Volume 22 Issue 56
Originally issued as C7



Global Journal of human-social science: C
Sociology & Culture
Volume 22 Issue 7 Version 1.0 Year 2022
Type: Double Blind Peer Reviewed International Research Journal
Publisher: Global Journals
Online ISSN: 2249-460X & Print ISSN: 0975-587X

Neoliberalism and Individualism: Theoretical Points

By Alessandro Andre Leme

Abstract- In this article, we propose to analyze[1] neoliberalism in its relationship with individualism, that is, we intend to show that both processes mark the same dynamics of societies and markets today. On the one hand, neoliberalism would be a structural process coercing actors and institutions, however, it would also mark a social dynamic where individuals themselves assume practices and guidelines for conducting their actions in the sense of valuing their own undertaking in the processes of social integration to markets. With this, we aim to show that in contemporary times, reflecting on and analyzing neoliberalism necessarily involves understanding the individualization processes characteristic of modern societies.

Keywords: *neoliberalism, individualism, social theory, sociology of development, sociology of economics.*

GJHSS-C Classification: *DDC Code: 305.520968 LCC Code: HN801.Z9*



Strictly as per the compliance and regulations of:



© 2022. Alessandro Andre Leme. This research/review article is distributed under the terms of the Attribution-NonCommercial-NoDerivatives 4.0 International (CC BY-NC-ND 4.0). You must give appropriate credit to authors and reference this article if parts of the article are reproduced in any manner. Applicable licensing terms are at https://creativecommons.org/licenses/by-nc-nd/4.0/.

Neoliberalism and Individualism: Theoretical Points

Alessandro Andre Leme

Abstract- In this article, we propose to analyze[1] neoliberalism in its relationship with individualism, that is, we intend to show that both processes mark the same dynamics of societies and markets today. On the one hand, neoliberalism would be a structural process coercing actors and institutions, however, it would also mark a social dynamic where individuals themselves assume practices and guidelines for conducting their actions in the sense of valuing their own undertaking in the processes of social integration to markets. With this, we aim to show that in contemporary times, reflecting on and analyzing neoliberalism necessarily involves understanding the individualization processes characteristic of modern societies.

Keywords: neoliberalism, individualism, social theory, sociology of development, sociology of economics.

I. Introduction or Notes of Research Problems

Questions about neoliberalism and individualism are general themes nowadays and are related to multiple aspects of social life, such as the idea of modernity, freedom, individualism, among others. But it is also linked to the need for change reforms in favor of a relationship of less State and more market, this relationship being mediated by individual actions in the social, economic, political, and cultural spheres.

Individualism as a process and concept can be traced back to the Renaissance in Europe, where some of the markers are the disintegration of the Medieval world, especially from the 14th century in the a) economic plan with the downfall of the feudal economy, of craft corporations, with the strengthening of market associations and urban organization principles; b) in the rebirth of commerce by the great navigations, mainly from the 16th century onwards; c) on the social plane, with the development of layers of merchants – "bourgeois"; decline of feudal nobility; and, d) political plan with the centralization of Power, the weakening of feudal lords, the decline of the Catholic Church and the Protestant Reforms.

There are still as markers of this process the formation of the first Urban University that present a vision centered on Scholasticism/Humanism and with a collective vision of Man/Individual Vision of Man.

The Renaissance, especially in Italy, already indicated a process of transition from medieval Theocentric culture to Renaissance anthropocentric culture (which also features in other European countries) with significant changes in trade, culture, and politics.

Some Renaissance characters in the arts, politics and science clearly demonstrate these processes of change, where the birth of individualism as a characteristic of modern man begins to emerge and develop in a very significant way.

From ITALY, we quote DANTE ALIGHIERI – 1265-1321, in the work DIVINA COMÉDIA, GIOVANNI BOCCACCIO – 1313-1375, in the work DECAMERON and LEONARDO DA VINCI – 1452-1519, in the multiple manifestations in painting, music, sculpture, architecture, in addition to acting as a philosopher and scientist and MACHIAVEL – 1469-1527 with the notions of science from the effective truth of things, not in their becoming, in what should be.

From the NETHERLANDS we quote ERASMO DE ROTTERDAM – 1469-1536, with the work ELOGIO A MADURA. From SPAIN we quote MIGUEL DE CERVANTES – 1547-1616, with the work DOM QUIXOTE. From PORTUGAL, we quote LUÍS DE CAMÕES – 1525-1580, with the work OS LUSÍADAS. From ENGLAND we quote THOMAS MORE - 1478-1535 with the work UTOPIA and WILLIAM SHAKESPEARE - 1473-1543, as POET and THEATROLOGIST important in the construction of the notion of free, skeptical, and disillusioned individual, in addition to the condemnation of abuses of Power and oppression at the time.

