

What Comes Next: Toward *The Metaeconomic Order*

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The overall story here is stirred by Gerstle (2022). It details the history of the rise and fall of both The New Deal Order which dominated from 1930-1980, and The Neoliberal Order which dominated from 1970-2020. Gerstle (2022) ends the book with the question What Comes Next, a fundamental question facing the US, as well as all other systems on the Spaceship Earth. It is argued here that What Needs to Come Next is something more akin to what might be framed as The Metaeconomic Order.

The choice of the frame and theory used to make economic sense of Gerstle (2022) is suggested in considering Munger and Villarreal-Diaz (2019) regarding any move toward pure capitalism, which best characterizes the starting point for the current situation: The move toward pure capitalism in The Neoliberal Order of the Market, if not tempered by the Government (the underlying Community represented in Government), inherently leads to the extreme concentration of income, wealth, and the power it buys. Cronyism emerges as the Oligarchism of the companies (rule of 3 tends to operate, as firms consolidate to take Market share and power) emerges, and shifts the making of wealth toward taking and keeping the wealth. Said companies just naturally find that the easiest way to keep increasing profits is by hiring tax lawyers and lobbyists rather than engineers and other creative wealth makers, which is especially about keeping wealth and building power in cohort with the politicians.

Resentment then grows within the ranks of labor, within communities, and among people wanting to sustain the Spaceship, as the Oligarchism spreads. Citizens also start to see a rigged system, becoming skeptical of the corporations & cronies in Government. A similar outcome arises in moving toward pure communism (as was tried in the former Soviet Union, China, Cuba, and a few other places), which always results in a few people having most of the wealth and power, with cronyism also at play. Authoritarianism (Putin in Russia, Xi in China, Orban in Hungary, Trump --- and DeSantis is following the Orban playbook --- in the United States) is always the outcome, at either extreme end, with the Oligarchs in support of the Authoritarians in charge. Also, sometimes Religionism, throws support behind the Authoritarianism, such as the Eastern Orthodox Church did for the invasion of Ukraine. Religionism is also a huge part of the Orban frame in Hungary. Religionism has also emerged in the Authoritarianism on the rise in

the US, as represented in Christian Nationalism and Christian Fascism, and a Supreme Court often making legal arguments based in the Originalism represented in religious tradition. The end-state is then some combination of Authoritarianism & Oligarchism & Religionism, the triad that ensures political disorder and dysfunction.

The problem Munger and Villareal-Diaz (2019) identify as related to going too far toward the pure capitalism end is because of *Possessive Individualism* (after Bromley 2019; for a Review, see Lynne 2021) in the Market. Possessive individualism is the main feature of The Neoliberal Order, wherein not enough credence is given to the role of Government in representing the shared other-interest, and tempering the Market. In the possessive individualism frame, each person is doing one thing: Every person is a consumer maximizing utility, driven only by ego-based self-interest in the pursuit mainly of private goods (as the Chicago School of Economics touts, without empirical evidence to back the claim that it is somehow the best way). It is about expressing some price P for said goods in Market while ignoring value V in the Community (as represented in a good Government).

In The Neoliberal Order, said possessive individualism also makes way into politics and Government, too: Each person (including each politician) is no longer a citizen with shared other-interest with other citizens, but now sees politics just like a consumer maximizing utility, but now in the consumption of public goods. Value V is said aside, as it is now all about price P in the Government, as represented in expressing some tax T for said goods in the Government (as the Public Choice Theory “School” preaches, using mainstream Single Interest Theory in Microeconomics applied to political choice). Citizenry is replaced by consumers of public goods bought with tax T, politicians who need to be citizens now being suppliers of goods (and bads), with everything presumed quantifiable and having a monetary value P rather than a value V.

Predictably, The Neoliberal Order also leads to excesses in the domain of culture and community: Possessive individualism again reigns. Social justice issues such as in the domains of gender and race, which are in reality about shared other-interest (the empathy-based ethics of same), get turned into self-interest framed consumer decisions in identity politics, about how much justice to buy and what form to buy it (e.g., defund the police and instead buy mental health and other support “goods”). Sexual freedoms, too, while in reality about a shared relationship with some significant other, get turned into consumerism within an identity group, a kind of ego-

based hedonism overriding shared relationships. Just like the self-interest inherent in possessive individualism in the Market needs to be tempered, the self-interest in the Culture also needs to be tempered. And, the failure to temper the ego-based self-interest, the possessive individualism of utility maximizing consumers (and everything framed as a consumer “free” choice) is *Why (Classical and Neoliberal Variants of) Liberalism Failed* (Deneen 2019; see Review in Lynne 2022), and why there is *Possessive Individualism: A Crisis of Capitalism* (Bromley 2019; see Review in Lynne 2021).

The excesses of The New Deal Order, that style of liberalism, were also real. It led to excesses in the Labor Union Movement and excesses in Government Regulations, among others. Again, it is always about tempering the excesses, in both the Market & Community (Government) as made clear in Lynne (2020). More will be said about tempering the Community/Government later in the Detailed analysis. For the present, the focus needs to be on where the system is at the current time, which is at the end of The Neoliberal Order, with the main focus on tempering the Market, and as such is the starting point for *What Comes Next*.

So, how do we make sense of the Munger and Villareal-Diaz (2019) observation that all attempts to move to the extreme of pure capitalism --- as Neoliberalism touts and The Neoliberal Order tried --- always fail? It is made easy to understand using Dual Interest Theory in the Metaeconomics frame, on the way to making sense of what might be the content of The Metaeconomic Order. It recognizes the dual nature of human nature as represented in the notion of I (ego) & We (empathy), Self & Other (that which is shared with others) – interest. It is human nature --- humans biologically (and culturally) evolved with both parts --- to have an “&” representing the joint private & public interest.

Framing and Theory

Dual Interest Theory and Metaeconomic framing helps in making analytical sense of what the two Orders were all about. Dual Interest Theory makes it clear that The New Deal Order put more attention to the Other-interest while The Neoliberal Order put all attention on the Self-interest. The Neoliberal Order was about an unfettered (unregulated, remove Government and Community influence) Market, while The New Deal Order was about tempering the Market.

Formally, the Metaeconomics framework and theory is represented as follows, seeing the dual interests as joint and nonseparable:

$$(1) \quad \phi = V(I_G, I_M) + \lambda(R)$$

The I_G represents the self-interest. The I_M represents the other (shared, yet internalized within the own-self)-interest. The overall goal is to work at maximizing the own-interest ϕ related to economic outcomes q_1 and q_2 given resource R constraints. The own-interest arises out of finding good balance in the joint and nonseparable I & We, ego & empathy, ego-based self (I_G) & empathy-based other (I_M) interest, private & public interest, Market & Government. In effect, it is about finding good balance in the Neoliberal & New Deal Order, bringing the best parts of each into play.

The ego-based self(ish)-interest of Equation (2) is framed as primal in human nature, with each person (the I) motivated most fundamentally by self-interest, as in Scroogism, represented in:

$$(2) \quad I_G = I_G(q_1, q_2)$$

Yet, it is also in human nature to have a capacity for empathy-based other-interest. Even people primarily motivated by self-interest have at least some capacity for the empathy-based other-interest (the We, shared yet within the own-self), as in Socialism, represented in:

$$(3) \quad I_M^{S_j} = I_M^{S_j}(q_1, q_2)$$

The other (selfless)-interest(the We) of Equation (3) works to temper the excesses of the self (selfish)-interest (the I) represented in Equation (2). The superscript “S” means Shared, with the subscript j meaning there may be many I_M other-interests, e.g., a local S within a smaller subset of the Country; perhaps another S for the country, or something like “Western culture” or “Asian culture.” And, overall the S might apply to the entirety of the Spaceship Earth on which everyone Travels, some overall shared other-interest, shared universally among all Travelers (like fundamental human rights, no matter the race or gender or age). Said tempering by a variety of various S sources, is essential for mental stability in each person and economic efficiency in the economy.

In simplest terms, it is about Scroogism being tempered by Socialism (many sources of shared other-interest, that of the Ghosts included), the ego being tempered by empathy. It is like selfish Scrooge (the I) awakening XMas morning with more of a selfless-spirit now shared (in the We) with the Cratchit family. Ultimately it is about finding good balance by each and every person

seeking good balance in the I & We, Self & Other-interest (the balanced life, we might say). It is about good balance in the joint Scroogism & Socialism, Neoliberal & New Deal Order, and, always about, writ large, good balance in joint Market & Government.

Using Figures 1 and 2, the dual interests are represented in Figure 1, with the best balance influence by the price P coming out of the Market. Figure 1 is all about how a person as a consumer interacts with and otherwise engages in a Market.

Insert Figure 1 here

Figure 2 is all about how a person as a citizen interacts and otherwise engages political (and other kinds of interactive --- perhaps in a club, organization, not bowling alone) process in the Community and Government, representing the underlying Order giving context to the Market: Said Community produces value V , generally in incommensurable (not monetized) value V units. Said value V emerging within the Government (as it represents the Community, or, in the Community directly), in turn, works to influence price P in the Market. Point B in Figure 2 helps locate the best path OZ in Figure 1, and the best point on said path. So, it is essential to see that the best path OZ in the Market is based in sufficient reason represented in a facts & ethics based Order of Figure 2 coming out of the Government (and, Community more generally).

Insert Figure 2 here

The best path OZ comes from seeing the jointness and nonseparability of Market (Figure 1) & Government (Figure 2).

And, lots of psychology and behavioral science here, too. In particular, path OG (and, in the extreme, the vertical axis) represents a Free Child doing own thing without restraint: A 2-year old running wildly about the room or in traffic comes to mind! And, in extreme control of said Free Child, one can think of path OM as the Critical (Strict Father) Parent standing by with the belt or spanking paddle. Often the latter is found in Conservative framing of the need for more strict policing (lock them up), a strong military, and, a Strict Father in charge of the family. That frame also points to the Adaptive (Compliant) Child (including the Spouse), pulled down to a not

freely chosen path 0Z very close to the Strict Father path 0M. It is about control. It is common in Authoritarianism farmed systems to operate close to, if not on, the Strict Father path 0M. Neoliberalism flavored by a neo-Victorian moral order is akin to same. Also, said system tends to be not efficient, in that it runs too much on old science and tradition, so, it eventually becomes unscientific & unethical

Alternatively, the Free Child might instead be influenced but not necessarily controlled by the Nurturant (could be Father, Mother, or ideally Both) Parent. Progressive framing tends to support some path 0Z closer to the Free Child favored path 0G, with path 0M now mainly about Nurturing, albeit some Strict Father control may also compose part of OM for Progressives, too. Such a system tends to be more likely to operate on a foundation of contemporary and evolving science & ethic, not old science & tradition (including old ethics).

It is also now possible to makes sense of the Libertarian frame, too, which is something more akin to operating on the vertical axis. It is a completely unbounded Free Child. It is generally opposed to ethical reflection, other than the ethic of complete freedom to do as one pleases.

It is also now clear that economic efficiency, peace (minimal chaos, the latter generally caused by too much self-interest, as in a 2-party political system), and overall happiness is found on some path 0Z that is not too controlling but also not too lenient: Perhaps the old African proverb, used by Theodore Roosevelt, of walk-softly-and-carry-a-big stick works here. Said path also would give sufficient freedom of expression and choice to not stifle creativity and entrepreneurship coming out of the Free Child: An Adaptive Child will not be as innovative, but, nevertheless still plays some role.

Finding path 0Z is complex, but not impossible: The key is to realize it is an ongoing, continual search for sufficient reason (after Bromley 2006) to choose some best path 0Z. It is dynamic, forever changing, much to the chagrin of a Conservative while embraced by a Progressive. It is not etched in stone, but rather is like carving on an erasable board that can and is changed as the science & ethics evolve. Also, in the political system, such an erasable board would be better facilitated by a multi-party --- perhaps 4-6 political parties --- system (Drutman 2020). With 4-6 parties, nothing could be accomplished unless coalitions were built, requiring empathy-with the other people in the other party, forming shared other-interest. And, hopefully, said shared other-interest would be built on a foundation of facts (scientific-method sourced) & ethics, and formed with sufficient reason.

