in the late twentieth and early twenty-first centuries. Historical and social science literature and contributions from political philosophy help to grasp the potential and meaning of neoliberalism as a conceptual tool to sharpen our analytical framework for further historical research on post-1970 transformations and the demarcation of a "neoliberal order."

Just like historians in Germany, American scholars have been rather hesitant to adopt the concept of neoliberalism. Most of the authors who shed light on the evolution of neoliberal ideas and networks in U.S. academia and politics conceived their work as contributions to the intellectual and political history of American *conservatism*. Some of the skepticism may be caused by a terminological confusion that is particularly striking to the German / European reader. Apparently, the confusion results from the juxtaposition of "conservatism" vs. "liberalism" in the United States, understood as the two dominant political camps and movements in U.S. twentieth-century political history. In Germany and Europe throughout the twentieth century, the term "liberal" continued to denote political parties and ideas centered around the free market economy, the protection of individual rights and economic freedom, and the rejection of broad-scale state planning and intervention. However, "liberal" has been used in just the opposite way in the United States since the 1930s, when the "classic" liberals around Herbert Hoover and the Republican Party were tagged as "conservatives" while the New Dealers around Franklin D. Roosevelt and the Democrats became the "liberals."

In the American political language used to date, "liberal" applies not only to "classic" liberalism but at the same time to center-left political ideas rooted in transatlantic and American progressivism, social reform, technocracy, pragmatism, and Keynesianism, which called for an expansion of government action and state institutions to prevent another economic breakdown through better regulation of the economy, to provide a social safety net in times of crisis, and to ensure a minimal standard of living and social rights as the basis of individual economic freedom.[30] Accordingly, the era of the Great Society, too, has been called, in America, the "liberal hour" and "the high tide of liberalism,"[31] although—if we were to apply a transnationally compatible terminology—the political programs and the expansion of the activist state in 1960s' and 1970s' America rather reflected social-democratic, social-liberal, or progressive politics.

If the term "liberal" basically applies to the whole political spectrum in the U.S. except for the Marxist left—that is, if both "liberals" and "conservatives" have always been liberal because they were all rooted in the all-American liberal tradition—then it is indeed hard to discern any deep political shifts.[32] If we concomitantly reduce neoliberalism to free-market logics, we may as well drop the term altogether and speak of capitalism instead. The peculiar, broad use of the term "liberal" also invites rather odd attempts to affiliate and trace neoliberal thought and ideas back to the reformist, pro-planning, statist, progressivist center-left realm of ideas and traditions underlying the New Deal and the Great Society—traditions that neoliberal thinkers such as Hayek, Friedman, Buchanan, and their political adherents vehemently opposed. In a recent study on congressional Democrats, the author cast neoliberalism as a political ideology developed by the emerging New Democrats in opposition (!) to Reaganism reduced to "conservative" anti-statism,[33] thus turning neoliberalism into an endeavor of the center-left presumably rooted in the progressivist tradition.

Although there is still little empirical research on the Democrats' adoption of neoliberal ideas, it is ultimately misleading to cut off the history of neoliberalism in the 1990s from previous research on Reaganism and conservatism, and from the history of economic thought that has long established a core consensus with regard to the intellectual roots of neoliberal economic and political theory: emerging from classic liberal thought in the tradition of Adam Smith and the "new liberalism" associated with John Stuart Mill, the so-called "ordo liberals" of the Freiburg and Austrian School, Friedrich August Hayek, and others aimed at reforming and adapting laissez-faire liberalism, which had been discredited by the worldwide great depression of the 1930s and the subsequent world war, to the new domestic and international environments of the postwar decades.[34]

From the 1950s, the United States proved to be a particularly fertile breeding ground for the further development of neoliberal thought, networks and policy initiatives. Even qualifying as the "epicenter of neoliberalism"[35] and home of the "Washington consensus," which empowered the U.S. government to promote market-liberalizing policies in developing countries,[36] the radicalization of neoliberal economic thought toward market fundamentalism occurred in the United States and was driven in particular by the Chicago school of economics and its most visible and relentless intellectual and political activist, Milton Friedman.[37] Further, the neoliberal complex of ideas extended far beyond economic theory to include political and democratic theory, as Nancy MacLean and Sonja Amadae showed in their pioneering studies of the Virginia School and the public choice movement around James Buchanan, and the rational choice theory of democracy which emerged from postwar game theory in the realm of cold war thinktanks like the RAND corporation.[38] Defining government agencies as private monopolies, public services, including education, as products, public officials as utility-maximizing rent-seekers and citizens as consumers casting their democratic votes in a marketplace of ideas, public choice and rational choice theory again thrived particularly in the United States. The deregulation and liberalization of the economy was only one element of neoliberal thinking.

