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► **To cite this version:**

Emma Bell, Gilles Christoph. The Slow Retreat of Neoliberalism in Contemporary Britain?. Dawes, Simon; Lenormand, Marc. Neoliberalism in Context, Springer International Publishing, pp.19-38, 2020, 10.1007/978-3-030-26017-0_2 . hal-03196244

HAL Id: hal-03196244

<https://hal.science/hal-03196244v1>

Submitted on 14 Oct 2024

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The Slow Retreat of Neoliberalism in Contemporary Britain?

Emma Bell & Gilles Christoph

In the years following the financial crisis of 2008, many commentators expressed surprise at the continued dominance of the neoliberal ideology that was widely acknowledged to have caused it. Yet, ten years after the crisis, it seems that declarations of the ‘non-death’ of neoliberalism (Crouch 2011) may have been premature. Neoliberalism is now said to be ‘in retreat’ (Jacques 2016) as even former advocates of the project have announced that it has been ‘oversold’ (Ostry *et al.* 2016). In the context of popular discontent over persistent inequalities, stagnating wages and corporate failure, together with poor economic performance and the rise of populist movements seeking to exploit these grievances, mainstream political parties in the UK (and elsewhere) have begun to break with the neoliberal consensus.

Through an analysis of political rhetoric, public policies and social attitudes, this chapter seeks to analyse whether neoliberalism is currently being diluted to such an extent that it is possible to speak of the retreat of neoliberalism in contemporary Britain. Following Peck *et al.*, we do not treat neoliberalism as a static, monolithic notion, but rather as a *process* that is constantly being made and remade through the dialectical tension between theory and practice, coexisting with many different ideologies as a ‘mongrel phenomenon’ (2009, p. 105). It is therefore essential to recognise that the dilution of one aspect of neoliberalisation does not necessarily threaten the whole.

Furthermore, even the dilution of the whole is not sufficient to bring the project down. It is necessary to challenge the hegemonic status of neoliberal culture and practice with a clearly-articulated counter-hegemonic project. Whilst recognising the limits of a national response to neoliberal crisis, our aim is to determine whether such a project has any prospect of emerging and surviving in post-Brexit Britain. In the UK context, will neoliberalism be resurgent, revamped and repackaged to adapt and survive in changing circumstances; will there be a move to post-neoliberalism whereby it is still possible to discern the key features of neoliberalism although its core has been hollowed out; or is there any prospect that neoliberalism will be overthrown?

Neoliberalism in question

Suggestions that neoliberalism is on the ropes are arising from many different sources. Well-respected political commentators have declared that the hegemony of neoliberalism ‘cannot and will not survive the test of the real world’ (Jacques 2016); that ‘a new economic consensus is quickly replacing the neoliberal one’ (Mishra 2017); that there has been a stark ‘political shift against the free market’ (Beckett 2017). They note how both mainstream politicians and the wider public appear to have ‘fallen out of love’ (Beckett 2017) with the project as it has failed to deliver on its promises of economic growth and widespread prosperity. Indeed, in the most recent general election, both Labour and Conservatives echoed each other in their condemnation of ‘untrammelled free markets’¹ (Conservative Party 2017, p. 9), with the Conservatives promising to ‘strengthen the hand of the regulators’ (*ibid.*, p. 59), notably in the energy sector, and Labour committing itself to ‘overhaul[ing] the regulation of our financial system’ (Labour Party 2017a, p. 16). In so doing, they were tapping into the broader public feeling of ‘capiscepticism’, whereby people recognise that capitalism in its current form has not delivered widespread prosperity but are unsure what to put in its place (Behr 2018). Wages have been stagnating, with employment income in the UK lower in 2015-16 than prior to the recession, contributing to in-work poverty and preventing income inequalities from decreasing (Cribb *et al.* 2017). Popular culture has picked up on concerns about the inequalities and injustices wrought by neoliberalism with films such as Ken Loach’s *I, Daniel Blake* detailing the suffering caused by the current British welfare system, and tracks such as ‘The Death of Neoliberalism’ by hip-hop artist Lowkey, which calls for freedom from ‘the corporate state’.

