

After neoliberalism: analysing the present

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The founding editors of *Soundings* set out the framing
analysis for our online manifesto.

With the banking crisis and the credit crunch of 2007-8, and their economic repercussions around the globe, the system of neoliberalism, or global free-market capitalism, that has come to dominate the world in the three decades since 1980, has imploded. As the scale of toxic debt became evident, credit and inter-bank lending dried up, spending slowed, output declined and unemployment rose. The system's vastly inflated financial sectors, which speculate in assets largely unrelated to the real economy of goods and services, precipitated an economic crisis whose catastrophic consequences are still unfolding.

We believe that mainstream political debate simply does not recognise the depth of this crisis, nor the consequent need for radical rethinking. The economic model that has underpinned the social and political settlement of the last three decades is unravelling, but the broader political and social consensus apparently remains in place. We therefore offer this analysis as a contribution to the debate, in the hope that it will help people on the left think more about how we can shift the parameters of the debate, from one concerning small palliative and restorative measures, to one which opens the way for moving towards a new political era and new understandings of what constitutes the good society.¹

For three decades, the neoliberal system has been generating vast profits

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for multi-nationals, investment institutions and venture capitalists, and huge accumulations of wealth for the new global super-rich, while grossly increasing the gap between rich and poor and deepening inequalities of income, health and life chances within and between countries, on a scale not seen since before the second world war. In North America and Western Europe - hitherto dynamos of the global economic system - rates of growth are now lower than during the early post-war decades, when there was a more even balance of power between the social classes. There has been a steep decline in manufacturing and a hot-house expansion of financial services and the service economy; and a massive shift of power and resources from public to private, from state to market. 'The market' has become the model of social relations, exchange value the only value. Western governments have shown themselves weak and indecisive in responding to the environmental crisis, climate change and the threat to sustainable life on the planet, and have refused to address the issues in other than their own - market - terms.

Likewise, the financial crisis has been used by many Western governments as a means of further entrenching the neoliberal model. They have adopted swingeing 'austerity measures' which, they claim, is the only way of reducing the deficits generated during the bonanza period of the 1980s and 1990s. They have launched an assault on the incomes, living standards and conditions of life of the less well-off members of society. In the UK, the cuts programme has frozen incomes, capped benefits, savaged public sector employment and undermined local government. It has encouraged private capital to hollow-out the welfare state and dismantle the structures of health, welfare and education services. The burden of 'solving' the crisis has been disproportionately off-loaded on to working people, targeting vulnerable, marginalised groups. These include low-income, single-parent families; children in poverty; women juggling part-time employment with multiple domestic responsibilities; pensioners, the disabled and the mentally ill; welfare-benefits and low-cost public housing 'dependants'; the young unemployed (especially black youth); and students. Youth facilities have been closed; and citizens who depend on public amenities for their social well-being find themselves bereft. Apart from its punitive and regressive social effects, this is a strategy destined to fail even in its own terms, since its main consequence will be a serious fall in demand and a collapse of tax revenues, deepening the downward economic spiral, with little fall in the deficit.

In other words, the crisis itself has been used to reinforce the redistribution

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from poor to rich. Moreover, it has also provided the alibi for a far-reaching further restructuring of state and society along market lines, with a raft of ideologically-driven 'reforms' designed to advance privatisation and marketisation. It has encouraged private, individualised solutions to social problems. This makes it all the more important for the left to make the argument that it is time for a new moral and economic settlement.