Further, positing, in essence, a coherent neoliberal consensus that emerged since the Nixon presidency and readily progressed from Carter to Reagan to Clinton tends to blur some important distinctions within the American political spectrum and to obscure how and why neoliberal ideas started to penetrate in political practice and policymaking. In her comparative study on the diffusion of neoliberal ideas among center-left parties in Europe and the United States, sociologist Stephanie Mudge showed that the political project of neoliberalism was—in America as well as in Sweden, Great Britain, and Germany—first promoted by center-right parties and only later adopted by social-democratic center-left parties such as the "New Democrats" faction within the U.S. Democratic Party, which came to power with the nomination and election of Bill Clinton.[39] Regarding the Clinton administration's programmatic attempt of government reform, Al Gore and the other officials and consultants in charge wanted to change the way the state, its bureaucracy, and its provision of public services worked by implementing market mechanisms and private-sector instruments in government institutions and processes and thus readily adopted neoliberal concepts and categories.[40] Yet unlike the Reagan administration, which had used a similar market-rhetoric to advance a broad-scale privatization of public services and government agencies, the Clinton administration aimed at modernizing the American state instead of radically shrinking the "Federal goliath," as Ronald Reagan had pledged to do ever since he gave his national political debut at the RNC's nomination of Barry Goldwater in 1964.

The vehement anti-statism that spread first in the Republican Party and center-right libertarian circles needs to be part of the picture when we deal with the political ramifications of neoliberal thinking in the United States and beyond. Hayek, Friedman, and Buchanan painted the state as a dangerous antagonist to individual and economic freedom guaranteed only by unfettered markets of all kinds. While the Reagan administration viewed the state as an enemy to the free citizen and entrepreneur, and the bureaucracy—and this was one of the axioms of public choice theory—as an inherently inefficient apparatus overloaded with unnecessary "public" tasks which were really "private" in nature and thus needed to be turned over to private providers, the Clinton administration was still convinced that the federal government could be an indispensable agent of social change and a problem-solver, yet it had to be reformed in order to improve its performance.

Privatization, user fees, and public-private partnerships have indeed not been invented only since the 1970s and must not automatically be categorized as "neoliberal." Still, if we consider them as enduring features of American governance to emphasize continuities over breaks,[41] important differences may escape our attention. Since the nineteenth century, the American state has cooperated with the private sector to fulfill public services, to implement regulatory rules, or to carry out political programs. However, it makes a fundamental difference whether public-private partnerships were used to expand the range of government action with the help of private actors, or to reduce the influence of the state by turning hitherto public tasks over to the private sector. User fees could, on the one hand, be used to increase public revenues, but on the other, they could also serve as an instrument of commodification and commercialization, to turn what was before considered a public good or a public service sustained by the community of all taxpayers into a priced commodity sold in a market to those who could afford it. This approach was central to the public choice movement and the privatization agenda of the Reagan Republicans, bluntly summarized in a privatization bible of the time, E.S. Savas' *Privatizing the Public Sector: How to Shrink Government* (1982).[42]

Beyond economic policy, the complex of neoliberal ideas and the associated policy instruments added up to reconfiguring the relations between state, economy, society, and individual citizens in theory and practice. As the American political theorist Wendy Brown put it: neoliberalism must not be understood just as a set of economic policies, economic theories, or as an ideology, but as a normative order of reason that configures all fields of social interaction in economic terms, recasting, for instance, concepts such as equality, freedom, or justice by confining freedom to deregulated marketplaces or by extending civil rights to corporations, expanding the model and image of the market to all domains and activities, and defining human beings as market actors.[43] Daniel Rodgers carved out the various sources and the extent of this shift in his landmark *Age of Fracture* (2011). The "rediscovery of the market" did not simply mean a new prominence of free-market orientations in American economics and politics. The New Deal state as well as the so-called postwar consensus between Democrats and Republicans included the firm support of a (democratic) capitalist free-market economy. Markets, here, were defined as places of trade and exchange for goods and services.

