

Neoliberalism is the politics of destruction

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In this video, I explain why neoliberalism is not a mistake but a system built to shift power from people to corporations. This politics of destruction delivers an economics of failure with underfunded public services, rising inequality and shrinking democracy. I also explain why fiscal rules like those promoted by Rachel Reeves reinforce this failure, and why a politics of care offers the best real alternative.

<https://www.youtube.com/watch?v=8LpJT7shXs&si=KTNUA6ux0KszOc1r>

This is the audio version:

https://www.podbean.com/player-v2/?i=7vaf5-1a479ff-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:

In this video, I want to talk about what I call the politics of destruction. For a long time, we've called that neoliberalism, but I'm not misstating the truth by renaming it and calling neoliberalism the politics of destruction. I am deliberately calling neoliberalism what it is. And this politics of destruction is really important because it is designed to deliver an economics of failure, and we've got that all around us now.

If we do not name these things clearly, we will never challenge them. That is why I want to talk about them in this way, and today I want to explain why neoliberalism has been

designed to fail ordinary people and why that failure is not a bug, but a feature of that system, which does lead to this economics of failure.

So, what do I mean by the politics of destruction? Let me be precise. The politics of destruction is intended to:

- * undermine democracy,
- * increase corporate power,
- * increase income and wealth division,
- * permit the extraction of ever larger rents and
- * perpetuate inequality and poverty.

None of these is about rhetorical excess. These are facts. That is what this system set out to do. These things are the logical outcomes of a system that prioritises markets over people, capital over labour and profit over care.

Neoliberalism, the politics of destruction, shrinks the state and hands power to markets, but markets are not democratic institutions. They are governed by wealth. When public decision-making is replaced by market discipline, voters lose power and capital gains it. This is not a neutral act. It is a deliberate transfer of authority from citizens to corporations. That is why neoliberalism is so destructive. Privatisation, outsourcing, and financialisation: each of these is presented as a neoliberal efficiency regime, but in practice, each increases the influence of large firms over essential services.

We've seen it:

- * energy,
- * water,
- * rail,
- * housing,
- * health, care;

all of these have become revenue streams for big business, and has there been a benefit to society? No, not at all. Corporate balance sheets might have expanded, but public accountability has contracted, services have declined, and that is a deliberate structural consequence of the choice made to follow the politics of destruction.

And let's be clear. In all of this, neoliberalism did not intend to primarily reward productive activity. It doesn't.

- * It isn't about creation.
- * It's all about ownership.
- * Landlords extract rents.
- * Financial institutions extract interest.
- * Monopolies extract excess profits.

That's what neoliberalism is about. This is classic rentier capitalism. Value created by labour is diverted by the politics of destruction and neoliberalism to those who control assets. This is not a policy for growth. Let's be clear about that. There is no interest in production in this whole process. All that is desired is redistribution upwards.

When we hear those who talk about the politics of envy, claiming that those who want to see a better world are all about redistributing assets, they are actually naming their own chosen economic preference for activity to be undertaken under the guidance of the state. Neoliberalism has been all about redistribution, but upwards rather than downwards, and all of this is intensely destructive. When income and wealth are divided more sharply, political influence concentrates, social mobility stalls, poverty becomes entrenched, and this is not incidental. Deliberately high inequality weakens collective resistance and fragments solidarity.

A divided society is easier to govern in the interests of capital, and here is the crucial point. This is the economics of failure. The politics of destruction underfunds public services. It constrains fiscal policy with artificial rules of the sort that Rachel Reeves is so keen to promote. It insists the state cannot afford to meet need, and public services do as a result struggle to meet anything like need, let alone the level of demand that is created by the inequality that the economics of failure imposes upon society. And that struggle is then cited as evidence that the state does not work. That failure has, however, been deliberately manufactured. Never be confused about that point. The fact that we are now failing is not by chance. It is deliberate.

That is used then as the justification for the next round of cuts. This is what Farage and fascism now feed on. Neoliberalism led to it, which is why I argue all those who have led the neoliberal policies of this country have taken us down the pathway to fascism.

If we do not challenge this ideology, democracy will continue to be hollowed out, corporate power will deepen, and inequality will widen. At the same time, public services will deteriorate, and trust will collapse. We will end up with a society in which care is rationed. Insecurity is normalised, and wealth dominates politics, if we haven't got to that already. This is not sustainable.

Now, let me be clear. I am unashamed about my bias when talking about all of this. My bias is towards the poor, the vulnerable, and the precarious because any economic

system should be judged by how it treats those with least power. That is the only criterion that matters as far as I'm concerned. Unless you care for the vulnerable, what is the point of politics? If policy protects wealth, but abandons the poor, it has failed morally and economically.

In addition, demand collapses when people have too little to spend because multipliers work in reverse. In other words, when the poorest have less, there is in fact a massive decline within the economy, which is why we have no growth now. An economy that impoverishes its base can never prosper.

As a result, we must change. What must we change?

Firstly, we must reject the idea that the state is financially constrained like a household. It very obviously is not. We know that the state can afford to do anything that is possible with the resources that are available to it; money is not a constraint.

Secondly, we must recognise that taxation is about redistribution, power, and the control of inflation, and not funding myths. In other words, it is a tool for the delivery of social policy.

Thirdly, we must reassert democratic control over all essential services, including by re-nationalisation where that is obviously necessary, which it is in many cases where privatisation has happened over the last three or four decades.

Fourthly, we must curb rent extraction, and to do that, we must change taxes, improve regulation, and change ownership where that is necessary.

This is real political economy in action, and on top of that, we do, of course, need a politics of care: an economy designed to meet need, and to reduce inequality while strengthening democracy and investing in people and this planet so that it might survive. Care is not softness; it is about economic realism and a security that delivers wellbeing, builds resilient demand, strong communities, and sustainable prosperity, and we are a very long way from having any of them.

Neoliberalism is then the politics of destruction. Never forget it. That is what it set out to achieve. It always existed from the moment that it was created in 1947 by Milton Friedman and Friedrich Hayek to literally destroy the social safety nets and the postwar consensus that delivered prosperity on a scale never known before to people of most countries in Western Europe and beyond, where they had previously suffered all the degradations of the pre-war era.

Neoliberalism, or the politics of destruction, does deliver the economics of failure. Again, that is deliberate. It exists to undermine democracy and entrench inequality by design. That is what that economics is about. And unless we confront that directly, reforms at the margins will never change anything, and that is the problem with most of

the solutions being put forward in the UK at present by think tanks and political parties; they simply tinker at the edges without ever changing the systemic failures that we are seeing.

The direction of travel must be clear. We must restore democratic accountability. We must rebuild public provision. We must tax wealth and rents properly, and we must put care and not growth in capital at the centre of policy. If we do not challenge this politics of destruction, we will continue to live with the economics of failure, and we'll all lose as a result.

What do you think? There's a poll down below.

Poll

[poll id="325"]