To complete the quotes, but not to exhaust the authors, we quote NICOLAU COPERNICO – 1473-1543 with the HELIOCENTRIC THEORY: earth is not the center of the universe and GALILEO GALILEI – 1564-1642 with the narrative that the earth revolved around the sun and not its reverse.

What all these authors have in common is the presentation, representation, idealization, or even contradiction from the economic, social, political, and cultural transformations that increasingly marked a rational and individualistic world. These characteristics would be expanded from the seventeenth century revolutions (industrial and political) marking the consolidation of modernity as a regulatory and organizing process of life in its social, economic, political, and cultural aspects.

On the other hand, the theme of neoliberalism somehow derives from the birth of classical political economy and the affirmation of liberalism as a theoretical and practical form that allows for synchrony for the economic transformation of nations, defining the boundaries of political-institutional interconnection with

Author: e-mail: alessandro_leme@id.uff.br

[1] This work was supported by the Carlos Chagas Filho Foundation for Research Support of the State of Rio de Janeiro - FAPERJ (Grant: SCIENTISTS OF OUR STATE PROGRAM - PROCESS No. E-26/200. 800/2021)

© 2022 Global Journals

functions of the State, demarcating a unique historical moment of capitalism (in the intensity of accumulation) that is the basis for a "renaissance" in current times.

Which in turn is marked by Rationalism and the Enlightenment - as an offshoot of philosophical speculations, having (or feeling) the influence of the development of natural sciences and the impact they engendered on human knowledge in general, systematic observation and experimentation for the understanding of nature and the human body. The mechanical and physiological analogies then unfolded to economics. These are just some of the transpositions of the so-called natural sciences to the understanding of social and human phenomena.

Although this analogy currently seems to be a scientific redirection, it must be recognized that the transformation of the human cosmos into an object of systematic investigation was not something restricted to economics, but also a movement that reached political and moral philosophy, prompting only changes in the current membership. In the philosophy of law, for example, such a movement was characterized by natural law.

In this historical period (17th and 18th centuries), it can be said that the express notion of market is not only linked to technical factors, but rather referring to a whole problem of implicit formulation of another social and political regulation, inciting the more accentuated development of the productive forces. The social and economic ascent of the bourgeoisie is also a favorable circumstance for the demand for emancipation from economic activity in relation to morality. Thus, it appears that there are attempts to answer and solve problems that have not been solved by political theorists of the social contract.

Classical economics, born at the same time and whose exponent was Adam Smith, would present itself closely linked to the precepts of classical liberalism and natural law philosophy. Smith's propositions in "The Wealth of Nations" intended to seek social and political-economic legitimacy for the defense of economic liberalism and to guarantee an environment of free competition between capitals. Any determinant of national economic policy that impedes free competition must be refuted.

Smith aimed, with this work, to understand what factors would determine the increase in the wealth of nations. In this sense, the author both breaks with an explanation centered on circulation proposed by mercantilists, as well as determined by the production sector (agriculture), as listed by physiocrats to propose an economic theory centered on social aspects of production, that is, wealth of the nations would be founded on the foundations of men's own work[2]

From this narrative, we can understand the theme of contemporary neoliberalism through two general conceptions, even though each contains different theories and interpretations. Firstly, would be to link neoliberalism as a return, albeit modified and adapted to the contemporary processes and transformations of the ideas of economic liberalism, where the main agent of social and economic regulation would be the market, via individualistic and selfish action of individuals in the economy and in social life in general. This process would go through the construction of economic liberalism, mainly from the influence of Locke and Smith, through Marxian criticism, socialists and anarchists in the nineteenth century, the counteroffensive of marginalists in the late nineteenth century, among them, the Englishman Stanley Jevons and the French Leon Walras who present a new theoretical explanation has to be added to an understanding of the natural sciences to establish general laws in which the "things of the universe" would be subject to "harmony" and/or "balance". In the 20th century, the 1929 crisis, the rise and influence of Keynes (mainly) ended up producing, albeit indirectly, a critique of the idea of the free market. And it is in the context of political economy, as a response and criticism to the Marxists and the Keynesian model that authors from the so-called Vienna circle produce a critique of any model of economic regulation centered on the performance of the State as a planning agent and/or even investor in social and economic spheres, we quote here authors of the so-called Austrian and North American School, we highlight here Ludwig Heinrich Edler von Mises, Friedrich August von Hayek and Milton Friedman. In this first perspective, in general, the space of political economy is valued, that is, it is understood that neoliberalism would be linked to transformations in the State and in the market in order to maximize the performance of the market in favor of a reduction in the performance of the State in economics, this is because it is understood that the market would be a more rational space and a better allocator of resources, thus promoting gains both for individuals and for the whole community.

