

Four Phases of Neoliberalism

Anthony J. Evans*

ESCP Business School
United Kingdom

Abstract

Scholars of neoliberalism claim that it is a distinct and conceptually useful political and economic philosophy that has passed through three distinct phases: origins; breakthrough; and dominance. While some have pointed to the death of neoliberalism, we may be seeing an interesting fourth phase, thus far unarticulated, represented by analytical anarchism and progress studies. This article provides a synthesis of existing work and seeks to add balance and clarity to the study of neoliberalism.

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I. Introduction

Fifteen years ago, Boas and Gans-Morse (2009) showed that the concept of neoliberalism was becoming more prevalent in academic research. While hardly any uses of the term exist in articles published during the 1980s, by the early 2000s there were over a thousand examples per year. They pointed out that very few of these mentions related to definition or usage, and also that the concept was "employed asymmetrically across ideological divides" (Boas and Gans-Morse 2009, p. 138). More recently, the use of the term has continued to grow. A search for the term within academic articles held in the JSTOR repository finds 3 results from the 1980s, 93 from the 1990s, 514 from the 2000s, and 1,483 from the 2010s. And following a seminal history by Harvey (2007), several books that survey neoliberalism's origins and meaning have appeared more recently (Mirowski 2013; Davies 2015; Biebricher 2018; Slobodian 2018; Whyte 2019; and Brown 2019). This demonstrates the intellectual maturity of the concept, which might even

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count as the subject of a field of study. However, despite this increase in attention, little progress has been made in bridging ideological divides. The majority of studies that refer to neoliberalism tend to be hostile, and few of the supposed neoliberals would describe themselves in that way. This paper draws upon Vallier's (2021) assessment that neoliberalism is a "coherent and distinctive philosophy" (p. 1) but does not make that case. Rather, it takes the sheer volume of scholarship as evidence that the concept is important and that pursuing a deeper understanding constitutes a legitimate exercise, and on that basis it identifies important gaps in the conventional literature.

The essential features of neoliberalism are the efforts to use market relationships to solve an array of economic, political, or even social problems. Beeson and Firth (1998) define it as "a preference for small governments and a reliance on market mechanisms to determine economic outcomes," and Jones (2012) calls it "the free market ideology based on individual liberty and limited government that connected human freedom to the actions of rational, self-interested actors in the competitive marketplace." Aligica and Evans (2009) argue that neoliberalism has been used as both a doctrine and a social practice, with emphasis on an expanding role of markets to resolve social problems. It is therefore broadly related to markets and has a heavy grounding in economics as a social science. As we shall see, it became conceptually separate from free market economics within the context of the policy challenges of the 1970s, and it is supposed to have dominated political debate until at least the global financial crisis.

Perhaps it is also useful to gain clarity on what neoliberalism *is* by considering what it is *not*. Admittedly, this is a difficult exercise because it overlaps so significantly with other concepts and terms, but we need to be careful lest it become an imprecise catchall category. Indeed, a key objective of this article is to demonstrate how efforts to exaggerate the scope and influence of neoliberalism create the potential for blind spots. Neoliberalism can and should be distinguished from individualism, classical liberalism, libertarianism, neoclassical economics, and neoconservatism. These distinctions are important: Is the commodification and atomization in consumer society a function of the philosophical triumph of individualism over collectivism, or a result of the perceived success of market-based policy interventions? Is economic imperialism based on the dominance of the rational-agent model or the normative commitment to free enterprise? Was the triumphant spread of monetarism across central banks all over the world a result of a desire for rules over discretion or an attempt to privatize public decision-

making? There will be no single, simple answer to such questions, and any explanation that treats neoliberalism as an overarching explanation will explain everything, and thus nothing. We need more precision.

Most biographies of neoliberalism understandably take a historical view, tracing its development and evolution and impact on global policy concerns. Much less attention has been given to the current situation and implications for the future. This exposes somewhat of a contradiction: Was the experience of the global financial crisis so terminal to the reputation of the so-called neoliberal hegemon that the vast intellectual infrastructure that supported it no longer exists? As we shall see, this is doubtful.