Even the most ardent neoliberals seem to think there is something wrong with the current system. James Cleverly of the Free Enterprise Group, a group formed in 2010 by Conservative MPs concerned about the rise of anti-free market thinking in the UK, has acknowledged that ‘free markets can be brutal’ and expressed concern that their failure to deliver rising living standards for all threatens to undermine liberal economic policies (Beckett 2017). Perhaps most significantly, the IMF, often regarded as a champion of neoliberalism, has conceded that ‘there are aspects of the neoliberal agenda that have not delivered as expected’, and criticised fiscal consolidation and the removal of restrictions on the movement of capital across a country’s borders for having had limited benefits in terms of increased growth and significant costs in terms of increased inequality, which in turn impacts negatively on growth (Ostry *et al.* 2016).

¹ Although, as we suggest below, we should not necessarily equate a rejection of free markets with a rejection of neoliberalism *per se*.

It is not just the failure of neoliberalism to deliver economic prosperity to all that is fuelling criticism and disillusionment. The private sector that it seeks to promote over the public has been tainted by a litany of scandals of which the 2008 sub-prime mortgage market crisis was only the beginning. The banking sector was involved in the Payment Protection Insurance (PPI) scandal, whereby it was discovered that additional insurance policies that were often overpriced, ineffective and inefficient were mis-sold to consumers. In 2012 and 2013, respectively, it emerged that leading banks such as Barclays had been involved in fixing the London inter-bank lending rate (LIBOR) and the foreign exchange market (FOREX) rate, causing savers and investors to lose huge amounts of money and further undermining trust in banking. Another two banks, HSBC and Standard Chartered, were both heavily fined by American regulators in 2012 following their involvement in money-laundering operations in countries such as Libya, Myanmar, Sudan and Iran.

Private companies under government contract to provide public services have also been embroiled in scandal. G4S, the world's largest security services company, has repeatedly been found to be in breach of contract and even been accused of human rights failures. In 2012, it failed to provide adequate security for the London Olympics, leaving the government to draft in the army to fill the gap; its employees at immigration removal centres and youth detention centres have been accused of abuse, with three employees tried for manslaughter (although found not guilty) following the death of deportee, Jimmy Mubenga, after being restrained by the officers on a flight to Angola; in 2013 the company was accused of fraud following revelations that it had overcharged the government for the electronic tagging of offenders who did not need to be monitored (White 2016). Other large corporations, such as Atos and Capita, have also come under public scrutiny when it was revealed that they had made serious errors when carrying out work capability assessment tests to determine disabled claimants' eligibility for employment support allowance (ESA) and/or personal independence payments (PIPs) (House of Commons 2018). Most recently, Carillion, the UK's second-largest construction company, which had been under government contract to provide public service infrastructure, such as prisons, roads, railways, schools and hospitals, went into liquidation, leaving the government to step in to guarantee the pensions of employees and to transfer outsourcing contracts to alternative providers. Such incidents severely undermine neoliberal claims that the private sector is always best placed to provide efficiency.

In such a context, it is unsurprising that there is increasing scepticism and concern about the neoliberal agenda, with even neoliberals themselves beginning to recognise its

limitations. Yet, the question remains whether this is sufficient to significantly challenge the status quo and translate into a real change in political direction on the ground. To answer this question, it is necessary to examine to what extent key elements of neoliberalism are actually being diluted, or even overturned, regardless of rhetorical claims. Perhaps *the* key element, on which all the other constituent parts of neoliberalism depend, is the strength and reach of corporate power². The health of neoliberalism can thus be determined by the extent to which this power is accepted and furthered by government and embedded into the everyday practices of ordinary people. In what follows, we will focus on challenges to neoliberalism as an economic project before moving on to analyse its future as a cultural and political project.

