

Why I am Not a Neoliberal

By Phillip W. Magness

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Abstract

In this essay I explore the history of the use of the term “neoliberalism.” I identify two distinctive strains of the concept. I designate the first and by far the most common use as “Pejorative Neoliberalism,” referring to a term of disparagement for Marginalist and free-market economic beliefs. This term traces its origins to the Marxist far-left and National Socialist far-right in interwar Germany as a pejorative for the Vienna-based Austrian School. Since the 1990s, a nearly identical usage has been adopted by the academic far-left as a pejorative label for all free-market economic beliefs. I designate the second use as “Non-Ironic Neoliberalism,” which describes a post-2010 attempt to reclaim the term as a moniker for a set of moderately pro-market economic policy beliefs, albeit one that is also wedded to technocratic state interventions into the economy. This version has more in common with the center-left to center-right “Market Failure” theorists of the economics profession in the mid-20th century than with the critics of the same theories. I conclude with an argument that neither usage of the term “neoliberal” has meaningful explanatory value to offer to Classical Liberal economic theory.

Introduction

At a time when many movements that are thought to be the intellectual mainstream, left and right, advocate further encroachments on free and open economic exchange, those who cherish voluntary human interaction are likely to expend their energies navigating a political wilderness. It is therefore natural for us to seek out common ground with professed advocates of a free and open market system, wherever they may manifest. Though we might call this underlying philosophical precept “market liberalism,” certain strains of its current iteration diverge from that which is designated liberalism in the classical sense.¹ There is danger in the confused condition that sees market liberalism as but an instrument by which to bring about technocratic supervision of socioeconomic life wherein human behavior might be molded and subsequently fine-tuned to “correct” for unwanted products of voluntary exchange that attract the scrutinizing subjectivity of the technocrat.

With this concern in mind, I turn my attention to the nebulous concept of “neoliberalism” – a label that has, more than once, been involuntarily assigned to me, despite an explicit repudiation of this designation appearing in my work.² Although it has become an ubiquitous feature of political theorizing in recent decades, neoliberalism’s precise definition remains elusive. To assess neoliberalism, then, requires establishing greater clarity around the meaning of the concept.

To do this I begin by delineating two characteristic strains of that which is called “neoliberalism.” The peculiar term functions as both a fashionable *bête noire* of academic progressivism, and, to a much smaller extent, an articulated philosophy onto itself.

The first and most common use is something of a catch-all pejorative descriptor of liberalism itself, almost always offered from a position of extreme hostility.³ This version of “neoliberalism” traces back to interwar Germany, however its rapid popularization in the academic literature is a more recent phenomenon post-dating the rediscovery of the term between the 1990s and the present.⁴ Although this pejorative deployment is heavily associated with the political left, it has seen a recent adoption on the anti-capitalist far-right.⁵ This dual deployment by otherwise oppositional factions, as I will argue, is a feature of the concept dating back to its origin in the 1920s. Like the term itself though, far-right uses of “neoliberalism” went into dormancy in the mid-twentieth century. Their resumption has lagged about two decades behind a similar resumption of use by the academic left, the latter likely deriving from the re-popularization of the term by French philosopher Michel Foucault.⁶

¹ This essay is presented as an intentional homage to F.A. Hayek (1960). “Why I am not a conservative.” *The Constitution of Liberty*. University of Chicago Press. <https://www.cato.org/sites/cato.org/files/articles/hayek-why-i-am-not-conservative.pdf>. An earlier version appears here: <https://www.aier.org/article/why-i-am-not-a-neoliberal/>

² David Sessions, “How College Became a Commodity,” *Chronicle of Higher Education*, January 14, 2020; Brennan, J., & Magness, P. (2019). *Cracks in the ivory tower: The moral mess of higher education*. Oxford University Press.