But although the lack of consensus around the concept of neoliberalism represents a challenge, Vallier (2021) provides three criteria to help.¹ The first is to ensure that the positions being labeled neoliberal are coherent. The second is to ensure that these positions were in fact held by the figures associated with them. And the third is to focus on academic texts. This article follows these guidelines and proceeds as follows.² Section 2 looks at the intellectual foundations of the concept of neoliberalism, while section 3 explores the evolution of neoliberalism. These are intended to synthesize the existing literature and ensure some clarity about the concept. Section 4 then considers where neoliberalism is today, drawing attention to an emerging split within the neoliberal community that can be characterized as analytical anarchism on one side and progress studies on the other. Finally, section 5 summarizes the argument made.

II. Where Neoliberalism Came From

The term “neoliberal” has two obvious roots. The philosophy is *liberal* because of the direct line to the tradition of political and economic liberty that centers on individual rights, and the identification of freedom

¹ Vallier (2021) approaches the subject with profiles of three prominent scholars—F. A. Hayek, Milton Friedman, and James Buchanan. His exercise, like almost all studies of neoliberalism, is one of retrofitting labels. The purpose of this paper, by contrast, is to see what insights can be gained from applying them to contemporaneous work.

² An additional means to constrain the scope of the analysis is that I focus on English-language texts. If this were intended to be a history-of-thought paper this would be a problem, but because my focus is on present trends within the neoliberal literature I believe this is justified. Secondary sources are cited where necessary, and I appreciate the comments from an anonymous reviewer prompting me to acknowledge this limitation.

as the primary objective (as opposed to equality, justice, or other more communal concerns). Liberalism is a broad political philosophy, in which freedom of association and freedom of conscience are as central as any economic policy prescriptions. One lineage in which liberalism has been deemed *new* began in the mid twentieth century and coincided with the rise of the modern welfare state. Figures such as Joseph Chamberlain, William Beveridge, and John Maynard Keynes saw themselves as liberals but, for a variety of reasons, believed that government intervention could be consistent with the promotion and protection of freedom and liberty.³ In this sense, the New Deal and Keynesian-style aggregate demand management were seen as alternatives to rising totalitarian forces and therefore as means to *defend* liberalism. In the American context, the term “liberal” became associated with big government, and the strand of (traditional) liberal thinking that retained its hostility to state intervention became known as libertarianism. It therefore makes sense that nonlibertarians (that is, those who acknowledged the necessity of a state, perhaps even wanting a strong state, but were uneasy about how that coincides with a free market economy) were lacking a label. And an important point that many critics of neoliberalism have made is that the *laissez-faire* prescriptions of the (classical) liberals are at odds with the much broader remit for government being touted in the twentieth century. It is unclear whether this represents a fundamental contradiction or merely an inevitable tension that followed from the dramatically different *context* in which these authors were working. *Laissez-faire* economics might be a possible policy prescription when government spending is around 10 percent of GDP. But when government spending is over 40 percent of GDP it is less tenable. Even the classical economist and *laissez-faire* advocate Jean-Baptiste Say wrote about the appropriate role of the state. But it seems inevitable that there will be less emphasis placed on that when the state is quite small, compared to the postwar period, when fascism, socialism, and social democracy shifted the debate to how a large state should be. Thus, the classical liberal economist was faced with a dilemma—to advocate the ideal and be accused of irrelevance, or to be pragmatic and focus on the *deployment* of the state rather than its overall size.

Several factors contributed to the decline of liberalism during the twentieth century, including the perceived success of the war economy, the perceived failure of liberalism during the Great

³ For Keynes in particular, see Bramstead and Melhuish (1978), Colander and Landreth (1996), or Skidelsky (2009).

Depression, and the subsequent rise of the USSR as a seemingly viable alternative (see Biebricher 2018).⁴ Slobodian (2018) points to three “ruptures”: the First World War, the Great Depression, and the revolt of the Global South in the 1970s. These historic events that spanned half a century provide a critical context for the intellectual project that was devoted to updating liberal principles.⁵ While liberals in the 1920s were still committed to restoring classical liberalism (that is, a defensive strategy), the context was to change dramatically.