Global dimensions of neoliberalism

This neoliberal hegemony, both in its pomp and in its crisis, has had global implications. Dynamic, expanding capitalist systems have their own strategic and geopolitical imperatives. Neoliberalism has sought a favourable climate towards business across the globe. It demands low tax regimes, limited state interference, and unimpeded access to markets and vital resources. It calls for internal security, the capacity to contain external enemies, and strong rulers in control of their populations, with whom bargains can be struck and influence exercised. It engenders hostility to more democratic and alternative experiments. These principles have guided the strategies and underpinned the network of alliances, blocs and bases that the West - led by the US - has constructed. The Middle East clearly demonstrates that maintaining generally favourable conditions of operation - securing spheres of influence (the US/Israel alliance), dealing with military challenges (Iran, Pakistan), repressing political instability (the Horn of Africa) and defeating threats (the Taliban, al-Quaida, Afghanistan) - figures as much as do specific resource 'grabs', such as for oil (Iraq, the Gulf States).

The particular global character of neoliberalism was part of its initiating armoury - for instance through the Washington Consensus from the 1980s onwards - and it is also an element of its historical specificity. It is a globalisation in which a new form of financial imperialism is crucial (and London has been central in its invention and dissemination), and in which a key dynamic has been a planetary search for new assets in which to speculate (through, for example, exported programmes of privatisation, spiralling markets in commodity futures, the buying up of vast tracts of land).

But neoliberalism never conquered everything. It operated within, and created, a world of great diversity and unevenness. Its early - classic - laboratory was Chile,

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but the rise of South East Asian tigers was, critically, a state-aided development (by no means the official neoliberal recipe). And in spite of the Western triumphalism of 1989, Russia also retains its specificities - a hybrid of oligarchic and state capitalism combined with authoritarianism. China, too, struggles to define a different model; it currently combines centralised party control with openness to foreign investment, and acute internal geographical dislocations and widespread social conflict with break-neck rates of growth and the lifting of hundreds of millions out of poverty. Indeed, conflict has erupted in many parts of the world where the neoliberal orthodoxy has been adopted. India, so frequently lauded for its embrace of the market consensus, exhibits both extraordinary rifts between the new elites and the impoverished, and multiple and persistent conflicts over its current economic strategy. Other major sites of conflict have been the water and gas wars in Bolivia, and the struggle of 'the poor' in Thailand. The emerging articulations of progressive governments and grassroots social movements in Latin America are, in varying ways and in varying degrees, responses to the impact of previous neoliberal policies. The alter-globalisation movement has been vocal. This has not been a simple victory.

In fact, its very diversity and conflict has been an element in neoliberalism's current fracturing. The economic (im)balance between China and the USA has been both a central mechanism of complementarity and, increasingly, a source of instability. The crisis in the Eurozone has also been a critical weak link in the global structure. Having failed to design a financial architecture that could address uneven development between constituent countries, the Euro-elite powers (the troika above all) now attempt to blame the inevitable disaster on the constituent countries themselves (or some of them). They thus set peoples against peoples, provoking dangerous nationalisms, while the culpability of the elite is effectively obscured. It is a geographical conjuring trick that converts the political frontier from being one between conflicting economic and social interests into one between national peoples, and moulds those peoples' self-identifications along nationalist lines.

Meanwhile, and over the longer term, a tectonic shift of economic power is taking place, to China and the other BRIC countries, bringing with it growing confidence and increasing claims for voice on the world stage. Trade, and indeed conversations and contacts more generally, increasingly bypasses the North Atlantic region altogether. At the same time, while the number of millionaires increases even in the poorest places, in many countries, most obviously in sub-Saharan

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Africa, there is rising impoverishment, widespread malnutrition (partly a product of the speculation in food prices), ecological devastation and political instability. There are battles over the control of energy and mineral resources. In the face of overwhelmingly unfavourable external pressures and restraints, governments cannot deal with poor schooling, hunger, malnutrition, disease and health pandemics or resist western consumerism, the arms traders and freelance mercenaries.

The 'squeeze' has triggered an increase in local, tribal, inter-ethnic and religious sectarian violence, civil wars, military coups, armed militias, child soldiers, 'ethnic cleansing' and genocidal rape; and these in turn have precipitated cross-border and international migration, as civilians flee war-zones, join refugee camps or seek asylum abroad. The 'failed (or failing) states' which Western strategists proclaim to be a major threat to security are themselves often the perverse consequences of neoliberalism and western intervention. And the very concept of failed state is often used as an ideological weapon.