The matter of The Metaeconomic Order pertains to just what is the best content of the shared other-interest represented in Equation (3) as it relates to the various economic outcomes represented by q_1 and q_2 and resolved in Figure 2. Using the framing in Gerstle (2022), the question becomes: Is the best shared other-interest represented in The New Deal Order that gave content from 1930-1989? Or, is the best shared other-interest represented in The Neoliberal Order (which focused mainly on self-interest, but it, too, has a more narrowly defined Moral Order in the background of it), which gave content from 1970-2020? And, looking to the future, 2022 – onward, in that both of said Orders have failed, fallen aside, what is the best content of a New (Metaeconomic is suggested) Order, on some path 0Z in value V space of Figure 2?

As the story unwinds, it will become apparent that Metaeconomics suggests the future in the Metaeconomic Order will be best served in some variant on a joint and nonseparable Neoliberal & New Deal Order, much like Putnam and Garrett (2022) highlight in the need to return to a better balance in the I & We: The Metaeconomic Order may be more akin to that at the top of the *Upswing* in the mid-1950s. And, in looking for something more akin to that in the mid-1950s, the best content and best balance is that which is based in (as alluded to earlier) sufficient reason (after Bromley 2006; Lynne 2007, 2008), which in turn is built on a solid foundation of facts (scientific-method sourced) & ethics. It is about a science & ethics based evaluation of which “ism” works best.

Rise and Fall of The New Deal Order (1930-1980)

Ironically, as will be better understood in the next section, it was a version of what is now labeled as The Neoliberal Order that brought down the economy in 1929, and eventually produced The New Deal Order. The “roaring 1920s” were not unlike the “roaring 2000s,” with a kind of no holds barred, anything goes, free to choose to do whatever one wanted to do frame of mind. The 1920s, and subsequent failure in the 1930s, were framed by Herbert Hoover as a failure in the “...moral bromides (of) self-reliance, self-help, and putting one’s fiscal house in order (Gerstle 2022, p. 20).” It was all about, to Hoover and supporters, and, we might guess lots of mainstream economists of the day: Just getting out of the way of the ego-based self-interest driven Market, and, everything would be just fine (on some path 0G in Figure 1). Empathy-based shared other-interest (on some path 0M in Figure 1, and representing value V in Figure 2,

working to temper the excesses of self-interest on path 0G in Figure 1, nudging same to path 0Z) was to play no role. In effect, empathy-with the other was to play no role; only egoistic-hedonistic-narcissistic drivers were to rule.

Rise of The New Deal Order

Hoover was voted out because of the lack of empathy-with real people, not joining in with the shared other-interest of people who were carrying the burden of what the Neoliberalism had produced, with wealth concentrated in the hands of a few. Hoover could not see the shanty towns other than as a failure of said people to adequately interact in the Market, blaming it on moral reasons, lack of discipline, and other presumed features of a person maximizing the self-interest. Neither Hoover nor the Market had any concern with the shared other-interest, and as Metaeconomics makes abundantly clear, it is the reason the Market crashed. Scroogism was somehow moral and good, and Hoover apparently believed Scrooge could do no wrong.

Hoover was replaced, in 1932, by Franklin Roosevelt, someone who clearly could and did walk in empathy-with the other, and saw the inherent need to at least nudge if not outright control (regulate) the self-interest only maximizing Scrooge. As Senator Klobuchar (New Hampshire Democratic Debate, February, 2020) said it:

There's an old story of Franklin Delano Roosevelt, and when he died, his body was put on a train and went up across America, and there was a guy standing by those tracks along with so many Americans, and he had his hat on his chest and he was sobbing, and a reporter said, 'Sir, did you know the president?' And the guy says, '**No, I didn't know the president, but he knew me. He knew me.**'

Roosevelt fully understood the role being in empathy-with other citizens. And, if that is Socialism (as many claimed about The New Deal that Roosevelt framed), well, it is not all bad and in fact, is essential to an economically efficient and viable economy as demonstrated by what happens when empathy is not present, as in the crashes of 1929 and 2008.

The New Deal Order was fundamentally about bringing said empathy-with to bear, to bring some balance to offset the ego-based self-interest of the 1920s, bringing it into the Market & Government. The ego-based Scroogists cried Socialism, and, still do so. Roosevelt and

supporters instead saw The New Deal as about building a Humane Capitalism, which the Scroogists, who wanted to see something more akin to the extreme of Pure Capitalism, wanted nothing to do with. Yet, intriguingly, said Scroogists reluctantly went along with many dimensions of the New Deal, and it continued well into the 1950s.

The Scroogists went along mainly because of the threat of people living in shanty towns moving to the extreme Left end, the Pure Communism end. Soviet Communism was seen by many as better serving the shared other-interest. Said consideration of extreme Left elements forced the Scroogists to admit that perhaps the attempt to operate toward the Pure Capitalism end (which resoundingly crashed in 1929, and stayed crashed for several years) needed to be tempered a bit by the shared other-interest with people. The moderates on both the Left and the Right prevailed.

The result was a direct re-balancing in the Scroogism of the Market & Socialism of the Government. The latter was not about building a new system toward the extreme Left end. Rather, it was about tempering the excesses of the Scroogism on the Right, inherent in the outcome of a not-tempered Market (and pretty open Culture, too, in the roaring '20s) which people had experienced up until the 1929 crash. In such a not-tempered Market, as Munger and Villarreal-Diaz (2019) make clear, a few end up with most of the wealth and the power it buys. And, it happens over and over (again, as it did in not only in the 1929, but also the 2008, crash), unless it is tempered.

The main contention of The New Deal was that (Gerstle 2022, p. 21) “... unfettered (i.e., not tempered onto some better path 0Z) capitalism had become a destructive force, generating economic instability and inequalities too great for American society to tolerate. The lack of (especially decent paying) jobs was calamitous ...” and, one of the ways to fix it was with strong labor unions. It was about offsets to the economic power of company owners and managers. And, it was not only labor unions, but also the Government needed to be actively engaged in better ensuring the unions could temper said Market power.

And, it went further: The New Deal Order saw that economic stability was about good balance in joint and nonseparable Market & Government, joint and nonseparable private & public good, with each essential to the other. So, substantive investments were made in the public good, e.g., the Hoover Dam was built to provide water to the desert SW, with said public good seen as an essential joint and nonseparable part of the private good, e.g., water for agriculture, business, and

especially the retirement (snowbird) communities in the desert SW. As Gerstle (2022, pp. 21-22) characterizes it, The New Deal resulted in investing in the public good:

“... (building) countless roads, bridges, airports, dams, schools, and libraries. One jobs program, the Works Progress Administration, hired 5 million to work on these and related projects. The commitment to public works was so extensive that the New Deal even enlisted artists to adorn the interiors of hundreds of government buildings. Colorful, often arresting, murals of Americans at work and at play, cooperating and in conflict, began to sprout everywhere on these interiors, from the majestic walls of the Department of Interior in Washington, DC, to innumerable plain post offices and schools in cities and towns across the country. The artists who painted these murals brought the pageant of America vividly to life.”

Seeing the essential need to temper the Markets was especially brought to bear in the realm of banking and finance. As Gerstle (2022, p. 22) says it, The New Deal Order

“... placed extensive new controls on the country’s financial system. In 1933, Congress passed the Glass-Steagall Act separating commercial from investment banking and establishing the Federal Deposit Insurance Corporation to assure depositors that the federal government would guarantee their savings. The Securities Act of 1933 and the Securities Exchange Act of 1934 reined in buying stocks on margin (i.e., with borrowed money to be paid back from the proceeds of expected increases in stock value) and established the Securities and Exchange Commission to enforce the new kind of financial regulation that the New Deal was imposing. These laws would bring a stability to the stock market that it had never previously enjoyed.”

Another major feature of The New Deal Order was directly helping increase the income of real people, through a tighter safety net and social security for the elderly, which in effect recognized the contribution all people make to the economy over a lifetime. It was also about the frame of Keynesian Macroeconomics, wherein putting money in the hands of consumers could not only stabilize but could also grow the economy. Gerstle (2022, p. 22)) points to The New Deal

“... (putting) money in the hands of consumers that they would not otherwise have had, thereby stimulating them to buy goods. Money in the pockets of the masses could come in various forms: unemployment insurance, old-age pension checks, public employment, efforts to strengthen labor’s ability to wrest larger rather than smaller wage increases from their employers, and low interest rates on borrowed money for homes and cars.”

Such Keynesian framing was about sustaining capitalism, especially by making it more humane. It was never about shifting the balance in property over to public property as in moving toward Pure Communism wherein the rule of (the extreme) no private property of substance is at play. It was framed by the Neoliberals, at best, as Socialism (but it was not uncommon to refer to it as Communism, too). The Neoliberal claim had little empirical content, as The New Deal never touted the ownership of land and capital as in public property, other than in such things as the Hoover Dam and the water stored behind it. The New Deal Order very much kept a substantive role for private property, while also investing in the public property to make it a more productive public good (e.g., The New Deal built the Hoover Dam, which facilitated the economic development of the SW US desert, ironically named after Hoover, who put no value in public property or public good).

The fact the Hoover Dam was built as a public good in The New Deal era is also totally missed in the ultra-Right politics of places like Arizona to the current time. It seems to still be believed it was some kind of wild, free to choose to do as one pleases without regard for the other individual who built the Western US (Governor candidate Lake even proposed to in effect secede from the US, as though the Federal Government had never, nor never could, do any public good). And, while a wild, wild West type person was involved, a great deal was provided by the Government. Without the investment by Government, Arizona (and all the other Western US states dependent upon US Bureau of Reclamation, US Soil and Water Conservation reservoirs and water control facilities) would still be largely empty desert lands.

And, a bit more on the labor unions: It is absolutely essential to make clear that the main progenitors of The New Deal Order as represented in both Presidents Roosevelt and Truman always worked to temper labor, too. Tempering had to go both ways, in the labor and management (owner) negotiations. And, it was never about labor becoming the owner of the means of production, the owner of the capital. Yet, it was about empathy-with the other, going back and forth between capital and labor, to find productive ground. And, in contrast to The Neoliberal Order which by 1970 (after the Neoliberalism of Libertarian Friedman, 1970, was implemented, which claimed business had no responsibility other than to increase the wealth of the owners of the business) had shifted all business decisions over to just serving owners and shareholders of business, The New Deal Order era had empathy-with a much wider array of people, including labor, communities, and customers. As Gerstle (2022, pp. 24-25) makes clear:

“ ... (it was never about) workers’ control or the nationalization of industry (as in pure communism, or even in with more labor control as in some less extreme versions of socialism) ... (but it was about) a compromise between employers and workers over the terms of work and the distribution of revenues between the two groups. The 1950 accord between the UAW and the big three automobile manufacturers—General Motors, Ford, and Chrysler—was paradigmatic in this regard. Unionized workers received a 20 percent wage increase, a defined benefit pension with generous terms, and a remarkably comprehensive health care plan that would continue through the end of each autoworker’s life. The car manufacturers received a guarantee of five years of labor peace (and thus of uninterrupted production in a world starved for cars) and a promise from the UAW not to encroach any further on investment and pricing decisions, now seen as the province of management alone. In return for giving up its most radical demands, the UAW received significant returns, most notably opening a door for a million-plus autoworkers and their families to enter the middle class. This labor agreement, increasingly known as the Treaty of Detroit, would be much emulated by other employers, union and non-union. It defined the terms of the class compromise that was foundational to the New Deal order.”

