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## Neoliberalism and the Problem of Neoliberal Politics

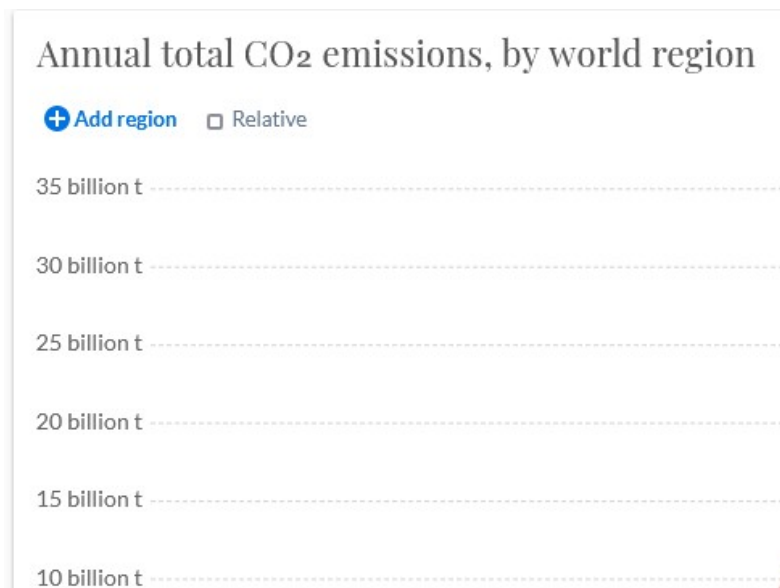


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The question of which is better from a strategic political perspective, hurtling or stumbling toward catastrophe, depends on assessments of the causes. Neoliberalism, the corporate-state amalgam that has been developing for four decades now, has built defenses around its reforms that are akin to a doomsday machine. By assigning private economic motives to the public realm— for-profit schools, for-profit military and for-profit healthcare, the function of government is no longer distinct, as it is political theory.

To illustrate this point, as both fact and metaphor, the trajectory of the greenhouse gas emissions that are causing climate change appears to be exponential (graph below). In plain language, these emissions are growing at an increasing rate. What this means is that mathematically speaking, stumbling toward catastrophe can cause more environmental harm in one period than hurtling towards it does in another. This clearly doesn't make

hurtling the preferred strategy. But it does make time the enemy of solving climate change. The failure to act substantively converts stumbling into hurtling.



Graph: the national origin of greenhouse gas emissions has no bearing on their environmental impact. The beneficiaries of these emissions— the people who ultimately cause them, are the U.S. and the rich nations of Europe. This link between wealth and environmental destruction identifies it as the source, and therefore the ultimate cause. This makes politics controlled by the wealthy— a.k.a. capitalism, suicidal. Source: ourworldindata.org.

To understand how this metaphor works, how stumbling is transmogrified into hurtling, the graph below of the atmospheric concentration of greenhouse gases shows a long history of cyclical stability followed by a sudden, large, jump higher. While the metaphor isn't perfect— the time scales are wildly different, the environmental logic holds. One day the cyclical variability breaks. The 'telos of becoming' as the philosopher Wilhelm Dilthey put it, the logic of industrialism that has always been embedded in environmental destruction, is realized. Environmental catastrophe is its product.

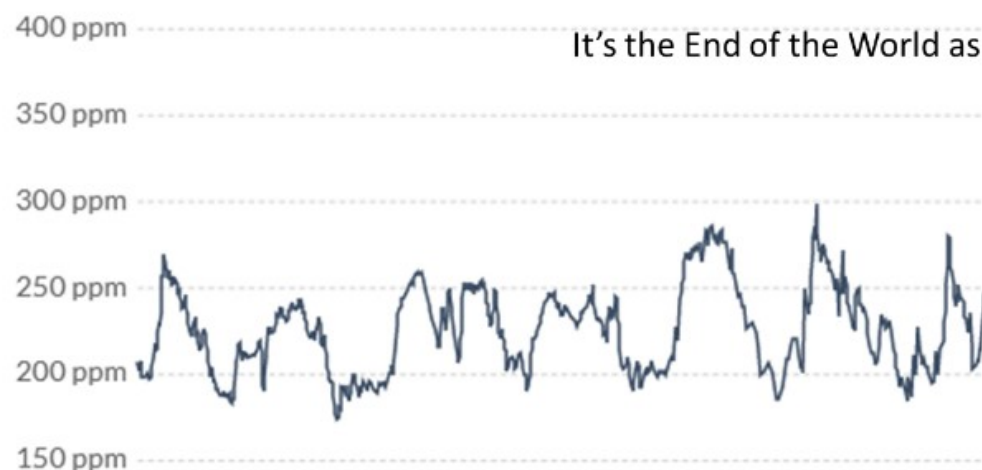
The political, environmental and economic problems facing the collective 'us' have been laid out more explicitly in recent years than at any other time in modern history. Aggregating environmental crises require a fundamental reordering of global political economy. U.S. militarism has evolved into a gratuitous, slaughter-generating, economic enterprise. Concentrated wealth is being used to render life untenable for those who must serve it to exist. And a sophisticated digital infrastructure now controls both recorded history and our thoughts.