But the new image of the market that emerged since the 1960s in the realm of radical neoliberal thought conceived it no longer as a locus of tradeoffs and compromise embedded in society, but as a metaphor for society as a whole: the market—and, thus, society—was imagined as a socially detached array of economic actors free to choose and optimize, unconstrained by power and inequalities, governed not by their common deliberative and democratic action, but by the impersonal laws of the market.[44] As Rodgers highlighted, the American social and political imaginary underwent profound transformations in the last quarter of the twentieth century, when America saw a reconfiguring of fundamental beliefs about society, the role of the individual, the task of politics, and the regulation of the economy. Howard Brick earlier discerned another field in which categories shifted profoundly. Since the 1930s, so-called "post-capitalist" social theories had contended that social relations in contemporary modern societies would no longer be determined by economic forces, and that a primacy of society and the polity over the economy was about to emerge. This belief, however, increasingly lost ground from the 1970s on in both social theory and policymaking. The concept of society as an autonomous social system besides politics and economics, oriented around principles such as freedom, equality, and solidarity that where not wholly "economic," was put into question from various sides and actors.[45] The radicalized idea of the market not only reasserted the dominance of economy over society, but challenged the very concept and idea of society, or, in other words the idea of society thinned out into a more voluntaristic, fractured and easier to exit entity comprising smaller and more segmented units, groups, and identities.[46]

The relevance of these theoretical and conceptual shifts becomes clear when we pit them against the underlying principles of the New Deal order and the progressivist (social-liberal or social-democratic) agenda in American politics: As long as there was an understanding of society as a somewhat "bounded whole,"[47] society could be amenable to social science analytical empiricism as well as to targeted political programs aiming at social reform. These were formative tenets of the progressive and technocratic political movements that would, in the 1930s, initiate an expansion of federal public policies designed to solve social problems, advance economic growth and prosperity, and engineer social and economic modernization.[48] Economy and society were assumed to be separable social spheres operating with different logics and goals. And as long as society as an entity that was more than the mere sum of its parts existed in the political imagination, there was such thing as the public interest. Rational choice and public choice theorists, however, defined human actors as rational economic actors always striving to maximize their self-interest and individual preferences. They not only deemed it impossible, but illegitimate to determine the public interest without taking all individual preferences into account. Democratic majority rule, in Buchanan's view, for example, always entailed the coercion and repression of a minority, be it Southern whites who were opposed to school desegregation, or free entrepreneurs who had to pay for a welfare state that did not serve them, but the poor and the masses canvassed by rent-seeking politicians to get their votes, thus maximizing their political gains and the growth of the concomitant bureaucracy.[49]

Methodological and normative individualism overlap here, and it is hard to draw a clear line between scientific theory and political ideology. German historiography "after the boom" has been particularly sensitive to the transformative power of social theory and treats it not just as a subject of intellectual history, but as an integral part of the political imaginary of historical actors and policymakers, ultimately seeping into the policy process to contribute to inducing real-world change through public policy and the design of institutions. On the one hand, the public and rational choice definitions of human agency and organizational behavior were fed into theoretical models in economics and the social sciences; on the other hand, they contributed to fueling public resentment against the institutional complex of the American state and a devaluation of public service. Again, this points to broader shifts in crafting the relations between society, economy, and the state in America since the 1970s, where—especially when compared with developments in Germany—anti-statism and contempt for government institutions started to thrive since the 1960s, growing from opposition to Great Society programs, and where, in 1981, an elected administration deliberately set out to corrode federal government institutions from within.[50]

Yet the transformation of the state, the institutional change of government structures and public policies, as well as transformations of the role of the state in the multitude of fields of intervention and regulation since the 1980s do not yet stand at the center of research in political history, but remain the focus of political science. While the "end of the New Deal order" paradigm earlier posited a sharp break around 1980 brought about by the Reagan revolution and the "conservative turn" in American politics, historical political science emphasized the persistence of national government institutions and "activist" public policy traditions.[51] As Julian Zelizer underlines, the New Deal order was not shattered into pieces, but many of its institutional structures persisted; liberals did not readily convert to conservatism, but "stood their ground" in protecting earlier accomplishments and defending agendas which significantly differed from center-right approaches to foreign and domestic policy.[52]