So, The New Deal Order saw the need for empathy-with labor, the community, and the consumer (industry prided own-self in making reliable consumer products like electric stoves and new modern automobiles, ironically pushed in General Electric including Ronald Reagan, who latter disavowed any responsibility for corporations, other than to maximize shared holder prices). The middle-class grew and prospered, the lower class still had the opportunity to move up the income and wealth ladder (the American Dream still had reality to it), while the upper class did quite well, too. The latter did well even though (an indicator of what was going on) CEO compensation was only about 30-times the median wage rather than being on the order of 300-times said wage by the end of The Neoliberal Order in 2020.

It is also noteworthy that The New Deal Order put substantive credence in science, including the social sciences. As Gerstle (2022, pp. 26-27) says it,

“New Dealers ... had great confidence in secular expertise—in the hard sciences, to be sure, but also in soft science: sociology, anthropology, psychiatry, and social work—and in the ability of government to spread the benefits of such expertise through the citizenry.”

Intriguingly, Gerstle (2022) says nothing of having confidence in secular economic science, which is understandable, in that said science was already on the path (starting in the 1930s with

the mathematization of it, ensuring empathy-based ethics, that which gives content to the shared other-interest, would never have to be explicitly considered ever again) to being a Neoliberal ideology in disguise. So, even back in the 1940s, mainstream Microeconomics (and Neoclassical Macroeconomics) did not qualify as a science, and, it still does not. Intriguingly, the content of The New Deal Order actually would fit quite well under the science of Metaeconomics, as it saw the key role of the dual interest, and, The New Dealers would likely have had confidence in the secular expertise of same (i.e., confidence in the science of Behavioral and Neuroeconomics which undergirds Metaeconomics).

So, The New Deal Order was based in both facts (scientific-method sourced) & ethics. The ethics came from the focus put to being in empathy-with the other, as in empathy-based ethics working to temper the ego-based self-interest, whether expressed in the Market or the Government.

The New Deal Order actually worked quite well, reaching a peak in economic, social, and political stability by the mid-1950s, as demonstrated with solid empirical support in the notion of the *Upswing* (see Putnam and Garrett 2020). The New Deal Order was all about the commitment to the public good as well as the private good, with good balance in private & public, ego & empathy. Also, as alluded to, it was still possible at said time to achieve the American Dream for many on the lower rungs of the income and wealth ladder, albeit the problems of race and gender were still not being adequately addressed.

Said issues of gender, and especially race, were not engaged until the 1960s, which ironically worked to take down The New Deal Order. The Neoliberal Order (which had a heavy dose of Victorian moral order in it) was especially perturbed with financial support in the form of welfare payments, but also investment in such things as public housing, no matter if discrimination had kept some from making sufficient income or in owning a house. Also, gender issues which became cultural issues on the gender continuum (and Victorian moral order did not tolerate) also contributed to taking down The New Deal Order. Yet, intriguingly, The New Deal Order was built, and can be rebuilt, because it is built on a foundation of facts & ethics, to include due consideration for race and gender if The New Deal were to be rebuilt today. It is not an “ism.”

Attacks against The New Deal Order, especially on the Market-side, were already at play as early as the late-1940s. The seeds of The Neoliberal Order were already being planted, with the

frame that it was all about Market VS Government, with Government to be neutralized, otherwise minimized rather than seeing the jointness of Market & Government by which The New Deal Order had been framed. In The Neoliberal Order it was only about the Market, with Government relegated to a police (and military) power role, i.e., hand-out and enforce private property “rights (but said “rights” had to be non-attenuated, unfettered by ethics).” Any kind of Government effort was, and still is to the current day, framed as a distortion and intervention, not as something essential to keep the Market viable.

Frederick Hayek was the chief architect (albeit modern Microeconomics, intentionally or not, supports such architecture, which also makes it an ideology just like that held by Hayek) of what would become The Neoliberal Order. And, it is actually more accurately characterized as Neoliberalism, as alluded to, an “ism” bordering on a theology as it often is joined with Religionism. At minimum, it is an ideology of self-interest only, in contrast to a science. Hayek formed the Mont Pelerin Society in 1947, wherein “... classical liberal ideas might survive the new age of Keynesianism and collectivism (Gerstle 2022, p. 23).” So, any expression of shared other-interest in better outcomes for the self-interest was disparagingly framed as an always bad collectivism. Adam Smith would not be happy. Keynesianism, which always resulted in helping and investing in people, so, also giving context to and facilitating the expression of a good and ethical self-interest, too, was an inherent bad.

By the early-1970s, the Chicago School of Economics, especially the Libertarian Branch as represented in main-line thinkers like Milton Friedman, was giving implicit if not full-support to the Neoliberalism which formed The Neoliberal Order. Every Econ 101 course in the US was also teaching (or, is it preaching) it. In fact, the whole of mainstream (Micro)economics is now an “ism” of Neoliberalism, as the Chicago School Libertarian frame dominates. It has become an ideology without substantive science to support same, and, as McCloskey (2019, p. 93) says, said version of economics is “fiercely opposed to any ethical reflection.” So, as a result, essentially all Econ 101 courses now teach said ideology based on limited facts and opposed to ethical reflection, so in effect every Econ 101 course (and the book used in same) touts the “ism” of The Neoliberal Order.

So, Gerstle (2022) should have said that the Mont Pelerin Society, to this day, while ostensibly about classical liberalism --- it is actually about touting an “ism”, and Neoliberalism --- and lacks in sufficient science(facts) & ethics to shore up said claims. And, any time one sees the frame is

in fact an “ism” --- including Keynesianism, and collectivism in any form --- one needs to immediately start forming testable null hypotheses and finding solid data to test same, on the way to finding sufficient reason to favor one “ism” over another.

Fortunately, Dual Interest Theory in Metaeconomics is well-suited to examining “isms” in that each represents alternative forms of the shared other-interest, a major part of the analytical system of Dual Interest Theory, which works to temper (or not) the self-interest. Classical liberalism just presumes only self-interest matters, so, shared other-interest is of no accord, which is what turns said “ism” into an ideology (and, some see theology in it, too: Christianity focuses attention on the person, albeit that person is to temper own-self by empathy-with the other) of self-interest. Dual interest theory has a placeholder for such shared other-interest content, in the case of classical liberalism being limited to the shared other-interest in a person doing as one pleases, without regard for the ethics of the economic choice.

As expected, the ideology of Neoliberalism is also found throughout the Right of the Political Spectrum. One of the earliest, well-known supporters of Neoliberalism (who was determined to undo The New Deal) was Robert Taft, a congressman and then a senator who was active throughout the 1930s, 1940s, into the early-1950s, from Gerstle (2022, p. 39):

“ Taft (had the frame that) individual liberty was the most prized political value in America. Taft regarded America’s federal political system, with a central government sharply limited in its powers and political authority diffused across countless states and municipalities, as the key to maintaining that liberty. From the start, Taft saw the New Deal as a threat to America’s liberty-enhancing political system.”

So, like in Neoliberalism, and the Single Interest Theory ideology of Microeconomics in support of The Neoliberal Order which started to take precedence in the early-1970s, anything that tempered self-interest was suspect. Taft would likely very much approved of the Econ 101 courses taught in the contemporary University at the current time. Unfortunately, Taft framed any effort to temper self-interest (e.g., bank and finance industry regulations, efforts to revive agriculture with public investment, as in public research expenditures into producing more and better quality food) as a kind of totalitarianism of the state.

Importantly, the claim that any tempering of the Market with the Government is totalitarianism lacks in any kind of substantive empirical (scientific) content while also being on the edge of the unethical, but, then, that is a main feature of every ideology not subjected to empirical test. The unfounded claim that any kind of tempering of the Market is a kind of socialism run by a totalitarian state still resonates in many Right of Isle political circles to the present day. Again, the claim lacks empirical (facts) & ethical content.

It seems fair to claim that Taft was a Scroogist, with an inordinate concern for high marginal tax rates with any of said money going to redistribution not being appropriate. Makes sense: It takes lots of Ghosts of Xmas past to get the attention of Scrooge. Gerstle (2022, pp. 39-40) points out that Taft especially believed that “Redistribution of wealth could happen only through a vast augmentation of the powers of the central state, which Taft saw as the worst evil of the Roosevelt administration. ... If we extend Federal power indefinitely, if we concentrate power over the courts and the congress in the executive, it will not be long before we have American fascism.”

And, it would seem Adam Smith pointing to the need to temper the arrogance of self-love (all Scroogists have an abundance of same) with that which the other can go along with (like the Cratchits), well, Taft apparently was not into Moral Philosophy or Christmas Carol styled stories. And, for Christians, and we might suppose Taft was supposedly one, the irony is huge, in that putting Christ into Christianity requires being in empathy-with the other: Even Scrooge did so ... did a bit of redistribution with one Xmas turkey, and even raised the wage of labor --- after the Ghosts nudged it. Not Taft.

The irony is that the exclusive focus on self-interest by Taft and others persuaded by Neoliberalism actually is the main contributor to Fascism which Taft saw as something to be avoided. American Fascism is here, as associated with the Authoritarianism which always arises when the Market goes to excess, right now in 2022 for that very reason. And, then, when combined with Christian Fascists also doing a cultural war on gender and racial grounds (Hedges 2007), the problem (the political economic chaos), the Fascism becomes widespread on both economic & cultural grounds, each feeding off the other.

But, we are getting a bit ahead of the story, with key parts of the decline of The New Deal Order and the rise of the “new” Neoliberal Order (actually, old: It was tried before, in the gilded age of the 1890s through the 1920s) tied to the racial question. The decline was also quickened by dissatisfaction related to the Vietnam war framed as a fight for democracy (and capitalism) and against communism. And, then, several problems started to emerge in the American Economy leading to the stagflation period in the early-1970s. As Gerstle (2022, pp. 47-48) says it,

“... race and Vietnam became the two most important issues in American politics ... created divides among Democratic Party constituents that the New Deal order could not bridge ... followed by the long economic recession of the 1970s, a recession whose consequences endured because they were associated with underlying changes in the world economy. These three forces—race, Vietnam, and economic decline— battered the New Deal order in the 1960s and 1970s beyond a point where it could repair itself.”

The Jim Crow of the South was an especially thorny issue, with many Southern Democrats of the day being in full support of continued segregation. It had also become an international issue in the Cold War Competition between Classical Liberalism (with related Capitalism and Democracy) and Communism. As Gerstle (2022, p. 50) says it:

“The rivalry between the United States and the Soviet Union for the loyalty of what was coming to be called the Third World was fierce. Both sides understood how much the outcome could turn on race. Already in the 1940s the Soviet Union was taking delight in embarrassing the United States internationally, by showing how the institutions of white supremacy in the southern states contradicted America’s professed commitment to the proposition that all men are created equal.”

So, while the popular, media driven story --- often elaborated in documentaries depicting the era --- shows people marching in civil rights protests, the rest of the story involves trying to win the Cold War.

In any case, something had to be done (keeping in mind President Kennedy was assassinated 6-months after he proposed Civil Rights Legislation), and, with the persuasion of President Lyndon Johnson, even some of the Southern Democrats (although many others joined the Republicans) went along. The result was the 1964 Civil Rights Act and the 1965 Voting Rights Act. With said legislation in place, Johnson proceeded to mold the Great Society, which was a

take on original premises of The New Deal Order, but now more inclusive especially on racial, but also on gender grounds, as Civil Rights now extended to everyone.

It did not come without costs to President Johnson and supporters. As Gerstle (2022, p. 54) says it, the Great Society was about a vast project of social engineering, which included:

“... the elimination of racial, religious, and sexual bias from all institutions, public and private, that received significant amounts of federal funds. This program came to be known as affirmative action. Johnson did all this knowing that such an ambitious program of racial remediation, entirely deserving of the name “Second Reconstruction,” would probably cost the Democratic Party the white South, one of the key constituencies on which the New Deal order had built its power. That constituency included Democrats in Johnson’s home state, Texas, who had propelled him into public life and had facilitated his ascent to the presidency.”