Neoliberalism represents a very different set of ideas from the “new” liberal thinking that underpinned twentieth-century progressivism. Despite being a much more recently identified concept, it is common practice to trace its origins to the 1938 Walter Lipmann Colloquium,⁶ but it was not until the 1950s that we find evidence of the scholars who have become most synonymous with neoliberalism actually using the term. When Milton Friedman (1951) used the term “neo-liberalism” he was prompted by what he saw as a developing intellectual movement in which liberals deviated from the traditional goal of *laissez-faire* toward a new objective, namely “the goal of the competitive order.”⁷ However, this citation does not represent evidence that neoliberalism was a coherent idea being used by a clearly defined

⁴ The extent to which Soviet industrialization represented genuine economic growth as opposed to a disastrous experiment is contested. Kolodko (2000) warns against too much triumphalism, arguing that various countries within the Eastern Bloc exhibited reasonable growth. However, Roberts (2002) provides a postmortem of Western academics’ failure, at the time, to understand growth figures from socialist economies; Levy and Peart (2011) reveal how incorrect assumptions about the economic strength of the USSR were pervasive for many decades; and Nutter (1962) provides a prescient account of how the Soviet economy was failing all along.

⁵ While it has become popular to mock Fukuyama’s (1992) proclamation that the collapse of European communism constituted “the end of history,” liberal capitalism proved to be far more resilient to the events of the twentieth century than Marxism. I thank an anonymous referee for making me recognize this point.

⁶ The main reason for granting importance to this event is that the transcripts seem to be the first time that the term “neoliberal” (in English) appeared in print. However, although Slobodian (2018, p. 93) credits Louis Marlio as being the first person to use it, the transcripts merely reveal that it was being used around this time. Indeed Magness (2021) traces the first use of the term *neoliberalism* to the 1920s and the intellectual response in interwar Germany to the debate over marginalism.

⁷ Interestingly, he linked this approach to the work of Henry Simons (a fellow member of the Chicago school), whose “positive programme for *laissez-faire*” had been published posthumously just two years prior (Simons 1949).

group of intellectuals. Indeed, it is only when neoliberalism became associated with a particular set of policy objectives, delivered within a particular country (for example, the “shock therapy” deployed in Chile), that it started to become a commonly used term (and even then, retrospectively). And it did so as a deliberate pejorative by its opponents on the intellectual Left.⁸ It should not be surprising that the academic consensus is overtly hostile to neoliberalism given that the principal scholars have Marxist expertise and sympathies (for example, David Harvey), and indeed the challenge being faced is to separate substantive contributions to the history of economic thought from ill-motivated ideological campaigns. Thus some libertarian economists explicitly repudiate the label (Magness 2024). The current literature has therefore inherited the difficult task of making sense of the term and determining whether it adds more light than heat to scholarly inquiry. Recent evidence suggests that the term is no longer a mere slander, as members of an identifiable neoliberal community have begun to reclaim it. In 2016 the UK think tank the Adam Smith Institute rebranded itself as neoliberal (see Pirie 2017),⁹ and the term has become prominent across social media¹⁰ and also within academia (for example, Cowen 2021).

Aligica and Evans (2009) point to three expansions of neoliberalism, directed against, first, Keynesianism (predominantly in the UK and US); second, Latin American socialism; and third, communism in Eastern Europe. This demonstrates the inherently *reactionary* origins of the concept, in that neoliberal strategies were formed as responses to perceived failures of state interventions. As Vallier (2021) points out, “Hayek’s work on informational systems was a response to communist central planning. Friedman’s monetarism was a response to Keynesian macroeconomic policy. And Buchanan’s public-choice research program was a response to the economics of general equilibrium and market failure economics.”¹¹

⁸ This suggests that although neoliberalism is not necessarily a term *coined* by its critics, it has mostly been *used* by them.

⁹ The Adam Smith Institute formally adopted a neoliberal identity in 2016 (see Sam Bowman, “Coming Out as Neoliberals”), but as early as 2014 its president, Dr. Madsen Pirie, was using the term in public speeches (see Pirie, “Looking at the World Through Neo-liberal Eyes”).