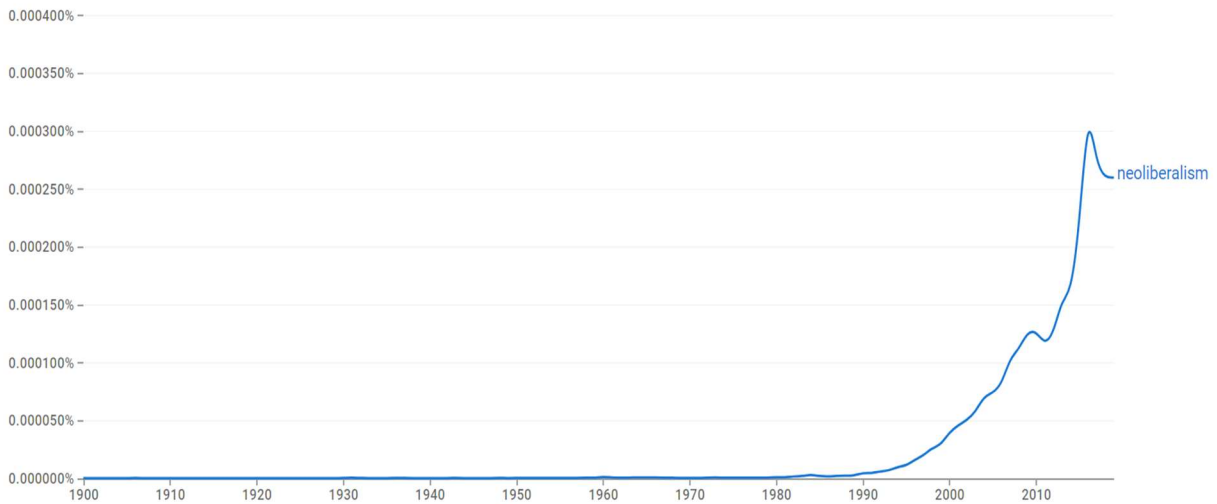
³ Boas, T. C., & Gans-Morse, J. (2009). Neoliberalism: From new liberal philosophy to anti-liberal slogan. *Studies in comparative international development*, 44(2), 137-161.

⁴ Magness, P. W. (2021). Coining Neoliberalism: Interwar Germany and the Neglected Origins of a Pejorative Moniker. *Journal of Contextual Economics—Schmollers Jahrbuch*, 141(3), 189-214.

⁵ See e.g. Sohrab Ahmari (2023). *Tyranny, Inc.* Forum Books.

⁶ Foucault, M., Davidson, A. I., & Burchell, G. (2008). *The birth of biopolitics: lectures at the Collège de France, 1978-1979*. Springer.

Figure 1: Uses of the term “neoliberalism” in Google Ngram Viewer



The second use is a much smaller post-2010 attempt to reappropriate the term of “neoliberalism” into a cohesive socio-economic philosophy, which is then depicted as a positive good. This variant has certain similarities to the aborted proposal of the same term at the Walter Lippmann Colloquium in 1938, itself a precursor to this society. Its use is nonetheless chronologically separated from the Ordoliberal tradition that emerged from those early conversations, and, as I will argue, its particular propositions and characteristics are almost wholly distinct to our current age.

It is my contention that neither variant is a particularly useful concept, albeit for different reasons. I will consider each in turn.

The Neoliberal Pejorative

In its more common use by far, “neoliberalism” functionally operates as an amorphous moniker for a disliked economic other. It is defined primarily by its oppositional relation to a vantage point on the economic far-left, with the latter axiomatically presumed to be, and yet also normatively put forth as, the superior ethical and economic system. To be designated a “neoliberal” then is to stand against normative anti-capitalism, and to become blameworthy for that stance.⁷

Most attempts to inject greater precision into the term than that proceed in vain. The “neoliberal” moniker functionally operates as an intentionally imprecise stand-in term for free market economics, for economic sciences in general, for conservatism, for libertarians and anarchists, for authoritarianism and militarism, for advocates of the practice of commodification, for center-left or market-oriented progressivism, for globalism and welfare state social democracies, for being in favor of or against increased immigration, for favoring trade and globalization or opposing the same, or for really any set of political beliefs that happen to be disliked by the person(s) using the term.