And, then, there was the Vietnam war, which many started to see as an empty quest to fight back a communism which was overrated and would not likely be widely adopted. It really was not that productive or capable, demonstrated by subsequent moves to Authoritarianism in all the communist framed systems. The Vietnam war had devastating effects on the economy, too, as heavy expenditures on war material worked with other forces. As Gerstle (2022, p.) says it:

“Having to service demands for both guns and butter, the US economy began to overheat; inflation ensued. Many Great Society initiatives were rolled back or abandoned. Meanwhile, the racial reforms that Johnson had secured in 1964 and 1965 had sparked as much racial conflict as harmony, inclining some blacks toward urban insurrections and causing many whites, fearing for their safety, to flee the Democratic Party and embrace Republicans, now offering themselves as the protectors of law and order and, in the South, of white supremacy.”

And, then, the dominance of American industry started slipping away, in the face of the likes of now war recovered production machinery (new factories, new machines) in the likes of Japan and Germany. American industry had become a bit too used to being dominant on the Spaceship, at one point doing things like producing 80 percent of the automobiles and trucks: Innovation fell-off. Abundant liquid petroleum under the surface of the US in the early years also fed production processes short on efficiency, as in producing gas-guzzling automobiles. Japan especially took advantage after the oil crisis (in foreign supplies) and power asserted by oil

producing countries started appearing on the scene by the early-1970s. Also, there just were no longer any vast stores of liquid petroleum under the surface of the US to tap. Substantive amounts of oil were now to be purchased on the Spaceship-wide market.

The Soviet Union did not fare much better, even though it had plentiful oil and other carbon fuels which had powered the US to dominance. Actually, it was doing much worse as was revealed when the Berlin Wall came down, and everyone could see how poorly the Soviet economy was actually performing. Eventually, what came to be much smaller version of the Soviet Union now limited primarily to Russia, also fell prey to the excesses of greed. The Oligarchs took control of the economy, and, the Authoritarianism emerged to control it all.

So, what was making for all of the economic misery? The Neoliberals claimed to have the solution. Just look at the Soviet Union, it was said, wherein the Government had too much influence on the economy. And, then, it was said, look at the US for the same reason: The New Deal had to be taken down, as it was stifling the economy: In Metaeconomic terms, the Neoliberals not only wanted to rebalance the Market & Government toward a more exclusive Market, and, while not a new idea in the Neoliberal frame, it was said Government was a counter to the Market in the Market VS Government frame. So, The Neoliberal Order was about in effect neutralizing, eliminating Government from the lives of Americans, other than in the police and military role. By 1980, the Neoliberal Claim came to be, with President Reagan leading the charge, that the Government could do no good, while the Market could do no bad.

It also needs to be made clear that The New Deal Order continues to be under attack here in 2022. The Neoliberals plan to eliminate social security and medicare, and the Affordable Care Act. The assault on public education continues at all levels --- including taking down the public universities --- with the Neoliberal call for vouchers in private (elementary) education, and, in effect, defunding the public universities. Labor unions are stopped at every turn. Environmental regulations are framed as distorting when in fact said regulations are about sustaining the Spaceship within which the Neoliberal Market is embedded. Affirmative action is going down, and the 1965 Voting Rights Act continues to be further neutralized. Some rights of the LGBTQ community are also gaining ever more scrutiny, and the (cultural) right to choose to expel even a fertilized egg (even though it is not a chicken; see Blog ??) is being greatly restricted when not banned entirely. And, ironically, while The New Deal Order is under continued assault, The Neoliberal Order is also not playing well in many circles, especially among the Middle American

Radicals (MARs), who are especially raising questions about free trade and globalization. The MARs has even taken to claim all manner of scientific-sourced facts do not serve the MARs (e.g., the anti-vaccine sub-group), while making said points on social media outlets using technologies that would not exist without science.

Rise and Fall of The Neoliberal Order (1970-2020)

In passing, it may be of intrigue to anyone following along here: The New Deal Order is covered in a mere 64-pages in Gerstle (2022), while the book takes 222-pages to cover The Neoliberal Order. The reader is advised to consider Gerstle (2022) and the Blog with that in mind: Far more detail is at play about The Neoliberal Order. The extra detail is perhaps justified, in that it is not exactly a new idea, so there is a lot of history (and, Gerstle is a historian, after all). Said Order goes at least back to what came to be called Classical Liberalism evolving with the Enlightenment period starting in the late-1600s. Yet, earlier Greek philosophers had also played with such ideas. And, by the time of Adam Smith (1758/1790; 1776/1789), the clear elements of The Neoliberal Order were quite well developed, albeit Adam Smith would likely not be happy with the current rendition. The current rendition leaves out Smith (1758-1790), leaving out the key role of ethics (empathy-based sentiments). The Neoliberal Order substitutes a much narrower Moral Order, which is shared only with the meritorious as judged by Neoliberals.

Overall, The New Deal Order arguably is closer to what Adam Smith had in mind. Yet, all attempts at such an order have been taken down, as The Neoliberal Order keeps coming back to dominate.

Beginnings of The Neoliberal Order

Gerstle (2022) starts the story about The Neoliberal Order around WWI, pointing to the key progenitors of same as represented in Frederick Hayek (1899-1992) and Ludwig von Mises (1881-1973), fairly recent offerings in the longer scheme of things, and, still influential today. Gerstle (2022, p. 74) points at a few of the more notable events organized by such thinkers as represented in

“... the Colloque Lippmann held in Paris in 1938, and the first meeting of the Mont Pelerin Society in Switzerland in 1947. Accounts of neoliberalism’s history customarily shift from Europe to America from the 1940s onward, tracking the movement as it transited the Atlantic and found homes at several US universities, most prominently in the economics department of the University of Chicago, branching out from there into public policy and politics.”

It is not likely Adam Smith would have been invited to either the Colloque or the Mont: And, if Smith had been there, Smith would not have approved.

Adam Smith would also not be pleased with the Chicago School of Economics, especially the Libertarian Branch, which very much gives supposed scientific credibility (which must be empirical evidence based, but the Chicago School provides little) to modern Market Neoliberalism. Adam Smith would also not be pleased with the Public Choice School of Economics centered in Virginia, as it applies the same theory and framework in the form of Government Neoliberalism. In the latter, the citizen in shared other-interest with other citizens is replaced by the self-interest only consumer of Government outcomes. Said consumer, in contrast to a citizen, expresses tax T for the favored public goods in the Government just like a consumer expresses price P for the favored private goods in the Market. Politicians, too, are merely self-interest maximizers, with no sense of concern for the shared other-interest beyond that of the people voting for same. It is all about taking power to express a narrowly framed self-interest. Neoliberalism framed Market and neoliberalism framed Government, together, claim that every aspect of life --- political, economic, cultural --- is framed as a Market-like transaction, which also presumes everything is commensurable in money terms. It is all about pushpins, not poetry.

Being quite active in the mid-1930s into the later-1940s is especially significant, in that the Neoliberals of the day claimed a need to find a better point on the spectrum from the collectivism of the Left that was arising because income and wealth had been concentrated on the Right, to the laissez-faire of the Right which the Left abhorred, and, claimed to know where the best point was located. Intriguingly, as Gerstle (2022, p. 74) points out, said claim actually clashed (and, ironically, in some ways overlapped) with The New Deal Order which was also focused in some

sense on doing the same thing, giving people more freedom to do and to be, but seeing the best point quite differently.

As Metaeconomics makes clear, the form of the Neoliberalism in The New Deal Order was about good balance in a joint Market & Government, each seen as essential to the other. The Neoliberalism framed in the Colloque and on the Mont differed greatly on said front, wanting to greatly reduce any influence, framed as the “intervention and distortion” of the Government, wanting instead “untrammelled personal freedom” (Gerstle 2022, p. 74). Yet, the New Deal Order also wanted a similar kind of personal freedom, made possible through actually being able to pursue the American Dream through better working conditions and better safety nets.

The Colloque and Mont framing could only see Government as being in the business of trammeling, which then grew into the frame of the Right. Intriguingly, it also came to be a view of many on the Left, who wanted to be free to choose the content of culture (content of the Community), with Governments role relegated to enforcing said right. The Right agreed, but only with respect to the Market, not the Community represented in the Government. And, in general, as Gerstle (2022, p. 74) says it, for Left and Right, The Neoliberal Order “... offered novel approaches to solving economic and social problems while also resuscitating the emancipatory spirit that had been central to classical liberalism’s popularity in the late eighteenth and early nineteenth centuries.”

Modern day versions of support for Neoliberalism abounds in the freedom to support “wokeness” in the Community with Government asked to impose same (e.g., in racial and gender issues) on the “non-woke.” Neoliberalism also demands that Government ensure private property rights to do as one pleases in the Markets (e.g., eliminating environmental regulations on carbon so one is free to burn as much carbon fuel as one pleases, without regard for damage to the atmosphere, climate and ecosystem). In both cases, it is about that untrammelled personal freedom and liberty to do whatever one wants to do --- possessive individualism --- a freedom without responsibility (including “free” speech to say anything, anytime) without bounds. Such freedom leads to such things as refusing to take a Covid vaccine even though the public health, and the private health of the person refusing same, are both at stake, and, the person claiming even being free to spread misinformation and conspiracy.

Gerstle (2022, p. 75) chooses to start the story of Neoliberalism at the time the American colonies revolted against the British and formed the US, premised on the fundamental idea that

“All men are created equal and endowed by their creator with unalienable rights to life, liberty, and the pursuit of happiness.” The claim is notably rift with empathy, as in being in empathy-with everyone because each is equal and endowed by their creator. Said empathy-with was to go in every direction. So, the notion that the frame supports the Neoliberalism claim of self-interest only, individualism without responsibility with the other, is irony at best, if not outright distortion. And, while *On the Nature and the Causes of the Wealth of Nations*, which was primarily about ego-based self-interest was also published at that time (Smith 1776/1789), the other book, *The Theory of Moral Sentiments*, on which Smith drafted first, and labored until his passing in 1789, in fact was more in line with the empathy-with frame of the Bill of Rights and Constitution. If people had paid more attention to the dual interest that Adam Smith saw, which pointed to the essential need to temper the arrogance of self-love (the self-interest) with that which the other can go along with (the sentiments), the Neoliberalism of today would be substantively different.

An aside, but important one here: It is especially ironic that many current ostensible believers and practitioners of Christianity (which is built on a foundation of the sentiments, the empathy-with the other notion), who seem to find Neoliberalism quite appropriate (as in seeing Neoliberalism & Religionism as in the same frame) claim the founders who made said declaration were all about unbounded freedom and liberty to do as one pleases. Yet, the foundational idea of Christianity (at least a Christianity with Christ still in it) sees the essential need for empathy-with the other, spread widely (it is not about *Christian Fascism*, after Hedges 2007). Such empathy-with the other puts a huge load of responsibility into tempering the freedom and liberty of the excesses of self-interest. Christianity in philosophy, theology, and in good practice would work to nudge tempering the excesses in both Market & Community.

In any case, the proclamation is the frame for a whole series of declared rights, as Gerstle (2022, p. 76) says it: “The first ten amendments to the Constitution, adopted in 1791 (perhaps influenced at the time by Smith 1758/1790, but later forgotten), further strengthened the liberal character of American governance by elaborating a set of individual rights—to freedom of speech, assembly, and religion; to petition the government without fear of reprisal; to a swift and fair trial if charged with a crime—that could not be abrogated except under extreme circumstances,” albeit said rights left out what would eventually become the need for

consideration of gender and racial concerns, empathy-with spread to everyone on the gender spectrum no matter of what race.

Gerstle (2022) makes the claim that the framing of Adam Smith, especially on freeing the individual to barter and trade, both locally and internationally, especially influenced the Neoliberalism of the day. It is referred to as free trade in the modern vernacular. What seems to be left (or is that right) out, however, was the Smith requirement affect the terms of that trade with that which found at the station of the impartial spectator. Each trader was to go to said station and ponder the situation of the other --- mindful empathy-with the other, the ethics of trade --- was essential to an efficient trade. Trade had to arrive at some own-interest point on path OZ in Figure 1, arriving at the efficient price P, which had to be tempered by the considerations of value V in Figure 2. One would also easily surmise that said mindful empathy-with considered everyone --- it seems Adam Smith would concur --- affected by the trade, including labor, suppliers, consumers, communities, and, in the current situation, the sustainability of the Spaceship system.