This type of social critique—the written equivalent of what was derisively called ‘complaint rock’ some decades back, is so abstract relative to what most people spend their time doing that the likelihood of it coalescing into an actual political program is actually quite high. If the analysis is correct, and in a historical sense it has been, American-style capitalism has reached several prospective tipping points. Unfortunately for the citizens of the world, the rich in the U.S. would rather sink the ship than give up their fortunes.

It’s easy enough to argue that circumstances—the rise of China, the global distribution of economic production, and the serial blunders of U.S. military overreach, have overtaken the U.S. However, this defensive, reactionary, posture has served an offensive purpose since the early-mid twentieth century. Given the frame, the only possible response to global competition is to keep upping the ante. A Department of War ends with the war. A Department of Defense never goes out of business. Economic competition implies that the time is never right to make hard choices.

### Atmospheric CO<sub>2</sub> concentration

Global average long-term atmospheric concentration of carbon dioxide (CO<sub>2</sub>), measured (ppm). Long-term trends in CO<sub>2</sub> concentrations can be measured at high-resolution using samples from ice cores.



Graph: following millennia of regular fluctuations of CO<sub>2</sub> concentration in the atmosphere, something broke in the last century. Industrialization caused a rise large enough to fundamentally alter it. The political distinction between responsible and irresponsible leaders is nowhere to be found in this environmental consequence. This doesn’t mean that there is no difference between them. It means that the scale of political solutions doesn’t match the scale of the problem. Source: ourworldindata.org.

Gaslighting comes in the form of a public that is willing to make sacrifices to do the right thing, versus a ruling class that won't give an inch. Through political control by the rich, the wishes of the polity are ignored as the demands of the rich are put forward as the will of the people. The press line becomes that 'the people' don't want decent schools, quality healthcare, to fix the environment, or to end the forever wars. The majority view is portrayed through official channels to be the rant of a perpetually disaffected few.

The point is often made that when considered individually, people are hesitant to change how they live. Unless the effort is collective, why should they? If I change how I live but you don't, the problem doesn't get solved. This 'consumer choice' model of environmental activism was put forward to preclude effective action. Corporations sell what they make. This is the purpose of advertising. In contrast, collective action requires organizing principles and institutions. But neoliberalism has corrupted government to the point where it only represents the interests of the rich.

The question of why only one of the two parties is perpetually vexed by 'the process' provides insight. George W. Bush was able to get his wildly misguided war against Iraq through 'the process.' Barack Obama was able to get his resurrection of Wall Street through 'the process.' And who can forget that Donald Trump, with the able assistance of a Blue House, was able to get the several trillion dollar Cares Act passed in a matter of days? 'The process' is only reserved for what leaders don't want to do.

A not-insignificant motive for the neoliberal program is to place the major institutions of the West away from the reach of official governance. Through concentrated wealth, the so-called private sector can control political outcomes. And through the combination of deregulation and the privatization of regulatory responsibilities, government now has greatly diminished control over private interests. Any substantive environmental program would require more cooperation from private interests than they will voluntarily give.

This is critical for understanding both the capacity of corporate power and the rich to withstand the political will of the people, and to the breadth of the political reach needed to force concessions. Even though the U.S. military has regularly been used to support the interests of the oil and gas industry, political leaders can't force ExxonMobil to comply with the steps needed to solve climate change. Plenty of leverage could be applied. But ExxonMobil would more likely prevail in changing the political leadership than the political leadership would in forcing changes from it.

This creates a different kind of political problem than is generally understood through electoral politics. As long as the institutional context is controlled from the outside by

economic power, no election, or even series of elections, will produce viable solutions to what ails us. This isn't defeatist. It is a call to consider the political task-at-hand more broadly. Changing economic relations is a pre-requisite to recovering a functioning government. By analogy, I like AOC just fine. But she is the second highest grossing House Democrat after Nancy Pelosi in terms of campaign contributions. Her power comes from not threatening the status quo.

Solving the problem of 'money in politics' would do little to undo the shift in power from government to corporations and the rich. Federal, state, and municipal services have been handed over to private contractors. How would municipalities rebuild municipal infrastructure without the Federal government's ability to create the money to pay for it? New York State is trying to pass state-level Medicare for All with the same constraint. Corporations and the rich have the ability to move elsewhere, so how will it be paid for? Should this be less than obvious, when the providers of Federal, state, and local services are government entities, voters, through these governments, have the power of suasion over them. When they are contractors, the power of the purse is limited to bringing in competitors or rebuilding the municipal functions that were given away. But because the proceeds from dissolving these government services were long ago spent, the power of suasion is greatly limited. Neoliberalism has fulfilled its purpose in limiting the power of government.

