Neoliberalism: are we past the peak of the epidemic?

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While we have all now become amateur epidemiologists, we have also seen first-hand the adverse effects caused by neoliberalism. In an equally relevant and exhilarating parallel, the two authors recount the emergence and subsequent spread of this epidemic, which is by no means unrelated to the pandemic that we are currently experiencing. Which will outlast the other?

The first part of 2020 was profoundly marked by the Covid-19 situation. More than half of the world’s population has already experienced lockdown. This has resulted in sometimes severe health outcomes in certain countries, dramatic consequences in economic and social terms, and, at times, a challenge to the freedoms of a large part of the population. Whilst citizens are now familiar with the medical lexicon of the epidemic register, they are not yet familiar with what could be called the neoliberal pandemic, which we have been experiencing for nearly forty years and which might, we hope, be on its way out. Authorities on infectious diseases admit that they are powerless to predict the emergence of viral pandemics caused by the coronavirus family, or their natural disappearance. In political science, predicting the emergence of new ideologies often remains in the realm of science fiction. Nevertheless, it is possible in retrospect to trace back their origins, their epidemiological development and their impact, including their impact on health.

It is still unclear whether Covid-19 originated naturally from animals in a Wuhan market, or whether it came from a laboratory in the same city. What is certain, however, is that neoliberalism is a purely human creation. One of its first laboratories was the meeting in 1947 at Mont Pèlerin in Switzerland between some thirty intellectuals, including the economists Friedrich von Hayek, Milton Friedman and the philosopher Karl Popper. This first laboratory gave rise to viral ideas which, from mutation to mutation, would take on at least six main forms (comparable to SARS-CoV and MERS-CoV). The first is that greed is good; the second, that, as a consequence, the market is the only efficient and legitimate form of coordination between humans, and that the market (including the financial and speculative market) self-regulates; the third, that there is no such thing as society, there are only individuals; the fourth, that by a trickle-down effect the richer the richest people (the leaders) get, the better it is for everyone; that even more is even better; and finally, that there is no alternative. No alternative means that we would be living under the reign of neoliberalism until the end of time, in the same way that we are now being told that we must learn to live indefinitely with masks, protective measures and periodical lockdowns.
The first ideological, neoliberal viruses remained locked down for a long time in the cold storage of universities, laboratories and other neoliberal think tanks. The patients zero, who, because of their audience, would become the first super-spreaders, were the politicians. It is generally acknowledged that Margaret Thatcher was the pioneer in applying neoliberal thinking from the moment she was elected in 1979: on a dry diet of the State, privatisation, and the sidelining of intermediary bodies, and especially the unions. At almost the same time, in China, Deng Xiaoping was gathering up the reins of power and undertaking major economic reforms, proclaiming that “To get rich is glorious”. In 1981, Ronald Reagan moved into the White House and launched a brutal, anti-Keynesian programme, which is well-summarised by his quote: “Government is not the solution to our problems, government is the problem”. With the United States on the American continent, the UK in Europe and China in Asia, the WHO might have sounded the alarm for the beginning of the pandemic as early as 1981. But even before Margaret Thatcher, Georges Pompidou in France had forbidden the Banque de France from financing the State as early as 1973, thereby compelling it to use private banks!

America wielded sufficient power at the time to influence all the major international institutions (IMF, World Bank, WTO), change existing rules and encourage the active circulation of neoliberal thinking. From 1979 to 1989, there followed an epidemic decade in the Western world, with policies of financial deregulation and the managerial commodification or near-commodification of public services. In 1989, neoliberalism triumphed with the collapse of the Soviet Union, which fell into chaos, and then into the market economy, given over to a handful of oligarchs. In developing countries, the IMF and the World Bank did their utmost throughout the 1980s and 1990s to implement structural adjustment programmes, otherwise known as public austerity, to respond to the financial difficulties of indebted countries. These countries could only pay their debts by indebting themselves even further, as if the imposed financial vaccine kept making them more vulnerable to the virus of debt.

Once the market had been completely freed, the equations became simple: how to make individuals consume as much as possible? Where to find the resources that are still available on the planet? Where to produce at the lowest cost? Where to store the profits with the least taxation? The only conceivable strategy for governments at the time was to make their countries as attractive as possible. We witnessed a standardisation of norms and modes of economic governance. Very few countries kept their distance from this general trend of globalisation, which allowed the virus to circulate in an active and uncontrollable way.

We now know how to identify certain characteristic symptoms of the neoliberal virus: social and geographical distancing facilitated by the widespread use of tax havens, the explosion of income inequalities which confines the richest in gated communities and the poorest in ghettos. The financialisation of economies and the management of the activities of goods and services to increasingly just-in-time production timelines which impose a short-term vision, a rise in speculation, and a decrease in the principles of precaution and prevention, which go a long way towards explaining our current powerlessness in the face of the coronavirus.
The comorbidities of neoliberalism can be analysed in a clinical manner. Overconsumption leads to mountains of largely unrecycled waste. The state of the environment on our overexploited planet, which is in what might be described as a serious condition, if not, in certain regions, already on life-support. Modified dietary practices have notably led to an obesity pandemic that is largely attributable to junk food. Freedom of enterprise is lauded but essentially restricted by new cartels, and especially GAFAM. Land use is ruined by the concentration of human and financial energy in major metropolises at the heart of globalised systems, leading to the pauperisation of so-called peripheral areas.

Finally, and since the news is focused on the Covid-19 health crisis, it behoves us to carry out an autopsy of the public health systems in the countries with the first main clusters. The United States, with its unbelievable health expenses, has one of the worst average life expectancies amongst OECD countries. The United Kingdom has ten years’ less life expectancy in good health than Sweden, a country which still largely embraces the principles of social democracy and has long focused on strong institutional prevention in matters of health. In China, where life expectancy rose sharply at one time, it has only slowly increased since the late 1970s, despite unprecedented economic expansion. Neoliberalism’s hostility towards prevention poses a high probability of life expectancy in poor physical, mental and social health. In terms of public health, it is clear that neoliberalism has severely affected our neuronal faculties, to the point of losing our common sense.

Neoliberalism’s track record is therefore less than stellar. The excess and hubris with which it is synonymous have generated an immune dysregulation of the social body. The question that must now be asked is whether the peak of the epidemic is finally behind us, and whether citizens have access to the right protective measures. There are many resistances and antibodies to neoliberal thinking, but they remain scattered and piecemeal. And yet, there is no lack of intentions and ideas to suggest credible and responsible alternatives. Environmental concerns had become the priority for many citizens before the coronavirus crisis. The need for proximity, short supply chains, more conviviality in society, the rejection of junk food, etc., have been gaining ground for years. Despite their dispersal, alter-globalist actions and whistle-blowers have been able to reduce neoliberalism’s lethal toll. As an ideology, individualistic in its essence, valuing only the accumulation of private wealth (pleonexia), neoliberalism denies the deeply social nature of the individual and their need to bequeath a society in better health to the following generations. Collective immunity is seriously gaining momentum against it, even though the official epidemiology does not fully reflect this situation. But we are still lacking the right vaccine to be finished with the neoliberal virus once and for all. Experiments are underway in different countries throughout the world for a new remedy: conviviality1. The in vitro tests are promising. We now need to apply them in vivo.

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Translated from the French by Juliet Powys

Biographies

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