

Review

From the end of history to the end of neo-liberalism: From Fukuyama to Fukuyama

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The emergence of neo-liberalism as a hegemonic ideological doctrine followed both the awkwardness of social democracy and the demise of communism, during the 1970s and 1990s. The main objective of neo-liberalism was to achieve socioeconomic development and political stability; using its unique instruments of liberalization, deregulation and privatization policies. To achieve these objectives, ideological indoctrination was the entire agenda of neoliberalism. Those who are baptized by this ideology, orchestrated neoliberalism as alpha and omega as well as the holy water needed to cure all human beings from socioeconomic and political disaster. Unfortunately, it became a cause of catastrophe instead of panacea since its advent time. From 1990 to 2000, neoliberalism recorded its first socioeconomic and political crises and failed at it; thus, other alternatives have emerged. After 2010 western's climax crises, neo-liberalism shifted to a new dogma of neo-populism. Consequently, this paper explores the concept and ideological hegemony of neoliberalism and how neo-populism became a reaction of neoliberalism. The study examines the ideological paradox and its crises and demonstrates how it became an end and new beginnings.

Key words: Neoliberalism, neopopulism, world-crises, end-of-history, new-alternatives, Fukuyama.

INTRODUCTION

In the mid-1970s, an empirical revolution in economics showed that the doctrine of neo-liberalism emerged in the British and U.S.A. as a modified version of the traditional liberalism. Its main objective was to govern individual free action and the market law, by undermining the governing approach of the state in the economic policy (Konczal et al., 2020). In comparison, the rights of individualism as the means and ends of production have also dominantly become a policy of Neoliberalism (Thorsen and Lie, 2008).

Since the 1990s, liberalization of the economy, deregulation of markets, and privatization of publicly provided services, lower taxes on income and capital has been orchestrated as a central doctrine of the neoliberal policymakers and the belief to expedite greater economic growth (GDP). The overall idea was that the growth would benefit all capitalists, corporations, workers and the economy at large through wage growth and increased mobility. It also promises labor and capital mobility, cultural pluralism, human development, good governance,

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economic and social stability with “the loyalty most people feel towards different forms of social capital” (Konczal et al., 2020; Anderson, 2015).

Thus, in comparative politics, it is a single ideological machinery of the word political and socioeconomic system for the last three decades, but together with an exacerbated pattern of crisis (Thorsen and Lie, 2008). Following the post war period, “it was not only treated as a dominant ideology, but was also witnessed as the final form of human government” (Fukuyama, 1989).

However, during the post Washington consensus period of neo-liberalism, the Western states faced slow growth compared to the Bretton Woods era (1945-1970), usually called the “thirty golden years” of the West European unprecedented economic growth (Temin, 2002); while between the mid-1970 and 2006, the average income of the US workers was constant. Since the climax financial crisis of the Western states (2007-2008), “the failure to effectively counter socio-economic issues such as growing inequality, by either dismantling or curtailing neoliberalism as a policy practice” (O'Donnell, 2018). Similarly, the “growth rates in the developing world have been lowered on average in the past two decades of the Washington Consensus, than they were in the pre Washington Consensus years of the 1960s and 1970s” (Lee and McBride, 2007).

Thus, the leading research and analysis shows that, without accomplishing its promises, the neoliberal policy exacerbated inequality; it resulted in slower growth and inability to deliver growth, stagnant wage growth, and decreased labor market and capital mobility (Anderson, 2015). For this reason, Sean (2013) documented that, the neo liberal states have practiced in multicolored, disordered nature and paradoxically their doctrine of liberalization, deregulation and privatization. It “also interrogates the myth that neoliberalism can be understood through a simplistic opposition between state and market, as if the intervention of the state in the financial crisis automatically constitute the end of neoliberalism”.

Due to the fluctuation of the western economy, a new alternative emerged in the East Asian countries, branded as a ‘developmental state’ ideology. During the same period, when the neoliberal states faced slow growth, the “East Asian economy increased from 10 to 30% GDP within 15 years”. Therefore, East Asian states became alternatives to the neo-liberalism dogma (Lee and McBride, 2007).