¹⁰ For example, the now defunct neoliberal Twitter handle, run by the Centre for New Liberalism, had over eighty-four thousand followers and the Neoliberal discussion thread on Reddit has over sixteen thousand members and is in the top 1 percent of Reddit communities.

¹¹ Buchanan’s intellectual legacy has become hotly contested (see MacLean 2017), and there are many better labels for his intellectual approach and contributions.

Mortimer (2021) claims that “[neoliberalism’s] original motivations were quite simple: to chart a course between laissez-faire and totalitarianism,” which reveals not only how challenging an objective that might have been, but also that instead of being an organic extension of classical liberalism, it was in fact a response to totalitarianism, to Keynesianism, and to a fundamentally different *context*. The origins of neoliberalism were therefore presented not as an idealized alternative to the existing set of policies and constraints, but a means by which to point such interventions in a direction more in line with liberal instincts and objectives. This means that at the very core of neoliberalism is an unnatural and uneasy relationship between liberal convictions and government action. It is not always clear whether this new form of liberalism is using the institutions of the state to better achieve its objectives or accepting the increased role of the state as a constraint to be managed and appropriately directed.

III. The Evolution of Neoliberalism

Following Daniel Stedman Jones (2012) we can consider three main phases of neoliberalism. The first is up to and around 1947, which saw the formation of the Mont Pelerin Society, which constitutes the key epistemic community providing the intellectual basis for the neoliberal movement.¹² The second phase saw the rise and ultimate triumph of Reagan and Thatcher, which propelled neoliberalism into the dominant policy arena. The third, or modern, phase began in

That said, we can follow Vallier (2021) in recognizing the compatibility of his work with our conceptualization of neoliberalism.

¹² As mentioned, the origins of a distinct neoliberal movement are often attributed to the 1938 Lippmann Colloquium. As Slobodian (2018) writes, the purpose of the Lippmann Colloquium was to “renovate” liberalism (p. 3), but some neoliberal scholars were not so much salvaging liberalism as confronting the twin threats of totalitarianism. Slobodian (2018) also recognizes that Mises’s private seminar in Vienna was an important part of a wider series of conferences and collaborations, and indeed the launch of the Mont Pelerin Society in 1947 was a more deliberate attempt to build a scholarly community around ideas that have subsequently become known as neoliberal. Note also that the Mont Pelerin Society was formed as a reaction to the success of the Fabians in providing an epistemic community around center-left ideas. An epistemic community is “a network of professionals with recognised expertise and competence in a particular domain and an authoritative claim to policy relevant knowledge within that domain or issue-area” (Haas 1992), and it is a useful concept to chart the spread of ideas (see Aligica and Evans 2009).

the 1980s, and its ideas are widely understood to have prompted, and caused failure to recover from, the global financial crisis.¹³

Davies (2015) provides a slightly different chronology, with the first phase being the link between Friedman/Hayek and Reagan/Thatcher, and where neoliberalism is reactionary and uses the state as a tool. He claims that early neoliberals (that is, up to the 1950s) accepted social and moral limits to markets, and he focuses on the dominance of the Chicago school from the 1960s and the dispensation of any ideological issue with the state (provided it was managed well). This second phase—the era of neoliberal technocracy—includes Richard Posner, Michael Porter, and Third Way politicians such as Bill Clinton and Tony Blair. Davies's third wave began in 2016 and seeks to incorporate Trumpism and Brexit into the analysis, linking neoliberalism with populism and nihilism. However, consider the 2016 US presidential election. Were Trump voters protesting against the neoliberal elite represented by the Clinton and Bush years, or were they the manifestation of an individualized, aggrieved, consumer-based society that cares more about expressing one's identity than combating inequality? The argument can be made both ways. The country that most embodies a technocratic subjection to market forces and suppression of marginalized dissent is China. But surely when it is a communist state that exemplifies a liberal political philosophy it is time to reflect on the usefulness of the label.

