



The ‘new right’ is not a reaction to neoliberalism, but its offspring

The neoliberals’ impact on the “new right” is nowhere clearer than in the British hard right’s attempt to enforce a no-deal Brexit.

Lars Cornelissen

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The ongoing and increasingly intense conservative backlash currently taking place across Europe is often understood as a populist reaction to neoliberal policy. The neoliberal assault on the welfare state, as for instance Chantal Mouffe has argued, has eroded post-war social security even as it destroyed people’s faith in electoral politics. Coupled with a sharp increase in inequality and rapid globalisation, the technocratic nature of neoliberal government has angered electorates across the continent. Wanting to “take back control” of their political life, these electorates have turned away from traditional centrist parties and have thrown their lot in with populist parties on the fringes of the political spectrum. Although, as Mouffe is at pains to point out, this creates a space for both left-wing and right-wing populisms, today it seems that especially its inward-looking, nationalistic variants are experiencing electoral success.

To be sure, this diagnosis is by and large correct. Decades of neoliberal hegemony have certainly served to impoverish the cultural life of many European nations. Meanwhile, neoliberal policies of privatisation and deregulation, followed after the 2008 crisis by a decade of blithe austerity measures, have gutted most of the institutions that previously carried the promise of equity and security—even if that promise was always already a false one. The rise in jingoistic nationalism is, in this sense, without doubt a consequence of the neoliberal era.

It would be incorrect to assume, however, that these nationalisms are somehow juxtaposed to or fundamentally different from neoliberalism. It would be wrong, that is, to see the rise of the so-called “new right” as a sign of neoliberalism’s demise or to see the 2008 financial crisis as marking its death rattle. Neoliberalism did not merely provide the occasion for the rise of nationalist sentiment; rather, the latter also grew out of the former. Differently put, neoliberal doctrine already carried the seeds of the kind of conservatism that is currently running rampant in Europe.

A good place to start is the network of neoliberal think tanks and research institutes that has served as the frontline of the neoliberal project since the 1950s. Indeed, as numerous research studies by historians and sociologists have shown, although neoliberalism first emerged as an intellectual movement spearheaded by such figures as Ludwig von Mises, Friedrich Hayek,

Walter Eucken, and Milton Friedman, crucial to the movement's success was its effort to disseminate its ideology strategically. Thus, after an initial phase in which these men prepared the philosophical grounds for the neoliberal agenda, they set out to spread their ideas, forming a Transatlantic web of intellectuals and researchers with the express objective of steadily influencing public opinion in general and policy-makers in particular.

Among the most prominent think tanks to be erected in this way are the Institute of Economic Affairs, founded by Anthony Fisher in 1955 on Hayek's explicit advice, the Cato Institute, founded in 1974, and the Adam Smith Institute, founded in 1977. They are merely the most visible core of a vast network of similar organisations, however. Whether named after neoliberalism's pioneering theorists (a small selection: the Hayek Institut; the Hayek Gesellschaft; the Ludwig von Mises Institute; the Walter Eucken Institut; the Becker Friedman Institute) or given more esoteric monikers (such as the Heritage Foundation or the Atlas Economic Research Foundation), many right-wing think tanks are of neoliberal descent. Those whose founding predates the birth of neoliberalism, such as the Hoover Institution and the American Enterprise Institute, were quickly absorbed into the neoliberal project. Together these think tanks form a sprawling network of ideological entrepreneurs driven, as Anthony Fisher is reported to have said, by the desire to "litter the world with free-market think tanks."

As the primary channels through which neoliberal ideas flow to the wider public, these institutions make for a crucial weather vane for shifts unfolding within the neoliberal mindset. Any attempt to make sense of neoliberalism's many twists and turns must therefore pay attention to trends in their ideological direction and outputs. And this is where neoliberalism's recent hard turn towards conservative nationalism becomes apparent.

Neoliberalism has always had a strong conservative streak: Hayek himself was inspired by Edmund Burke at least as much as by Adam Smith, and such towering figures of German neoliberalism as Wilhem Röpke and Alexander Rüstow were deeply conservative thinkers. Conversely, Hayek in particular has exerted a considerable influence on the most recent generation of conservative philosophers, with men like Roger Scruton, Paul Cliteur, Francis Fukuyama, and Niall Ferguson routinely drawing upon his ideas about the market, law, and societal order in support of their own conservatism. (The latter, as it happens, received the Hayek Lifetime Achievement Award in 2012.)

However, what originally remained an intellectual attraction between neoliberals and conservatives has in recent decades morphed into something more closely resembling a synthesis. As neoliberal hegemony reached its climax in the 1990s, its intellectual custodians began focusing their attention on what they purported to be the failures of multiculturalism. Decrying 'cultural relativism,' neoliberal think tanks began publishing pamphlets that sang the praises of western culture, which their writers regarded as inherently superior to its non-liberal (read: non-western) counterparts. They proceeded to assert the need to protect national identity from its dilution by immigration and to advocate patriotism and nationalism as a means of consolidating such identity.