Then in the *first wave* of Western socioeconomic crises, such as with the increase of inequality in communal divergence and eviction in ECE, the first wave of populism, “populism *from below or soft populism*” was generated in the late 2000s. During the second wave of global financial crises, the west also produced the second wave of neoliberalism, “*populism from above or hard populism*” in the 2010s. This hard populism developed a nativist profile, in which identity politics gained upper

hand; it can be conversed as a counter-ideology against the neoliberalism” (Ágh, 2018).

This event shows that, the neoliberal state shifts from their sacred doctrine of individualistic lead as well as socioeconomic and political policy to state lead and collectivist approach. Hence, this phenomenon illustrates the end of history and new beginnings. In light of this, the major purpose of this paper is to explore the conceptual history and the ideological hegemony of neoliberalism, to assess the ‘Ideological Paradox and its disastrous effects and to demonstrates how it becomes an end and other alternatives. The study determines how neo-populism became a reactionary system of neoliberalism. In the end, the researcher provides a recommendation on what will be a future alternative to solve the problems of neo-liberalism and neo-populism approach. In order to achieve these objectives, the method of the study mainly depends on comparative and documentary qualitative approach. The analyses of documentary sources include semi-systematic literature review and discourse analyses of previous scholarly works and statistical reports from international organizations.

NEOLIBERALISM FROM CONCEPTUAL HISTORY TO IDEOLOGICAL HEGEMONY

The historical emergence of neoliberalism traced back to Adam Smith’s classical liberal conceptions of man and society (Clarke, 2005). It is a radical descendent of classical liberalism, which was advocated only on economic liberalization of individuals and self-regulating markets; while the law of state was to maintain peace and security. It meant that classical liberalism accepted the belief that supports absence of individual participating in political discussions for a period of time. Thus, classical liberals were described as a night-watchman state or favor *laissez-faire* economic policies. However, neoliberalism is not similar with classical liberalism, but shares some historical roots with it (Ryan, 1993; Wolfson, 2004). Ideologically, neoliberalism has come in the 1970s, with a new model of economic theory. According to Blomgren (1997), the philosophy is not as simple and similar as it appears to be. Rather, it ranges over a wide expanse as regards ethical foundations as well as normative conclusions. At the one end of the line is ‘anarcho-liberalism’, arguing for a complete *laissez-faire*, and the abolishment of all government. At the other end, is ‘classical liberalism’, demanding a government with functions exceeding those of the so-called night-watchman state.

Following the disastrous periods, the Keynesian social democratic welfare state emerged through a rejection of the demand management and expenditure of the public sector of Keynesian policy; instead, it expands the hegemony of free market economic activities throughout the world (Anderson, 2015). Neoliberalism became a

monetarist approach by taking over the Keynesianism theory of economics. It was the dominant theoretical framework in economic policy-making, between 1945 and 1970. The beginning of this cycle can be traced back to the late 1970s. The award of the Nobel Prize for Economics to Milton Friedman and Friedrich von Hayek in the 1970's signaled a paradigm shift in what was considered the agreed upon principles of sound economics at the time (O'Donnell, 2018; Palley, 2005; Cros, 1950).

Conceptually, it was understood as a political economy theory that recommends that the well-being of the society should be innovative by "liberating individual entrepreneurial freedoms and skills within an institutional framework, characterized by strong private property rights, free markets and free trade" (Harvey, 2005). In line with this, Friedman accentuated that the neoliberal policies have a political power to manage the overall economic situation. For Friedman, "human beings are by nature social and their social nature dictates a certain way of organizing society which places a great emphasis on individuals being free to choose" (Friedman, 1962).

Likewise, Hayek (1944) demarcated neoliberalism as a political thought of the natural law. His central argument is that the natural rights endowed on the society are much more than man made rights, which secures individual liberty and well-being. It is also termed as a deontological kind of neoliberalism in which all human beings have an inalienable natural right to do whatever they want, but these rights should not limit the power of any government and the state do not have any legitimate right to impose on it (Nozick, 1974).

John Williamson, who was the first man that invented 'Washington Consensus' in 1989, recognized that the policy of privatization, liberalization, and deregulation serve as a panacea for socioeconomic and political crises. Liberalization of the market has reduced "inequalities within and between states; the problems of market imperfections and externalities bring a new institutional architecture of global governance". Concerning the benefits of markets and liberal democracy it also produced a social capital, as well as established a global institutions like the IMF, World Bank and WTO (Williamson, 2004).