While Davies (2015) considers that neoliberalism died in response to the global financial crisis, Mirowski (2013) sees that it continued apace. Therefore, it makes sense to treat 2016, not the financial crisis, as a seismic break. The issue of Europe is particularly interesting because instead of revealing any split within the neoliberal community, it reveals the lack of any common agenda in the first place. There are neoliberal elements to both the pros and cons of continued EU expansion; it simply is not part of the neoliberal project.

¹³ The global financial crisis occupies an important part of many chronologies relating to neoliberalism, yet the long-term impact is far from clear. While growth rates have been sluggish in many major economies since then, this is commonly attributed to secular slowdown. As previously mentioned, critics of (classical) liberalism and neoliberalism may underappreciate their resilience, and they neglect the fact that the robustness of a political system is a key source of concern for classical liberal scholars (see Pennington 2010).

Table 1. The evolution of neoliberalism

	1. Origins	2. Breakthrough	3. Dominance	4. Future
Time period	1940s–1970s	1980s	2000s	2016–?
Notable intellectuals	F. A. Hayek, Milton Friedman	Alan Greenspan		Elinor Ostrom, Tyler Cowen
Notable politicians		Ronald Reagan, Margaret Thatcher	Bill Clinton, Tony Blair, George W. Bush, David Cameron, Angela Merkel, Emmanuel Macron	
Idea drivers	Individualism, markets	Privatization, disaster capitalism	Competitiveness, finance capitalism	State capacity, polycentricity

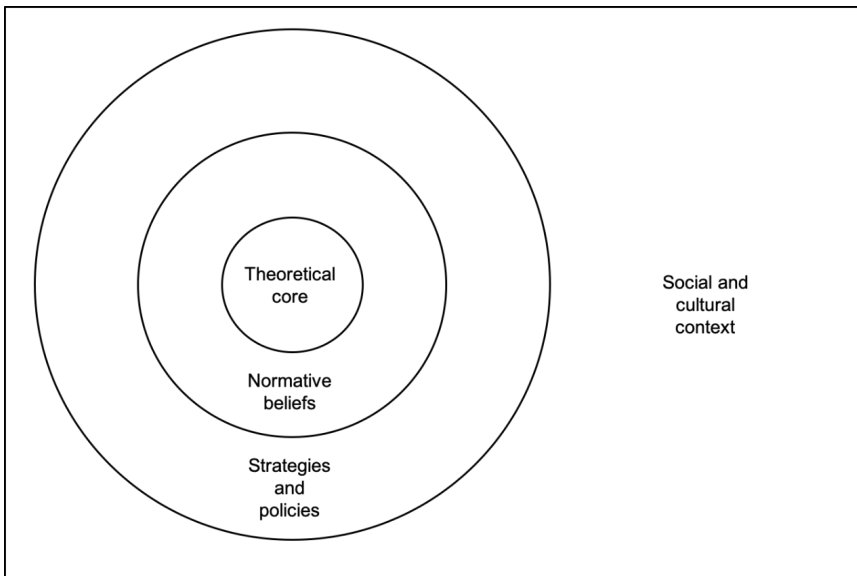
One thing to notice is the shift in dominance from academic figures to policy figures. The declining influence of intellectuals is demonstrated by the fact that the Nobel Prize for economics was awarded to a Mont Pelerin Society member in seven of the nineteen years between 1974 and 1992 (inclusive) but only once since then. This signals the success of the original project but also a lack of focus on the subsequent developments.

Treating Friedman and Reagan as part of the same phase of neoliberalism is fine if it is defined in terms of ideas. But it misses something important: the span of time between the origins of the neoliberal movement and the application of neoliberal policy. Therefore we should treat the second phase as the Reagan and Thatcher revolutions, and while there are clear and strong ideological links to the first phase, the crucial difference is that it was a policy triumph. This makes the third phase even clearer because although centrist politicians such as Clinton, Blair, Bush, Cameron, Merkel, and Macron continued neoliberalism’s policy agenda (broadly defined), they did so without its intellectual underpinnings. Indeed, this is when neoliberal *policy* became untethered from neoliberal *thought*, and the broader social and cultural milieu became the bigger causal factor than any definable epistemic community. The third phase also saw the dominance of independent central banks and perhaps the culmination of neoliberalism as the global benchmark. What Davies (2015) considers to be the third wave, which started after 2016, is therefore