Most recently, the response to the crisis by the North Atlantic elites has made matters worse - for instance through its effects on prices and currency levels. The fact of global instability and looming crisis has by no means modified the neoliberal offensive. If Chile was the laboratory for the early phases, Greece has become the laboratory for an even more fierce implementation, while the Arab Spring may yet be recuperated to open up new fields for market forces. And in Latin America the recent US-sanctioned coups in Honduras and Paraguay have been swiftly followed by radical concessions to foreign capital.

Ideologies and conflicts

The present economic crisis is a moment of potential rupture. The welfare-state 'settlement' that preceded the neoliberal era in the North Atlantic world had crumbled in the 1970s, and, with the end of the Cold War, Thatcherite and Reaganite neoliberalism won the contest over which way forward would be taken. This outcome was not inevitable. Conflicts between social settlements and the crafting of hegemonies are the product of contending social forces. During the welfare state era, the working class did make economic gains. Wealth was modestly redistributed, egalitarianism and social rights became more embedded. Capital's share of the surplus was significantly eroded. But this was a shift that could not be

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tolerated. The expanded globalisation of its operation was partly (among its many determinants, and along with privatisation and financialisation) a means of restoring the declining share of the surplus taken by capital. Resistance to Thatcherism's 'war on society', conflicts over democratic government in London and other cities, struggles in the global South, the rise of new social movements, opposition to the poll tax, and contests over the rights of organised labour everywhere - all these were critical moments in the struggle to determine what would follow. Social forces locked in conflict across different areas of social life have always been at stake.

The current neoliberal settlement has also entailed the re-working of the common-sense assumptions of the earlier, social democratic settlement. Every social settlement, in order to establish itself, is crucially founded on embedding as common sense a whole bundle of beliefs - ideas beyond question, assumptions so deep that the very fact that they *are* assumptions is only rarely brought to light. In the case of neoliberalism this bundle of ideas revolves around the supposed naturalness of 'the market', the primacy of the competitive individual, the superiority of the private over the public. It is as a result of the hegemony of this bundle of ideas - their being the ruling common sense - that the settlement as a whole is commonly called 'neoliberal'. But while commitment to neoliberal economic theory is a key part of the overall consensus, it is also the case that the theory itself plays a crucial role in legitimising the restoration and reinvigoration of a regime of power, profit and privilege.

As we have seen, the rubrics of neoliberalism, embedded in a common sense that has enrolled whole populations materially and imaginatively into a financialised and marketised view of the world, are implemented when they serve those interests and are blithely ignored when they do not (the bail-out of the banks being only the most recent and egregious example). Likewise its attacks on the state and on notions of the public are propelled not just out of a belief in an economic theory but from the hope that they will lead to the reopening of areas for potential profit-making through commodification. This drive to expand the sphere of accumulation has been crucial to the restoration of the old powers.

Origins and explanations

Neoliberalism has its origins in eighteenth-century liberal political theory and political economy, from where it derives its touchstones. It has been revamped

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and reworked to be appropriate to these times and geographies, and it is multiple in form in reflection of these expanded geographies. But its core propositions, of the free possessive individual engaging with others through market transactions, remain the touchstone. From the very beginning these propositions were the product of class interests - in the UK in the eighteenth century, of the rising agrarian, commercial, and later manufacturing, bourgeoisies. The attempt has always been to present them as eternal truths - concepts of markets and individuals being merely descriptive of an ideal state of nature. That this was not so has been demonstrated over centuries, as the 'free market' and the free-standing individual have had to be actively produced and imposed. Whether through Acts of Enclosure, impositions of 'structural adjustment', military interventions or attacks on public expenditure, market societies are products of intervention (and often by states).