Intellectual figures who have been described as “neoliberals” include Milton Friedman, Ayn Rand, Ludwig von Mises, Friedrich Hayek, James M. Buchanan and the entirety of the membership of this

⁷ Monbiot, George. “Neoliberalism: The Ideology at the Root of All Our Problems.” *The Guardian*. April 15, 2016. <https://www.theguardian.com/books/2016/apr/15/neoliberalism-ideology-problem-george-monbiot>

society. Of this distinguished list, only one of the persons I have named ever adopted the term as a self-descriptor, and only briefly at that. As Friedman wrote in 1951, “Neo-liberalism would accept the nineteenth century liberal emphasis on the fundamental importance of the individual, but it would substitute for the nineteenth century goal of laissez faire as a means to this end, the goal of the competitive order.”⁸ He then promptly dropped the term and, to my knowledge, never uttered it again in his otherwise voluminous corpus of written works. In fact, Friedman’s essay – published in the Norwegian magazine *Farmand* – appears to have gone entirely unnoticed for the next half-century. It did not receive any meaningful citations in the academic literature until the early 21st century, when it was rediscovered and inserted into the burgeoning field of “neoliberalism” studies on the academic left.⁹

At the time of Friedman’s writing, persons of the free-market persuasion who encountered the term were almost certainly more likely to associate it with the newspaper columns of Raymond Moley, who used the moniker to summarize the “mixture of socialism, politics, promises and bad economics” embodied in the New Deal. Moley’s “neo-liberalism” had “stolen the good word 'liberal' out of an honored past” and was now “using it as a front for the very sort of political policy against which real liberalism was a great protest.”¹⁰ The important point to note is that neither definition generated more than a few passing mentions. By the early 1960s the concept of “neoliberalism,” whatever it might have meant, had no clear definition internal to the classical liberal world for the simple reason that its use had withered away.

The confusion only continues in the modern era, particularly as pejorative deployments have multiplied. Recent “neoliberals” have a more distinctive political bent, with persons receiving the moniker including such figures as Margaret Thatcher, Ronald Reagan, Bill Clinton, Donald Trump, Tony Blair, Joe Biden, the Tea Party and the Obama coalition that opposed it almost simultaneously, and, above all else, Augusto Pinochet. I will posit that the moniker is sufficiently broadened in its modern uses that it conceivably describes almost anyone situated either to the political right of Joseph Stalin, or to the left of one of the various medievalist revival philosophies that are currently trending on the anti-liberal far right. Such a concept is functionally useless beyond a catch-all term of derision.

In this confused climate, purely descriptive attributes of what constitutes a neoliberal remain rare. Insofar as a cohesive set of characteristics might be found, we must turn to the history of its deployment. Looking past a popular origin myth that incorrectly ascribes “neoliberalism” to a self-designated label from a 1938 free-market academic gathering in Paris, the term’s deeper history may be unambiguously traced to interwar German language debates about competing camps of economic thought.¹¹ “Neoliberalismus” became a favored moniker to describe a market-liberal economic philosophy, presented at the time as a methodologically individualistic foil to competitor economic systems on the left and right. To writers in the 1920s, the addition of the prefix “neo” sought to capture the incorporation of marginal analysis and particularly a marginal theory of value into liberal economic doctrine, thereby distinguishing it from the liberal strain of classical economic thought of the mid-19th century.

⁸ Friedman, Milton. “Neo-Liberalism and its Prospects” *Farmand*, 17 February 1951

⁹ As of 2023, practically all known citations of Friedman’s 1951 essay postdate 2000 and over 95% post-date 2010. The citation of any type that I was able to identify to Friedman’s 1951 essay was published in 2000. See Walpen, Bernhard. “Von Igel und Hasen oder: Ein Blick auf den Neoliberalismus.” https://www.denknetz.ch/wp-content/uploads/2017/07/Geschichte_Neoliberalismus_Utopie_Kreativ_Walpen.pdf.

¹⁰ Raymond Moley, “Neo-Liberalism” (syndicated column), January 13, 1950.

¹¹ Magness (2021)

The curious twist to this neologism comes from the sources of its coining. Though never truly adopted by the liberal-minded economic marginalists themselves, it attained near-simultaneous use within the German-language economic literature of both the far-left and far-right. Its earliest deployment with a discernible connection to the term's modern uses traces to a series of interwar Marxist tracts by Max Adler (1922) and Alfred Meusel (1924).¹² Writing from an overtly socialist perspective, these theorists saw what they called "neoliberalism" as an attempt to rehabilitate individualist economic liberalism in the wake of Marx's sweeping indictment of capitalism. They inhabited an alternative epistemic universe wherein Marxian doctrine not only survived the Marginalist critiques of the late nineteenth century; it allegedly triumphed.