Historical institutionalism reminds us that the state must be understood as a multilayered complex that does not operate according to one overarching logic, but is made up of a multitude of organizations, rules and processes created at different times with different purposes, which potentially clash and contradict each other; its boundaries continue to shift, and what constitutes the role of the state remains, in the plural democratic society, subject to ongoing political debate and contestation.[53] Institutional change is therefore slower and more incremental than it is revolutionary when brought about through the often tedious and messy democratic process.[54] The challenge for the historian, then, is to find analytical frameworks such as "after the boom," the "New Deal order," and the "neoliberal order" to grasp the various connections between developments scattered over different domains and—without neglecting frictions, contradictions and unexpected combinations—attempt to draw a picture of the overall configuration and identify the driving forces beyond the individual historical events and phenomena we scrutinize in our smaller empirical studies.[55] Frameworks like these also allow us to transcend national history and take a comparative perspective to enhance our understanding of the actors and processes at work. Neoliberalism cannot and should not explain everything. But if we sharpen the concept as an analytical category, it points to tectonic shifts in our societies at the level of theories and ideas, public policies, and government institutions as well as in the political economy and in social structure which seem to have progressed during the last quarter of the twentieth century and continue to shape the present.

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1. Cf. Matthew D. Lassiter, "Political History Beyond the Red-Blue Divide," *Journal of American History* 98:3, (2011), pp. 760-764.

2. Brent Cebul, Lily Geismer, Mason B. Williams, "Beyond Red and Blue: Crisis and Continuity in Twentieth-Century U.S. Political History," in Brent Cebul, Lily Geismer, and Mason Williams eds., *Shaped by the State: Toward a New Political History of the Twentieth Century*, (2019), pp. 3-23.

3. Bruce J. Schulman, "Post-1968 U.S. History: Neo-Consensus History in the Age of Polarization," *Reviews in American History* 47 (2019), pp. 479-499.

4. Gary Gerstle, Nelson Lichtenstein and Alice O'Connor eds., *Beyond the New Deal Order: U.S. Politics from the Great Depression to the Great Recession*, (2019).

5. Cf. Axel Schildt and Arnold Sywottek eds., *Modernisierung im Wiederaufbau: Die westdeutsche Gesellschaft der 50er Jahre*, (1993); Matthias Frese, Julia Paulus, and Karl Teppe eds., *Demokratisierung und gesellschaftlicher Aufbruch: Die sechziger Jahre als Wendezeit der Bundesrepublik*, (2003); Konrad H. Jarausch ed., *Das Ende der Zuversicht? Die siebziger Jahre als Geschichte*, (2008).

6. Anselm Doering-Manteuffel, Lutz Raphael, *Nach dem Boom: Perspektiven auf die Zeitgeschichte seit 1970*, (1st ed. 2008), p. 10.

7. On the theoretical and empirical foundations of "modernity" as a key category in historical analysis of the twentieth century and for a periodization which locates "the" twentieth century as a distinct historical period between 1880 and 1970/1980, cf. Detlev Peukert, *Die Weimarer Republik. Krisenjahre der Klassischen Moderne*, (1987); Peter Wagner, *A Sociology of Modernity: Liberty and Discipline*, (1994); Lutz Raphael, "Die Verwissenschaftlichung des Sozialen als methodische und konzeptionelle Herausforderung für eine Sozialgeschichte des 20. Jahrhunderts," *Geschichte und Gesellschaft* 22, (1996), pp. 165-193; James C. Scott, *Seeing Like a State: How Certain Schemes to Improve the Human Condition Have Failed*, (1998); Charles S. Maier, "Consigning the Twentieth Century to History: Alternative Narratives for the Modern Era," *American Historical Review* 105:3, (2000), pp. 807-831; Ulrich Herbert, "Europe in High Modernity: Reflections on a Theory of the 20th Century," *Journal of Contemporary History* 5:1, 2007, pp. 5-21; Ariane Leendertz, *Ordnung schaffen. Deutsche Raumplanung im 20. Jahrhundert*, (2008); Thomas Etzemüller ed., *Die Ordnung der Moderne: Social Engineering im 20. Jahrhundert*, (2009); Ulrich Herbert, *Geschichte Deutschlands im 20. Jahrhundert*, (2014); Christof Dipper, "Moderne" [English version], *Docupedia-Zeitgeschichte*, 22.11.2018, http://docupedia.de/zg/Dipper_moderne_v2_en_2018.