Challenging economic orthodoxy

Neoliberalism is often associated with free markets and hence any attempt to limit these is often regarded as a sign that neoliberal economic orthodoxy is on the retreat. However, as Dardot and Laval point out, this is to fundamentally misunderstand the nature of neoliberalism, which has always in practice involved a considerable degree of state intervention in order to make markets behave in a certain way (2009, p. 6-10). Rather than the State withdrawing, it has instead been ‘dedicated to the ongoing tasks of market making and market-guided regulatory restructuring’ (Peck *et al.* 2009, p. 109). As a result, the idea of the free market is, and indeed always has been, ‘an illusion’ (Harcourt 2012). Given the existence of private monopolies, including what Crouch refers to as giant ‘crony firms’ with close links to the government and privileged access to public service contracts, it is impossible to speak of a free market economy in Britain (Crouch 2017, p. 19). Indeed, firms such as G4S have become ‘too big to fail’ in financial terms despite their numerous failures to respect

² Historically, neoliberal thought crystallised in the 1930s and 1940s as a research programme into the institutional conditions necessary to ensure the stability, efficiency and fairness of capitalism. This meant identifying the permanent legal and constitutional rules as well as the temporary governmental interventions most conducive to controlling inflation, enhancing competition and mitigating inequality. The third objective was quickly abandoned in the 1950s, since early neoliberals felt that the welfare states implemented by developed countries in the aftermath of the Second World War had widely overshoot the comparatively modest social measures they had initially countenanced. The other two objectives, however, have remained the central pillars of neoliberal economic thinking and policy worldwide. In the field of competition policy, the second key objective, neoliberal thinkers originally favoured state intervention to curb market power but subsequently reversed this earlier position on the grounds that state intervention would actually entrench market power. The reason is that government regulators would be ‘captured’ (i.e. corrupted) by the dominant players within the industries they were supposed to oversee, thereby leaving market leaders free to consolidate their power. From this and other theoretical developments (e.g. Friedrich Hayek’s ‘dynamic’ alternative to the static model of perfect competition), neoliberals concluded that competition was actually at its most efficient when the market was left to its own devices, undisturbed by government interference. At the risk of oversimplification, one can argue that neoliberals issued a blank cheque for corporations to act as they please.

government contracts. Government plays an essential role in supporting these companies by creating new markets for them and supplying them with various forms of corporate welfare (Farnsworth 2013). We should therefore be very wary of regarding any apparent retreat from the ‘free market’ as a challenge to neoliberal orthodoxy. Nonetheless, an examination of current policies of market regulation in the UK may shed some light on the extent to which the Conservative government’s approach to the market undermines or facilitates the neoliberal project.

The government appears to be challenging the ‘free market’ via its introduction of legislation to cap energy costs (The Domestic Gas and Electricity [Tariff Cap] Bill 2018) in an attempt to create ‘fair markets for consumers’ (Conservative Party 2017, p. 59). This was one of the policies that led *New York Times* columnist Pankaj Mishra to announce the ‘death throes of neoliberalism’ (Mishra 2017). Yet, the Conservative manifesto makes it quite clear that the aim of such regulation is not so much to control energy markets but rather to make them more competitive, ultimately ensuring that ‘the UK should have the lowest energy costs in Europe’ (Conservative Party 2017, p. 22). Indeed, the government seems determined to ensure that market competitiveness is not undermined by regulation. The manifesto restated the government’s commitment to pursue the so-called ‘Red Tape Challenge’, initially launched by David Cameron in 2011 with the aim of identifying ‘unnecessary’ regulations and abolishing them (Conservative Party 2017: 15). The aim is to introduce ‘effective regulation’ to protect growth (*ibid.*).