A Marginalist theory of value in particular collided with the Marxist tool of surplus value, itself derived from labor performed in improving a product and presented as the basis upon which the owners of capital exploited the laboring classes. Take away the labor theory of value, and the Marxist system effectively collapses. Such was the economic consensus prior to 1917, when Lenin rescued Marx from relative obscurity by making him into the political doctrine his coup d'état.¹³ From the Marxist perspective though, it was always the Marginalists who argued reactively to their own self-styled "scientific" discoveries. To its expositors then, a Marginalism-infused "neoliberalism" sought to resuscitate old liberalism from what the Marxists perceived to be their own knockout blow against an earlier mode of economic thought.

The German-speaking far-right almost simultaneously adopted the term on parallel grounds, albeit in their own case with a tendency to view "neoliberalism" as an individualist challenge to the collective economic good of a unified people, ethnicity, and state. Liberal individualism thus injected discord into the collective wellbeing of the German people, threatening to derail what the far-right saw as an inexorable march toward national ascendance that they pursued with the same political fervor as the Marxist far-left's pursuit of allegedly-inevitable socialism. The proto-fascist academic Othmar Spann thus became the leading critic of what he called neoliberalism from the political right, following the incorporation of the term into the 1926 edition of his economics textbook's taxonomy of various schools of economic thought.¹⁴

For reasons that are not difficult to discern, the German far-right literature on "neoliberalismus" all but disappeared from academic discussion in the wake of the Second World War. The closely similar far-left variant is still traceable, albeit subconsciously, to its current use, having undergone a dramatic revival of use in the academic literature between the 1990s and the present as a result of its aforementioned "rediscovery" by Foucault.¹⁵ Although it is sometimes less wedded to doctrinaire Marxian theorizing than its precursor uses, it still retains a rejection of subjective valuation and methodological individualism at its core.

¹² Adler, Max. 1922. *Die Staatsauffassung des Marxismus*. Vienna: Wiener Volksbuchhandlung; Meusel, Alfred. 1924. "Zur Buergerlichen Sozialkritik der Gegenwart: Der Neu-Liberalismus (Ludwig Mises)" *Die Gesellschaft*, Vol. 1-4: 372-383.

¹³ Magness, P. W., & Makovi, M. (2023). The Mainstreaming of Marx: Measuring the effect of the Russian Revolution on Karl Marx's influence. *Journal of Political Economy*, 131 (6).

¹⁴ Othmar Spann. 1931 [1926]. *Types of Economic Theory*. London: George Allen and Unwin. See also Spann 1931. "Fluch und Segen der Wirtschaft im Urteile der verschiedenen Lehrbegriffe." *Jahrbücher für Nationalökonomie und Statistik/Journal of Economics and Statistics* 79 (4): 656-672

¹⁵ Although many modern authors have suggested that Foucault traced the term's adoption to the 1938 Lippmann Colloquium based on his reading of the transcripts of these proceedings, Foucault makes no such claim and leaves the origin of this version of "neoliberalism" in a state of ambiguity.

It thus becomes possible to see how, at least among the deployers of pejorative neoliberalism, the term can be freely applied to what appears to be a disparate and disjointed set of economic beliefs, ranging from radical laissez-faire non-interventionism to a market-friendly left-of-center social democratic welfare state. These positions need not exhibit any commonality on their prescriptive doctrines, as the very act of operating in a market-based intellectual paradigm – and thus outside of far-left collectivism – qualifies someone as a “neoliberal” and, more often than not, a target of disparagement among the users of the term. It is not surprising then that the most virulent denunciations of “neoliberalism” today come from the critical theory ecosphere.¹⁶ This “neoliberalism” maps perfectly onto the power disparity-enabling outgrowths of Traditional Theory in the Horkheimerian sense, and is itself a perfect – and perfectly unfalsifiable – target of those who wish to topple the same.

The pejorative characteristic is itself a feature of the moniker, and primarily arises from the user’s conviction that he or she is pursuing the collective cause of economic and political justice, thwarted only by the neoliberal adversary’s self-interests. From this vantage point, even the most mundane of market institutions appear as conscious designs to entrench injustice and preserve an economic status quo of unequal distribution. Restraints on state interference in economic affairs become manipulative designs to “enchain democracy,” wherein the only countenanced democratic outcome looks not like the outcome of a popular majority but rather something suspiciously similar to a preordained set of policy preferences advanced in the name of “social justice.” To them, the very notion of private property in this framework is but a construct of the empowered to maintain material advantages over, and unjustly expropriated from, the disempowered remainder. Only a material rebalancing could truly qualify as “democratic,” whether it is democratically voted upon or not.