This de-centralization of state power was intended to make fixing social problems at the expense of private fortunes impossible. Theory had it that neoliberal plenty would satisfy the public's need for official recourse. But all of the problems listed in this piece are caused by private power. It is the rich who profit from environmental destruction, gratuitous militarism, and the privatization of the public realm. The people who are causing these problems have rendered government impotent to solve them. Many citizens would be glad to be proven wrong. But in modern history, changing governments (political parties) has done nothing to dislodge neoliberalism.

While human motives vary, the desire to see these problems solved is separate and distinct from a quest for power. In theory, the powers-that-be could direct that the will of the people be fulfilled. And they could be left alone with more than the rest of us still left in their pockets. However, this offer has been implied for most of the last half-century, but it has never been taken up. Additionally, private wealth is generated by causing these problems. A few people get rich by making the planet uninhabitable for the rest of us.

This political conundrum can be seen through the programs of the current administration. While some new Federal spending has been proposed, care has been taken not to redistribute power. The tactic has been to make a public relations splash while leaving the existing distribution of power unaffected. However, inevitably, ‘the process’ will reasserted. The convenient fiction of the budget deficit will be used to pose the choice between raising taxes on the rich or cutting Federal spending. Early proposals to raise taxes on the rich have gone nowhere.

In theory, this type of muddling through could sustain existing power and quiet political unrest. Much of the Brahmin Left, as Thomas Piketty calls it, has already concluded that this strategy is working. The problem is macro-instability, or the long held-at-bay days of reckoning for the neoliberal epoch. With no material program to resolve environmental crises, the task becomes exponentially more burdensome— and therefore less like to be taken up, with each passing day. And public relations ploys regarding winding down militarism ignore the multitude of levers the U.S. military has built to perpetuate its wars.

On the domestic front, the discourse around the alleged end of austerity may be politically saleable, but it won’t fill the material needs of the working class and poor. Private austerity has been a constant in the U.S. for the last half-century. Two wage earners per family earn little more than one wage earner did a generation ago. The inflation adjusted minimum wage is more than twice its current level. And slow but steady neoliberal degradation and crapification have reduced the value of what four decades of stagnating real wages will buy.

Over this time, the Federal government has imposed ‘austerity’ through lemon socialism, largesse for the rich combined with cuts to the social safety net. Much of what is posed as Federal largesse for the poor— rent vouchers, food stamps (SNAP), and subsidized private health care, flows straight through its nominal recipients to act as wage subsidies for employers and to support ‘consumption.’ The poor are placed on the hook socially for payments that benefit landlords, big-box stores, and retailers.

The value of the political program laid out by the Left going into the last election lies in its breadth. Without Federal employment to provide displaced workers with livelihoods while structural adjustments are made, a desperate and reactionary political force will be created. This isn’t theory, it’s history. By blaming environmental regulations for the vicious recessions of the early 1980s, Ronald Reagan was able to sell the economic fruits of military Keynesianism as the product of tax cuts and deregulation. This happened again

during the Clinton era with the formation of militia groups, and toward the end of George W. Bush's second term at the onset of the Great Recession.

To be clear, this economic critique isn't 'poor talk,' the overstatement of economic decline to build public support for Federal social safety net spending. The problem is the neoliberal economic disease— stratified economies where a few are doing very well, more are to various degrees getting by; and a majority of workers are a living one paycheck or two away from severe economic stress. And generations of dispossessed spend their days holding down front steps in cities and towns across the nation. Instead of resignation, an activist Federal government could fix a lot of this.

The sea of money that descended on Wall Street in recent years not only isn't helping main street; it is being used to take an ever larger share of what is produced. Private money-pools are being used to buy middle and low-range houses to rent to households that can no longer afford to buy a house. Cheap leverage on cash-flow based valuations makes these pools relatively indifferent to the prices paid, sending the cost of shelter into the stratosphere. Federal money that was supposed to provide an economic boost is instead being used to strangle the economy.

By working within conceptual siloes, 'the environment,' 'the economy,' 'foreign policy,' the common basis of the problems in neoliberal economic relations remains hidden. Through neoliberalism, governing has been made into just another business. This makes it ill-suited for serving the collective interest. The perpetual claim that what we need are better politicians is misdirection, whether it is intended to be or not. Because the nature of the problem is economic— it is economic power that gives corporations and the rich sway over politics, this is where solutions must come from.

The practical problem of how to accomplish economic redistribution when government at all levels is held captive by economic interests doesn't have easy or simple solutions. Raising taxes on the rich requires a political will that is undermined by the rich. And Federal investment already sustains the economic forces that have eviscerated Federal, state, and local governmental capacity over the last four decades. The paradox that tech and finance titans who owe their fortunes to Federal research, investment, and bailouts, are standing in the way of the large-scale public investment that is needed to sustain the nation defines the neoliberal conundrum.

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