8. Lutz Raphael, *Jenseits von Kohle und Stahl: Eine Gesellschaftsgeschichte Westeuropas nach dem Boom*, (2018).

9. Eric J. Hobsbawm, *The Age of Extremes: The Short Twentieth Century, 1914–1991*, (1994); David Harvey, *A Brief History of Neoliberalism*, (2005).

10. Anselm Doering-Manteuffel, Lutz Raphael, *Nach dem Boom: Perspektiven auf die Zeitgeschichte seit 1970*, (2nd expanded ed. 2010), pp. 7-23.

11. Knud Andresen, Ursula Bitzegeio, and Jürgen Mittag eds., *"Nach dem Strukturbruch"? Kontinuität und Wandel von Arbeitsbeziehungen und Arbeitswelt(en) seit den 1970er-Jahren*, (2011); Morten Reitmayer and Thomas Schlemmer eds., *Die Anfänge der Gegenwart. Umbrüche in Westeuropa nach dem Boom*, (2014); Anselm Doering-Manteuffel, Lutz Raphael, and Thomas Schlemmer eds., Vorgeschichte der Gegenwart. Dimensionen des Strukturbruchs nach dem Boom, (2016); Ariane Leendertz and Wencke Meteling eds., *Die neue Wirklichkeit: Semantische Neuvermessungen und Politik seit den 1970er-Jahren*, (2016); Fernando Esposito ed., *Zeitenwandel. Transformationen geschichtlicher Zeitlichkeit nach dem Boom*, (2017); Sebastian Voigt ed., *Since the Boom: Continuity and Change in the Western Industrialized World after 1970*, (2021).

12. Anselm Doering-Manteuffel and Lutz Raphael, "Nach dem Boom: Neue Einsichten und Erklärungsversuche," in Doering-Manteuffel, Raphael and Schlemmer eds., Vorgeschichte der Gegenwart, pp. 9-34.

13. Frank Bösch, Thomas Hertfelder, and Gabriele Metzler, "Grenzen des Neoliberalismus. Der Wandel des Liberalismus im späten 20. Jahrhundert," in Frank Bösch, Thomas Hertfelder, and Gabriele Metzler eds., *Grenzen des Neoliberalismus. Der Wandel des Liberalismus im späten 20. Jahrhundert*, (2018), pp. 13-36.

14. Peter Hoeres, "Gefangen in der analytisch-normativen Westernisierung der Zeitgeschichte," *Vierteljahrshefte für Zeitgeschichte* 63 (2015), pp. 427-436; Rüdiger Graf, "Einleitung: Ökonomisierung als Schlagwort und Forschungsgegenstand," in Rüdiger Graf ed., *Ökonomisierung: Debatten und Praktiken der Zeitgeschichte*, (2019), pp. 9-25.

15. Neoliberalism is either flattly rejected as a leftist political catchword, or scholars argue that there has hardly been any neoliberalism in Germany in the 1970s and 1980s, while the 1990s and beyond are not yet part of the picture because this period is considered too recent for full-tilt empirical historical research.

16. Gary Gerstle, "America's Neoliberal Order," in Gerstle, Lichtenstein and O'Connor eds., *Beyond the New Deal Order*, pp. 257-278.

17. Steve Fraser and Gary Gerstle, "Introduction," in Steve Fraser and Gary Gerstle eds., *The Rise and Fall of the New Deal Order, 1930 – 1980*, (1989), pp. ix-xxv, p. ix.

18. Ibid., p. xxii.

19. Steve Fraser and Gary Gerstle, "Epilogue," in Fraser and Gerstle eds., *The Rise and Fall*, pp. 294-298, p. 297.

20. For summaries of the first wave of scholarship and a critique of then dominant narratives and interpretations Julian A. Zelizer, "Rethinking the History of American Conservatism," *Reviews in American History* 38, (2010), pp. 367-392; Kim Philipps-Fein, "Conservatism: A State of the Field," *Journal of American History* 98:3, (2011), pp. 723-743.