Secondly is part of the debate about how neoliberalism is less a structural process, as promoted by the first approach, and more a cultural process, of subjectivity of individuals, that is, the manner, behaviors and daily social practices of the individuals reproduce the general and specific mechanisms of the characterizing aspects of neoliberalism. In other words, neoliberalism would be a power system that oppresses

[2] Smith's conception of work is closely associated with the notion of individual freedom, thus focusing on objectively human and social issues of labor marked by a greater or lesser division of labor.

© 2022 Global Journals

individuals and dominates and at the same time destroys the foundations of the rule of law, consequently, negatively affecting democracy. Here we quote Pierre Dardot and Christian Laval with their book *La nouvelle raison du monde*, 2009.

Both approaches end up writing about contemporary capitalism, and even though they position the analysis in apparently opposite perspectives, both produce ideas that link neoliberalism to forms of rationality and control in the global sphere, acting in an oppressive way on individuals and on the State. In this sense, in our view, the approaches would not be in dispute with each other, but would be complementary and integrated into the possibility of critique of neoliberalism, whether from the perspective of changes in the market, in the State or even in individuals. Once again, it seems more interesting to deal with the theme and issue of neoliberalism, valuing both structural and dynamic aspects centered on action, while neoliberalism is perceived as a global and synchronous movement between pressures and changes in the realm of state and of the daily practices of individuals.

II. Neoliberalism as a Sociological Inquiry

The radical changes that have taken place in the political, ideological, and economic fields, arising from the re-emergence of neoliberal ideas in the last 20 years, which, in turn, had decisive impacts in the world sphere. To analyze such impacts, we suppose that a historical characterization of the main political-economic proposals that this ideology carries is necessary, as well as an understanding of how it enters Latin America.

Only in this way do we understand that it is possible to verify the extent to which the globalization[3] process served as a privileged diffuser (simultaneous and synchronic) of neoliberal ideas across different countries.

It is not the intention and/or focus of this paper to discuss and analyze, with due depth, the links between classical economic liberalism and recent propositions categorically named by neoliberals, but only to point out what both are inspired by the reforms that have taken place in the global sphere. in the last 20 years, particularly in Brazil, a historical contextualization of some theoretical propositions that guided the way of thinking and understanding social relations in the political-institutional field at the end of the 20th century and beginning of the 21st century, in Brazil and elsewhere of the world.

The beginning of classical political economy and the affirmation of liberalism as a theoretical and practical way of allowing for the economic transformation of nations, defining the boundaries of political-institutional interconnection with the functions of the State, marks a unique historical moment of the capitalism (in the intensity of accumulation) which is the basis for a "renaissance" in current times.

Classical political economy as a field of knowledge aimed at understanding a new mode of production and organization of economies, markets (commercial life) and incipient exchanges with the emergence of capitalism stems from three favorable historical elements: the philosophical roots in which sits down; current issues of commercial life and political liberalism (Coutinho, 1993).

The first element – marked by Rationalism and the Enlightenment – is an unfolding of philosophical speculations, having (or feeling) the influence of the development of natural sciences and the impact they engendered on human knowledge in general, systematic observation and experimentation for the understanding of nature and the human body. The mechanical and physiological analogies then unfolded to economics. These are just some of the transpositions of the so-called natural sciences to the understanding of social and human phenomena.

Although this analogy currently seems to be a scientific redirection, it must be recognized that the transformation of the human cosmos into an object of systematic investigation was not something restricted to economics, but also a movement that reached political and moral philosophy, prompting only changes in the current membership. In the philosophy of law, for example, such a movement was characterized by natural law.

Natural naturalism could be synthesized as the primacy of reason, that is, "a construction of a rational ethics definitively separated from theology and capable, by itself, precisely because it is finally founded on a rational analysis and critique of the fundamentals, to guarantee the universality of the fundamentals. principles of human conduct" (Coutinho, 1993:24). It is through the debates contained in natural law that the conception of the formation of a political society, the State, and the legitimacy of power in the opposition between civil society and the state of nature are based.