Gerstle (2022, p. 77) argues that the Neoliberalism of the late-1700s not only facilitated an inclusive (empathy-based) political and Government system like facilitated by the US Constitution, and a Market system consistent with the framing of Adam Smith, but it also had a Community (Culture) dimension, one that:

“... encouraged an emphasis on individuality and its cultivation. Individuality called for something more than the pursuit of economic self-interest. It focused attention instead on the full achievement of the individual’s potential. Liberals speaking in this register called for a commitment to a rational inspection of the world and the jettisoning of beliefs grounded in superstition and unthinking tradition. They put a premium on education. They stressed moral improvement, the cultivation of conscience and of responsibility for one’s fellow human beings, and, ultimately, a belief in progress.”

Community reflecting the Culture was to be built upon a foundation of facts (scientific-method sourced) & ethics, with (public) education a key part of the way to get to said foundation. And, said progress was about (Gerstle 2022, p. 77) “... humanitarian dreams of emancipation—for religious minorities, for women, for the enslaved, and for impoverished workers. A century later it would encourage dreams of pluralism and cosmopolitanism, of humanity enriched by the encounters between people of different faiths, traditions, and nationalities.” It was about progress

tempered by empathy-with the other reflected in conscience and responsibility. Modern Community and Government leaders harken back and pay attention to said roots, with economic progress at the root of it all.

Such framing arose especially in the early-1900s in the US, with the Progressive Political Party movement. It arose on both Right and Left, as represented in Theodore Roosevelt and Woodrow Wilson (Gerstle 2022, p. 81). Intriguingly, both Right and Left as represented in T. Roosevelt and W. Wilson both rejected the Market as something natural, and organic, but rather it needed Government to make it work, especially in ensuring better balance in employers (owners) & labor (workers) power. The Progressive era, which especially started evolving in 1900–1920, was “... defined by efforts to curb corporate power, to grant labor unions rights to collective bargaining, to inaugurate schemes of social insurance, and to establish a welfare state (Gerstle 2022, pp. 81-82).”

It was all about finding good balance on some path OZ in Figures 1 and 2. It was about recognizing the essential need for good levels of profit, but also recognizing the incommensurable value V of living the good and ethical life. As Theodore Roosevelt, a Right of Isle Progressive said it (Gerstle 2022, p. 82): “The man who wrongly holds that every human right is secondary to his profit... must now give way to the advocate of human welfare, who rightly maintains that every man holds his property subject to the general right of the community to regulate its use to whatever degree the public welfare may require it.”

Put in analytical terms, the shared other-interest on path OM representing human welfare must temper the self-interest on path OG which is only about profit. Gerstle (2022, p. 82) claims Wilson attached the notion Liberal to the proposition by T. Roosevelt, and, it became a key part of the Liberal Party that that cousin Franklin Roosevelt represented starting in the late-1930s into the early-1940s, during that presidency. The New Deal Order had the content of said Liberal Order. The people opposing said reframing of Classical Liberalism, not willing to put such a Humane frame on it, are the trace of the Neoliberals now in 2022. And, while accused of being too far Left, all three progressives, represented in Theodore Roosevelt, Wilson, and Franklin Delano Roosevelt looked “ ... for a third way between what each regarded as the ‘soul-crushing’ collectivism of the left and the discredited ‘laissez-faire’ ways of the right (Gerstle 2022, p. 83).” It would seem all three would have very much liked the Dual Interest Theory of Metaeconomics which points exactly to such a third way.

The resistance was huge, framed by Hoover's claim (which is a mantra of modern Neoliberalism to the current time) "Either we shall have a society based upon ordered liberty and the initiative of the individual, or we shall have a planned society that means dictation no matter what you call it or who does it. There is no half-way ground. They cannot be mixed. Government must either release the powers of the individual for honest achievement or the very forces it creates will drive it inexorably to lay its paralyzing hand more and more heavily upon individual effort (Gerstle 2022, pp. 83-84)." Lots of conjecture here without empirical support in facts, and, lacking in ethics content, too, as it points to a way that would likely not stand the test of that which reasoned people can go along with. A Human Capitalism wherein self-interest is tempered by the shared other-interest does not have to be planned economy anymore than do the powers of the individual being released being possible only with a free for all, anything goes without restraint laissez-faire. Said problem of basing the frame on a foundation of unscientific & unethical grounds remains in modern Neoliberalism.

An essential aside, here: Gerstle (2022) makes clear that Neoliberalism has beginnings on both the Left and Right of the political spectrum. As a case in point, while novelist Ayn Rand gained extra attention from the Right, mainly because of the claim that only self-interest in a Market (requiring unfettered private property) could be moral and ethical, the Left also found the Rand claims for cultural freedom, e.g., in sexual expression, equally compelling. Even center Left and center Right were attracted to the Rand claim that "the system" would quell creativity, adventurous exploration of new things in production and consumption (Gerstle 2022, p. 101). It was all especially compelling to the young: As Gerstle (2022, p. 102) says it, the Rand frame "... opened a door for young people of various political orientations struggling to find meaningful individuality in a world they perceived as overly regulated and stultifying."

Unfortunately, the Rand framing misses the fundamental point that while ego is primal in all humans, empathy must also play a role to make for a good system. In fact, the moral and related ethical system cannot arise out of just ego: Rand missed the point that the moral and ethical dimension of life is empathy-based, and comes from tempering the ego that Rand claimed needed to be free of any kind of reasoned tempering. The Rand framing also claimed only certain people knew best, and the egoistic-hedonistic (and, it seems, in the novels, even the narcissistic) white Anglo-Saxon male was to be especially held in high regard.

Metaeconomics framing of the Ayn Rand and supporter contentions asks for empirical evidence, please, that morality actually arises out of Market transactions. And, even if morality is influenced by Market transactions (which likely is the case), it is also essential to provide the justification for an ethical system framed only by the Market. The null hypotheses of Community having no influence on good morality, and Community not influencing good ethical systems, will likely be rejected, which makes the Market-only source questionable. It is especially important to ask for said facts & ethics in that Ayn Rand apparently still plays in substantive parts of the Right of Isle belief in the tenets of Neoliberalism, with empirical (facts & ethics) support lacking to support the “ism.”

Ascent of The Neoliberal Order

To make sense of the notion of The Ascent of the Neoliberal Order, it is helpful to think in terms of the ascent to what? To what does Neoliberalism aspire? And, while Neoliberalism is generally associated with Right of Isle, generally Conservative politics, there is not only the Neoliberal on the Right but also the matter of the Neo-Liberal on the Left (Gerstle 2022 adds the hyphen to distinguish the two). So, it is also essential to ask: To what does the Neoliberal and the Neo-Liberal aspire? What is The Ascent all about?

Lynne (2020, Chapter 5) points to many continuums from Left to Right that help make sense of the notion of what The Ascent may be about in each case. Consider the following (and, there are many more, as listed in Table 5.1 in Lynne 2020, pp. 153-155):

Pure Communism Pure Capitalism

Public property ... Private property

Public good ... Private Good

Public interest ... Private interest

We ... I

Influencing Socialism ... Free to Choose Capitalism

Socialism ... Scroogism

The pure communism to pure capitalism and the public property to private property continuums provide the big frame about The Ascent. And, to put the continuum in context, keep in mind that: “Pure capitalism would have ‘no taxes, no price ceilings, no price floors, no public parks, no central banks, no wars of aggression, no immigration restrictions’ (Munger and Villarreal-Diaz 2019, p. 351, quote from Labeit 2009).” It would also have no public property, to include every Spaceship (Earth) system now owned as a private property, e.g., the hydrologic cycle, the very atmosphere, the electromagnetic (airwaves) spectrum, and all land and water would be private property. No more national parks, no more leasing of drilling rights under lands to private companies, as said companies would be either owning or leasing same from a private owner.

And, at the other extreme of pure communism, a similarly peculiar (outlandish, extreme) system, in said case with no private property. One could not own anything --- cars, houses, tools, perhaps even one’s own toothbrush, taking it to the absurd extreme. Both extremes are patently absurd, and no reasoned community of people would go to either end (and, every attempt to do so, in documented history, has failed). What works is good balance (as Metaeconomics clarifies), as in the notion of I & We (see Putnam and Garrett 2022), private & public property, capitalism & communism, scroogism & socialism, private & public good, private & public interest with each element on either side of the “&” essential to the other.

In general, the goal of The Ascent in Neoliberalism is about the continued push toward private property and pure capitalism. In such a system, the Market is dominant, with each person, every Traveler on the Spaceship, a consumer out to do one thing: Ego-based self-interest pursuit of maximum utility, as Single Interest Theory in Microeconomics characterizes it. Everything is quantified (only pushpins and no poetry) and monetized in price P. The consumer also replaces the citizen, as any remaining public goods are treated as independent and separable just like the private goods, with each having a monetized value paid in tax T.

The Ascent, if it is successful, is also about balancing the private & public interest toward the private interest, and private & public good toward the private good. The presumption (without empirical support) of Neoliberalism is that the public good and public interest is a mere summation of private good and the public interest. And, on the balance in what is actually a joint and nonseparable capitalism & socialism, private & public good (empirical reality), Neoliberalism wants a definite tip toward the capitalism side.

Neoliberalism also pushes toward Scroogism, as the Scroogism & Socialism scale is tilted drastically toward extreme disparity in income, wealth, and power. And, the move to Scroogism is always what causes the Coming Apart, and then the End of the Neoliberal Order (later sections in the Gerstle 2022 book). Another way to characterize the matter is that The New Deal Order worked to tilt the scale perhaps too far to the Socialism side, which contributed to the Fall of the New Deal Order. Tilting the scale too far to the Scroogism side contributed to the fall and eventual End of the Neoliberal Order.

And, what of Neo-Liberalism? Gerstle (2022) points to how cultural liberalism led to people wanting to move toward the right end of the spectrum on private good and private interest in such things as sexual expression at both the male and female ends of the spectrum, but also including sexual liberation on the LGBTQ gender spectrum. Said spectrum is also viewed by the typical Neo-Liberal as a continuum, a point on which a person is genetically predisposed at birth.

The Neo-Liberalism frame also points to a person being able to fully express own-self no matter at what point one is on the racial spectrum, also viewed as continuous, without specific classifications having any particular “We” dimension. Just like in Neoliberalism, the Neo-Liberal is focused on the “I.”

As one might imagine, Libertarians will be found in both circles. One finds Libertarians a prominent part of both Neoliberalism and Neo-Liberalism.

So with that background: The fact The Neoliberal Order --- both Neoliberalism and Neo-Liberalism --- did make an Ascent is empirical evidence that ego-based self-interest is primal. It seems to be the primary Human driver, with only a few exceptions, wherein someone is primarily driven by empathy-based other-interest (a few come to mind, such as Mother Theresa). It is an empirical question which needs to be addressed, as to the proportion of the Human population that is primarily ego-based in contrast to empathy-based, fully recognizing all mentally stable people have good balance of both in play.

What is the specific evidence of the Ascent? Gerstle (2022, p. 108) claims it gets off to a real push start in 1971, when “.. Lewis Powell, then a successful corporate lawyer in Virginia, issued a call to arms in the form of a private memo he had sent to the head of the US Chamber of Commerce. Entitled ‘The Attack on the Free Enterprise System,’ the memo described as tyranny the comprehensive regulatory edifice that the New Deal order had built to manage capital, labor, finance, retirement, poverty, and the environment.” The New Deal Order was a form of

Socialism, and needed to be countered, in order to save capitalism --- especially the unfettered by Government type of capitalism, which (as Metaeconomics makes clear) is fundamentally about building a Scroogism.

