## From Neoliberalism to Possible Alternatives

Del neoliberalismo a posibles alternativas

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#### Resumen

Este artículo tiene como objetivo mostrar posibles alternativas al neoliberalismo. Una alternativa progresista a esta última fase del capitalismo tiene que tener un punto de partida v de llegada. El punto de partida es el capitalismo neoliberal: sus principios, su desempeño económico en los últimos 40 años y cómo los neoliberales tomaron el poder. El punto de llegada consiste en el tipo de desarrollo que queremos para nuestro futuro y los medios que utilizaremos para lograrlo. Hay, al menos, tres posibles opciones progresistas al neolibera-lismo en la actualidad: (1) el retorno al keynesianismo, (2) el retorno al socialismo real, y (3) las nuevas experiencias de desarrollo, como Mondragón, Kerala, y el llamado socialismo del siglo XXI. Los resultados de esta investigación muestran que el desempeño económico y social del neoliberalismo ha sido pobre, pero cualquier alternativa progresista al neoliberalismo debe ser eficiente y establecer los medios de cómo lograr sus metas.

#### Palabras clave:

- Neoliberalismo
- Keynesianismo
- Socialismo
- Desarrollo y cambio social

#### Abstract

This article aims to show possible alternatives to neoliberalism. We think that a progressive solution to this last phase of capitalism has to have both a departure and an arrival point. The departure point is neoliberal capitalism: what it is now, what it has been during its per-formance in the last 40 years, and how neoliberals have seized power. The arrival point consists in the kind of development we want for our future and the means we use to achieve it. Currently, there are at least three possible progressive options to neoliberalism: (1) return to keynesianism, (2) return to real socialism, and (3) encourage new development experiences such as Mondragon, Kerala, and the so-called socialism of the 21st century. Our conclusions show that neoliberal economic and social performance has been poor but that any progressive alternative to neoliberalism must display economic superiority to neoliberalism and establish the means of how to achieve its goals.

#### Keywords:

- Neoliberalism
- Keynesianism
- Socialism
- Development and Social Change

JEL: B5, B14, D3

#### I. Introduction

The objective of this article is to outline possible alternatives to capitalism in its neoliberal phase. In 2007, the deepest world crisis since the Great Depression started and has continued with neither a theoretical nor a practical solution to date. As a response to the crisis, countries have applied keynesian but mostly neoliberal policies. However, such policies have not produced

economic growth or any human development. We think that a progressive solution to this last phase of capitalism has to have both a departure and an arrival point. The departure point is neoliberal capitalism: what it is now, what it has been during its performance in the last 40 years, and how neoliberals have seized power. The arrival point consists in the kind of development we want for our future and the means we use to achieve it. Of course, there must be a correspondence between the ends and the means. Currently, there are at least three possible progressive options to neoliberalism: (1) return to keynesianism, (2) return to real socialism, and (3) encourage new development experiences such as Mondragon, Kerala, and the so-called socialism of the 21st century. Whatever option that can possibly supersede neoliberalism must, in our opinion, fulfill the following requirements: (1) define the concept of development and (2) define how progressive options are going to seize power.

This paper proceeds as follows after this introduction. In Section 2, we outline the main characteristics of neoliberalism; in Section 3, we describe the economic and social performance of neoliberalism; in Section 4, we take into account how neoliberals have seized power on a global scale; in Section 5, we highlight the progressive alternatives to neoliberalism; and in Section 6, we present some requirements that any progressive option must fulfill. Finally, we outline concluding remarks.

## 2. What is capitalism and neoliberalism

Capitalism is a profit—making system in the short run, characterized by high productivity, competitive markets, private property, and the exploitation of labor. Whereas, from a theoretical standpoint, only one form of capitalism has existed, it has existed historically and throughout the world in many concrete forms that differ greatly: for example, keynesianism and neoliberalism. In order to consider a possibly more egalitarian economic system in the world, we must study the empirical principles in which, today, the latest phase of capitalism is rooted. Figure 1 shows capitalist characteristics throughout the history of humankind; generally speaking, the following trends can be distinguished from primitive communism to capitalism:

- (1) Increasing productivity, with transitions represented by the white and black colors in the first rectangle. Productivity increased in capitalism from the Industrial Revolution onwards, except for the neoliberal period, during which productivity has grown less than in other capitalist phases;
  - (2) Increasing private property (black color) (see rectangle 2);

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