really a fourth. As argued in section 4, it is an open question whether neoliberalism has staggered on, unreformed, as a zombie philosophy, whether we are in a new, “post-neoliberal” era that emerged from neoliberalism’s “ruins” (Brown 2019), or whether in fact a fourth phase is well underway. When the Chinese Communist Party has become the emblematic global flagbearer, it is clear that neoliberalism’s intellectual basis is questionable. We have seen a collapse in confidence regarding neoliberalism as a driving force of political action, possibly because of its perceived failings during the global financial crisis. But, as argued below, there *has* been an evolution in neoliberal thought. It is just that it lacks the policy attention of the first phase and appears to be under the radar of neoliberal scholars.

Aligica and Evans (2009) argue that there are three related elements to neoliberalism: a theoretical core; a set of normative beliefs; and corresponding strategies and policies. These can be imagined as a set of concentric circles. The important point is the economic foundation: “The core of neoliberalism is intrinsically linked to economics as a social science” (p.14). We can also recognize that any political philosophy resides within, and interacts with, a broader social and cultural context (see figure 1).

Figure 1. The map of neoliberal thought



Although the source of unity within the neoliberal community is not methods (that is, a view of science) but policy objectives,

Biebricher (2018) distinguishes between the “intellectual project” and the “concrete political project” (p. 8), which implies that the ideas can be judged on their own internal consistency, irrespective of policy debates surrounding implementation.

Distinguishing between these elements is important. In an insightful reflection, Dani Rodrik (2017) defends the key insights of economics but identifies “the central conceit, and the fatal flaw, of neoliberalism: the belief that first-order economic principles map onto a unique set of policies, approximated by a Thatcher–Reagan-style agenda.” But if the chief problem with neoliberalism is the mapping of an oversimplified policy prescription to a complex real-world situation, this may reflect the scale and severity of the inherited problems as much as the desirability of the proffered solution. It is hard to imagine the Thatcher-Reagan policy prescription without the economic circumstances that these leaders inherited. Of course, critics of neoliberalism will argue that presenting their agenda as the only alternative is misleading, and they have a point. But neoliberalism was a reaction to the changing state of the economy, Biebricher (2018) claims that neoliberals exaggerate the existential threat (p. 18), and other critics challenge the positioning of everything as a crisis. Neoliberals are known for being deeply concerned about threats to civilization, perhaps exaggerating them as a cover for their extreme policy agenda. It is common in economic narratives to use the term “crisis” a lot, and crises are perfect covers for radical ideas.¹⁴

Whether or not neoliberals sincerely believed that civilization was under threat, and whether or not the hyperbole was a concerted effort to legitimize an extreme policy agenda, there is no doubt that the stakes were considered high by both sides. But it demonstrates that a coherent understanding of the economic system is a different intellectual exercise from constructing a set of appropriate policy options. Similarly, Mirowski’s (2013) ire is directed at the political implementation rather than the legitimacy or otherwise of the core theoretical insights.

IV. Neoliberalism Today

The capitalist system, underpinned by neoliberal ideology, survived the global financial crisis. But the form that it is in, whether

¹⁴ Neoliberals would point out that most crises tend to lead to an increase in the size and scope of the state. Contra Klein (2007) the examples of “disaster capitalism” winning are notable partly because they are so rare.

unashamed and unrepentant (Mirowski 2013) or terminated (Davies 2015), is open to debate. This might reflect the cultural dominance of the hegemony but could also be a reflection of the lack of alternatives. Neoliberals would argue that capitalism survived in part because the only alternative economic system—socialism—does not work. Meaningful critiques appeared, such as the “post-crash movement,” but failed to get traction because they did not offer an alternative.

