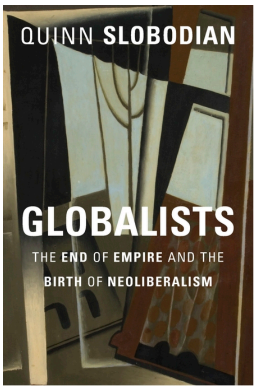
Globalists vs. Internationalists

written by Ayan Meer | August 24, 2018

Quinn Slobodian. *Globalists: The End of Empire and the Birth of Neoliberalism.* Harvard University Press, 2018. 381pp.



Neoliberalism is dead, if it ever existed at all. Centrists and so-called moderates dismiss it as nothing more than a slur bandied around by leftists. On the left on the other hand, neoliberalism is at times portrayed as mere free market fundamentalism, or simply as a return to capitalism as it was intended, before the post-war social democratic hiatus. Thatcher and Reagan, the thinking goes, along with Milton Friedman and his "Chicago Boys", wanted to unleash the full power of free markets' self-regulating force.

These stories have had a long life, but they might be misleading caricatures, or at best tell only a very partial story, as Quinn Slobodian's sweeping intellectual history of neoliberalism illustrates. *Globalists* is the work of an historian that relishes the opportunity to excavate, like an archaeologist, the fossils of an idea. In this genealogy of neoliberalism, a sweeping travelogue meandering through European intellectual history from the interwar period onwards, the roots are not to be found in a resurgent West's fear of Soviet Communism during the Cold War, claims Slobodian, but rather in the more gentile central Europe of the late 1920s. The Austro-Hungarian empire has collapsed, and in a continent of new nations, a group of economists sees in this "world of walls" a menace to an international market that should lead to convergence across nations. Always the magnanimous one, economist Ludwig von Mises envisions, as recounted in the book, a world in which European workers earn less, but also in which "Hindus and coolies" would earn more.

Slobodian defines neoliberalism as an ideology devoted to finding extra-economic ways to protect the global economic order, to *encase*—rather than to unleash—market dogmas in a solid international institutional and juridical edifice. They formulate the idea that the realm of *dominium*, property rights, should be more important than *imperium*—a country's sovereignty. Governments should act as gardeners, Hayek would write, tending to the flows of capital and trade, keeping the environment ideal for markets to thrive. Hayek's garden would be protected by regulating structures, "establishments which are the result of human action, but not the execution of any human design", in the words of 18th century philosopher Adam Ferguson. Scholars of neoliberalism, from Michel Foucault to Loïc Wacquant, had long understood that it operated as a reconfiguration—rather than a retreat—of the state. Slobodian's book however adds a historical perspective, detailing how this ideological battle was waged through a clear strategy of lobbying in international institutional settings, pushing newly decolonized countries to relinquish economic nationalism, "kicking away the ladder" that had allowed the West to develop. One of the more interesting conceptualizations Slobodian credits to neoliberals in his book is the notion of "*xenos* rights" of capital, namely the "rights to safe passage and unmolested ownership of their property and capital, regardless of the territory."

The term “neoliberalism” itself was coined through much debate at the Walter Lippmann Colloqium, organized in Paris in 1938, and it might have been helpful for readers of Slobodian’s book to learn more about one of the conveners, philosopher Louis Rougier, if only because his perspective is central to understanding the Franco-German roots of neoliberalism. At the heart of his thought and of that 1938 meeting is the idea that laissez-faire economics—i.e. Manchester Liberalism—and *planisme* were two sides of the same medal: “mystical doctrines”, as he would define them. Channeling ordoliberals, Rougier would write that “constructive liberalism implies a juridical order in which free competition would be enshrined, a juridical order in which the formation of trusts would become impossible, just as much as trade union tyranny, which imposes employment and salary conditions contrary to the balance of the labor market.” Rougier’s intellectual history almost mirrors Wilhelm Röpke’s, to whom Slobodian dedicates many pages. Röpke, a committed culturalist and racist, supported apartheid South Africa in the name of his belief in the fundamental difference between races, and the superiority of European civilization (sic) over Africans. Rougier collaborated with the Vichy regime during World War II, reason for which he would be barred from attending the first meeting of the Société du Mont Pélerin—founded by Röpke and Hayek—in 1947. He would later join in the 1970s Alain de Benoist’s GRECE, a neo-fascist and culturalist European group of intellectuals, to whom our contemporary nativist right owes a significant intellectual debt.

The trajectories of people like Röpke and Rougier hint to an unresolved tension amongst neoliberals, and one that Slobodian does not linger on enough, arguably. How come people that share a similar vision of the global economy—across a similar spectrum, at the very least—differ so much in their view of the world? How can neoliberalism make room for both Wilhelm Röpke and someone like Pascal Lamy, director-general of the WTO from 2005 to 2013, and who could not even remotely be suspected of harboring racial supremacist ideas? How come amongst neoliberals, equally committed to a free and encased global market, some are so attached to national sovereignty, like Brexit ideologue Douglas Carswell or Alternative for Germany’s Alice Weidel, while others, like European Union MP Guy Verhofstadt or philanthro-capitalist George Soros long for a post-national world? Perhaps an answer to this question also lies in the evolution of neoliberalism in Europe.

