

## **Kosta Josifidis, Alpar Lošonc, Neoliberalizam: sudbina ili izbor (Neoliberalism: Destiny or Choice)** Graphic, Novi Sad 2007

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Neoliberalism is an ideological catchword for the political economic transformations and practices that took place throughout the whole world from the seventies of twentieth century onward. It comprehensively denotes these practices led in the name of the reinstallment of old liberalism of XIX century. According to the *fiat* of neoliberalism the human welfare is to be put into practice by liberating entrepreneurial freedom with the institutional framework characterized by private property rights and free markets. Neoliberalism intends to minimize the role of state which task is to guarantee the law-based infrastructure of market economy. There is a strong temptation to infer that the existing welfare state is main cause of unemployment, poverty and social exclusion.

State should enable the implementation of the markets, but its interventions into the market economy must be kept to a minimum. We are witness of the era that constantly emphasizes the fallacies of state in relation to the coordination of economic matters, in accordance with the fundamental premise the state is exposed to the informational failures and distorting management of the economy. Withdrawal of the state is the absolute condition for the flourishing of the modern economy. So, deregulation, privatization and the demolition of the welfare state are the main orientations for the planners of policy. The economists articulate the sharpened competition as the best way for the human well-being because the frequent market transactions can extremely contribute to the maximizing of human achievements. Our world is the best of all worlds due to the opportunities offered by market freedom. Neoliberalism has been changing the political and economical self-understanding of the postwar world, its capacities of reorganization of society are enormous; the keynesianism and the so-called embedded liberalism that has dominated earlier was subordinated to the attack of monetarism and other theoretical orientations. The meanings of social justice is depicted as ideological illusion with detrimental effects on the freedom. The new apology has been born, the apology of unfettered market that has been providing

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an unquestionable ethics for all, therefore the market is celebrated as the absolute frame for the ethics that could solve the ancient issues of this field.

The coauthors of this book are well aware of the constellation that neoliberalism and its creative destructions (to use the famous words of Schumpeter) penetrate into several areas and modify the self-interpretation of the economics, but the whole society, too. This explains the fact that the authors have made an all-inclusive attempt to interpret the successes and the fiascos of neoliberal doctrine. The reader could in this book find a lot of reflections on the genesis of neoliberalism, its modes of functioning, the neoliberalization of the keynesian social-democracy, revitalizing global capital accumulation, the ideological preconditions for the neoliberalism, the criticism concerning the keynesian monetary and fiscal policy, the criticism in relation to the compromise between the working and capitalist class etc. The authors have detected the ideological sources of neoliberalism (Mont-Pelerin society etc.) and the strong dedication to the non-simplified version of the exploring of the ideas in economical life is a feature of this book. This enlightens the fact the authors are copying with a theoretical presuppositions that shape the neoliberal programme. They do not say that the neoliberalism is only an application of the victorious ideas of economists, but they are trying to integrate the study of the ideas in their approach. There is a permanent tension between the power of neoliberal ideas and the actual practices, the authors use the term “neoliberalization”. There is a need to bridge the abstract and the concrete – from the laws of capitalism to the significance of the empirical tendencies. Neoliberalism and its disembedding of the constraints for capital could be portrayed as “doctrine” “strategy” etc., the authors are using the term “ideological project” that accentuates the processual character of neoliberalism and its embeddedness in historical agency-structures. It is to be noted that the researchers of neoliberalism necessarily confront with a lot of methodological issues concerning the subjective and objective dimensions of their subject, the dialectics of the socio-economic transformations.

The dealing with neoliberalism needs an intellectual affinity to bring together the economical and non-economical aspects; this is done here. Yet it is almost impossible to clarify all dissipated aspects of neoliberalism in one book, neoliberalism is too expansive that make possible for us to gain insight in it within only one book. So, it is to be emphasized that this book has been written mostly from the economical perspective. This is an economical view on the neoliberal transformation of our world. We should observe that neoliberalism is a standard subject in the western scientific world, and there are a lot of books on neoliberalism as antidote to threats to the capitalist socialist order, but the situation in the “transition” countries is different (the case of Serbia is even unique, taking into account the delays of transition and war-like constellations). Here the transition is connected to the accelerated neoliberalization of the economics, therefore there is much risky business to treat the neoliberalism,

actually, this involves a lot of added issues. Precisely this difference between different parts of the world sheds lights on the basic ambition of the authors, namely, to grasp the essence of neoliberalism on the basis of the experience of transition. The dilemma built in the title of the book (destiny or choice) reflects very well the background of this ambition. Transition is projected as the broadening space for the choice-based freedom, but what about the implementation of “something” such as neoliberalism, what about the direction of implementation of neoliberalism from above? Is this not a crucial contradiction that illustrates the perspective of transition?