In its extreme manifestations, the critical theorists of pejorative neoliberalism adopt an overtly conspiratorial and paranoid style. Here liberal market institutions are assumed to serve the nefarious designs of profiteering and wealth accumulation. And rather than operating at face value, its theorists are held forth to be esoteric adherents of authoritarian designs – to be anti-democratic elites, or secret Pinochet enthusiasts, or even clandestine fascist throwbacks who have merely dressed up their true intentions in the language of liberal market democracy.¹⁷ Furthermore, such charges become unanswerable precisely because they are not stated by the alleged “neoliberals” and instead may only be divined through textual analysis of their works, as conducting using the tools and acrobatic training of critical theory. Evidentiary norms need not be abided when malicious intentions may be inferred through unfalsifiable speculation.¹⁸

In practice, this approach yields the sort of decoder ring pop-psychologizing that purports to detect “neoliberalism” even among those of us who explicitly reject the label. Its use follows this pattern because the neoliberal moniker’s primary purpose has become a means by which to sweep aside a broad array of ideas, arguments, and evidence that would otherwise challenge the ideological precepts of those who deploy the term pejoratively.

¹⁶ See e.g. Brown, W. (2019). *In the ruins of neoliberalism: The rise of antidemocratic politics in the West*. Columbia University Press; Crenshaw, K. W. (Ed.). (2019). *Seeing race again: Countering colorblindness across the disciplines*. Univ of California Press.

¹⁷ For an example of this genre see Quinn Slobodian (2023). *Crack Up Capitalism: Market Radicals and the Dream of a World Without Democracy*. Macmillan-Palgrave

¹⁸ For a discussion of this epistemic framework and its defects see Martin, Adam. "The new egalitarianism." *The Independent Review* 22.1 (2017): 15-25.

In short, pejorative neoliberalism has become a tactic for the user to discredit an interlocutor without engaging the particulars of an argument. It may thereby be rejected at the instance it is gratuitously deployed, the extreme volume of its deployment notwithstanding.

Neoliberalism Reclaimed?

A sense of non-rigorous ideological banality, and at times even intellectual vacuousness, permeates most of the modern scholarly literature on “neoliberalism,” voluminous and growing though it may be. We might nonetheless ask ourselves if neoliberalism has a more sophisticated offering as a cohesive system of thought that its pejorative uses miss in their quest to demonize and blame.

Spurred by the growing academic adoption of the pejorative moniker, a small group of writers in the think tank world launched inter-related initiatives in the mid-2010s to essentially reclaim the neoliberal label as a forward-looking alternative to not only the far-left’s economic beliefs but also a more doctrinaire laissez-faire liberalism. Unlike the caricatures of the more prevalent pejorative use, this non-ironic reappropriation of the neoliberal moniker seeks to present a positive philosophical system blending a free-market economic disposition, and accompanying policy tools, with greater tolerance for state intervention in economic affairs, particularly as it concerns issues of equity and fairness. We might accordingly situate a small but vocal adherents of self-described “neoliberalism” within a broader liberal intellectual ecosphere today – a statement that could not be made as recently as a decade ago, when positive and self-applied uses of the term were practically non-existent.¹⁹

This new non-ironic neoliberalism has several antecedents, although with only passing connection to or awareness of its precursors. It accordingly includes a presence at the aforementioned 1938 conference in Paris where participants debated the proposition of relaxing laissez faire precepts to countenance a more aggressive government response to the global Great Depression. The Walter Lippmann Colloquium ended without reaching a conclusion on this subject, and indeed some of its participants – Ludwig von Mises in particular – rejected the suggestion outright. Yet the lesser-known “neoliberal” faction from the gathering has more or less persisted in some form or another ever since under what might be termed a pro-market philosophical umbrella.

The direct descendants of the 1938 conference reconvened after World War II to lay the political groundwork for what we now know as Ordoliberalism – a midcentury school of thought anchored in Germany that sought to blend market-guided policies such as free trade and fiscal restraint with a safety net-style welfare state and robust institutional bulwarks for each. Yet the still-existent Ordoliberals are more of a cousin to the post-2010 efforts to reclaim neoliberalism, than an ancestor. Today’s neoliberals present their program as a novel approach, or even a third way, designed to bridge the gap between more doctrinaire free-market principles and a left-leaning concern for the least well off.