Using Metaeconomics framing, The New Deal Order was fundamentally about tempering the Market (which to Powell was about Socialism). The Power memo was a call to in effect take down The New Deal Order --- get rid of the tempering by Government, such in the Glass-Steagle act which separated investment and commercial banks --- in favor of a free to choose to do as one pleases in the Market, without regard for the shared other-interest. Naturally, as Metaeconomics makes clear, a Scroogism would be the outcome, which is exactly what started to unwind as the Ascent moved forward.

One must also keep in mind that the Chicago School of Economics, Libertarian branch especially, as represented in Milton Friedman, gave supposed scientific credibility to Liberalism. Friedman (1970), a popular magazine styled article reflecting the Libertarian view was spread widely at the time, claiming corporations had no social responsibility (i.e., empathy-based tempering of self-interest was not necessary) other than to the shareholders (only to the owners of the business).

Using Metaeconomic framing, the Friedman claim amounts to no need for management and owners of a corporation to be in empathy with labor, community, consumer, and, writ large, no need to be in empathy with the need to sustain the Spaceship within which the economy is embedded. The facts (scientific-method sourced) & ethics foundation of such a claim were questionable at the time, and remain so to this day. Such claims fed the Ascent of Neoliberalism, with Single Interest Theory in Microeconomics still being a major player in supporting said “ism”, which has turned Microeconomics into an ideology rather than a science-based theory and framework.

Notable events in the Ascent include, after the 1971 call to arms:

1. Business Roundtable formed in 1972, which played a major role in 1978 effort to disable labor unions.
2. Heritage Foundation formed in 1973, with the Coors Brewery company owners being major drivers.
3. Heritage Foundation, around 1977, establishes links with the Mont Pelerin Society, which was formed in 1947, and is composed of Neoliberals of the Market-variety. Heritage becomes

the most politically active think tank in pushing for unfettered, “free” Markets, shored-up by thinking and thinkers in the Mont Pelerin Society.

4. Charles Koch Foundation formed in 1974, which becomes the Cato Institute, a think tank of the Libertarian frame. Fred Koch, father of the Koch Brothers, was one of the original founders of the John Birch Society.

5. Manhattan Institute formed in 1977, who supported George Gilder, who wrote *Wealth and Poverty* (1981), which became the guiding light in the Neoliberalism in the Reagan Revolution starting in the early-1980s.

6. Upwards of 750 PACs supporting Market Liberalism arise in the 1974-1978 period, with said money used to propel Reagan into the Presidency in the early-1980s.

7. The book *A Time for Truth* (Simon, 1978, actually written by a ghost writer, an Ayn Rand aficionado) called for “...a massive and unprecedented mobilization of the moral, intellectual and financial resources ...(of business to) ...aid the intellectuals and writers who were fighting on the side of capitalism (Gerstle 2022, p. 111).”

8. 1970 Occupational and Safety Act, and the 1970 Environmental Protection Act, which Liberalism abhorred

9. And, by the early-1970s, were starting to see the effects and influences of President “...Lyndon Johnson’s executive order 11246, little noticed when it was issued in 1965, which barred employers from ‘discrimination in employment decisions . . . on the basis of race, color, religion, sex, or national origin.’ (Gerstle 2022, p. 113).” The 1964 Civil Rights Act and the 1965 Voter Rights Act were also starting to play, especially in Affirmative Action to remedy previous gender and racial discrimination.

10. Southern Democrats joined the Republican Party in droves, seeing racial rights having been driven mainly by Democrats as represented in President Lyndon Johnson

11. Equal Opportunity Employment Act of 1972 and the Age Discrimination in Employment Act of 1974

12. Any Government official bringing said progressive laws and requirements to the table --- even if only to temper self-interest, e.g., in reducing pollution loading to rivers and lakes --- were viewed by the Neoliberals “... as the leading edge of communist tyranny or, in Lewis Powell’s words, of ‘state socialism’ (Gerstle 2022, p. 115).”

13. Religion also played in electing certain politicians, who somehow connected religion and being free to choose in unfettered Markets. The New Deal Order had always been secular, so, ironically, anything The New Deal Order brought to the table reflecting empathy-with (a very Christian ideal) the other was rejected because it was not directly religion based. Prayer in schools became a hot button issue.

14. As Gerstle (2022, p. 119-120) says it: “Reagan’s greatest political achievement was to reconcile a politics focused on restoring white supremacy and godliness with his own neoliberal market orientation, with its emphasis on personal freedom and antagonism to the New Deal state.... Reagan’s genius was to hang a giant scarlet letter around the neck of the federal government, identifying it as a tyrannical force that had violated the freedoms Americans regarded as their birthright...” Ironically, Market Neoliberalism which has no inherent connection to the shared other-interest in anything other than more profit, got connected with Godliness and the inherent right to be not-Godly (as in discrimination, and not sustaining Spaceship systems).

15. Deregulation in the early-1980s led to removing support for labor unions, and, huge cutbacks in progressive taxation. With labor unable to negotiate for higher wages (which also meant less ability to pay taxes), and tax cuts for the wealthy, revenue shortfalls caused a massive slow down and virtually stopped most kinds of social engineering by Government: The New Deal Order was starved of all financial resources.

16. Federalist Society was formed with the steady outflow of Originalist Judges assured. Originalism is just the judicial dimension of the “ism” within Conservatism, but focused on the Law, and organized to go after the legal foundations of The New Deal Order. Any kind of Progressivism that the latter worked to represent [e.g., environmental regulations, affirmative action, gender claims (e.g., female, abortion, LGQTP), and racial claims to legitimacy] is stopped at every turn by Federalist primed judges and attorneys. The claim is that if the founders of the US that wrote the Constitution did not have any of such matters in mind, well, said things can never be considered as part of the Constitution. Ironically, the founders were very much into being in empathy-with all citizens, not just the few favored when Originalism is applied.

17. Electromagnetic spectrum, the “air waves” no longer considered a public property to be managed by the Government in public interest, but now were to be turned into private property

18. Fairness Doctrine, intended to ensure good balance in political programming in the media, is struck down in favor of the “free market, anything can be said, anything goes” whether responsible or not, an unfettered (not tempered) Neoliberal Market in “free speech,” which actually facilitated a great deal of unscientific & unethical speech. Free speech needs to be responsible speech, the latter needing to be based in facts & ethics.

19. Massive build-up of military, including “digital dome” to destroy all incoming missiles, to neutralize Soviet Union, other nuclear capable countries, and ensure a Spaceship-wide Neoliberal Order, within which free markets could operate.

20. Massive US incarceration, especially young black males, another part of Neoliberal (Law and) Order, and part of the “underclass” incapable of being disciplined enough to be part of the Market Order (ironic, in that often young black males were quite disciplined in an efficient dark market in drugs). As Gerstle (2022, p. 132) clarifies “... classical liberals and neoliberals had long argued for the need to ringfence free markets, limiting participation to those who could handle its rigors (females and people of color not included).” Incarceration would serve to ringfence.

21. Neo-Victorian moral code touted as essential to give Neoliberal Order to the Market, to include discipline and self-control. The Government was not to provide the regulation to bring it about: It was to be done in family and religion. Neoliberalism claimed that civil rights, feminism, and gay rights all undermined the moral code. So, bring the conservative strict father control back into rule over the adaptive children (women, and, everyone other than the strict father). The nurturant parent to free child frame of the progressives had to be subdued.

22. Keep the barbarians from the gates: Latin American immigrants vilified.

23. Former designers and supporters of The New Deal Order gave into the claims that the free market was the best way to organize the economy, which also meant punishing people (the criminals) not deemed capable in the markets, including eliminating welfare. Private interests (in profit under the moral order of family and religion) had to lead the way.

Triumph of The Neoliberal Order

Looking to the main outcomes:

1. In 1991, the Berlin wall came down, the Soviet Union was dismantled, and every Traveler on the Spaceship could see the failure in the attempt to go toward the pure communism

end of the political economic spectrum, the failure of "...the most remarkable political experiment in modern times ... replacing capitalism with communism, private property with publicly run enterprises, and homo economicus with 'Soviet man' (Gerstle 2022, p. 141, quoting historian Ian Kershaw)."

2. During all 70 years of that grand political experiment, as Gerstle (2022, p. 141) says, "... its power, its communist ideology, its atheism, and its appeal to the Third World struck fear in the hearts of US policymakers." Neoliberalism (unfettered capitalism with all private property) mixed with Religionism, and facilitating only home economicus (the Econs), had directly worked to counter that experiment.

3. The Neoliberal Order that ostensibly triumphed in 1991 was all about another grand political experiment operating at the other extreme, toward the pure capitalism end of the spectrum. Fukuyama (1992/2006) declared the latter (writ large, Western liberal --- Neoliberal, in effect --- democracy) had won, and, it was in effect *The End of History*: No more needed to be said or done.

4. Right of Isle US politicians claimed (Gerstle 2022, p. 145) "The future lay with everything that Reagan's America embodied and that communism was not: free markets, deregulated economies, political freedom, individualism, religious faith."

5. Neoliberals went to preaching about the need for free market shock therapy for the entire Spaceship, and, even China moved in said direction. "Everywhere, except in Cuba, North Korea, and perhaps Albania, the once impenetrable Iron Curtain was disintegrating. Capitalism had become aggressively global in a way it had not been since before the First World War (Gerstle 2022, p. 146)."

6. It followed, according to the Neoliberalism frame, the capital and labor balance could be swung completely back to capital "... there was no longer a need for capitalists to purchase insurance against ... challenges (from labor, which is what communism had been all about in the first place) by paying American workers the high wages that the New Deal order demanded. To the contrary, high wage insurance policies could be dropped and labor protests against wage cuts ignored or met by threats to ship production abroad (Gerstle 2022, p. 146)." The disintegration of the Soviet man back to homo economicus also seemed to justify moving back to no empathy-with labor (again, Adam Smith would not be happy).

7. Income and wealth inequality (Scroogism) rose sharply, and seemed justified by the crash of the experiment toward the pure communism end, and, justified even labeling any even modest attempt to offset the power of capital by labor, and any Government help in doing so, as nothing even close to pure communism as represented in Socialism (even though said frame would still preserve private property). Scroogism rose.

8. Operating on the Friedman (1970) proclamation of no social responsibility, i.e., no empathy-with labor or anyone other than the shareholder/owner, not only did the stock market boom, but CEO pay (who were often paid in stock options) skyrocketed. Scroogism is good.

9. And, while Socialism such as practiced in quite a few of the Western democracies is not even close to pure communism, it got wrapped into that which was to be rejected and replaced by Neoliberalism. So, rejection was stirred even in the Viking Economies (Lakey 2016), which are largely about tempering the excesses of self-interest with the empathy-based shared other-interest, represented in being "... committed to strong welfare states, limits on the inequalities between rich and poor, and investments in public goods—parks, the arts, strong public transport systems, and the like (Gerstle 2022, p. 148)." Said economies are about good balance in private & public property, private & public good.

10. Identity Politics was born after the collapse in 1991, as people still wanting to bring empathy-with people, especially on the entirety of the gender and racial spectrum, into full view. People embracing Identity Politics were searching for something other than Marxist framing (which ostensibly had failed, as demonstrated in 1991). Gerstle (2022, p. 149) claims it to be the moment when Neoliberalism went from a political movement to a political order.

11. North American Free Trade agreement came on-line in 1994, and much like the European Union formed in 1993, was all about the Spaceship-wide notion of free trade among all Travelers, a main feature of Neoliberalism, and The Neoliberal Order

12. Bill Clinton, elected to Presidency in 1992 and again in 1996. Clinton much to the chagrin of many on the Left, embraced a substantive number of Neoliberalism framed claims favored on the Right, like limiting labor unions; less, and, even better, eliminating Government regulation; and facilitating free trade.

13. Newt Gingrich writes the "Contract with America" and orchestrates massive takeover in Congress by the Right, in 1994. Clinton becomes a Democratic Eisenhower in 1994, doing such things as agreeing to support the Right of Isle Congress in repealing the Glass-Steagall act which

had worked to temper the excesses in the banks (separating investment and commercial banking) since the 1930s.