This notion may be likened to that of ‘better regulation’ adopted by New Labour and subsequently by the Conservative-Liberal Democrat coalition government. This entailed ‘re-position[ing] regulation as a phenomenon and idea which can be sustained, indeed can be improved, via *less* – or indeed *in the absence of* – enforcement’ (Tombs 2016, p. 199, *author’s italics*). Rather than less regulation, there is re-regulation, a different kind of regulation which exists to ensure that corporate activity can continue unhindered by ensuring that corporations themselves have substantial autonomy to regulate as they see fit. Consequently, regulation has failed to significantly change corporate practice in the UK and may even ‘be beneficial to the neoliberal agenda’ in so far as this is understood as advancing corporate power (Aalbers 2013, p. 1085). In Britain, even after the financial crisis of 2008 and the litany of scandals that followed, ‘there has been no thoroughgoing attempt to confront or undermine the power of the financial services sector’ (Tombs 2016, p. 185). The limited regulations that have been introduced, such as the weak ring-fence that has been placed

between retail and investment banking activities, are unlikely to lead to any significant retreat from ‘business as usual’ (Bell 2015, p. 73-77). Whilst the current government has promised to introduce ‘tougher regulation of tax advisory firms’ in an attempt to tackle tax evasion (Conservative Party 2017, p. 16-17), at the time of writing, no concrete steps have so far been taken. Similarly, despite promising to uphold and strengthen environmental regulations, there is no bold plan to restrict the activities of the oil, fracking and plastics industries that are responsible for so much environmental damage (Conservative Party 2017, p. 23; HM Government 2018).

There is even a possibility that considerable deregulation will follow after Brexit, despite David Davis’ declaration that rather than a ‘race to the bottom’ with regard to regulations concerning workers’ rights, financial services and the environment, there will instead be ‘a race to the top’ (Davis 2018). Whilst there is little public support for deregulation (Morris 2018), there is always a possibility that the government will be tempted to loosen regulation of the financial sector and limit labour rights in an attempt to render the UK as attractive as possible for investment. Indeed, this is largely the strategy that successive British governments have followed up to now, even as a member of the EU, securing opt-outs on the EU labour regulations such as the working time directive and resisting European attempts to implement a Financial Transactions Tax.

Whilst corporations are left relatively free of restrictive regulation, the State continues to play a significant role in the artificial manipulation of the markets in which they operate. This is particularly true of financial markets. Dardot and Laval write of the ‘political construction of global finance’ to highlight the extent to which governments have contributed to the rise of financial capitalism (283-89). They remind us that it was the State that, via the deregulation of the financial sector and privatisation, created financial markets. It was also the State that rendered individual citizens reliant on these markets by calling upon them to fund public spending and by encouraging individuals to invest in them by taking out mortgages and investing in private pension funds, for example. If this was the orthodoxy of the 1980s, little has changed. Indeed, although the financial crisis exposed the vulnerability of these markets and their reliance on the State when things go wrong, it also represented an opportunity for governments to advance the agenda of financialisation. This entails increasing the size of the financial sector in the economy, thus reinforcing its power and influence and facilitating the spread of financial logic into everyday life. Financialisation is often regarded as the very key to neoliberalism, as ‘the crucial fulcrum of articulation of the different instances in the

current, neoliberal, hegemony. It is part of what holds the thing together' (Massey and Rustin 2013b, p. 206). A 'financialised hegemonic common sense' has come to dominate not just economic policy but politics and society more generally, structuring individual behaviour (Massey and Rustin 2013a, p. 6). Indeed, it is precisely this moulding of a new common sense based around the responsabilised individual, capable of navigating his/her own way around the global marketplace that defines the neoliberal project.