In this historical period (17th and 18th centuries), it can be said that the express notion of market is not only linked to technical factors, but rather referring to a whole problem of implicit formulation of another social and political regulation, inciting the more accentuated development of the productive forces. The social and economic ascent of the bourgeoisie is also a favorable circumstance for the demand for emancipation from economic activity in relation to morality. With this, it appears that there are attempts to answer and solve problems that have not been solved

[3] Globalization, understood here as a historically determined sociological concept. To this end, we will work with several authors within the social sciences who have made and/or are still making efforts to understand this concept.

© 2022 Global Journals

by political theorists of the social contract (Rosanvallon, 2002).

Classical economics, born at the same time and whose exponent was Adam Smith, would present itself closely linked to the precepts of classical liberalism and jusnaturalist philosophy.

Smith's propositions in “The Wealth of Nations” intended to seek social and political-economic legitimacy for the defense of economic liberalism and to guarantee an environment of free competition between capitals. Any determinant of national economic policy that impedes free competition must be refuted.

Smith aimed with this work, the understanding about which factors would determine the increase of wealth of nations. In this sense, the author both breaks with an explanation centered on circulation proposed by the mercantilists as well as determined by the production sector (agriculture) as listed by the physiocrats to propose an economic theory centered on social aspects of production, that is, the wealth of nations it would rest on the foundations of men's own work (Smith, 1998).

This postulate is presented as an objective science of material wealth, that is, a field of conciliation between the individual search for benefit and the opulence of society and the State.

Thus, when individuals sought the most profitable investment opportunities for themselves, it is because these would also be the most productive for the community. The individual would be led by an “invisible hand” that would aim to promote a result that, although it was not in its intention, would lead the nation towards wealth and prosperity.

Based on the above propositions, there is evidence that when theorizing about this new exchange relationship existing between individuals, whose primacy of the market is evident, leads us to an exposition based on the discourse that it would only be through the "Invisible hand", that is, neutrality par excellence. In the idea of the absence of intentionality aimed at Social Welfare, but rather a result of individualized actions that would generate it consequently, a mode of abstract regulation would be established, however, holder of objective 'laws' in the context of relations between individuals although they did not prescribe any relationship of subordination or command (Rosanvallon, 2002).

Secondly element, characterized by the practical issues of economic life, that is, commerce and day-to-day business, were also closely linked through the links between economic thought and everyday commercial life to philosophy and economic theory. They were businessmen willing to apprehend and use the knowledge acquired in commercial practice as well as in the defense of a broader economic policy (Coutinho, 1993). Some of the representatives are Child, Barbon, Petty and Mun among others.

Finally, the third element was political liberalism associated with classical political economy and liberalism in the economic praxis of commercial agents at the time. It not only adds an ideological “look” to the former, but also presents itself as a founding institutional part for them. One of its basic presuppositions was the constitution of norms that allowed the functioning of this new economic order, that is, it would not be established without the intention of the State.

Economic liberalism extrapolates the reductionist vision of previous mercantile societies by moving to a logic of individual action based on instincts, passions and the calculation of accumulation, differentiating itself from the ethics/rituals prevailing in the Middle Ages (such as workshops, their masters and apprentices constituting masterpieces) and generated the imperative of economic action which in turn was not made “masterpieces”, but goods (and the value contained in their production process) and sought to optimize their production.

The notion of private property systems remains if, over art, monetary gain prevailed (illustrative of this, the bourgeois/patron who makes himself portray canvases counting the money saved).

It is on this impulse that classical political economy legitimizes itself as a 'scientific' (adequate) way to reflect on a changing material and economic reality, whose priority purpose is the treatment of private wealth and the consideration of society as an entity with changing and growing needs, aimed at obtaining material comfort and spiritual satisfaction.

This process of "naturalization" of economic relations through the above logics, where "externalities" and "naturalities" appear, which are added by historical, political, and institutional variables whose results are different from Social Welfare, when the market shows its “invisible foot” (Hunt and Sherman, 1978). A new theoretical explanation must be added to an understanding of the natural sciences to establish general laws in which “things in the universe” would be subject to “harmony” and/or “balance”. In this sense, neoclassical economics emerges, having, among others, the Englishman Stanley Jevons, and the Frenchman Leon Walras as its main exponents.

Jevons, for defining economics as the “mechanics of utility and individual interest”; Walras, by the connection that the market would be organized and balanced by individuals who would contribute autonomously, is indicated both in the process of formation of offers and global demands, that is, it would result in a system of "pure and perfect competition" whose natural adjustment of the atomistic relationships existing between individuals would corroborate for an adjustment in the market which, in turn, would determine a situation of return to the “general equilibrium” imposed on each and every one (Passet, 2002).