On the other hand, the perspectives of neoliberalism concerning government lead economy reached a common understanding, that the government lead economy of Britain was characterized by "over-governed, over-spent, over-taxed, over-borrowed and over-manned" (Joseph, 1976). Thus, the state is a problem instead of a panacea. To "restore the political and moral authority of the state, and to return politics to the 'common ground' of prosperity would require nothing less than salvation for an 'endangered species', and the rediscovery of the 'missing dimension in our economic thinking' as well as 'the only route to our prosperity, is entrepreneurship". Neoliberalism is a political ideology, which ended the

power of the state and gave it to individual based socioeconomic and political decisions in the free market economy (Lee and McBride, 2007).

Lee and McBride (2007) noted the dogmatic and ideological preaches of neo-liberalists as the followings:

Neo-liberalism has cast the primary purpose of politics as servicing of the interests of entrepreneurs, corporations, private enterprise and liberalized markets; operating within a neoclassical orthodoxy on globalization which holds that trade and development will accelerate, and inequalities in income and wealth simultaneously narrow, as the world converges around an Anglo-American, liberal democratic model of capitalism. Following this rolling forward of the frontiers of the market, at all levels of governance from the local to the global, the fostering of entrepreneurship has been identified as the key to improved economic performance.

This era witnessed the "dominance of neo-liberalism as the belief supporting the policies of the IMF, World Bank and latterly the WTO, debates intend to focus on governance, rather than government per se. This, in turn, has reflected the increasing role of trans-national corporations (TNCs) and nongovernmental organizations (NGOs), in the exercise of political power and the conduct of public policy".

So that, neoliberalism becoming a hegemony with the doctrine of "free growth, spontaneous association, individual entrepreneurship and self-regulating forces of the market, could offer a politically and morally superior alternative to the rolling forward of the frontiers of the social democratic state, whose 'chief evil' was 'unlimited government'" (Hayek, 1960). Consequently, when it gained the popularity during the 1990, it gradually dominated the rest of the world as a life saver. Beyond its dominance, following the collapse of the communism, Fukuyama (1989), "suggested that the world was converging towards 'the end point of mankind's ideological evolution and the universalization of Western liberal democracy as the final form of human government".

In contrast, Heikki (2014), argued that, "in the flux of world history, nothing is eternal. Society is bound to protect itself against the market; and it seems certain that one change will be followed by a different one". For example, before the market society first emerged in Britain, the main function of the markets was only as a secondary instrument for the exchange of goods.

Following the ends of the classical period, the great transformation period had emerged, in modern Europe with the new perspectives of the modern liberal market economy, based on self-adjusting markets, calculative gain-orientation and the Economic of Man. Thus the Great Transformation was emerged, neither based on natural nor universal order; rather it was based on socio-historical phenomenon (Ibid). By the same token, Polanyi

(1957) noted that in the age of industrialized economies of the social democratic-Keynesian welfare state"; the social effect on the market economy were high due to lack of strong financial sources. That was why the Gold Standard and balance of power system were collapsed. The idea of a self-adjusting market implied a stark utopia. Such an institution could not exist for any length of time without annihilating the human and natural substance of society; it would have physically destroyed man and transformed his surroundings into a wilderness. Inevitably, society took measures to protect itself, but whatever measures it took impaired the self-regulation of the market, disorganized industrial life, and thus endangered society in yet another way. It was this dilemma which forced the development of the market system into a definite groove and finally disrupted the social organization based upon it.

Ágh (2018) argued that, the 19th century liberalism was only focused to produce an economic activity, but excluded from the social and political situation. In contrast, neoliberalism has evaluated all the economic, social and political spheres, in terms of single economic sense. That is all activities determined by economic action. In doing so, most political-economic schools of thought have been termed, this one-size-fits-all (economic) doctrine of neoliberalism as an aggressive economic imperialism.

O'Donnell (2018) argued that even the engineers of neoliberalism initially were not certain about its sustainability. For example, "Friedman himself conceded in his Nobel Prize acceptance address in 1970 that it was not that the ideas espoused in the modern economic program were better, but rather the arrival of stagflation provides the leverage of sufficient doubt needed to herald in a new direction".

