

# Review of: "Neoliberalism, Strong State and Democracy"

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The declared purpose of the article is to explore the evolution of the notion of neoliberalism. In practice, it does more than that. The article also explores the evolution of the strong state that emerged after the collapse of the laissez-faire policy paradigm in the 1920s. Hubert Gabrisch traces the emergence of several new approaches to the strong state: the Hayekian, the Schmittian, and the Keynesian. This classification, particularly the distinction between the Hayekian and the Schmittian notions of the strong state, enables Gabrisch to understand the emergence of authoritarian forms of neoliberalism today.

Overall, I liked the paper and agreed with the arguments. Specifically, it is important to put the rise of neoliberalism in the context of the Great Depression. This "policy anomaly", gave rise to several new policy paradigms and the demise of old paradigms. Around the 1920s, the old laissez-faire paradigm was abandoned in favor of new paradigms, the most prominent of which were the neoliberal approach (or approaches) and the Keynesian approach. Perhaps, the author should also mention the emergence of other types of "mixed economy" in the US around the same period.

The claim that neoliberalism differs from classical liberalism (or laissez-faire) in the sense that the former argues in favor of a "strong state" is not new. The introduction makes the impression that this claim is a key contribution of the article. This impression does injustice to the paper, which, in fact, makes other, more innovative and important, contributions.

The key argument of the article, as I read it, is not so much about the strong state, but rather about the authoritarian neoliberal state. The difference between the two concepts is critical.

I would say that the key question the article poses concerns the rise of authoritarian neoliberalism today. It asks if authoritarian neoliberalism "kidnapped" neoliberalism and abused this type of economic regime, or if it only applied the neoliberal logic most rigorously without having to take into account democracy, civil rights etc. I am not sure what is Gabrisch's view, about this question. I will come back to this point.

One of the strongest contributions of the article, the identification of the Schmittian origin of neoliberalism. In order to identify the authoritarian origin of neoliberalism, Gabrisch juxtaposes Schmitt and Hayek. According to the author, both Schmitt and Hayek acknowledged the need for a strong state in order to overcome social cleavages that undermined the performance of the economy. The difference between them is that for Schmitt, the state represents the true and real interests of the "nation" (unlike the interests of the social classes), and therefore, for him, the state is the embodiment of the "political". This is a kind of a Hegelian/Republican/Fascist notion of relationship between the state and society. For Hayek, on the other hand, the strong state is a formal/legal construction—a constitution—which uses its power only to

make citizens comply with the general rules (global rules) of the market economy to the benefit of all. The Hayekian state is strong, but thin.

There is one point in Hayek's writing, though, that does not get sufficient attention, which can contribute to the argument. I am referring to Hayek's argument regarding the role of the state in imposing "general rules" to regulate the behavior of individuals/firms. General rules, according to Hayek, are opposed to ad-hoc interventionism, which he opposes. In that sense, Hayek had not only a Plan A (global federalism) and a Plan B (regional federalism), but also Plan C: a state with an economic constitution that constrains the political (democratic) branches of the state.

As for the conclusion, I was not sure what is the general message of the article. The historical/conceptual analysis presented in the article can lead to two different conclusions regarding neoliberalism and authoritarian neoliberalism. On the one hand, one can argue that authoritarian neoliberalism is a backlash against the international/regional vision of neoliberalism (Hayek). In this case, authoritarian neoliberalism is viewed a type of populism; on the other hand, one can argue that neoliberalism is **inherently authoritarian** (Schmitt). In this case, authoritarian neoliberal states do not reject neoliberalism but embrace it in a different way. If we take the second option, another question arises: if this is not a backlash, why don't they adopt authoritarian neoliberalism rather than Keynesianism or old-style economic nationalism?