It is ironic that neoliberals have been accused of being nihilistic. Mirowski (2013) claims that the neoliberal hegemony has been revealed to be incapable of organizing the economy and the response has been to deliberately sow ignorance. But he cannot point to a coherent alternative to neoclassical economics as a means by which to understand and manage a modern economy. He accuses neoliberalism of being postmodern, but the end of modernity has been a much broader social and political phenomenon than what has been driven by the intellectual consequences of the Mont Pelerin Society. A counterview would be that the inherent contradiction within neoliberalism (that is, the use of a strong state to provide a competitive market economy) is a consequence of the postmodern triumph and that there is a difference between pragmatism and nihilism.¹⁵ Neoliberals do not offer a utopian vision; they present a set of second-best trade-offs.

Although many criticisms of neoliberalism are inherently historical, in that they attempt to trace the roots of a hegemony that they view as being dominant today, it is odd that there is not more interest in the current debates and conflicts within that community. It is perhaps an inevitable element of any conspiracy-infused view that reflective accounts provide more scope with which to construct a narrative. Perhaps in the next few decades such a narrative will be formed, but it should be consistent with the developments that are currently taking place. It may be the case that scholars who are hostile to neoliberal ideas are less able to encounter them at early stages and thus rely on the passage of time to establish what work is being done. But an alternative explanation is that if such work does not fit their existing

¹⁵ Mirowski (2013, pp. 326–29) provides an insightful critique of the Occupy movement on the grounds that it was framed by neoliberal impulses, but he does not really articulate what a successful, progressive alternative would look like. My argument would be that their nihilism and lack of credible alternative is a function of their postmodernism, which neoliberalism has had to respond to, rather than a consequence of the postmodernism of neoliberalism.

narrative it gets ignored. The purpose of this section of the paper is to survey a potential schism within the neoliberal epistemic community and present it as a phenomenon to be explained. In short, the traditional split between classical liberals/libertarians and neoconservatives or between free bankers and monetarists—all of which are typically treated as part of an overarching neoliberal community—exists in a modern form. It is between one group of scholars, who can be labeled as *analytical anarchists*, and another, who are pioneering *progress studies*. The former retain a hostility to the state as a core part of their scholarship, while the latter have no qualms about suggesting major government intervention. While left-of-center scholars may be forgiven for not seeking to analyze this split in its most visible form (for example, anti-lockdown vs. pro-lockdown), they have neglected significant academic work that reveals that the modern neoliberal movement is diverse.

The analytical anarchists (see Boettke and Candela, 2020) reflect a more libertarian bent and have two main subgroups. The first rejects the necessity for a state and therefore engages in serious study of anarchic social order. Scholars such as Edward Stringham (2006, 2015), Chris Coyne (2008), and Peter Leeson (2014) embody this approach, which has closer links to anarcho-capitalism (and which is typically viewed as being outside the neoliberal epistemic community). Note that these analytical anarchists undermine the notion that the state is an important instrument in neoliberal thinking. The second subgroup retains the role of the state in social order but emphasizes nonstate solutions to collective action problems. They use the polycentric framework pioneered by Elinor Ostrom (2010) to explore how liberal principles can be delivered outside the institutions of the state, but more as a complement than an outright substitute. The European Economic Community emerged from a coalition between Christian Democrats, agricultural special interests, and socialists, creating a potential model of supranational federations that resembles the type of globalist structure Slobodian (2018) draws attention to but which is not part of any neoliberal project.¹⁶ Rather, the concept of polycentricity provides a distinctly neoliberally packaged concept. Slobodian (2018) acknowledges that Hayek explicitly opposed a global government but

¹⁶ Slobodian (2018) attributes the intellectual firepower behind the European Economic Community to Groeber and Mertmacker (see p. 204), but they were second-generation Ordoliberals and it is a stretch to claim that they were “key neoliberals,” as he does (p. 183).

claims that neoliberals “wrote extensively about the need for strong supranational federations” (p. 92). Indeed, and these are quite different things. To outsiders the distinction between the libertarian anarchists and the libertarian polycentrists may seem blurred, which is why I place both under the banner of analytical anarchism. But collectively they demonstrate that neoliberalism cannot be defined as a political philosophy that attempts to take control of the state. In terms of their contemporary relevance within the neoliberal epistemic community, the administrative headquarters of the Mont Pelerin Society are at the Free Market Institute at Texas Tech University, and the current treasurer of the Mont Pelerin Society and executive director of the Free Market Institute is Benjamin Powell, a leading analytical anarchist (see Powell 2008).