In a broad-spectrum, Stiglitz (2001) argued that, neoliberalism lacks efficient in its internal workings, and it produces the socioeconomic political crises. Thus neoliberal principles of self-regulating markets never work without government intervention. Moreover, he exposed that, even "the myth of the free market is not truly free and self-regulating market system".

In glaring evidence, though neoliberalism orchestrated as a dominant ideology which brought liberty, equality and prosperity to all human beings; it has distanced itself from a practical framework rather to veil their vested interests. On one side, it has served as an indirect colony to exploit developing states. On the other hand, it has produced an authoritarian government of western states through the max of liberal ideology. In reality, it is impossible to practice its pseudo principles which are contrary to human nature. Even the mother states of Neoliberalism, which are British and United states have not applied these policies since its birthday. Nowadays, it is clearer as it results in a greater complexity, uncertainty, volatility, socioeconomic and political disasters, particularly to developing countries, rather than producing

liberty, equality and prosperity.

THE IDEOLOGICAL PARADOX OF NEOLIBERALISM AND ITS CATASTROPHIC EFFECTS

The emergence of neo-liberalism as a principal ideological dogma with its primary assumption was, to accelerate trade and development; competition and profit; full employment and prosperity; production transparency and reduce the gap between poor and rich (European Commission, 2000; Lee, 2007).

However, since its advent time there were no clear and real separation between politics and business. At one time, they have followed both the combinations of public and private ownership instead of competition, deregulation, privatization and liberalization; on the other hand, they have practiced in different paths within the same ideology (Ágh, 2018). Thus, the triumph of "neoliberal agenda" was complemented with the combined effect of state and private interventions in the economy or state-directed coercion which is central to the creation and maintenance of the new world order political system (Bruff, 2016).

In the first place, neo-liberalism competition policy was in quotation, in which "market power may not impose greater competition in the marketplace, rather ensured strong regulation in the public interest". Even the competition policy has been orchestrated through a political perspective (Lee and McBride, 2007). Even in the "2004 annual report on European competitiveness, the Commission noted that in 2003, the government overall spending averaged was 49% of GDP in the 15 EU member states manner of the welfare" (Ibid).

The major paradox effects of neoliberalism are anti-democratic practice. The mainstream literature on neoliberalism has orchestrated that, though it has emerged in developed western democracies, nowadays they have confined authoritarian and anti-democratic practices. It has been preordained that they practices authoritarian tendency through the mask of liberal democracy. This authoritarian tendency of neo-conservatism has resulted into the global crisis management (MacLeavy, 2016). Thus, the "Holy Trinity" principles of liberalization, privatization and deregulation are meaningless to meet the interests of the poor; instead they produce a political decay, instability, and deepening social polarization (Hickel, 2016).

The other paradox of neoliberalism as Ágh (2018) documented that, the ideological hegemony of neoliberalism over the past three decades was in the spirit of technocratic modernity by eroding the main principles of democratic government. Thus, "the main function of neoliberal ideology is hiding the main features of the neoliberal economy, society, and political structure. The advocates of neoliberalism mostly try to avoid using

this term in the sense that they argue with the technical terms of economic, governmental, and policy efficiency, with various kinds of modernization in separate social fields” (Agh, 2018; Offe, 2018; Holloway, 2018).

These paradox and pseudo doctrine of neoliberalism has produced a catastrophe effect to the world society, particularly in developing states, like Africa. Following this puzzle of neoliberal economic agenda; unemployment and income inequality, damaging of human and social capital; drastic decline of social or welfare systems; restriction of free mobility, privatization of public services, advent of terrorism and cultural and democratic backlash, have replaced the neoliberal economic policies (Hickel, 2016; Ágh, 2018; World Bank, 2005; Thompson, 2017; Anderson, 2015). According to Ágh (2018), the last 40 years periods of neoliberalism has recorded a diverse story. Inescapably, the victory of neoliberalism gives birth for the crisis of moral principles, the erosion of sovereignty and democracy, the reduction of free mobility human and material resources and deteriorated all the principles of free market economy. As to Konczal et al. (2020), one of the major disastrous effects of neoliberalism was the highest unemployment rate and income inequality and this inequality has proceeded along two lines. From the 1980s to the late 1990s, this was primarily driven by inequality within labor income (that is, income from wages). One can picture a superstar CEO as an example of this. But from 2000 to now, this happened along capital income (that is, income generated from assets); the share of income paid to labor fell from 85.3% in 1980 to 78.5% in 2011.