In the UK, the financialisation agenda was furthered by direct privatisation, notably of Royal Mail, as ownership was largely transferred into the hands of investment banks. It was also helped by the massive extension of the public-sector outsourcing industry, the value of which reached a three-year high in 2017 as businesses signed contracts worth £4.93 billion (Arvato Bertelsmann 2017). Financial markets were also able to benefit from austerity as public spending fell and private indebtedness increased. Debt as a proportion of household income in the UK now stands at 140%, compared to 93% in 1993 (although it reached a peak of 157% in 2008) (House of Commons 2017). As welfare payments have been reduced, ordinary citizens have been encouraged to take some responsibility for providing for their own needs through the financial system, particularly by gaining access to credit – this is known as 'asset-based welfare' (Finlayson 2009). To this end, Theresa May has pursued the financial inclusion agenda launched under the previous government and appointed a Minister for Financial Inclusion at the Department for Work and Pensions. Whilst this is an initiative which may ensure some financial security and protection for those on low or no incomes, for example by ensuring they do not fall prey to loan sharks, there is no doubt that it may hasten trends towards the financialisation of welfare. The introduction of automatic enrolment in private pensions schemes, introduced between 2012 and 2018, already went some way in this direction by ensuring that individuals take on more responsibility for their retirement savings whilst simultaneously creating new financial markets (Berry 2014). More recently, the Conservative Party, whilst placing less emphasis than previously on asset-based welfare (Berry 2017), nonetheless continues to encourage it through its housing policy. Owning a home is often regarded as one way in which people can build up personal assets to help them meet the costs of old age, rather than relying solely on a public welfare system. Housing is closely linked to processes of financialisation, as it is increasingly valued as a commodity and a means for investors to secure and accumulate wealth (Farha 2017). Indeed, property has become a form of low-risk collateral which facilitates additional borrowing and income for individuals and securities speculators (Pettifor 2018). Despite promises to 'fix the

dysfunctional housing market' (Conservative Party 2017, p. 70), current housing policy focuses on facilitating home ownership, loosening up planning rules to allow the construction of new homes (May 2018), rather than investing in publicly-provided social housing or regulating rent prices in the private rented sector. This ignores the fact that housing prices are not fuelled by housing shortages but rather by land speculation (Pettifor 2018). The current government is only fuelling this trend by encouraging increased dependence on the financial sector via home ownership. In short, financialisation in housing as elsewhere means that,

financial institutions are making increasing levels of profit from individuals and households. People are now relying on the financial system for access to vital goods and services, including housing, education, health and transport; while their savings are also increasingly mobilised by the formal financial system (Massey and Rustin 2013a, p. 6).

Financialisation has also encouraged the pursuit of austerity policies, despite the fact that even the IMF suggests that austerity makes bad economic sense for a country such as Britain, generating 'substantial welfare costs' and hurting demand (Ostry *et al.* 2016, p. 40). Austerity policies do not seem to have been followed for sound economic reasons. Indeed, Wren-Lewis suggests that, even though the government recently eliminated the deficit on its day-to-day budget two years after originally planned by former chancellor George Osborne, this could have been done painlessly without following austerity policies and costing the average UK household £10,000 worth of resources (Wren-Lewis 2018). Rather, austerity was followed for political and ideological reasons. Via the 'alchemy of austerity' (Clarke and Newman 2012), the 2008 crisis of global financial capitalism was framed as a crisis of both government and personal profligacy, thus permitting the crisis to be transformed from a threat to an opportunity for financialisation and the neoliberal agenda more broadly (Mirowski 2013). Given the success of austerity in justifying the creation of new markets for the financial sector, it has not been abandoned, despite vocal criticisms of the policy by senior economists (e.g. Krugman 2015) and even Conservatives (Wright and Coates 2018). Indeed, the most recent budget (2017) signals continuity with £12 billion of welfare cuts announced and public service spending due to be 3% lower than today in the coming years (Johnson 2017). The Prime Minister has also vigorously defended the 1% public sector pay cap until 2020, despite opposition from members of her own cabinet (Parker and Wright 2017).