21. Cf. Jefferson Cowie, *The Great Exception: The New Deal & the Limits of American Politics*, (2016).

22. Gary Gerstle, *Liberty and Coercion: The Paradox of American Government from the Founding to the Present*, (2015); cf. Meg Jacobs, "State Building from the Bottom Up: The New Deal and Beyond," in Gerstle, Lichtenstein and O'Connor eds., *Beyond the New Deal Order*, pp. 36-53; Joanna L. Grisinger, *The Unwieldy American State: Administrative Politics Since the New Deal*, (2012); Karen M. Tani, *States of Dependency: Welfare, Rights, and American Governance, 1935 – 1972*, (2016).

23. Cf. Gareth Davies, *See Government Grow: Education Politics from Johnson to Reagan*, (2007).

24. Gary Gerstle, "America's Neoliberal Order," in Gerstle, Lichtenstein and O'Connor eds., *Beyond the New Deal Order*, pp. 257-258, pp. 260-261.

25. Cf. Kristoffer Smemo, "The Making of ‚Liberal' Republicans During the New Deal Order," in Gerstle, Lichtenstein and O'Connor eds., *Beyond the New Deal Order*, pp. 54-70.

26. Gary Gerstle, Nelson Lichtenstein and Alice O'Connor, "Introduction," in Gerstle, Lichtenstein and O'Connor eds., *Beyond the New Deal Order*, pp. 1-14.

27. Gerstle, "The Neoliberal Order," pp. 264-272.

28. Ibid., p. 275. This reflects the still dominant standard narrative in political economy as established by Hobsbawm and Harvey, cf. Peter Hall, "The Changing Role of the State in Liberal Market Economies," in Stephan Leibfried et al. eds., *The Oxford Handbook of Transformations of the State*, (2015), pp. 426-444.

29. Looking beyond the notorious Mt. Pèlerin Society at the host of networks, foundation, donors, experts, intellectuals and politicians in particular in Great Britain and the United States: Mark Blyth, *Great Transformations: Economic Ideas and Institutional Change in the Twentieth Century*, (2002); Kim Philipps-Fein, *Invisible Hands: The Businessmen's Crusade Against the New Deal*, (2009); Jamie Peck, *Constructions of Neoliberal Reason* (2010); Julian Zelizer and Kim Phillips-Fein eds., *What's Good for Business: Business and American Politics Since World War II*, (2012); Benjamin Waterhouse, *Lobbying America: The Politics of Business from Nixon to NAFTA*, (2014); Timothy P.R. Weaver, *Blazing the Neoliberal Trail: Urban Political Development in the United States and the United Kingdom*, (2016); Nancy MacLean, *Democracy in Chains: The Deep History of the Radical Right's Stealth Plan for America*, (Viking, 2017); Quinn Slobodian, *Globalists: The End of Empire and the Birth of Neoliberalism*, (2018).

30. Cf. Jonathan Bell and Timothy Stanley eds., *Making Sense of American Liberalism*, (2012).

31. G. Calvin Mackenzie and Robert Weisbrot, *The Liberal Hour: Washington and the Politics of Change in the 1960s*, (2008); Sidney M. Milkis and Jerome M. Mileur eds., *The Great Society and the High Tide of Liberalism*, (2005).

32. For this position N.D.B. Conolly, "The Strange Career of American Liberalism," in Cebul, Geismer and Williams eds., *Shaped by the State*, pp. 62-95.

33. Patrick Andelic, *Donkey Work: Congressional Democrats in Conservative America, 1974 – 1994*, (2019), esp. pp. 150-160.

34. See esp. Bernhard Walpen, *Die offenen Feinde und ihre Gesellschaft. Eine hegemonietheoretische Studie zur Mont Pèlerin Society*, (2004); Philip Mirowski and Dieter Plehwe eds., *The Road from Mont Pèlerin: The Making of the Neoliberal Thought Collective*, (2009); Thomas Biebricher, *Neoliberalismus zur Einführung*, (2012); Daniel Stedman Jones, *Masters of the Universe: Hayek, Friedman, and the Birth of Neoliberal Politics*, (2012).