The findings show that inequality has not only persisted but has spread across the types of income that people receive: slower wage growth, inequality within labor income, the expansion of jobless workers, increases in the capital share and the inflation measure between the prices that workers face and the prices that businesses face (Piketty et al., 2017).

In doing so, the economy of the European Economic Integration member states has decreased, the US ranks poorly on economic mobility among advanced economy countries. “Over 10 years, starting in 1994, more than 93% of people starting out at the bottom 20% of income did not rise to more than the middle-income group. In comparison, 80% of those starting out in the top income group remained in the top or second to top after 10 years” (Konczal et al., 2020; Hank, 2001).

Moreover, in contrast to the possibility of the neoliberal dogma narrow the gap between rich and poor. The “Global Monitoring Report 2005 has noted that, every week in the developing world, 200,000 children under the age of five die of disease and 10,000 women die while giving birth. In sub-Saharan Africa alone, 2 million people will die of AIDS this year. 115 million children are not in school while almost half of the region’s population live on less than \$1 a day” between 1990 and 2001 (World Bank, 2005). The other policy failure of neo-liberalism was

consumer debt-led non-inflationary growth. Based on this policy:

The outstanding totals of consumer credit has been calculated in the United States at \$769 billion, in the United Kingdom £157 billion and in Canada \$288 billion (Lee and McBride, 2007). The reason for household over-indebtedness is as a consequence of over-borrowing by consumers (the hedonistic consumer and the decline of thrift in society), over-lending by banks (that relaxed banking regulations and aggressive marketing campaigns) and low interest rates (consumers are acting as rational economic units and responding to the stimuli of low interest rates) (Ibid). This policy of non-inflationary growth has not delivered enduring prosperity to drive the system forward and has led to new prospects for, dependency, instability and crisis.

The next key catastrophes of neoliberalism policy weakened the bonds of ‘social capital’. “People bring very different levels and types of skill and knowledge into the labour market, with many jobs currently disappearing through technological change”. However, in the era of neoliberalism, there are distinct policies of paid jobs between high-skilled (organizational jobs) and personal (nursing and social work). This discriminatory policy of free market economy, not only has created a mass of unemployment, but also inequality being created through the unequal ownership of assets (Anderson, 2015).

The fourth catastrophe effect of neo-liberalism was to address the free movement of people. Though the free movement of people was designed as one of its policies, but it did not mark. For example, in developing countries the migratory policy (from North to South) has enlarged, due to neo-liberal globalization while in the global economic North migratory pressures decrease because of “more selective policies and control measures. These moves have been characterized as a form of global apartheid” (Bakan and Stasiulis, 2003); moreover, commoditization has emerged as a major issue of concern for those studying immigration and immigrants under neo-liberalism. It shows the increasing reliance on the market for the financing or delivery of services. This is certainly true for the Canadian government. Those who are well educated, skilled, and privileged in wealth are welcomed to Canada as independent immigrants and enjoy social rights and entitlements immediately. Immigrants who lack these qualifications to enter Canada as an underprivileged class need to be treated as second-class citizens (Lee and McBride, 2007).

The last but not the least effect of neoliberalism is clash of cultural civilization. The “finished product of a liberal education is a cultured human being. “Culture” means primarily agriculture: the cultivation of the soil and its products, taking care of the soil, improving the soil in accordance with its nature”. It was applied in Africa in times of colonization. In the era of neo-liberalism and

neo-imperialism, “Culture means derivatively the cultivation of the mind, the taking care and improving of the native faculties of the mind in accordance with the nature of the mind”. The clash-of-civilizations theory thus stresses that there exists and will continue to exist conflict instead of cooperation among civilizations (Huntington, 1996; David, 2010; Thompson, 2017). In reality, liberal education is not simply indoctrination rather it is education in western.

These exploitative and discriminatory policies of neoliberalism make the developing states more deteriorated. Methodically, it has left four major global problems concerning humanity at large in the 21st century. These are global security issues (terrorism and nuclear proliferation); global environmental issues (climate change and global warming); global socioeconomic issues (Global Inequality, Poverty, Migration and refugee problems) and global cultural issues (Cultural Imperialism and cultural (civilizational) clash and identity conflicts (Huntington, 1996; Anderson, 2015).