Meanwhile, corporate welfare spending continues unabated, corporations are spared tax increases and new markets are opened up to them. The extent to which current governments are prepared to manipulate markets to ensure that they benefit corporations seems to confirm

Crouch's assertion that neoliberalism is more about firms than markets (2017). Consequently, it is the extent to which corporate power is challenged which is the true litmus test of whether neoliberalism is on the retreat. Such power appears to be very solid indeed, especially in the context of massive public-sector outsourcing to a select few corporations. As Froud *et al.* note, the failure of the State to control delinquent contractors suggests that 'the sovereign power of the outsourcing state can become co-dependent on the giant corporates that dominate outsourcing in much the same way as the corporatist state was previously dependent on organized labour and employers' (Froud *et al.* 2017, p. 85). For them, corporations have now become 'bound in a relation of co-dependence with a central state that [can] neither do without them, nor act against them' (*ibid.*, p. 88), since it 'lacks the knowledge and the will' to monitor contracts properly (*ibid.*, p. 89). If it lacks the will, this may be because government itself is no longer entirely separate from the corporation but has come to see its interests and that of the nation as a whole as synonymous with those of the corporation. In this sense, 'government actually becomes business', nation-states 'become holding companies in and for themselves' and 'the categorical distinction between politics and economics, that classical liberal fiction, is largely erased' (Comaroff 2011, p. 145).

Nevertheless, there are currently some attempts to challenge the symbiotic power of corporations and the political elites. Most significantly, the Labour Party's proposals on alternative models of economic ownership seek to radically alter the balance of power in Britain's economy by 'broadening the range of voices involved in making economic decisions, which would in turn help to ensure that our economy meets a wider range of needs and serves a more diverse set of interests' (Labour Party 2017b, p. 7). Whilst the party proposes renationalisation of the railways, Royal Mail and utility companies, it seeks to avoid the top-down, centralised approach of the past in favour of more democratic accountability. It therefore suggests that national ownership could be combined with local, regional and community ownership, whilst management structures could promote the involvement of consumer and employee representatives (*ibid.*, p. 31). Furthermore, cooperative ownership is to be encouraged and employees are to be granted a 'right to own', offering them the opportunity to buy the company in which they work if it is put up for sale (Labour Party 2017a, p. 19). The promised democratisation of the economy appears to go some way towards challenging corporate power, as does the pledge to sign no new PFI deals under a Labour government and to bring existing PFI contracts in-house (McDonnell 2017). The Opposition also promises to make a concerted effort to reduce corporate tax avoidance via its Tax

Transparency and Enforcement Programme (Labour Party 2017c), and to introduce stricter financial sector regulation, notably by introducing ‘a firm ring-fence between investment and retail banking’ (Labour Party 2017a, p. 16). In a direct challenge to the financialisation of the housing sector, the Party also promises to introduce a national land value tax to replace council tax and business rates. This tax, based on the market value of houses and business premises, would discourage land speculation and challenge financialisation as high tax bills would render it less attractive for investors to hoard land-based collateral. Imposing such a tax would also be a means of challenging ‘current hegemonic vocabularies and common sense’ about the economy (Massey and Rustin 2013a: 16), highlighting the unearned gains of many of those commonly thought of as ‘wealth creators’.

Challenging neoliberal discourse would, however, only be a very small step towards challenging corporate power and thus pushing neoliberalism back. To establish a new counter-hegemonic project, the reforms highlighted immediately above would have to turn neoliberal economic orthodoxy on its head. Whilst these reforms undoubtedly break from the neoliberal consensus, they may perhaps be regarded as ‘no more than a return to what would once have been seen as a moderate version of social democracy’ (Rustin 2017, p. 16). They do not, for example, use the tax system to dilute corporate privileges – indeed, Labour’s modest proposals to raise corporate tax to 26 % would still leave the UK with the lowest rate of the G7 countries (Miller 2017). Nor does Labour propose overhauling the financial system to curb speculative derivatives markets, for example. Corporations will undoubtedly lose some markets and be subject to tighter regulation, but the fundamental structure of the economy in which they operate looks set to remain unchanged. Financialisation and its processes are so deeply embedded in the British economy and society that it, together with the large corporations that depend upon it for dominance, will be extremely hard to challenge. As Gamble explains, ending the use of private finance in the public sector will not be enough – it will also be necessary to confront ‘the penetration of financialisation deep into everyday life and consciousness’ (Gamble 2009, p. 87). He is right to note that ‘many citizens have become so used to credit, debt and financial calculation, saving and investment, the mortgage culture, that even such a shock as the present downturn is unlikely to change their behaviour for very long’ (*ibid.*). It is thus necessary for any counter-hegemonic project to also bring about profound cultural and political change.