That market forces are imposed on some but not others has been true since the colonial metropole's 'free-labour' regimes were harnessed by the imperial system to the 'forced-labour' of plantation slavery. This contradiction became more evident when they collided in the slave revolts and the struggles over Abolition. Market forces are never universally imposed. There is no such thing as a fully marketised system. Capitalism relies on monopolies and 'socialised' risk, and on spheres that exist outside the logic of its operations - including that of the reproduction of people, and the natural world. Free wage-labour has always been augmented by unfree forms of exploitation such as serfdom, slavery, bondage, indenture, peonage. These mark the limits of 'the market's' generalisability.

Indeed, much of what has gone on through globalisation over the last thirty years resonates with events in late eighteenth-century and early nineteenth-century England, when industrial and urbanised capitalism was first finding its form. The expulsion from their land of millions in the global South recalls the enclosures of the commons. The vast migrations to the ever-expanding cities are like the migrations of earlier industrialisations (these within-nation migrations being just as socially disruptive and potentially explosive as migrations between nations). There is the creation of a vast new force of 'free labourers' with all the personal and social wrenchings (as well as new freedoms) that that can entail, and the further commodification of land and labour. International migration itself (in part a result of all of these developments and their attendant geographically uneven ramifications) represents the creation of a free global labour force - just as the age of the Swing

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rioters and of Peterloo saw the creation of a national labour market in Britain.

Meanwhile, looking as it were in the opposite direction, from the UK outwards, while successive governments hang pathetically on to the coat-tails of a USA whose economic hegemony is itself under challenge from China and the other BRIC countries, the City of London - again building on its long assumption of supremacy, but now thoroughly internationalised and one of the fountainheads of neoliberalism - has found itself, at least for a while, a new imperial role.

Neoliberalism's project, then, is a reassertion of capital's historic imperative to profit - through financialisation, globalisation and yet further commodification.

Causes and complexities

It is never easy to define what is cause and what is effect in conjunctures of this kind. There are legitimate differences of view about the causal emphasis that should be allotted to ideological, political and material factors, or the weight that should be given to the conscious actions of social classes versus the dynamic attributes of social structures. The picture is never simple. It is certainly true that class interests have been active in imposing neoliberalism on the world, and now refuse to concede the relative gains of the past three decades; and it is also the case that classes have shared economic interests - both those that are particular to specific sectors (for example, agriculture or manufacture), and those that are general - concerning the maintenance of stability and a favourable climate in which to 'do business'.

However, the shift in economic and social power over the decades since the 1970s was not driven by a single motor. The economic is critical; but it cannot determine everything - even 'in the last instance', as Althusser famously argued. Any given conjuncture represents, rather, the fusion 'into a ruptural unity' of an ensemble of economic, social, political and ideological factors where 'dissimilar currents ... heterogeneous class interests ... contrary political and social strivings' fuse.² What has come together in the current neoliberal conjuncture includes class and other social interests, new institutional arrangements, the exercise of excessive influence by private corporations over democratic processes, political developments such as the recruitment of New Labour to the neoliberal consensus, the effects of legitimising ideologies and a quasi-religious belief in the 'hidden hand', and the self-propelling virtues of 'the market'.

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Classes are also formations with complex internal compositions that change over historical time. Those among whom neoliberalism became the dominant tendency now constitute a global class that includes - alongside older echelons - the world's leading industrialists and businesspeople, CEOs of the great corporate firms, the new transnational, trans-ethnic speculators, directors of large financial institutions, hedge-fund operators, venture capitalists, as well as the senior executives who manage the system and have a major stake in its success. We must add, too, the key but subaltern archipelago of consultants, marketing experts, public relations people, lawyers, creative accountants and tax-avoidance experts whose fortunes are tied to its success. No doubt the huge privileges and immunities won by this formation explain why they seem so morally denuded, impervious to any sense of a wider community or responsibility for their actions, and completely lacking in any understanding of how ordinary people live. Their resistance to reform has been obdurate, their greed brazen. They reward themselves extravagantly, while insisting that 'we are all in this together', and that their real purpose is 'serving customers' and 'corporate responsibility', not protecting their own interests.