In doing so, the neo-liberal policies did not maintain promises of maintaining, social wellbeing and social capital, economic growth and prosperity and political stability, in the last three-decades; rather the liberal countries scoring the lowest socioeconomic development and political stability (Lee and McBride, 2007). In the same period, the East Asian economies scored a high socioeconomic development and political stability in comparison with that of the West. Even the IMF acknowledged that the “East Asian economies increased from 10 to 30% of GDP within 15 years” (Ibid). From this perspective, East Asian states have emerged as an interventionist alternative to neo-liberalism. In doing so, the last two decades have been celebrating the fact that, neoliberalism ends new beginnings.

END OF HISTORY ENDS NEW BEGINNINGS

The end of the 20th century was the hegemony of neoliberalism with the combination of crises. From the 1980s to the late 1990s, neoliberalism had faced high inequality within labor income and with the slowed economy growth rate; the year 1990 to 2000s were recorded as a period of neoliberalism cumulative crisis and since 2010 neoliberalism ended with its climax crises (Agh, 2018).

Side by side, the challenge of the neoliberal capitalist system has emerged as a developmental state paradigm (state-led macro-economic policy), in the South East Asian countries, in the 1980s. This Ideology resulted in dramatic economic development contrasted to neoliberal economic policy and this success of state-led economic development, was given attention by many countries (Sibuh, 2020). According to Johnson (1982), the achievements of developmental paradigm vis-à-vis neoliberal ideology, in which it follows distinct principles

of public-private integration are shown in the following.

First is the existence of small, highly elitist state bureaucracy with the best of the professionals available in the system and having development at its top priority. The second element calls for political autonomy for the bureaucracy so that it can make and implement decisions in relative freedom from the influence of parties with vested interest. The third element is a well thought out and well planned state intervention in the market functioning. And the last is the existence of a pilot organization, like the Ministry of International Trade and Industry (MITI) of Japan, at the center of the process.

Following these, the South East Asian countries which resulted in dramatic economic development contrasted to neo-liberal economic policy (Gebremariam and Abtebold, 2017). The outcomes from the successful East Asian states generated significant contributions to economic development, equity in income distribution and poverty reduction. Due to these positive outcomes, donor communities and international institutions began to rethink the role of the state in economic transformation. A new development alternative ideology has contributed to the success of several countries; in East Asia such as Japan, South Korea and Taiwan; to Southeast Asia such as Singapore, Hong Kong, Thailand, Malaysia, Indonesia; and more recently, China; in Africa including, Mauritius, Botswana, Ethiopia, and South Africa (Gebremariam and Abtebold, 2017; Sibuh, 2020).

Thus, the emergence of the “social democratic welfare state and the developmental state” paradigm in Africa is due to the reason of the crises of neoliberalism (Mkandawire, 2001). The crises of neoliberalism not only brought an alternative to Africans, but to the westerners also. The westerners, particularly the instrument of neo-liberalism, UNCTAD, IMF and World Bank recommended that, instead of neoliberalism the world should find another alternative that foster the socioeconomic development and political stability of our planet, based on the creation of a Global Covenant (Lee and McBride, 2007).

More surprisingly, the IMF, OECD and Cross-national comparison acknowledged being neoliberal policies left them into Armageddon. From this perspective, they acknowledge the miracle economic development model of East Asian states or they recommend investigating the “Social Democratic welfare state and developmental state paradigm”. Based on this disastrous policy of neoliberalism, nowadays, some of them have practically followed the principles of developmental state paradigm still on the mask of neoliberalism. Most of them shift from individualistic neo-liberalism policy to collectivist-neo-populism ideology.

FROM NEO-LIBERALISM TO NEO-POPULISM (FUKUYAMA TO FUKUYAMA)

Following the advent of neo-liberalism, one of the known

proponents of neoliberalism, Fukuyama (1992), had appealed to everyone merely by virtue of a human being to recognize the emergence of neoliberalism. Consequently, he advocated that society who grants such recognition may be the starting point for the satisfaction of Thymos- the “part of the soul that craves recognition of dignity” and the beneficiary of the new system of rights; because neoliberalism is clearly better than that of the old regime which was the period of slavish existences and denies everyone’s humanity.