Remaking the Heart and Soul: Building a Counter-Hegemonic Project

Margaret Thatcher famously said that in order to alter the direction of politics and to bury the collectivist approach that had dominated throughout the post-war period, it was necessary ‘to change the heart and soul’ (Thatcher 1981). Along with her neoliberal contemporaries, she rather successfully modified the way many people thought, helping to create a ‘neoliberal common sense’ – a ‘more competitive, individualistic market-driven, entrepreneurial, profit oriented outlook’ (Hall and O’Shea 2013, p. 11). As these attitudes became entrenched, neoliberalism became part of everyday practice – what Mirowski describes as ‘everyday neoliberalism’ (2013). The UK Conservative government continues to reinforce the prevailing common sense by shifting responsibility from the State to individuals and perpetuating the idea that there is no alternative to neoliberal policies. For instance, austerity is presented as the only possible means of balancing the public accounts, whilst its negative impact on public services is denied in favour of a discourse that blames individuals, namely migrants, for putting pressure on these same services.

Nonetheless, there is some evidence that neoliberal common sense is being challenged. Of course, it was never entirely dominant, as evidenced by continued support for progressive taxation and key pillars of the welfare state such as the NHS, but social attitude surveys reveal that people are increasingly likely to favour statist over corporate solutions to contemporary problems. A 2017 poll revealed that 83% of respondents favour the nationalisation of water; 77% favour the nationalisation of gas and electricity; and 50% favour the nationalisation of banks (Elliott and Kanagasooriam 2017, p. 15). Another poll found that 68% of respondents believe that Private Finance Initiatives for funding public projects should be banned (Ellis and Whyte 2016). Furthermore, support for reducing government spending has fallen quite significantly over the past twenty years (from 43% in 1996 to 29% in 2016 – Curtice 2017), suggesting that a significant majority of British people are in favour of seeing a reduction in the role of the private sector in favour of the state when it comes to the provision of key public services. This is perhaps an unsurprising finding given the decline in public trust of business to just 43% (Edelman 2018), surely exacerbated by the litany of corporate scandals to erupt over the past decade and more. Yet, trust in government fares even worse, standing at just 36%, with a majority feeling unrepresented (*ibid.*).

This latter finding would suggest that any government seeking to tap into the public mood and build a counter-hegemonic project against neoliberalism will also have to tackle the democratic deficit it has exacerbated. Colin Crouch most famously highlighted the tendency of neoliberalism to undermine democracy in his 2004 book, *Post-Democracy*, in which he

described a world in which governments are more responsive to corporations than citizens. Wolfgang Streeck provides a wonderful illustration of post-democracy in practice, citing Angela Merkel's preference for a 'market-conforming democracy' whereby, according to the Chancellor, democracy must meet the expectations of markets, even if this requires changing the often long, drawn-out decision-making procedures of the democratically-elected Bundestag (Streeck in Crouch *et al.* 2016, p. 500-501). Under neoliberalism, the failure of political democracy is fuelled by the lack of economic democracy, as organised labour is crowded out from decision-making processes and dissent is quashed by the strong arm of the law.

Restoring democracy is the best way to build a counter-hegemonic project to the extent that the power of the economic elites will be displaced in favour of that of ordinary citizens who will then have the opportunity to frame the debate and construct an alternative common sense from below. Consequently, Ayers and Saad-Filho regard 'the expansion of democracy' as 'the most effective lever for the abolition of neoliberalism' (2015, p. 599). They are supported by Brenner *et al.* who oppose the 'radical democratization of decision-making' to 'the principles of market discipline and corporate rule on which neoliberalization has been based' (2010, p. 342).