Therefore, in keeping with tradition, some members of the neoliberal community are actively opposed to state intervention. Others, however, take a more pragmatic and optimistic position on the potential for positive outcomes to follow from state action. They study the state’s capability to achieve its intended objectives—that is, state capacity. It is not necessarily the case that any attempt to study state capacity implies an expectation or desire to improve state performance, and analytical anarchists are well positioned to contribute to the field (see Murphy and O’Reilly 2020). However, regardless of the theoretical perspectives or normative positions of these authors, some neoliberals are comfortable with massive expansion of state action. Evidence for this can be seen in the encouragement of vaccine preparedness (Ahuja et al. 2021)¹⁷ and general wariness of the so-called cheems mindset.¹⁸ The emerging field of progress studies and a general sense of techno-optimism fit into this category of pragmatic academics and think tankers who have ambitious strategies to improve society (see Cowen 2018). Note that this movement spans center-left organizations (Center for New Liberalism and the Institute for Progress) and those more on the right (Works in Progress, Future of America Institute, and Roots of Progress). And their comfort with large-government projects favors a very particular type of intervention—that which relies on

¹⁷ I am not claiming that all of the coauthors in that study are paid-up members of the neoliberal community, but I draw attention to the work of Alex Tabarrok, who is a renowned libertarian economist.

¹⁸ This term refers to having a pessimistic response to new political ideas such that one does not even consider how to overcome potential challenges. See Driver (2021).

expertise. This is in contrast to an alternative, more Hayekian distrust of experts embodied in the likes of Koppl (2018).¹⁹

There has always been an interesting split between neo-conservatives and classical liberal/libertarians within the neoliberal community, and indeed the split identified here is closely aligned to a common and long-standing philosophical one, between natural rights and utilitarian views. But more recently this has stimulated a fascinating divergence between those who advocate an improvement in state functioning and those wedded to an anarchic governance project. It is surprising that there is not more attention to this within the scholarly community devoted to the study of neoliberalism.²⁰

V. Conclusion

Although neoliberalism is a term that has been shaped and applied in a pejorative sense, it reflects a distinct and important political philosophy that is built on economic foundations and seeks to extend market institutions, usually deployed by the state, to solve a broad suite of social issues. It provides an example of one of the most prominent and successful epistemic communities that has had a major impact both as a targeted set of policy responses and as a deeper force affecting the objectives and methods of government. We can see the broadness of the neoliberal hegemony, extending beyond a theoretical apparatus to embody a policy agenda as well as a set of normative beliefs that affect our cultural and moral order.

Academic scholarship has produced a field of studies that is now mature and informative. Indeed, the sociological foundation and rising influence of academics who study neoliberalism may be just as interesting as the community they profess to want to understand. However, a challenge they face is that the varied conceptions of neoliberalism and the widespread hostility to the ideas being represented (neoliberalism studies is predominantly critical of neoliberalism) might encumber their analysis. For example, despite taking a very broad view of what constitutes neoliberalism, there are some interesting blind spots. The lack of attention to internal dialogues on issues such as Trump, Brexit, and the COVID pandemic either

¹⁹ I thank an anonymous reviewer for pointing this out.

²⁰ I recognize that one reason for the neglect of progress studies among scholars of neoliberalism may be that a lot of the impact is outside academic scholarship. But while that is a criterion that I have tried to adhere to in this paper, many critics of neoliberalism seem to have few qualms about using a wider variety of sources.

demonstrates a lack of serious scholarly inquiry or the inherent limitations of neoliberalism as a concept.

If neoliberalism studies continues to develop, and if ideological bridges are to be crossed, this article points to a way to proceed. The main claims are that neoliberalism has passed through three distinct phases (from origins, to breakthrough, to dominance) and that while it is tempting to consider that since 2016 we have passed into post-neoliberalism, we should not sign the death certificate until we have investigated the current work. Indeed, there is currently an important debate within the neoliberal community, which may be the grounds for a future resurgence.

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