© 2022 Global Journals

According to such propositions, once “natural” economic laws were lacking, the State should strive to preserve them. When thinking about the existence of natural laws in association with the understanding of a state inseparable from political societies, it can be deduced that the State would circumstantially come to be seen, therefore, as an institutional form that maintains the conditions of freedom and progress; however, it can never legislate against the interests of the market and, therefore, against the individual freedoms of capitalists. In this perspective, both the notion of a representative State and that of the market would be the essential factors for guaranteeing the freedom of individuals and, at the same time, they would also emancipate themselves from personal powers, as they would be settled under two impersonal conditions.

For Jevons and Walras, the State would have the function of finding and proposing a “safety net” that would be oriented towards the return of “balance” until natural laws could operate without such support. The free market, liberty, private property, and life are fundamental factors that the State should guarantee.

The exercise of freedom proposed by neoclassical theorists, in corroboration with classical liberals, presupposes certain conditions (objective and subjective), without which it would take place at a precarious and minimal level, which, in turn, would end up losing its "humanizing effectiveness" (Mance, 1995).

In the guarantee of private property and the freedom of men (especially capitalists), it would be natural rights that should be guaranteed by the State at any cost, even in adverse circumstances. While for classical liberals the role of the State is based on national defense (from which international exchanges permeate) and on the production of currency, the neoclassicals bring to light new conceptions of state "duties", among which, the establishment of subsidy policies in case of loss of circumstantial intersectoral competitiveness, such as, for example, in the extraction of steel, aluminum, among others.

The neoliberal proposals of the II Industrial Revolution aim to respond mainly to the Great Depression of the late 1920s, with Keynes as its main successor. Even though Keynes is in support of the fundamental precepts of capitalism, namely, strategies for maintaining private property and capital accumulation, that is, the pursuit of the status quo of neoliberalism, it is based on the overcoming of economic and social precepts by a proposition on which the Welfare State is based a posteriori.

The historical framework of the emergence of the Welfare State basically emerged from three great facts, namely: firstly, by the Great Depression, a collapse of the strong economies based on the free market; secondly, the Soviet economy was experiencing some success in a centralized and planned model of direct state control over the economy and politics, engendering a relatively successful industrialization process and, last but not least, the ascension process of fascist and Nazi regimes radically centered against economic liberalism.

The Keynesianism that guided it emerged as an alternative both to the socialist “threat” and to Nazi-fascism, and at the same time aimed at providing a response to the economic crises of liberalism at the time.

The Welfare State was a historical form of reconciliation between the market economy, that is, with the affirmation of the principles of accumulation and private property, with the Democracy that was lacking in real socialism as well as in the Nazi-fascist, in short, authoritarian regimes and/or totalitarian. The market as a self-regulating agent will tend to provide inequality between individuals. However, democratic institutions will pair all individuals, from a political point of view all individuals are considered citizens and, through citizenship, they are equal, Marcus André (1997).

There are three fundamental principles of the Welfare State, namely: social security (it is a support to the worker in case something unforeseen occurs, and he temporarily or definitively loses his capacity to generate income); the expansion of employment and income opportunities – guaranteeing full employment –, which would generate the so-called Effective Demand and, finally, the expansion of social policies, in short, redistributive and compensatory policies, which aim to minimize social inequalities.

These three principles, together, should institute the so-called “social citizenship” which, for Marshall, would be expressed in acquired rights and would correspond to a minimum social standard that the Modern State should ensure to its citizens. "Social citizenship" would be the ethical principle, so to speak, and organizer of the Welfare State, which, in institutional terms would imply a great integration of interests between collective actors, such as public bureaucracies, workers organized in unions, parties strong politicians and capital holders, thus placing the State, capital and workers in dialogue, which is the main tripod of support and debate of the Welfare State (Claus Offe, 1984).

The Welfare State can be understood from a perspective of the public sphere where, based on universal and agreed-upon rules in different ways, it came to be seen as a fundamental assumption for the financing of capital accumulation on the one hand and, on the other, financing the reproduction of the workforce, reaching the entire population globally through social spending (Oliveira, 1998).