Of course, the term class interests does not imply that classes are monolithic, that they appear on the political stage as unified actors, or are fully conscious of their interests and pursue them rationally. There are important conflicts of interest (for instance in the UK between, say, those of finance capital and those of small businesses, northern manufacturing and small farmers). These real contradictions may offer political opportunities. Furthermore, interests are always open to conflicting ideological interpretations, and their redefinition can have political effects.

Nor is economic class the only salient social division. Gender, racial, ethnic and sexual divisions long predate the birth of capitalism, and still structure social relations in distinctive ways. They have their own binary categories (male/female, masculine/feminine, straight/gay, religious/secular, colonial/metropolitan, civilised/barbarian), and they figure differently from class in the distribution of social and symbolic goods (though they are articulated to class). They 'manage' their own systems of reward and scarcity (paid/unpaid, legitimacy/illegitimacy, normal/abnormal, saved/damned). They position the bodies of their subjects differently in the Nature/Culture continuum. They 'govern' different moments of the life-cycle

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and attribute to people different subjective capacities (paternal/maternal, emotional/cognitive, duty/pleasure).

These social divisions each have privileged sites of operation (for example, home/workplace, private/public) and distinct disciplinary regimes (patriarchal power, property inheritance, unpaid domestic labour, control of sexuality, gendered and racially-differentiated wage rates). They deploy different modes of oppression (religious persecution, social and sexual discrimination, racialisation). They construct their own hierarchies of 'othering' and belonging, via discrimination, stereotyping, prejudicial speech, inferiorisation, marginalisation, abjection, projection, fantasising and fetishisation. When these social divisions operate within a capitalist system, they are, of course, profoundly shaped by it and articulated to it. But they retain their 'relative autonomy'. This requires us to rethink social relations from another perspective (for instance reframing the exploitation of labour in production from the perspective of the reproduction of social labour, which is heavily gendered). These divisions have been reworked through the present settlement, sometimes being reinforced and sometimes refashioned in ambiguous ways.

Thus, a general social and political heterogeneity is evident in the protest movements against the austerity cuts. They have been spearheaded in Britain by professional organisations as well as by the unions. New social movements like UK Uncut, Feminist Fightback or Occupy are characterised by complex class, gender and ethnic composition. The Green Party provides a bridge between environmental movements and mainstream politics. Mobilising resistance thus requires alliances of a sort which only a multi-focused political strategy can hope to construct.

Common sense, identity, and culture

Ideology plays a key role in disseminating, legitimising and re-invigorating a regime of power, profit and privilege. Neoliberal ideas seem to have sedimented into the western imaginary and become embedded in popular 'common sense'. They set the parameters - provide the 'taken-for-granted' - of public discussion, media debate and popular calculation.

Not all of this, though, is specific to the neoliberal settlement of recent decades. Even during the redistributivist welfare state, the basic tenets of free-market capitalism were not fundamentally challenged. Redistribution transformed the lives

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of millions, but its project remained ameliorative. The very language of politics revealed this: we ‘intervened’ (i.e. took conscious social action) into ‘markets’ (i.e. the naturally pregiven state of affairs).

One key strand in neoliberalism’s ideological armoury is neoliberal economic theory itself. So ‘naturalised’ have its nostrums become that policies can claim to be implemented with popular consent, though they are manifestly partial and limited. Opening public areas for potential profit-making is accepted because it appears to be ‘just economic common sense’. The ethos of the ‘free market’ is taken to licence an increasing disregard for moral standards, and even for the law itself. Commercialisation has cultivated an ethos of corruption and evasiveness. Banks, once beacons of probity, rig interest rates, mis-sell products, launder drug money, flout international embargoes, hide away fortunes in safe havens. They settle their ‘misdemeanours’ for huge sums that hardly dent their balance sheets. Similarly, when private firms that have been publicly contracted fail to meet targets they are allowed to continue. Graduates stacking supermarket shelves are told they don’t need to be paid because they are ‘getting work experience’. Commercialisation permeates everywhere, trumps everything. Once the imperatives of a ‘market culture’ become entrenched, anything goes. Such is the power of the hegemonic common sense.