35. Peter B. Evans and William H. Sewell, Jr., "Neoliberalism: Policy Regimes, International Regimes, and Social Effects," in Peter A. Hall and Michèle Lamont eds., *Social Resilience in the Neoliberal Era*, (2013), pp. 35-68, p. 48.

36. Sarah Babb, *Behind the Development Banks: Washington Politics, World Poverty, and the Wealth of Nations* (2009), pp. 126-147.

37. Very pointedly Daniel Stedman Jones, "The Radicalization of Neoliberalism," in Anna von der Goltz and Britta Waldschmidt-Nelson eds., *Inventing the Silent Majority in Western Europe and the United States: Conservatism in the 1960s and 1970s*, (2017), pp. 38-59.

38. MacLean, *Democracy in Chains*; S.M. Amadae, *Rationalizing Capitalist Democracy: The Cold War Origins of Rational Choice Liberalism*, (2001).

39. Stephanie L. Mudge, *Leftism Reinvented: Western Parties from Socialism to Neoliberalism*, (2018), pp. 244-301 on the emergence of the DLC, the New Democrats, and Clinton.

40. Reuel Schiller, "Regulation and the Collapse of the New Deal Order, or How I Learned to Stop Worrying and Love the Market," in Gerstle, Lichtenstein and O'Connor eds., *Beyond the New Deal Order*, pp. 168-185.

41. Matthew D. Lassiter, "Ten Propositions for the New Political History," in Cebul, Geismer and Williams eds., *Shaped by the State*, pp. 363-376, p. 369.

42. As assistant secretary in the Department of Housing and Urban Development from 1981 through 1983, Savas was responsible for implementing several key concepts and ideas of public choice theory into the urban policy of the Reagan administration.

43. Wendy Brown, *Undoing the Demos: Neoliberalism's Stealth Revolution*, (2015), pp. 17-31; similarly William Davies, *The Limits of Neoliberalism: Authority, Sovereignty and the Logic of Competition*, (2014).

44. Daniel T. Rodgers, *Age of Fracture*, (2011), pp. 75-76.

45. Howard Brick, *Transcending Capitalism: Visions of a New Society in Modern American Thought*, (2006), esp. pp. 238-243.

46. Cf. Rodgers, *Age of Fracture*, p. 220.

47. Peter Wagner, "*An Entirely New Object of Consciousness, of Volition, of Thought:* The Coming into Being and (Almost) Passing Away of "Society" as a Scientific Object," in Lorraine Daston ed., *Biographies of Scientific Objects*, (2000), pp. 132-157.

48. Cf. Alice O'Connor, *Poverty Knowledge: Social Science, Social Policy, and the Poor in Twentieth Century U.S. History* (2001); John M. Jordan, *Machine Age Ideology: Social Engineering and American Liberalism, 1911-1939* (1994).

49. Cf. MacLean, *Democracy in Chains*.

50. Cf. Ariane Leendertz, "Zersetzung von innen: Ronald Reagan und die Zerstörung staatlicher Institutionen in den USA," *Mittelweg 36*, (2022, forthcoming).

51. Paul Pierson and Theda Skocpol eds., *The Transformation of American Politics: Activist Government and the Rise of Conservatism*, (2007); Brian Glenn and Steven M. Teles eds., *Conservatism and American Political Development*, (2009); on the shortfalls of the Reagan revolution see the early analysis of Paul Pierson, *Dismantling the Welfare State: Reagan, Thatcher, and the Politics of Retrenchment*, (1994).

52. Julian E. Zelizer, "The Unexpected Endurance of the New Deal Order: Liberalism in the Age of Reagan," in Gerstle, Lichtenstein and O'Connor eds., *Beyond the New Deal Order*, pp. 71-89; earlier Zelizer, "Rethinking the History of American Conservatism."

53. Cf. Kimberley J. Morgan and Ann Shola Orloff eds., *The Many Hands of the State: Theorizing Political Authority and Social Control*, (2017).

54. Wolfgang Streeck and Kathleen Thelen eds., *Beyond Continuity: Institutional Change in Advanced Political Economies* (2005).

55. I am modifying a similar appeal by a historically-minded political scientist here, see Robert C. Lieberman, "Trumpism and the Future of American Political Development," in Zachary Callen and Philip Rocco eds., *American Political Development and the Trump Presidency*, (2020), pp. 178-193, p. 193.