In the extreme manner, Fukuyama argued that “liberal democracy may constitute the end point of mankind’s ideological evolution and the final form of human government and as such constituted the end of history. That is why, earlier forms of government were characterized by grave defects and irrationalities that led to their eventual collapse, liberal democracy was arguably free from such fundamental internal contradictions” (Ibid).

Unfortunately, neoliberalism had become a catastrophe to human liberty, equality, development, peace and security unlike Fukuyama’s thought. According to Ágh (2018), though neoliberalism was a hegemonic political ideology between the ‘Old World Order (1970s) and the New World Order (2010s); since 1970-2000, it has created socioeconomic and political crisis across the world in the late 2000s. Thus, “as a reaction to neoliberalism, in the 2010s, a new form of populism emerged and the stage of neo-populism has begun”.

By the same token, others argued that, following the financial crisis of 2007-2008, the centrist of neoliberalism England and USA abolished it and instead the “populist movements began into mainstream politics on both the right and left in both jurisdictions” (O’Donnell, 2018).

In the American context, these can be seen in the Bernie Sanders campaign on the left and the Donald Trump Presidency on the right. In the context of the United Kingdom, this can be found in the popularity of Jeremy Corbyn’s message on the left and UKIP on the right. The undergirding theme of all these movements is a rejection of neoliberal, establishment, centrist politics, even the enemy where they isolate and the remedy they propose is enormously different.

Moreover, Roberts (1995) doted that neoliberalism was primarily adopted in Latin American; similarly, populism has also emerged in Latin America as a reaction of neoliberalism and its socioeconomic and political crises. On the other hand, the driving song of the right wing populist movements in the west includes a common identity interest and the isolation of a common enemy, often migrant (O’Donnell, 2018).

This having been said, concerning the failure of neoliberalism and the emergence of neo-populism, many authors have criticized Francis Fukuyama’s thesis. This study is not to discuss those criticisms, rather what he says about those criticisms. Fukuyama (2018) wrote a book titled *“Identity: The demand for dignity and the*

politics of resentment”, as a reaction for his last thesis of the last man and a response to the failure of neoliberalism and emergence of populism.

With reference to his criticism on “the end of history and the last man”, at the beginning of his new book, he had documented that, “this did not mean that his views had not been changed over the years”. Here he argued that, this is right, because humans are being rational, our ideas changing through the change of time. On the other hand, he expressed that: most of these criticisms were based on a simple misunderstanding of the thesis of the end of history. The word end was meant not in the sense of “termination,” but “target” or “objective.” Karl Marx had suggested that the end of history would be a communist utopia, and he was simply suggesting that Hegel’s version, where development resulted in a liberal state linked to a market economy, was the most plausible outcome.

In reality, this reason is a diplomatic motive to escape from his real criticism. Because in his book- “The End of History and the Last Man, clearly he noted that liberal democracy may constitute the end point of mankind’s ideological evolution and the final form of human government and as such constituted the end of history” (1992). Thus, this response is tactically appreciated, but not a real justification. Moreover, except this cynic’s enumeration, he has genuinely admitted about the end of neoliberalism with its considerable factors and the emergence of populism.

In line with the failure of neoliberalism, Fukuyama expressed, as if, based on two fundamental monetary crises. The principal neoliberal crises emerged in the U.S. market in 2008 which resulted in the consequent ‘Great Recession’ and then by the European Union posed by Greece’s insolvency due to the fear of the euro crises. Thus, the crises left the mass jobless and deteriorated the principles of democracy across the world. Instead, the promotion of cultural identity, the radical movements of anti-immigrant agendas and anti-EU parties got momentum in many other developed countries. Secondly, he determines the fact that, “Between 2000 and 2016, half of Americans saw no gains to their real incomes; the proportion of national output increased by 1% from 9% of GDP in 1974 to 24% in 2008” (2018).