But it is a common sense that has to be produced and maintained. The capture of political influence by corporate wealth and power serves to maintain their hold over the political process and state institutions (as in the phone-hacking/*News International* scandals). Corporate ownership of dominant sectors of the media gives capital sway over the means and strategies of representation: the retinue of CEOs, public relations people and lobbyists who haunt the TV studios to reassure us that ‘things have been put in place to prevent it happening again’, have guaranteed access, and function as the primary definers of reality. Contrary views have a more fleeting visibility. A few intrepid journalists do an impressive job of unmasking, but the media more generally seems to find itself thinking within the groove of the prevailing neoliberal orthodoxies. Even where ‘balance’ is provided, this rarely questions the prevailing terms of debate, and there is usually a reluctance to pursue with any rigour the serious issues involved.

The ideology of competitive individualism has also been imposed via the stigmatisation of the so-called ‘undeserving’ poor. ‘Welfare scroungers’, who cannot

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provide for themselves through their own efforts, are labelled morally deficient - 'idlers who prefer a lie-in to work', 'living on benefits as a "life-style" choice'. Similarly, everyone - parents, students, clients, patients, taxpayers, citizens - is expected to think of themselves as consumers of 'products' that will bring them individual economic advantage, rather than as social beings satisfying a human need, producing something of use, or participating in an experience of learning from which others as well as themselves may benefit. In these ways, neoliberalism has been engaged in constructing new entrepreneurial identities and re-engineering the bourgeois subject.

Looking at the broader cultural picture, we detect similar tendencies: in consumer and celebrity cultures, the drive for instant gratification, the fantasies of success, the fetishisation of technology, the triumph of 'life-style' over substance, the endless refashioning of the 'self', the commercialisation of 'identity' and the utopias of self-sufficiency. These 'soft' forms of power are as effective in changing social attitudes as are 'hard' forms of power such as legislation to restrict strikes.

It is the reassertion of the powers of capital that has produced the neoliberal world as we know it today, as its agents have taken command of the new circuits of global capital. The widening of inequalities is the main launch-pad of this restoration bid. And this has put into question the long-promised transfer of income, power and responsibility from rich to poor, men to women, centre to margin. Countervailing values - equality, democracy and citizenship - have been circumvented, and dissenting social forces fragmented and dispersed. The reinvigorated finance sector has been articulated with a new imperialism. These 'victories' are flaunted in brash material form - each new high-rise a middle finger raised.

The future of the crisis

This phase of free-market capitalism has now entered a serious economic crisis from which it cannot easily engineer an exit. But the shape of the crisis remains 'economic'. There are so far no major political fractures, no unsettling of ideological hegemony, no ruptures in popular discourse. The disastrous effects of the crisis are clearly evident; but there is little understanding of how everyday troubles connect to wider structures. There is no serious crisis of ideas. Indeed the crisis has been exploited as a further opportunity to reinforce the very

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neoliberal narrative that has led to the system's implosion, and to push its project even further. Neoliberals dogmatically insist that it was the 'restraints' on, not the excesses of, the market that bear the responsibility for its manifest failure. Extensive work, backed by daunting resources, has gone into securing consent to this version of events. There are forensically targeted attacks on groups like Occupy London, the very unpretentiousness of whose tents, huddled between the monumental edifices of Mammon and God, gave it symbolic power. Its questions resonated. It had to go.

