

Dead, non-dead, or walking dead? The global financial crisis and neo-liberalism

While there may be widespread agreement that the global financial crisis had important ramifications for neo-liberalism, there is little consensus about what these are. [Liam Stanley](#) surveys these debates and argues that a more nuanced understanding of neoliberalism beyond 'states and markets' would be a good start.

Crisis conjures up many meanings: a turning point, a decisive intervention; an opportunity, a failure, and so on. But as every good student of crisis knows, the concept can be traced back to [medical use in Ancient Greece](#), where it referred to the decisive moment in which a patient either dies or makes it through a debilitating illness. Crisis, in other words, is about death – or at least about critical turning points. Browse almost any narrative of twentieth century capitalism in the West, and it will quickly become apparent how this is the case.

This etymological basis may seem arcane, but it is actually apparent in contemporary debates about the politics of global financial crisis – and not just in regard to the vivid life-or-death language commonly deployed. Political scientists are divided as to whether 'the patient' – neo-liberalism in this case – is alive and well, spluttering along in a zombie-like form, or completely deceased with the ramifications still yet to be felt. From this three theses can be identified: neo-liberalism is dead, neo-liberalism is non-dead, and neo-liberalism is walking-dead.

Colin Crouch's book [The Strange Non-Death of Neo-Liberalism](#), a twisted play on Dangerfield's 1935 classic, is an obvious starting point. The aim of the book, Crouch explains, is to explain how neo-liberalism is coming out of a crisis caused by neo-liberalism as even stronger.

Crouch's argument rests on restating a distinction between, on the one hand, the neo-liberal ideology of pure free-markets, and, on the other, the 'actual-existing' neo-liberalism of corporations dominating public life. Since the interests of these corporations very much influence the policy-making process, the notion that neo-liberalism is synonymous with the market, which implies a solution must involve re-introducing a revitalised state, is consequently deconstructed.

Ronen Palan and Anastasia Nesvetailova's *Millennium* article '[The End of Liberal Finance?](#)' takes explicit issue with the non-death thesis. The "neoliberal project", they argue, "is most probably dead and buried, despite the apparent commitment [...] to the spirit of neoliberal thinking in economic thought". They argue that Anglo-American neo-liberalism was sustained by what is essentially subsidisation by other states – such as China – but that this cushy scenario is unlikely to extend further into the future.

In other words, policy-makers may still mostly believe in the ideas of neo-liberalism, but the actual structural support for those ideas has been compromised. This suggests, to the authors at least, that the ideas and thinking will soon have to follow suit. We may question, however, whether it is too soon to talk of 'death' if the ideas in question are still, for the most part, in vogue with key policy-makers and institutions.

Jamie Peck meanwhile, in a paper entitled '[Zombie neoliberalism and the ambidextrous state](#)', argues that neo-liberalism may be entering a new phase in which it is 'dead but dominant' and has to actively defend itself through increasingly authoritarian statecraft. Neo-liberalism is thus neither dead nor non-dead, but walking-dead.

Peck is worth quoting at length on this: "The brain has apparently long since ceased functioning, but the limbs are still moving, and many of the defensive reflexes seem to be working too. The living dead of the free-market revolution continue to walk the earth, though with each resurrection their decidedly

uncoordinated gait becomes even more erratic.”

Which of these accounts is right? On the one hand, the walking-dead thesis is very persuasive – and not just because of the vivid imagery. Not only is it the most nuanced, and thus the least likely of the three to feel the humility and hindsight of history, but it also makes sense to my own experience of crisis: an *almost* contingency, the feeling that something could happen – that something could change – very soon, but that otherwise the routine prevails in the face of an increasingly defensive state.

On the other hand, however, it is clear that they all three theses could be, and probably are, right. They may be using the same or similar vocabulary of neo-liberal (non-)death, but it quickly becomes obvious on a moments reflection that they are talking about very different things: the underlying geo-political economic foundations of liberal finance; the institutionalised ideas and interests that dominate the policy-making process; and a common-sense public ideology and associated state project. Perhaps, the end of neo-liberalism may even occur in that order, like a row of dominos.

It makes you wonder: what exactly is neo-liberalism? Neo-liberalism, it must be remembered, is a word: A word that is used to describe all matter of abstract hard-to-grasp phenomena about the development of contemporary Anglo-American capitalism. A word that sometimes, it must be said and in despite of the work reviewed here, is used to merely imply some sort of reversal in the dominance of states and markets towards the latter.

Many had hoped that the global financial crisis would be a critical turning point in the trajectory of neo-liberalism. This is a noble hope, but equating neo-liberalism with a bland ‘markets over states’ understanding that tells us equally everything and nothing may, ironically, help resuscitate the very patient in question. For the terms of such a debate plays into the hands of the original neo-liberal ideas. The public battle over ‘states vs markets’ is lost. The problem with these simplistic leftist understandings of neo-liberalism is that they actually propagate a debate that is essentially rigged in favour of the other side.

A more nuanced understanding of neoliberalism beyond ‘states and markets’ would be a good start. Neo-liberalism, remember, is ultimately just a word that has been deployed to understand all matter of things. Instead of quashing all these analyses into something bland, an acknowledgement of the diversity and specificity outlined above might go some way to improve the debate on whether neo-liberalism has, finally, gone to a better place.

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About the Author

Liam Stanley is a PhD student in political science at University of Birmingham. His doctoral research investigates the politics of the global financial crisis.

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