It is, then, wrong to assume that neoliberal parties or intellectuals embraced nationalism only after the so-called “new right” was in its ascendancy, as a means to win back voters or to assuage a supposedly vitriolic and jingoistic electorate. In truth, many of neoliberalism’s ideologues had swerved firmly towards conservative nationalism well before right-wing populism became a serious political contender. In doing so, they anticipated many of the latter’s principal ideological markers, including its conspiratorial conception of “cultural Marxism” and its fondness for Oswald Spengler.

In short, neoliberals had no small part in setting the stage for the recent eruption of regressive nationalism. By peddling ethnocentric, nationalistic, and xenophobic ideas they helped shift public opinion to the conservative right, rendering it ever more salonfähig. A good example of this process may be found in Dutch politics, where Islamophobia entered mainstream discourse largely due to the efforts of Frits Bolkestein, then the country’s leading neoliberal politician and author. Anticipating the Islamophobia of Pim Fortuyn and later Geert Wilders by about a decade, he claimed as early as 1991 that Islam is objectively speaking inferior to western culture. In so doing, he shifted the country’s national debate and gave xenophobia a gloss of legitimacy, setting the stage for his country’s sharp conservative turn in the new millennium.

Neoliberalism’s influence on the rise of conservatism is not exhausted by its ideological appeal, however. Think tanks are, after all, meant to direct policy, not just to elaborate an ideological doctrine. By way of example, let us consider Brexit. Indeed, the neoliberals’ impact on the “new right” is nowhere clearer than in the British hard right’s attempt to enforce a no-deal Brexit.

To begin, it’s worth noting that the Conservative Party’s most prominent cadre of Brexit-backing nationalists counts many explicit devotees of Hayek amongst its numbers, including Roger Scruton, Boris Johnson, Priti Patel, and Sajid Javid (who called Hayek a “legend” in a 2014 tweet). Jacob Rees-Mogg’s late father William was similarly an outspoken Hayekian, calling himself “an Austrian economist more than anything else” in a 2010 interview and adding for good measure that he “knew Friedrich von Hayek and liked him very much.”

But neoliberalism’s impact on Tory hard Brexiteers goes much further. Here again, the neoliberal network of think tanks takes centre stage. As research done by openDemocracy UK has demonstrated, the Conservative Party’s nationalist wing maintains very intimate ties with the Institute of Economic Affairs, which has lobbied extensively to broaden the appeal of a hard or even no-deal Brexit. Thus it maintains very close ties with the European Research Group (ERG), a group that represents the Party’s most extreme Eurosceptics, and has had the ear of Boris Johnson, Michael Gove, David Davis, and Jacob Rees-Mogg.

The IEA is but one of many neoliberal think tanks that are today advocating a hard Brexit. The same is true for, amongst other, the Adam Smith Institute, the Hayek Institut, the Austrian Economics Center, the Mises Institute, the Hoover Institute, the Cato Institute, and the Heritage Foundation. Whilst it’s not true that all of those who work for such institutes are Brexiteers—indeed, the Adam Smith Institute is very open about its internal dispute over Brexit—it certainly is the case that neoliberalism’s ideological vanguard is contributing significantly to the justification and rationalisation of a no-deal scenario.

All of these threads seem to converge in the figure of Steve Baker. Serving as Under-Secretary of State for Exiting the European Union from June 2017 until he resigned a year later over his disagreement with the government's stance on Brexit, Baker was one of his party's leading Eurosceptical voices well before that. In 2015, he co-founded the Conservatives for Britain campaign, which was instrumental in lobbying for a referendum on Britain's membership of the EU. What's more, he served as Chairman of the ERG between 2016 and 2018 and as Deputy Chairman since then. Baker is also a prominent figure in the world of neoliberal think tanks, having co-founded The Cobden Centre (TCC) in 2010 and served as its director until 2017. A self-declared Austrian-inspired think tank, TCC is co-directed by hard Brexiteer Daniel Hannan, routinely posts defences of a hard Brexit, hosts material by hard-line Brexiteers such as Nigel Farage, Douglas Carswell, Michael Tomlinson, and Baker himself, and has close links to a glut of other neoliberal, pro-Brexit think tanks.

There is ample evidence that what is often seen as the "new right" is in fact not all that different from its predecessor. Several decades of neoliberal hegemony have not just triggered a backlash by the conservative right. Rather, the conservative right is a mutation of neoliberalism, one of its many outgrowths. The left is ill served by the continued assumption that it's fighting a new enemy, for clearly neoliberalism is still very much with us.