So what do these neoliberal revivalists believe? Their platform is less-amorphous than the pejorative moniker, and rejects the surreptitious malevolence that the anti-capitalist deployment of the term often assigns its designs. It is fluid in other ways, and sufficiently broad so as to encompass what might be thought of as the economic center-right and center-left of the conventional political spectrum. It also

¹⁹ It warrants mention that the number of non-ironic self-described neoliberals is miniscule, especially compared to its ubiquitous pejorative use in academic writing between the 1990s and the present. There is no comprehensive survey of non-ironic neoliberals, although they appear to amount to no more than a few dozen persons in the US and UK think tank sector, and on related social media accounts that specifically declare their intention of reclaiming the term.

resembles older uses in its pairing of certain social democratic safety net programs and a professed belief in market-friendly policies such as free trade and open immigration.

There is no single philosophical statement of this non-ironic brand of neoliberalism. But the aforementioned pairing is the thrust of a list of principles published by the “Neoliberal Project,” a loose connection of mostly U.S.-based think tank writers.²⁰ A separate statement from a group of right-leaning think tankers in the UK staked out similar positions in 2016, professing an embrace of free-markets, trade, and property rights, while also paired with a proactive political program of adopting more robust measures to care for the poor.²¹

Both statements profess adherence to a style rooted in empiricism and scientific rigor. In terms of specific policy proposals, these modern claimants of neoliberalism frequently express enthusiasm for the aforementioned precepts of property rights, trade, and more open immigration, but also social welfare programs such as a Universal Basic Income (UBI) system (offered as a substitute for the less-efficient welfare state), an aggressive set of interventions to tackle global warming (usually offered as a carbon tax or carbon pricing scheme), and some degree of income redistribution. An overarching theme is a belief that markets may be paired with a suite of policies to improve upon them where they are alleged to fail or fall short of a desired normative prescription for greater equity. Externalities become a central preoccupation for the non-ironic neoliberal, and the state exists primarily to correct these “market failures” through scientifically-guided collective action that aims to fine-tune market operations and keep the machinery running.

In fleshing out these particulars, it becomes quickly apparent that today’s non-ironic neoliberal is not so much a novel spin but a conglomerated repackaging of familiar tools – Samuelsonian Market Failure theory from the mid-20th century, a centrist or slightly right-leaning iteration of Keynesian macroeconomic management through fiscal levers, and a predisposition towards introducing efficient and cost-saving management reforms to large scale public expenditures.

The problems with this approach are as familiar as its older variants, and become most acutely realized when one considers that political allocations of public resources and accompanying social mandates through the public sector are innately susceptible to interest group manipulation and graft. The realized tendency of such policies is seldom a matter of finely-tuned levers operating under expert guidance. Instead, political realities bias and entrench government policies toward ever-increasing expenditures with short-term political rewards, and little ability to modify failing or even underperforming programs.²² In economic parlance, collective action places rents on the table for the taking, and once made available those rents are sought in ways that inevitably create political constituencies for their preservation and expansion. The rent-seeking process trends toward political sclerosis, thereby impeding the necessary adjustments that a policy system premised on fine-tuning the market would require. Once allocated through the public sector, a benefit or expenditure will become nearly

²⁰ See statement of principles

<https://web.archive.org/web/20210128012802/https://exponents.substack.com/p/what-neoliberals-believe>.

Although it does not have a single clear institutional home, variations of the “Neoliberal Project” have had various affiliations around or with the center-left Progressive Policy Institute, a standalone Institute for New Liberalism, and the Effective Altruist-based Institute for Progress.

²¹ Sam Bowman. “I’m a Neoliberal. Maybe You Are Too” <https://s8mb.medium.com/im-a-neoliberal-maybe-you-are-too-b809a2a588d6>

²² Buchanan, J. M., & Wagner, R. E. (1977). *Democracy in Deficit: The political legacy of Lord Keynes*.

impossible to repeal until its value dissipates somewhere below the level of political lobbying required to maintain it.²³ And in most cases, the lobbying push for perpetuation moves in the opposite direction.