What are the chances of such decision-making procedures being implemented in Britain? As part of its plan to widen ownership of the economy, the current Opposition promises more decentred decision-making processes that allow employees, service-users and representatives of local communities to play a more active role in developing policy. There certainly seems to be a demand for such popular participation given the post-Brexit desire to 'take back control'. It is as yet unclear how a future Labour government would be able to make good on its promises without significant reform of the Westminster system and its preference for parliamentary over popular sovereignty. Nonetheless, even if it is not yet fully developed, a real alternative to the neoliberal project is now present in the UK. If the lack of such an alternative can help to explain why neoliberalism did not have its "Berlin Wall moment" of irretrievable collapse' in 2008 (Peck *et al.* 2009, p. 95), the existence of an alternative today may pave the way for such a moment in the near future, should the failures of neoliberalism be highlighted by another major scandal or economic crash.

Conclusion

There is much evidence that neoliberalism is on shaky ground, often regarded as the source of economic problems and social inequalities rather than their solution. Yet, the project continues to show a remarkable capacity for adaptation and survival, no matter what the political hue of the government in power. In Britain, it is energetically defended by the current Conservative government, despite some rhetorical flourishes about the need to control markets and tackle inequality. The neoliberals are still influential in the Conservative Party, as ‘most Tory MPs are Thatcher’s children’ (Bale, quoted by Beckett 2017). To a considerable extent, the Conservatives have succeeded in revamping and repackaging neoliberalism, pursuing public austerity and private profligacy to ensure it emerged from the 2008 crisis intact, whilst preaching the case for a more inclusive economy.

Nonetheless, the neoliberal consensus that characterised British politics for the past thirty years and more has most certainly broken down as the Labour Opposition proposes a widening of political and economic democracy at the expense of corporate power. Whilst it is essential to develop a concrete alternative to neoliberalism if it is to be challenged at all, it is far from certain that Labour’s strategy is sufficiently radical to overthrow the project and the powerful interests that support it. Furthermore, as Brenner *et al.* point out, neoliberalism is a global project and can therefore only be challenged by market-restraining agendas applied on a global scale (2010, p. 342). In the present political conjuncture, it would seem that there are few signs of neoliberal power being diluted in other key sites of neoliberalism, such as the United States or Europe. Although Trump has turned his back on some key aspects of the free market, his policies are still designed to ensure the dominance of corporate power.

In the immediate term then, it seems the most likely scenario is some taming of neoliberalism and perhaps a halt to neoliberalisation to prevent the project from advancing further. Rather than going beyond neoliberalism, we are instead then moving towards post-neoliberalism, whereby the core features of the project – namely the power of global finance – remain clearly discernible. Indeed, Springer suggests that we are already living in a post-neoliberal moment and, in fact, always have been, since neoliberalism is never a noun but always a verb, constantly evolving and adapting to changing circumstances to ensure its survival (Springer 2015). Certainly, no pure form of neoliberalism has ever existed, suggesting that even a heavily diluted version of neoliberalism under a Corbyn-led government would still be neoliberalism all the same. This does not, however, mean that the eventual overthrow of neoliberalism is impossible, simply that this may be a long process requiring a favourable local *and* global, political *and* cultural, conjuncture. As Massey and

Rustin point out, whilst the preconditions necessary for a Gramscian ‘war of manoeuvre’ do not currently exist, conditions *are* ripe for a ‘war of position’, waged slowly over a long period of time to establish new ways of thinking and political action capable of vanquishing neoliberalism (2013b, p. 203-4). Yet, this is a dangerous strategy for the Left as uncertain times may just as easily allow new challengers from the Right to fill in the cracks in the neoliberal consensus.

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