14. Reappointed Alan Greenspan in 1996, an Ayn Rand aficionado, and strong supporter of The Neoliberal Order, to head the Federal Reserve.

15. Repealing the Fairness Doctrine in 1993 and the Telecommunications Act of 1996. Free speech was turned into a free-for-all, say anything one wants without concern for facts & ethics. It was all about a free-for-all without restraint, without responsibility. The Neoliberalism claim is that such a Free Market will self-regulate, and, as Ayn Rand claimed (without empirical evidence), all such Markets are inherently moral and ethical.

16. The Telecommunications Act of 1996 also shifted the electromagnetic spectrum from being a public property to be operated for the public good and turned into a private property focused only on the private good.

17. The cosmopolitanism of Clinton et al actually fit well with the Neoliberalism call for free trade on a Spaceship-wide scale. The related multiculturalism with a secular twist by Clinton et al., well, not so much. The Neoliberal Order had a different take on the latter, as did many people in the US who had formally supported politicians on the Left. It was appropriate to move capital across Country and Cultural lines, but not people who brought along own-culture.

18. Clinton et al on the Left celebrated (Gerstle 2022, pp. 187-188)“.. the diversity, exchange, hybridity, and identity malleability that a global market encouraged. (Gingrich et al on the Right) “...emphasized the importance of creating disciplined individuals able to handle the rigors and temptations of market life,” with many coming into the US because of free trade and freedom of movement not considered capable of same.

19. Incarceration based on the “broken windows” theory increased dramatically in the 1990s: Said people, mainly people of African-American dissent, where also deemed not capable of the rigor of a Market.

Hubris of The Neoliberal Order

Notable events in the move toward political (economic) chaos, political disorder, and dysfunction, the “Hubris” as Gerstle (2022) refers to it:

1. “Stolen” election of 2000. Gore was the climate change President (too much carbon dioxide in the atmosphere and ecosystem of the Spaceship). Bush became President, won the election with some questionable “tabs” issues in a few Florida districts: Recount of the Florida votes was stopped by Right leaning Supreme Court.

2. In 2001, the 911 attack on the US by Islamic fundamentalists. Fear of Muslims is stirred.

3. The 2001 Bush (The Neoliberal Order at play) tax cut ensures not only that forthcoming war could not be paid for, but all manner of social engineering by the US Government could not go forward.

4. Assault on Iraq began in March, 2003. After easily subduing Iraq, reconstruction massively failed, as the Neoliberal consensus was that it was best to leave it to the spontaneous response of the Market: The US Government could not, and should not (albeit the US had done exactly so in Europe after WWII, but that was framed by The New Deal Order) work to help Iraq establish that Market & Democracy based Government which would just naturally evolve. It did not so evolve, as there is nothing inherently natural about a Market, or about a Representative Democracy. Both must be built, the institutions put in place to give the Market context. As Metaeconomics makes clear, it is about building a joint Market & Democracy. Microeconomics (Chicago School of Economics variety) as applied in Neoliberalism has no placeholder for the essential institution building: It had to fail, and, it did. The pluralism and cosmopolitanism undergirding a “free trade market” many thought would evolve in the Mideast after the Iraq war, well, it did not happen.

5. Economic crash (the economy built by The Neoliberal Order) in 2008, unprecedented since the 1929 crash and the Great Depression. Even Ayn Rand framed Alan Greenspan, Head of the Federal Reserve, is astounded as to the excessive greed at play to take down the economy.

6. Obama --- who is actually just as much a white man as a black man, but under Southern tradition, a 1-drop black man --- is elected in 2008 as the first “black man” President (albeit some commentators would point it that Obama was better characterized as white man in black face, as the culture, frame brought to the table was more in tune with what Obama had learned in white culture, institutions with that backgrounding).

7. Attempt to build a US “ownership society” by ensuring everyone could own a home, which led, without Government regulation, to an over-inflated, smoke and mirrors real estate market, fed by unethical efforts (especially in the derivatives markets, where the risk of the

underlying mortgage was hidden without any concern for the ethics of doing so) by bankers and others to cash-in. It is part of the reason for the 2008 crash, but not by any means, the only reason, as many of the Neoliberal frame came to claim.

8. Affordable Care Act in 2010, which immediately was attacked by players in The Neoliberal Order as Socialism, even though it was largely just a way to organize private insurance companies into providing health insurance. And, sure, some subsidy for low-income people, which to a Neoliberal is Socialism. To a MetaEcon, it is about empathy-with fellow

9. The 2008 crash was all about unbounded excessive greed, and the result of neutralizing Government in tempering the inherent excesses of the Market. It was an empirical demonstration of the economic failure of The Neoliberal Order. And, yes, it demonstrated it was not indeed the *End of History* (which Fukuyama 2022 corrects, in pointing to the key role of Government in tempering the excesses, the excessive greed, albeit Government must also temper own-self. It is about balance).

Coming Apart of The Neoliberal Order

Main events driving the Coming Apart of The Neoliberal Order:

1. The 2008 crash, and the fact of economic distress --- stagnating wages in the middle class --- that had been building for years in the group that by the 2016 election had come to be the Middle American Radicals (MARs; see Rose 2021, p. 123). Extreme income and wealth inequality drives resentment, and all manner of marriage/family discord; alcohol, opioid, and other drug addictions; overall the resentment is reflected in general destruction of formerly viable families and communities: See *Coming Apart* by Murray (2012/2013). The MARs also claim the elites at the top --- while often giving own-selves massive tax cuts benefiting mainly the already wealthy --- gave into people on the lower rungs of the income and wealth ladder (in welfare payments, and things like subsidized health insurance premiums under the Affordable Care Act), with the MARs (middle-Americans) stuck with the bill (lower wages and higher taxes) for it all. MARs not only blame cosmopolitanism and free trade, but see it all intertwined with immigration, blaming immigrants for economic woes. Immigrants are also framed as a cultural problem, as in replacing Western culture (especially people of color bringing own

culture resulting in replacing whites and “white” --- claiming it as Western --- culture more broadly).

2. Public sector hit hard by the 2008 crash and subsequent recession, which recovered more slowly than the private sector, e.g., plunging house (real estate) values cut tax payments in local communities. The Neoliberalism frame saw all such reductions in Government revenue, which adversely affects spending on the public good, as somehow being a private good.

3. War on drugs and “window breaking” crime results in massive incarceration, higher than in any other developed country on the Spaceship.

4. The Tea Party was part of the uprising. Not only claiming excessive spending by Government on all fronts, the Tea Party framed it in “... terms of a conspiracy (like in the bank and wall street bail outs) to enrich the ranks of the already wealthy at the expense of ordinary Americans (Gerstle 2022, p. 240).” Some in the Tea Party ranks were also MARs, and, as mentioned earlier, claimed that middle-America was footing the bill for the huge tax cuts at the top and for increasing the incomes at the bottom, especially being opposed to what was called “Obamacare.” Several in the Tea Party even claimed Obama was not a born citizen, so, was an illegitimate President. Some saw said claim as simply racism; others saw it as the reaction against cosmopolitanism in general.

5. Young people were graduating from colleges and universities (operating on the undocumented claim that such education was the only way to achieve the American Dream, with trades and other occupations not meritorious) and were not able to find the promised well-paying jobs. The problem of the “precariat” builds, meaning the young had dim hopes for ever becoming the “proletariat.”

6. Occupy Wallstreet occurs in 2011, a rebellion against concentrated wealth and power of the 1%. Elizabeth Warren wins Senate election in 2012 in the frame of wealth being too concentrated. Leftist de Blasio became Mayor of New York in 2014

7. Clinton’s (Presidential-Candidate Hillary and President Bill Clinton) get labeled in a negative way in having associated with the historic frame of Neoliberalism regarding free trade and globalization. Also, Clinton’s are viewed as cosmopolitan, too open to other cultures (including immigrants), races, and too tolerant of people not at either end of the gender continuum, as well as of females (a woman running for President is difficult for many to accept) at the one end.

8. Black Lives Matter movement spreads throughout 2016.
9. Symptoms: Prior to 2016 election, Progressive Populist Sanders (opposing both free trade and globalization) playing to the youth and others concerned with the concentration of the wealth at the top expressed on the Left, and Authoritarian Populist Trump (who also opposed free trade and globalization) playing to the MARs and Tea Party framing expressed on the Right (terms of description from Norris and Inglehart, 2019).
10. Trump's election in 2016 signals the end of The Neoliberal Order, if not Neoliberalism itself.

The End of the Neoliberal Order

The Trump years were tumultuous, as political (economic) chaos emerged along with the crashing of The Neoliberal Order. Main events:

1. Trump violated all manner of ethical if not outright illegal protocols on everything from manipulating elections to using Government agencies to serve only the self-interest of the favored. Any sense of shared interest, such as the other-interest in sustaining the Spaceship by managing such things as carbon loading to the atmosphere, were rebuffed.
2. It was all about "draining the swamp" without regard for good, bad, or indifferent. It was what pleased the whim at the time, without rational consideration discernible to the reasoned.
3. Intriguingly, two political frames emerged from the Trump Administration: "One pointed in the direction of maintaining the neoliberal order, the other in the direction of dismantling it (Gerstle 2022, p. 270)." The old Zombie favorite in Neoliberalism, cutting taxes on the wealthy, was carried out, with the unsubstantiated (by empirical evidence) claims that "trickle-down" works. Appointments of Federalist society judges was another major push that supported the old Neoliberal Order. And, then, the other Zombie idea that the best regulation is no regulation was driven forward, as the "deep state" went under attack. At the same time, the taking down of The Neoliberal Order also went forward, especially in the matter of globalization and free trade, as well as attacking all manner of cosmopolitanism (especially in moving away from the open borders frame historically favored in Neoliberalism). Tariffs were imposed, and pushes for a border wall, both physical and virtual, was the frame. The borderless walls of Neoliberalism were to be closed. Ethnonationalism --- with special attention to vilifying and stopping immigration

by Muslims, Central Americans, and Mexicans --- was the frame of the day. Ego played while empathy languished.

4. According to the Trump Administration, America was to be white and Christian. White (not just Western culture) nationalism was encouraged. A diverse America --- including diversity in religion --- was claimed to be a declining America. Cosmopolitanism was replaced with nationalism of various kinds, including Christian Nationalism, with white Christians the favored flock.

5. Authoritarianism came to be favored over Representative Democracy. International Authoritarian strongmen (not women) were to govern by force and otherwise run the Spaceship. Such Authoritarians were to not only restrict movement of goods and people, but restrict all information (fake news claims, disparaging science) that did not serve the Authoritarianism, which always runs on misinformation, distortion, and propaganda.

6. And, while the breakup of The Neoliberal Order was intended and largely did serve the Authoritarian Populists on the Right, ironically it also served the Progressive Populists on the Left with regard to concerns over globalization and free trade. Ironically, both groups of Populists abhor corporate power.

7. The shift to an Authoritarian Right also stirred a move to the Progressive Left, with new think tanks and action groups on the Left. As Bromley (2006) points out, irritation with ongoing events (and, it was daily occurrence during the Trump Administration years) is a major driver in policy change, and in political change more generally.

8. Pandemic hits in 2019-2020. Both Right & Left saw the efficacy of a Government effort at addressing the public health, in the sense of providing financial help through payments to replace incomes and shore-up consumption. Yet, elements in the Authoritarian Populists on the Right still resisted any kind of Government involvement, as in masking and vaccination. In effect, several on the Right expressed an implicit claim to having the right to spread (give me liberty to give you death) the Covid 19 virus: It was all ego, and little to no empathy.

9. Unscientific & unethical (represented in thousands of unnecessary Covid caused deaths) information was spread by the Trump Administration: Again, it was all about ego-based self-interest in even using quack remedies while ignoring science, which some perceived as in the private good. Ignoring and otherwise downplaying science also meant little to no regard for the

empathy-based other-interest in the public (health) good, spread widely: It was both unscientific & unethical.