Consider the implications for the non-ironic neoliberals' favorite centerpiece program, UBI. Its premise carries immense technocratic appeal. Recognizing the bureaucratic inefficiencies of the existing welfare state's allocation mechanisms and administrative costs, UBI proponents pitch their program as a streamlined and cost-saving replacement that delivers a greater share of the program's benefits to intended beneficiaries. And it might do just that in an idealized policy world, yet the case for UBI rests on an unrealistic assumption of seamless implementation in an idealized system of government, free of the rent-seeking tendencies that pervade the system of government we actually have. The more likely political reality of a UBI "swap" is no swap at all, but rather a vastly more expensive social welfare state that adds the new benefit payment to the already-existing suite of safety net programs, the latter remaining in place and fully funded precisely because it would be impossible to repeal them without angering deeply entrenched political constituencies connected to the same existing programs.

Similar problems plague the carbon tax that many non-ironic neoliberals espouse as an efficiency-improving way of tackling climate change. And indeed, the same may be true of most collective action attempts to correct for externalities through the political system. Ronald Coase, himself perhaps the preeminent externality theorist of the last century, noted as much in a perceptive commentary on Pigouvian taxation, of which carbon taxes are an example:

"It is easy to show that the mere existence of "externalities" does not, in itself, provide any reason for governmental intervention. Indeed, the fact that there are transaction costs and that they are large implies that many effects of people's actions will not be covered by market transactions. Consequently, "externalities" will be ubiquitous. The fact that governmental intervention also has its costs makes it very likely that most "externalities" should be allowed to continue if the value of production is to be maximized. This conclusion is strengthened if we assume that the government is not like Pigou's ideal but is more like his normal public authority—ignorant, subject to pressure, and corrupt."²⁴

And here we find the Achilles heel of non-ironic neoliberalism. Efficiency-improving market failure corrections often look like an obvious and tidy solution on paper. When it comes to implementation however, they become Public Choice quagmires. They become large scale opportunities for political rent extraction at the public trough, with few or no effective safeguards to prevent the desired measure from becoming a free-for-all of political pork and handouts typical of almost any large scale "stimulus" measure or budgetary omnibus bill.

Awareness of this problem induced the mid-century Ordoliberals to turn to robust institutional designs as a posited safeguard against the Public Choice problems they knew their policies would invite. Whether they succeeded in other countries exceeds the scope of this essay, although I'll suggest that the trajectory of deficit spending in the United States over the last half-century is a testament to the difficulty of even mildly slowing Leviathan's growth through institutional design.

Yet for all the theoretical challenges this question may invite, it is largely missing from our modern day non-ironic neoliberal movement. Instead the carbon taxers, UBIs, and market-friendly market failure theorists seem adopt an air of flippancy that holds their policies will be securely implemented and

²³ Peltzman, S., Levine, M. E., & Noll, R. G. (1989). The economic theory of regulation after a decade of deregulation. *Brookings papers on economic activity. Microeconomics, 1989*, 1-59.

²⁴ Coase, R. H. (2012). *The firm, the market, and the law*. University of Chicago press.

seamlessly executed provided that society simply wills it so. When the pretense of efficient scientific execution meets the political stumbling blocks of naïve social planning, the neoliberals have no ready answer save for an appeal to their own claimed technocratic abilities.

As a recent illustration, look no further than the disastrous attempts to centrally plan our way through the global coronavirus outbreak. Decades of scientific knowledge about pandemics and basic common sense about the pitfalls of political allocation through government mandates and restrictions gave way to a hyper-technocratic policy framework premised on scientific epistocracy and untested theoretical epidemiology models.²⁵ Except the scientists we listened to amassed a multi-year string of failed predictions and blunderous errors. The main model guiding the policy response failed in catastrophic ways. The political web of ineffectual lockdowns and non-pharmaceutical interventions (NPIs) sclerotized, as two weeks to flatten the curve became two months, then six months, then a year – all despite no discernible effect at mitigating the pandemic apart from statistical randomness. Meanwhile, several of the very same free-market technocrats behind the non-ironic neoliberal movement remained wedded to these failed policies, lashing out against attempts to relax the lockdowns and doubling down on fringe strategies masquerading as “science” such as the ZeroCovid movement.²⁶

A similar situation may be found in the modern “neoliberal” attraction to the Effective Altruist (EA) movement, an ostensibly efficiency-improving take on philanthropy that aims to enlist the aid of technocratic expertise to prioritize charitable giving. The two communities are not identical, but share a number of commonalities and policy priorities.²⁷