Let see the structure of the book. It includes two big parts. The first part is dealing with the general characteristics of neoliberalism, it includes four chapters. The first chapter (signed by Kosta Josifidis) refers to the “choice of the life in transition”. The author of this chapter installs some binary coded statements, for example, dilemma between the smithian inclination for the trade or keynesian preference for consumption. After the installment of these dilemmas he relativizes them, or he deconstructs them pointing out the connectedness of neoliberalism with the interests of dominant classes and upper median classes. He depicts an historical account that projects a circularity between the orientations associated with the uncertainty of the market transactions and the need for the social security. The postwar economy has strengthened the power of working class, the neoliberalism has been rehabilitating the power of capital, re-establishing the conditions for capitalist accumulations has been creating the power of the economic elites. Capitalism is deeply embedded in this structural circularity.

The second chapter of this part (signed by Alpar Lošonc) treats the “neoliberal trinity” as a complex of network ideology, economic policy, (foucauldian) governmentality. The authors of this chapter describes with a several details the way of the organization of consent within the traditional middle classes for the restoration of the power of capital and the dismantling working-class power. His intention is not to equate the globalization and the neoliberalism, therefore one can read reflections on the correlations and the divergences between them, too. He especially makes emphasis on the contradictions of neoliberalism and confronts them with the actual practice of the reorganization of socio-economic constellation knowing that neoliberalism varies from place to place as well as over time. The manageability depends on the local-particular dimensions in the heartland and at the margine, too.

Kosta Josifidis has written the third and the fourth chapters of this part of the book. The third chapter is devoted to the important issue of the typology of capitalism. The author accentuates the value of pluralistic codes in researching the capitalist processes. This conviction opens the door toward the analysis of the pluralistic neoliberal practices all over the world and makes possible the empirical considerations in relation to these practices. The next and at the same

time the last chapter of this part discusses the relationships between the globalization and the state, the reader can see the diverse articulations, the volatile mix between the globalization and the state. We could agree with the author that the processes that took place were not linear and they are associated with the uneven dynamics of capitalist accumulation and uneven geographical distribution of power. To conclude: the sensitiveness to the plurality, readiness to take into account the diverse practices demonstrates well the orientation of this book.

The second part of this book (written by Alpar Lošonc) includes four chapters. It does not change the subject but accomplishes an application. That is to say, the author makes effort to explicate to results of neoliberalism in the field of ecology. The author is convinced that ecology presents a good domain for the empirical research of the neoliberal programmes. In accordance with this, he is concerned with the critique of the concept of ecological modernization, and shows that the neoliberalization appears to be hindrance for the green-market because of the extreme market power of the corporations. After that he scrupulously analyses the modalities of neoliberalism concerning the water resources, fishery and the air. This part provides a chance to the repeated reconstruction of the neoliberal settlements in accordance with the logic of the selected field.

This book is a tightly argued work of two authors made internally coherent by the fact that they share a common theoretical language and ideas. As such, it is a counter-point to the mainstream literature. Many of the chapters are situated within current debates between orthodox and heterodox orientations about the centrality of capitalism in human existence. As a result, the book constitutes an introduction and up-date on recent theoretical developments. In the first place, it addresses one of the questions of the day, the nature of, and the forms currently taken by neoliberalism. Secondly, in confronting this problem, the coauthors bring to bear the considerable intellectual resources offered by one of the most distinguished bodies of writing in contemporary economy.

The authors make an attempt to provide a balanced work with careful argumentation that opens a number of issues in relation to the nowadays socio-economic realities. After the reading of the book, the dilemma in the title is not annihilated, but gains a stronger form. Neoliberalism is may be in decline, but we can not much to say about how the story will end, or can be ended.