

Neoliberalism is dying. What comes next?

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Neoliberalism promised prosperity but delivered austerity, insecurity, and despair. It hollowed out our public services, undermined democracy, and left wealth in the hands of the few. In this video, I ask "What comes next?"

A new economics must put people before markets, care before profit, and truth before fear.

This is about rebuilding democracy from the ground up — and it begins by admitting neoliberalism has failed.

<https://www.youtube.com/watch?v=VldhnKskSh8&si=HeKx6cP2y7-uj8Jb>

This is the audio version:

https://www.podbean.com/player-v2/?i=hrkbw-199146e-pb&from=pb6admin&share=1&download=1&rtl=0&fonts=Arial&skin=f6f6f6&font-color=auto&logo_link=episode_page&btn-skin=c73a3a

This is the transcript:

What comes after neoliberalism?

Neoliberalism is the economic philosophy that has dominated western thinking since 1979, when Margaret Thatcher introduced it into the UK and 1980, when Ronald

Reagan introduced it into the USA.

And since then, Europe has crumbled in the face of neoliberalism and institutions like the World Bank and the IMF have forced it onto other countries all around the world.

The idea in neoliberalism is very straightforward. It is that markets know best and that governments should get out of the way.

It also claims that tax cuts for the rich create growth for all, and that regulation is bad, public spending is wasteful, and public debt is immoral.

And it's these dogmas that have shaped almost everything in our societies now, from housing to education, to healthcare, to planning, to, you name it, you've been affected by it.

And the point is this: the consequence of neoliberalism has not been the prosperity that it promised.

Instead, neoliberalism has delivered us austerity.

It has hollowed out services and left millions of people in the UK alone poorer; we've seen that.

We've had financial crises.

Climate change has got worse, and pandemics have proved that markets can fail.

Wages have stagnated while wealth has soared at the top of the scale, even though neoliberals deny it.

Neoliberalism no longer can pretend to work quite simply because it doesn't.

Those parties who speak of neoliberalism now, and I'm talking about political parties here in the main, do so because they fear what they call 'markets', but which are actually faith systems run by the high priests of neoliberalism - perhaps most of all, the central bankers of the world, because it is they who still carry the torch for this system of economic management.

They repeat the myths of fiscal responsibility as if that makes them credible. And without a new story, politics has drifted. It's drifted from innovation and supposed entrepreneurialism, which is what neoliberalism was meant to supply, into managerialism and despair. We are living through the exhaustion of an ideology.

So we need something that is different.

Neoliberalism is going to fail. Let's not pretend otherwise. It is collapsing under the

weight of its own failures. The fact is that there is no innovation of any consequence. AI is not the solution to the problems that we are seeing in the world, and sometime soon, the market is going to wake up to that. And when you take it out of existence, there's no innovation left that is actually going on of any real consequence in the world at all now.

Our markets are moribund. They're not as vibrant as neoliberalism promised, and our private sector has crushed our public sector when it claimed things would happen the other way round.

The truth is, we need a totally new economics, and that has to be delivered to actually provide us with a future. It's as simple and as straightforward as that.

And in that new economics, we have to recognise that money is a public tool and not a private constraint.

We have to always put people first and never markets.

And we have to invest to meet needs and not to chase profits.

And we most definitely have to keep speculation under control. The idea that something real is created by reshuffling the way in which wealth is owned in the world is completely ridiculous and yet has been promoted by neoliberalism. It's wrong.

In fact, we need to redistribute wealth from those who have it, as well as redistributing power from those with wealth, through democracy, so that we embrace care and participation instead.

That's what we need from a new economy. And in that new economy, we'll measure success in well-being and sustainability and therefore survivability, and not by GDP.

So, policies must change.

Fiscal rules, if we were to have them, must serve society and not markets. So people must be at their core in the future and not a peripheral to be ignored as if money is the only thing that matters, which is what neoliberalism has ended up saying.

We would focus in this new economics on having more and better jobs.

We would seek to grow wages, especially at the bottom.

We would not seek to grow wealth.

We would not seek to grow profits. We would seek to grow wages.

To help with that, we would focus on lifelong learning. I find it absurd that I'm told by

young people that because they failed GCSE at the age of sixteen, they are cursed for the rest of their lives. There is nothing they can now do because they don't have the maths or the English qualification, or whatever it might be that they require to do everything in the rest of their life, as if that is all that matters. We have to change this ridiculous situation where what happened when you were only just about ceasing to be a child defines your lifelong expectations.

And we must provide better support for those who are different from the norm in our society.

We need people who are not standard, whether they have autism or ADHD or they're dyslexic, or they are divergent in some other way, because society has deemed that they are not of the standard race, or not of the standard gender, or not of the standard sexual orientation, or whatever it might be. We need to support all those people, too, because they bring the essential diversity, which is the basis on which our society thrives. It's not uniformity that creates a society; it is, in fact, difference that creates a society, because out of difference, new ideas come.

And in all of this, this new economics must have caring at its core.

Public investment in this new economics should build resilience and not just balance books.

Tax must be used for its true social purpose. First of all, controlling inflation, but also controlling inequality and strengthening democracy, as well as correcting for the failures of markets.

Economic management must begin with moral purpose and not with the idea that balancing the books is the be-all and end-all of government activity, as if whatever else it might do is secondary to that task.

And of course, we must build for generations to come. Sustainability has to be at the core of all of our thinking.

And none of this is possible unless we are politically honest in the future. Leaders must say that scarcity exists in real resources, which means that we will have to change the way that we use them. But most of the rest of the things that we call scarce, like money, are just not of that nature. There's as much money in the world as we can use. There is no limit.

This form of scarcity, the one that politicians have been promoting, is in fact, usually a myth created by power, and what we need to do is put the public back in charge because they will, when they understand this truth.

Democracy will therefore decide what we are to do. People must be presented with real choices, real options, real ways in which we can make progress so that everyone has a

chance to flourish.

And fear of markets must give way to this faith in people and the choices that they make. Choices driven by a politics of care and an economics of hope.

Neoliberalism is ending because it has run out of lies. The next economy must be built on care, community, and courage. I call it The Courageous State. We can choose renewal through truth or collapse through denial.

The future after neoliberalism starts when we stop pretending that neoliberalism works. It doesn't. It never has, and it's now obvious it never will. Let's get on with things and move on to a world that works for us all.

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