In Slobodian’s book in fact, neoliberals appear as somewhat uninterested in liberal democracy. Their main concern is the defense and securing of *dominium* rights over the fluctuations of politics played out on national stages. However, for a particular school of neoliberalism emerging in France, liberal democracy appears quite clearly as the condition of realization of a free market economy. They could be labeled the “idealist” branch of neoliberalism, covering their economic ideology with a veneer of high-minded liberal values. The Fondation Saint-Simon, a think tank started around historian Pierre Rosanvallon and economist Alain Minc in 1981 illustrated this evolution. Minc would coin the term of “circle of reason” to describe themselves, and more broadly the neoliberals across the right and left that were committed to their agenda. In recent years, this distinction between French and German ordoliberalism was seen in the EU’s reaction to the Greek government’s resistance in 2015. For both Emmanuel Macron and Wolfgang Schaüble, respectively finance ministers of France and Germany at the time, the outcome of the crisis would have been the same from the start: the submission of Greece to EU’s supra-national rules. Whereas Schaüble took the part of the bad cop, proudly showcasing his ordo-intransigence, Macron could play the good cop, covering the submission and impoverishment of the Greeks in the honey-tongued language of European liberal values. “We cannot let elections affect economic policy”, Schaüble would tell Greek finance minister Yanis Varoufakis during their first Eurogroup meeting, channeling the book’s cast of characters.

By situating the neoliberal movement as a globalist one, intent on creating a fully integrated world economy shielded from political change, one can see through Slobodian’s book the specter of the nativist backlash we have witnessed in recent years. Far-right movements have rebranded themselves as those more likely to protect people from the globalists—those that break walls and

want to bring to the West "the standards of life of Hindus and coolies", to circle back to Mises' earlier words. Neoliberal globalists are coherent, claim the Steve Bannons and Marine Le Pens of the world: they want *xenos* rights of capital, which impoverish national economies; they also defend *xenos* rights of immigrants, who change national cultures and replace native populations (sic). The populist right contrasts to that a return to idealized national economies of the past, a shattering of the international juridical apparatuses encasing global market flows, to protect people from globalization. There is an apparent pernicious coherence in their reasoning.

Although the author does not enter into contemporary political debates, his book can be read as a defense of the nation against neoliberal policies. If neoliberalism places *dominium* rights over *imperium*, countering it will mean flipping that hierarchy and replacing at the center of political life the rule of the state over property and capital rights. This does not have to be a sclerotic statist and nationalist *imperium*. For Spinoza, as defined in his *Tractatus Politicus*, *imperium* is nothing more than "the right determined by the power of the multitude." The first step against neoliberal hegemony might be to shatter the preeminence of *dominium*.

However, whenever one tries to theorize the nation from the left and to appropriate it as an emancipatory political unit, many within its ranks raise an eyebrow. Going down that line, they say, you will play perfectly into the hands of the nationalists. They have more experience with that form. Granted, the horrors of 20th century nationalism in Europe have made Europeans weary of any claim about nations. But the most radical decolonial movements are not averse to embracing that category, in Africa or South America. The greatest ideological victory of neoliberals might very well be the idea that any attempt to break the encasing of markets in an oppressive global order is, regardless of conditions, a reactionary and conservative move. Seen that way, there is, indeed, no alternative.

Yet the nation does not have to be a nativist nightmare. The populist rights think it is coherent in choosing to curb all *xenos* rights—of both capital and humans. A vision of the nation by the left would grant unalienable *xenos* rights to human beings, freedom of movement and settlement for all those wishing to do so. This way, no risks of confusion with the crypto-fascists, who pretend to defend the downtrodden as long as they have the right name or the right passport, only to foster conflicts between people that would have every interest in uniting politically. These unalienable *xenos* rights for humans would have to go along with a serious dismantling of the inalienability of Hayek's *xenos* rights for capital. Disentangling freedom of human movement from the freedom of capital movement could be a way to free ourselves from the liberal capitalist mindset, which treats every human as capital.

This would have the beneficial consequence of stopping the political blackmail that consists in capital pitting regions of the world against each other in a race to the bottom. Economist Dani Rodrik theorized at the end of the last century the "trilemma" of international political economy: one can only have two out of national sovereignty, global economic integration, and democratic government. But as Slobodian's book makes clear, global economic integration in its neoliberal form cannot allow for democracy, because it is precisely predicated on protecting the market from democracies.

Political constructivism beyond the nation-state is possible, but history shows that upheavals of that magnitude, namely changing people's perspective of their communities of belonging and purpose, is usually a long and violent process. With which political resources could we organize a truly democratic global government, and in how much time? Those suffering the effects of neoliberalism across the world do not have that much time. This is why one is forced to sneer at suggestions like some recently seen in the media, suggesting the imminent demise of nation-states. The hope could instead be to have inter-national movements, where the convergence of standards of living does not

happen at the lowest common denominator for the majority, as Ludwig von Mises would have wanted. Internationalism, in this sense, becomes the true opposition to globalism. There is nothing mystical about this nation, it is just the perimeter on which collective sovereignty is exercised, just one product of historical contingency like others. But the one that seems to be at this historical juncture the most useful in effecting progressive change in the world. The question then becomes how to organize inter-national rules and inter-national solidarity, an effort in building true internationalism for everyone—not just globalism for elites.