For nearly 50 years, the Welfare State reigned supreme. However, in the mid-1970s, some signs began to appear that showed a certain exhaustion of the same. The new wave of economic recession and growth deceleration was combined with the fiscal crisis experienced by the States. With this, there is ground for

© 2022 Global Journals

the re-emergence of new theorists rooted in liberal currents who would claim economic liberalism for themselves as the "only" alternative for the State to overcome the crisis that has been introduced practically all over the world.

It is this new (old) liberalizing ideal that appears as the (only) solution to the economic crisis. Hence, the theoretical rise of a monetarism as the new face of the neoclassicals.

This monetarism is directly opposed to the previous trend, prevailing between the end of World War II and the mid-1970s, of a progressive increase in government intervention in capitalist economies, because of the adoption of Keynesian economic policies and social policies aimed at socialization consumption and full employment, embodied in the so-called Welfare State. Both Hayek and Friedman associated the market with freedom, and the State with coercion, and it is based on these associations that they will reflect and produce their respective theories.

Although they recognize that public investment can generate macroeconomic benefits in cyclical recessions, for both, the long-term trend of growth in regulation and State intervention in economic activity could cause a progressive increase in the tax burden, an increase in the deficit inflation and economic slowdown, all harmful to full accumulation.

The monetarists, current with a strong neoclassical bias, will defend the return of the free market within a system of "natural freedoms", once again resuming many of Smith's conceptions of political economy and Walras' economic orthodoxy. For them, the State would have the role of arbiter and not of player, yet it should guarantee and ensure the rules of the game, since these could not be under the tutelage of individuals in the free market under increasingly multilateral and transnationalized exchanges.

In a stricter proposition, Friedman deals with three basic and essential obligations for the "proper functioning" of the "natural freedoms" and economic efficiency of governments (bureaucratic representatives of the State), namely:

a) Protect society from violence or the possibility of invasion by other independent societies.
b) Ensure internal cohesion and;
c) Carry out and maintain some public works that, being essential to guarantee an improvement in the quality of life of the population, would not attract direct investment.

Milton Friedman and Friedrich Hayek are just some of the representatives who took on the responsibility and demand of economic liberalism. Faced with such a feat, they again introduce into the intellectual/academic and practical scenario the belief in the existence of an "invisible hand" that would exercise the regulation of men's actions and the constant search for balance in the Market.

When rethinking the free market, Friedman develops a dualistic and at first contradictory conception between political factors (present in the notion of State) and extra-political factors (present in the notion of Market). Friedman develops this theory throughout his intellectual career; however, we can evidence these propositions in 'Freedom to choose' and 'Capitalism and freedom', both classic texts by the author.

Hayek is also an advocate of liberal precepts of how economics and politics work within market mechanisms. Hayek's reverberations are aimed immediately and initially at criticism of the British Labor Party, which would run for general elections in 1945 under the Social Democratic umbrella. For Hayek, Social Democracy, even being the bearer of good intentions, would end up historically engendering the same disaster as German Nazism, that is, it would be a kind of modern servitude (Anderson, 1995).

For both Friedman and Hayek, one of the main pillars supporting the neoliberal ideal would be the notion of freedom and the market. The first, for being an inherent and essential characteristic that should be guaranteed to all individuals, and the second, for being the natural space through which individual freedoms would occur and tend to balance. For these two characteristics to be effective, the State should neither influence nor intervene in the market game.

Such ideas did not have a marked influence on the governments of capitalist countries before the chronic crisis manifestations of the Keynesian model of the Welfare State, which began to manifest itself in the mid-1970s, being boosted by the second oil shock. The crisis, from the perspective of multilateral agencies, such as the IMF, would be the result of the excessive power of the unions, which would press for increasing social spending by the State, and increased taxation on private capital, both facts seen as generators of inflation and low economic growth.

This "new" paradigm began to form and establish itself politically in the 1980s, with the "neo-conservative" governments of Reagan, in the USA, and, above all, that of Margareth Thatcher, in England. Both tried to expand the implementation of neoliberal proposals with an active policy of combating the power of unions (through reforms in union and labor legislation), generating the so-called "flexibility" of markets and the labor contract, and the renunciation of the ideal of full employment, which was once central to Keynesian thought.

From the first effects – seen as successful – of such governments, they started to be seen as milestones in the implementation of neoliberal policies in other countries, such as, for example, in Latin America,

© 2022 Global Journals

with relative prominence in the case of Argentina. An incipient experience of such economic policies can be historically dated back to the 1970s with the Pinochet government in Chile, still under an authoritarian regime.

The relative economic success that also began to appear in these South American countries under the auspices of multilateral organizations and in response to the state's fiscal crisis contributed to its propagation, for example, to Brazil in the Collor era (1990/92).