And yet, there is no hegemonic closure - hegemonies, even the neoliberal one, are never totally secure. Materially, the cuts bite deep and hard, and there are more to come. There is growing distress, discontent, de-politicisation, scepticism and loss of confidence in the political class. The distress is palpable. But people feel puzzled about where to go next. Polls suggest that the drive for privatisation has not won the day: but are egalitarianism and social collectivism still alive and well? There is a sense that something is wrong with a system which distributes wealth in a 1% - 99% way. Politicians feel obliged to reassure the public daily that the cuts are 'fair'. There are other such resonances in popular consciousness. But who is nurturing them?

Farther afield, in Europe, there is popular dissent, opposition to austerity strategies and support for 'growth-and-jobs' alternatives. There is the democratic awakening of the 'Arab Spring' and, in Latin America, explicit challenges to neoliberal hegemony. Hegemonies are never completed projects: they are always in contention. There are always cracks and contradictions - and therefore opportunities.

However, in the UK, Labour, the official opposition, is in serious difficulties. It leads in the polls but it is not yet winning hearts and minds. It shuttles between conflicting ways forward. It seems afraid of its own (left) shadow, in hock to the old Blairite rump and a belief in the conservatism of the electorate, trapped in parliamentary rituals, mesmerised by electoral politics. It has been rendered speechless by the charge that it opened the door through which the Coalition is triumphantly marching. It seems unable to draw a clear line in the sand: a political frontier. It makes effective tactical interventions but appears tongue-tied when invited to enunciate an alternative set of principles, to outline a strategic political approach or to sketch out a compelling alternative vision.

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A 'manifesto' by instalments

Our purpose is to set out an agenda of ideas for a progressive political project which transcends the limitations of conventional thinking as to what it is 'reasonable' to propose or do. We will try to open a debate which goes beyond matters of electoral feasibility, or of what 'the markets' will tolerate. Electoral change is urgent, critical and necessary: but it will not change much if it means a continuation of the existing assumptions under a different name. As to practicality - 'what works affects lives' - yes, but there must be a fundamental break with the pragmatic calculations which disfigure current political thinking. It is the maps, not the facts, which have disintegrated. The neoliberal order itself needs to be called into question, and radical alternatives to its foundational assumptions put forward for discussion. Our analysis suggests that this is a moment for changing the terms of debate, reformulating positions, taking the longer view, making a leap.

For us, this is not a question of restoring the tried remedies of the post-war welfare-state settlement. Of course, that would not be an altogether bad place to start. But that compromise, for all its attempt to achieve a different balance of values and power from that dictated by markets, nevertheless accepted that the market sectors should still be left essentially free to generate profits, while a public system managed by elected governments would merely be allowed to redistribute some of the ensuing resources, and provide for some social needs which markets would otherwise neglect. (And by the 1970s, as the left itself argued, some of the other flaws of the welfare settlement, for example the state's frequent paternalism and lack of responsiveness, were contributing to the ebbing away of support.) The rise and crisis of neoliberalism should have taught us that that historical solution was not radical enough. In any case the political conditions of existence of the previous social democratic settlement are no longer operative. Debating how and why the terms of reference have changed is certainly worth doing. But such debate will only be fruitful if new transitional demands, framed in the light of the analysis of contemporary global realities, point us further ahead.

This is a slightly edited version of our After Neoliberalism: the Kilburn Manifesto. The 'manifesto' will be developed in monthly instalments, freely available online at www.lwbooks.co.uk/journals/soundings/manifesto.html. We hope to engage in this project not

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only friends and colleagues who have been closely associated with Soundings, but also a much broader public. We invite comments and reflections on this whole idea and its formulation. For more information (including on why Kilburn!), please go to the website.

Notes

1. Regular *Soundings* readers will recognise that this is a case we have been developing for some time. For more background to these arguments see our online book *The neoliberal crisis*: www.lwbooks.co.uk/ebooks/The_Neoliberal_crisis.pdf.
2. Louis Althusser, *For Marx*, Verso 1969, Part 3, 'Contradiction and Overdetermination', p99.