In its simpler forms, EA might be considered a fresh spin on the age-old problem of determining whether a philanthropic enterprise attains its promise of delivering good. More developed iterations of EA profess sweeping and technically sophisticated schemes about the preservation of humanity from extinction events, apocalyptic disasters, mass pandemics, and similar existential threats. Couched in philosophical appeals to “longtermism” wherein the EA community deploys its expertise to identify and solve these threats through large scale technological investments, the very idea is instinctively biased toward the collective production of a planned order. Except this branch of EA plans the future of humanity in a position of extreme uncertainty, albeit with plenty of opportunity to extract rents. The ever-present question of “compared to what?” exposes the resource-diverting tendencies of such grand planned schemes, just as Dickens’ Mrs. Jellyby telescoped her philanthropic energies to far-flung colonies as her own household fell to pieces.²⁸ EA is frequently even more far-fetched though, as Borio-Boro-Gha has been supplanted by a fantastical world of global climate engineering, decarbonization, global pandemic modeling, and bad sci-fi movie scenarios about Artificial Intelligence. In perusing this literature, one is left with the distinct impression that its practitioners purport high levels of knowledge of not only what they imagine that they can design, but also a belief that they can execute these same

²⁵ Magness, P. (2021). The Failures of Pandemic Central Planning. *Available at SSRN 3934452*.

²⁶ Illustrative of this pattern, several non-ironic neoliberals aggressively championed the influential Covid pandemic modeling of Neil Ferguson’s team at Imperial College-London, despite an abysmal track record of severely over-estimating predicted fatality rates in the absence of lockdowns. See Magness, Phillip. “The Failures of Pandemic Central Planning.” *Available at SSRN 3934452* (2021). Non-ironic neoliberal defenses of this failed modeling exercise continued well into 2021, after Ferguson’s Summer 2020 fatality predictions proved false. See e.g. Bowman, Sam, et al. “Claim: Cases were falling anyway - lockdowns don’t work” CovidFAQ.co, January 2021. <https://archive.is/VzyeZ>

²⁷ To this end, the aforementioned “Neoliberal Project” derivatives, the Center for New Liberalism and the Institute for Progress, both maintain research interests in Effective Altruism.

²⁸ See Michael Thomas and Anthony Gill, “Efficiency or Compassion?” *Law and Liberty* (June 2023) <https://lawliberty.org/efficiency-or-compassion/>

designs seamlessly without falling victim to the historical patterns of Ponzi schemes (or cryptocurrency con-men) who tend to gravitate toward poorly managed philanthropic abundance.

By offering these admittedly harsh assessments, I do not question the sincerity of non-ironic neoliberals. Nor do I fault their stated preference for economically-minded thinking in policy design, vis-à-vis an alternative where it is missing. I simply note a unifying confidence in planning, a preference for an expert-designed and adjusted policy architecture, that undergirds this iteration of “neoliberalism.” If one admits the insurmountable epistemic obstacles to attaining this form of policy design or the public choice obstacles to its implementation and execution, non-ironic neoliberalism is no more tenable than the hydraulic Keynesianism of the mid-century, or the “scientific” administrative state of Wilsonian progressivism.

Uniting the Neoliberal Variants

With no small irony, the anti-capitalist adopters of the “neoliberal” pejorative may have more in common with self-described “neoliberals” than either group cares to admit. Both generally hold normative policy preferences that favor state-based collective action as a solution to poverty, climate change, pandemics, economic distribution, and similar issues. They differ on the particular strategies of attaining these ends, but have clearly accepted them as an appropriate and proper domain of government.

Oddly, one critique offered by the critics of pejorative neoliberalism appears to hold true in self-application. Despite lip service to liberal democratic norms and values, both groups have shown a willingness to sacrifice majoritarian practices to planned technocracy if and when the two collide. For the anti-capitalist left, the dream of centralized economic planning has never really succumbed to the evidence of its failure in practice. For the non-ironic neoliberal, it is the dream of efficiency-improving policy designs in a vacuum where normal political behavior does not apply.

What we see emerging from both is a pattern of convergence – one technocratic, and the other motivated by a desired ideological end, but both arriving at a similar place. Whether we call it neoliberalism or something else, and whether we accept its self-description at face value or the caricature presented by its critics, the same illiberal outcome results. If that is neoliberalism in action, then no – I am not a neoliberal. Nor do I have any interest in the prescriptions they or their like-minded critics are offering.