In this government, reforms were started that imposed the deregulation and privatization of sectors, all of which, until then, were strategic for national economic sovereignty (such as steel, energy, telecommunications, steel, among others). Investment channels were opened that allowed for the breaking up or "flexibility" of former state monopolies, the unbundling and decentralization of management, the elimination of subsidies and the liberalization of the tariff policy. These measures, more visible in the era of the Fernando Henrique Cardoso government, resulted in, among others:

a) The increase in foreign investment in production linked to capital transfers not only to increase production capacity or improve the quality of services, but to obtain shareholding control in companies, however mixed;
b) The increase in tariffs for public services that were privatized;
c) Disinvestment in areas of lower profitability, due to lack of private interest and disengagement from the State, that is, a social protection network subordinated to the dictates of the market;
d) The complex structure, but not integrated, regarding the specific legislation of such sectors, including the suggested regulatory agencies.

The "liberalization of the economy", with the modernization and greater opening of the financial sector and the privatization of productive sectors previously considered strategic, among others, coincided with the announcement of a new policy to reduce public spending to balance the budget and/ or for the destination of payment of debt services. Throughout this paper, we will see that such aspiration or result was not achieved as intended. On the contrary, the internal and external deficits rose in a way (now understood by specialists) as almost unsustainable, that is, the prelude to a serious economic crisis (Casanova, 1997).

Neoliberalism, in this new form in which it appears, presents the fable of the "only possible way" for economic history to happen (not for nothing, Fukuyama had talked about the "End of History") and, however, it should not be lost sight of that neoliberalism and the globalization process (as conveyed by hegemonic discourses) would be constituent parts of this same "fable".

Finally, the attempt to define what this so-called Neoliberalism would be was not such a simple task, as it is a concept constituted with a prefix "neo" whose intention is to give it a new meaning. At the same time, maintaining similarities with concepts created and verified in the past also brings us some comprehension problems.

In this sense, we prefer, even before defining neoliberalism, to present in a historical way some of the basic and essential presuppositions of political and economic liberalism and, from there, to demonstrate what remained as the logic of action and what was changed. Basically, it was possible to verify that neoliberalism took upon itself the proposition of reformulating the functions of the State, rescuing the idea of a Minimum State and a free market, from which, implicitly, the notion of a tendency to equilibrium is contained. The market as a space for the production and reproduction of capital without the political interference of the State, that is, as a space of neutrality or extra-political par excellence.

Another factor that ended up helping to convey these neoliberal precepts was the globalization process. Not that globalization should be seen as an almost autonomous and independent entity, but rather seen as a historical process of production and reproduction of capital in a combined and unequal way that, while aiming to integrate, also highlights differences, whether they are cultural, social, political, economic, and spiritual between the countries of the North and the South.

Globalization, seen as a historically determined process, should not be seen as definitive and even less as a fully constituted phenomenon. On the other hand, it can be said that through it many evidence was raised so that political leaders in Brazil could agree with the actors and hegemonic groups of Brazilian society, to incorporate the reforms carried out by it, among them, the privatization of infrastructure sectors, for example.

References Références Referencias

1. ARBIX, G. (2002) *Da liberalização cega dos anos 90 à construção estratégica do desenvolvimento.* Tempo Social; Ver. Sociol. USP, São Paulo, 14 (1): 1-17, maio.
2. AYERBE, L. F. (1998) *Neoliberalismo e política externa na américa latina.* São Paulo: Fundação Editora da Unesp.
3. BATISTA, P. N. (1994) O Consenso de Washington: a visão neoliberal dos problemas latino-americanos. In: *Em defesa do interesse nacional*. Rio de Janeiro: Paz e Terra.
4. BELLUZZO, Luiz Gonzaga de Mello. (1998) *Valor e capitalismo: um ensaio sobre a economia política*. Campinas, SP: Unicamp. IE.
5. CANO, W. (2000) *Soberania e Política Econômica na América Latina*. São Paulo. Editora UNESP.