Following these crises, Fukuyama has illustrated the sequences of neoliberal failures. *First*, neoliberalism replaced by dictatorial states led by China and Russia. *Then*, countries which were democratic in the 1990s, shifted to dictatorial states, like Hungary, Turkey, Thailand, and Poland. Following, “the terrorist upsurge that produces the September 11 attacks, emerged from the Islamic States, which profoundly violent Islamists around the world” (Ibid). *Finally*, as to Fukuyama all these factors recorded the failure of neoliberalism and the coming of the new populist ideology in the world. A host of new populist nationalist leaders claiming democratic

legitimacy via elections has emphasized national sovereignty and national tradition in the interest of “the people”. These leaders include Russia’s Putin, Turkey’s Erdoğan, Hungary’s Orbán, Poland’s Kaczynski, and finally Donald J. Trump in the United States, whose campaign slogans Made America Great Again and America First. The Brexit movement in the United Kingdom has not had a clear leader, yet here too the basic impulse was a reassertion of national sovereignty. The populist parties are waiting in the wings in France, the Netherlands, and all over Scandinavia. Nationalist rhetoric has not been limited to these leaders, however; Prime Ministers Narendra Modi of India and Shinzo Abe of Japan have both been identified with nationalist causes, as has Xi Jinping of China, who has emphasized socialism with distinctive Chinese characteristics.

In comparison, Fukuyama summarized the fact that, *the “20th century politics, organized along a left-right spectrum”*, which was known by economic issues; with the *left* advocating equality, social protections and economic redistribution and the *right* emphasizing the natural rights of individual freedom, individual self-regulating market economy and dismantling the role of government in the economy. The *“second decade of the 21st century”* emerges as the era of identity. The *left* has focused on economic equality, promoting the interests marginalized-blacks, immigrants, women, refugees; while the *right* focused themselves as patriots of traditional national identity, promoting anti-immigrant movements, which explicitly connected to race, ethnicity, or religion.

To dig deeper into the social emergence and the future destiny of neo-populism, Fukuyama concluded for better or worse, “identity politics encompass a large part of the political struggle of the contemporary world, from the democratic revolutions to new social movements, from nationalism and Islamism to the politics on contemporary American academy. In addition, he illustrates the future destinies of populism as identity is used to divide, and can also be used to integrate, which in the end will be remedy for the populist politics of the present.

CONCLUSIONS AND RECOMMENDATIONS

The year 1970s was a period of Keynesian social democratic welfare state crises and the advent of neoliberalism ideology. Neo-liberalism has orchestrated a hegemonic ideology by removing the Bretton Woods era (1945-1970), which the policies of liberalization, privatization, deregulation and state banned from the economy. The primary assumptions of these politics were to accelerate trade and development, competition and profit, full employment and prosperity, human and cultural development, to narrow the gap between poor and rich all over the world.

Paradoxically, neoliberalism has produced global crises which include high amount of jobless workers and

inequality, damaged reputation of liberal democracy, and has promote cultural identity, terrorism, climate change and global warming, anti-immigrant and authoritarian government. Especially in developed countries, like Africa, it has aggravated political instability, economic crises and cultural and moral clash. Following these crises, other alternatives have emerged in the South East Asian states as a developmental state model, which practically achieved a phenomenal socioeconomic development and political stability. Finally, neo-populism became as a reaction of neoliberalism all over the world. Thus, in the era of populism, it is unthinkable to solve these problems and achieve socioeconomic development and to maintain peace and security. On the contrary, Thomas Hobbes orchestrated the state of nature in which “All of us war against all of us” and our destiny also will be at war regarding populist propaganda and doctrine of ethnicity and religion, regional and cultural, as well as economic and political differences. To escape from these Armageddon populist agendas, author recommend the following resolutions. The key point is that the world should reach a common understanding on cooperative action for the effect of the market fundamentalism of the neo-liberal orthodoxy, and the identity politics of neo-populism. Comparatively, to achieve global social, economic, and political stability and prosperity, the world states should be returned to the social democratic welfare state or East Asian developmental state model. This is because the developmental state or social democracy ideology has been a solution to all problems of neo-liberalism, like what is seen in the experience of East Asian countries. However, it should not be the promise of a few states, like the western steamed doctrine of neoliberalism and neo-populism and it should not also apply as it was in the authoritarian South East Asian Tiger states. Rather, it must be modified in line with the democratic developmental state approach and then approved by the “United Nations General Assembly”, at least by majority of the developed and developing states, as social contract through the concept of the public domain.

CONFLICT OF INTERESTS

The author has not declared any conflict of interests.

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