© 2022 Global Journals

6. CASANOVA, P.G. (1997) Globalidade, neoliberalismo e democracia. In: *A sociologia no horizonte do século XXI.* São Paulo: Boitempo Editorial.
7. CEPAL (Comisión Econômica para América Latina y el Caribe) (2002) *Globalización y desarrollo*. Edición de Mayo de 2002, Santiago de Chile.
8. CHESNAIS, François. (coord.). (1998) *A Mundialização Financeira: gênese, custos e riscos.* São Paulo: Editora Xamã.
9. COUTINHO, M. (1993) C. *Lições de economia política clássica*. São Paulo. Editora Hucitec.
10. DOWBOR, L (2000a) *Capitalismo: novas dinâmicas, outros conceitos.* São Paulo, junho (www.ppbr.com/ld)
11. DOWBOR, L (2000b) *Neoliberalismo Brasileiro e seus mentores*. (www.ppbr.com/ld.)
12. DOWBOR, L. (1995) *Da Globalização ao Poder local – a nova hierarquia dos espaços*. São Paulo em Perspectiva, 9 (3).
13. FIORI, J. L. (1995) *Em busca do dissenso perdido: ensaios críticos sobre a festejada crise do estado*. Rio de Janeiro: Insight, 1995.
14. FRIEDMAN, M. (1984) *Capitalismo e Liberdade*. São Paulo: Abril Cultural (Coleção Os Economistas).
15. GIDDENS, Anthony. (2003) *A Constituição da Sociedade*. São Paulo: Martins Fontes.
16. GIDDENS, Anthony. (2001) O Estado-Nação e a Violência. São Paulo, Editora da Universidade de São Paulo.
17. HUNT, E. K.; SHERMAN, Howard. (1997) *História do pensamento econômico*. Petrópolis, RJ: Vozes.
18. IANNI, (1997) O. *A era do Globalismo*. 3ed. Rio de Janeiro. Civilização Brasileira.
19. IANNI, O. (1986) *Estado e Planejamento Econômico no Brasil.* RJ: Editora Civilização Brasileira, 1986.
20. IANNI, O. (1995) *Teoria da Globalização*. 2ºed. Rio de Janeiro. Civilização Brasileira, 1995.
21. JEVONS, W. Stanley. (1996) A teoria da economia política. *Tradução de* Cláudia Laversveiler de Morais. Coleção Os Economistas. Editora Nova Cultural: São Paulo.
22. KALECKI, Michal. (1996) Teoria da dinâmica econômica: ensaio sobre as mudanças cíclicas e a longo prazo da economia capitalista. Tradução de Paulo de Almeida. Coleção Os Economistas. Editora Nova Cultural: São Paulo, 1996.
23. MARSHALL, T.H. (1967) *Cidadania, classe social e status.* Rio de Janeiro: Zahar Editores, 1967.
24. MARX, Karl. (1991) *Manuscritos económico-filosóficos.* São Paulo: Nova Cultural, (Coleção Os Pensadores).
25. MARX, Karl. (1988) O capital, (Livro I, volume I). SP: Nova Cultural.
26. MAZZUCCHELLI, Frederico. (1985) *A contradição em processo: o capitalismo e suas crises*. São Paulo: Brasiliense.
27. MAZZUCCHELLI, Frederico. (2003) *Maria da Conceição Tavares e o Pensamento Econômico*.
28. MORAES, Reginaldo Corrêa. (1999) O Liberalismo revisitado (I): os limites da democracia. *Textos Didáticos*, IFCH/UNICAMP, fevereiro.
29. OLIVEIRA, F. (1998) *Os direitos do antivalor: a economia política da hegemonia imperfeita*. Petrópolis, RJ: Vozes.
30. PASSET, R. (2002) *A ilusão neoliberal*. Rio de Janeiro: Editora Record.
31. POULANTZAS, Nicos. (1980) *O Estado, o poder, o socialismo*. Rio de Janeiro: Edições Graal.
32. ROSANVALLON, P. (2002) *O liberalismo econômico: história da idéia de mercado*. Bauru, SP: EDUSC.
33. SANTOS, W. G. (1978) *Ordem burguesa e liberalismo político.* São Paulo: Duas Cidades.
34. SCHUMPETER, Joseph. (1984) *Capitalismo, Socialismo e Democracia*. Rio de Janeiro: Zahar.
35. SMITH, Adam. (1998) *A riqueza das nações*, (Volume I). São Paulo: Nova Cultural.
36. SOUSA SANTOS, B. (1997) *Pela mão de Alice: o social e o político na pós-modernidade.* São Paulo: Cortez.
37. TILLY, Charles. (1994) *Coercion, capital, and european states*, Cambridge-Oxford, Blackwell.
38. WALLERSTEIN, Immanuel Maurice. (1984) *The politics of the world-economy*. Cambridge University Press.
39. ZORRILLA, Ruben Hector. (1988) Origen y formación de la sociedad moderna: historia social de accidente. Argentina, El Ateneo.

© 2022 Global Journals