10. Biden starts to realize The Neoliberal Order that many on the Left had also supported, especially with respect to globalization (and cosmopolitanism) and free trade had damaged middle-America, and many MARs were absolutely on-target.

11. Biden wins the Presidency in 2020, with help from Progressive Populists and more moderate Right of Isle supporters, with a subsequent insurrection against Democracy led by the Authoritarian Populists on January 6, 2021. The “big lie” of a stolen election spread like a Pandemic, with many destructive consequences.

12. Biden sees the need for a New Order, something more akin to the old New Deal Order, as an effort was placed into vaccinations and other ways of bringing down the Pandemic. It was also about investment in the public good, which was started in modernizing American infrastructure. It was about Government investment in that which underlay the Market. It was also about rooting out structural racism. In addition, it was about attacking the greenhouse gas overloading problem, with the symptoms being erratic weather as driven by rising Spaceship temperatures. Government investment and spending rivaled and in some years exceeded (as percentage of the GDP) that of the New Deal.

13. Cultural elements of The Neoliberal Order still remain, e.g., with entrepreneurs still encouraged. Some specific elements of The New Deal Order also still remain, like Social Security (albeit the Neoliberals keep coming after it, at every turn).

14. Yet, most of The New Deal Order and The Neoliberal Order are dead and gone.

15. Continued political (economic) chaos continue through the 2022 midterms suggests the matter of *What Comes Next* is still yet to be resolved.

What Comes Next: A Metaeconomic Postscript

Neoliberalism --- that which gave the foundation to The Neoliberal Order --- is in many ways a Zombie idea which seems to never go away, i.e., even when driven back, it rises again. Why does it keep coming back? As Metaeconomics makes clear, it keeps coming back because it is an “ism” that reflects the primal tendency to ego-based self-interest: It is primal. And, while the Market can be an effective institution for expressing the self-interest if it is tempered,

Neoliberalism sees no reason to so temper it, which makes it a Zombie idea. Scroogism (a frame that needs elaboration, and given empirical content through economic analysis, and not just in the form of the story in *The Christmas Carol*) is somehow good and ethical. Any attempt to temper the Market with frames from Socialism (e.g., safety nets, public education, supporting offsets to power by labor to capital in the form of labor unions) is branded as an inherent bad. Metaeconomics makes clear that when self-interest expressed in the Market is tempered by that which the other can go along with, tempered by the empathy-based other-interest in the Community of shared interest, it can do good (ethical) things. *What Comes Next* needs to be a good balance in Scroogism & Socialism, Person & Community, Market & Community on the path to building a Humane Capitalism & Inclusive Democracy. *What Comes Next* needs to in some sense be a remixed Neoliberal & New Deal Order, using the best elements from each.

And, how exactly? On the broadest scale, it is about rebalancing away from ego (“I”) based self-interest and moving toward more empathy (“We”) -based other (shared with the other, ethics based)-interest in ego & empathy, self & other-interest. Also, said other-interest needs to come with freedom to form it within community, and, it not being formed “at the top” such as to be used to control people. It is about a shared other-interest that influences self-interest, not controlling it. It is not about Authoritarianism: It is about Inclusive (and Representative) Democracy. And, overall, like Putnam and Garrett (2021) argue, it is about rebalancing the I & We back to something more akin to that existing in the mid-1950s, accomplished through:

1. Business community needs to engage the rebalancing effort. Organizations composed of business and thought leaders like the *Leadership Now Project* (Co-Founder and CEO Daniela Ballou-Aares) taking action to protect and renew American democracy need to be further developed and supported by the Business Community
2. Business leaders like the Business Roundtable composed of CEOs need to make it clear that the social responsibility of business goes far beyond just increasing shareholder (stock price P) wealth. The Business Roundtable needs to acknowledge the responsibility of business is not only to shareholders but also to labor, consumers, citizens (recognize workers as citizens, too, giving time to engage in labor-citizen efforts), community, and, to sustaining the Spaceship atmosphere and ecosystem.
3. Business leaders work at better managing the supply-side issues, as arising from things like the Pandemic; China not taking on global responsibility, due to dealing with internal

economic supply issues; energy-transition issues as the system moves away from carbon fuels toward renewable energy; not relying completely on globalization, working for balance in domestic and foreign production and supply; and, overall structural changes in labor supply.

4. Business leaders need to acknowledge and embrace the key role of Government, seeing it as a viable partner, as in the notion of a joint Market & Government. As Fukuyama (2022) says, is time to stop demonizing Government.

5. Labor unions need to be brought back into substantive play, viewing same as a positive to a viable business community. It is about offsetting the power of capital with the power of labor, as in capital & labor, seeing each essential to the other. It is about tempering the primal tendency of business toward excessive greed, as well as tempering the labor union on the same front: It is about balance, and empathy-with going in both directions. It is about finding optimal (keeping adequate incentives while seeking a more balanced and reasonable) inequality in income and wealth.

6. Cooperatives need to be brought back as viable business competitors to shareholder companies. Cooperatives provide a way for both labor and consumers to obtain capital in business, and make said people true partners in making the business work better for everyone.

7. Multi-national corporations need to invest more in factories and businesses in Central America, providing employment opportunities and the building of a middle-class, to help stem the immigration pressure on the southern US border.

8. Bring back the trade schools to also being framed as a meritorious choice: One does not need a university education to be a productive person and contributing citizen (i.e., meritorious), albeit university educations will still serve to work better for some.

9. Public education re-oriented (bring the liberal education back, essential to making citizens: It is not just about making consumers) to ensure citizens as well as consumers come out of the school system. Being a full participant as a citizen in a Representative Democracy needs to be recognized as having value V, and not just preparing people to be consumers for participating in the Market focused only on price P.

10. Recognize the value V contributed by teachers, health care workers, first responders, social workers, garbage haulers, service workers of all kinds. It is essential to increase the price P to be more commensurate with the value V of said contributions, e.g., making for substantive

increases in elementary school teacher pay, and everyone else who contribute in ways not easily measured in money terms.

11. Politicians need to again become citizens, and work to represent citizens, with the political system all about seeking the common ground --- the shared other-interest ---found by being in empathy-with the other. Also, it is as citizens that the culture wars are turned into finding common ground, a widely shared other-interest across all heretofore warring groups, while still facilitating more narrowly defined other-interest as shared within smaller groups.

12. Citizens need to form 4-6 political parties which would facilitate, and actually it would require the shared other-interest formed through empathy be brought back into the political system. Said empathy-with people in the other party (each now much smaller) is essential to forming coalitions across multiple party lines, and getting things done. The 2-party system is guaranteed to only produce chaos, as ego-based self-interest drives such a system, and empathy plays essentially little to no role.

Overall, Government has to be involved, in helping represent the Community. It is about tempering the Market. Said tempered Market recognizes the key role of the person as citizen, not just the person as consumer. Citizens have shared other-interest within both Community and Government. Overall, it is about Community tempering the excesses (after Lynne 2020), which turns Zombies into economically efficient, peaceful (eliminate political economic chaos), and, yes, happy people.

Said Community also needs to include not only the Relativism in the culture of a local Community, but also must recognize the Universalism across all Travelers on the Spaceship. Said Universalism must also recognize and embrace all systems on the Spaceship: The economy is embedded within the Spaceship system, not the other way around (i.e., the Spaceship is not simply a place to go get resources and then a place to dump the wastes). Universalism must also include sustaining the Spaceship on which all people Travel, in Community, together in the yearly trip around the Sun.

In effect, the analytical system points to an $I_M^C(q_1, q_2)$ representing the Relativism of a local Community/Country. Local/country culture can be preserved, conserved, and otherwise maintained: Italian, German, and Asian Cuisine come to mind, as the simplest, but also quite understandable example. More broadly, the Relativism of Western culture could be conserved in

the part of the Spaceship with said tradition, while Asian culture would serve said area, as couple of cases in point. The $I_M^S(q_1, q_2)$, in turn, would represent the Universal other-interest across the entirety of the Spaceship on which all Travel around the Sun every 365-days: A good example is all agreeing to limits on how much carbon dioxide and other greenhouse gases are released, focused on sustaining the Spaceship system.

Metaeconomics clarifies the answer to *What Comes Next* entails building a sustainable system that works for everyone, i.e., building an empathy-based ethical system, reflecting both Local and Spaceship-wide Communities of shared other-interest. It is about finding sufficient reason for the best choice in the balance between person & community, economy & community, market & government, humane capitalism & inclusive democracy --- defined by pragmatism, by what works --- built on a foundation of facts & ethics. Balance, please, which is the essential feature of The Metaeconomic Order. See the many [Metaeconomics Blogs](#) addressing various considerations in *What Comes Next*.

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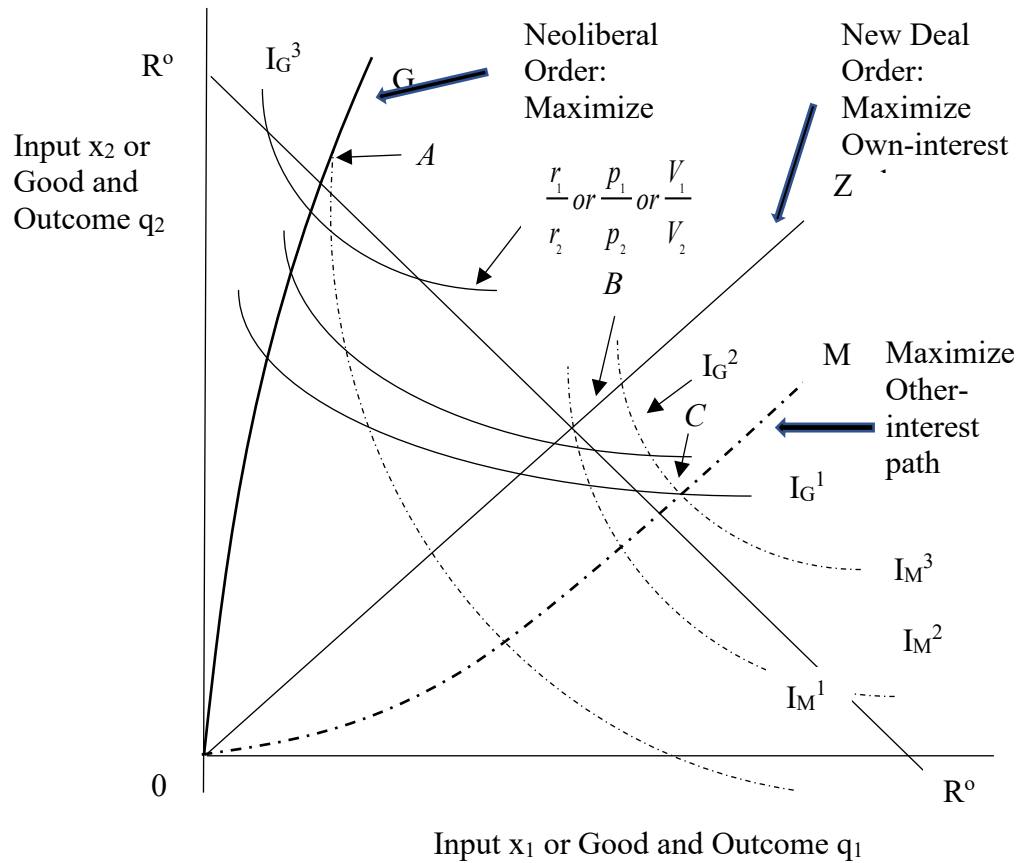


Figure 1. Isoquants for nonallocable inputs x_1, x_2 or Indifference curves for nonallocable goods, products, and outcomes q_1, q_2 reflecting ego based self-interest (I_G) and empathy based other(shared while internalized within the own-self)-interest (I_M)

Notes: Self-interest is maximized at point A with little payoff in shared other-interest. Shared other-interest is maximized at point C with little payoff in self-interest. Own-interest is maximized at point B with good balance in joint self & other-interest, characterized by a bit of sacrifice in both domains of interest.

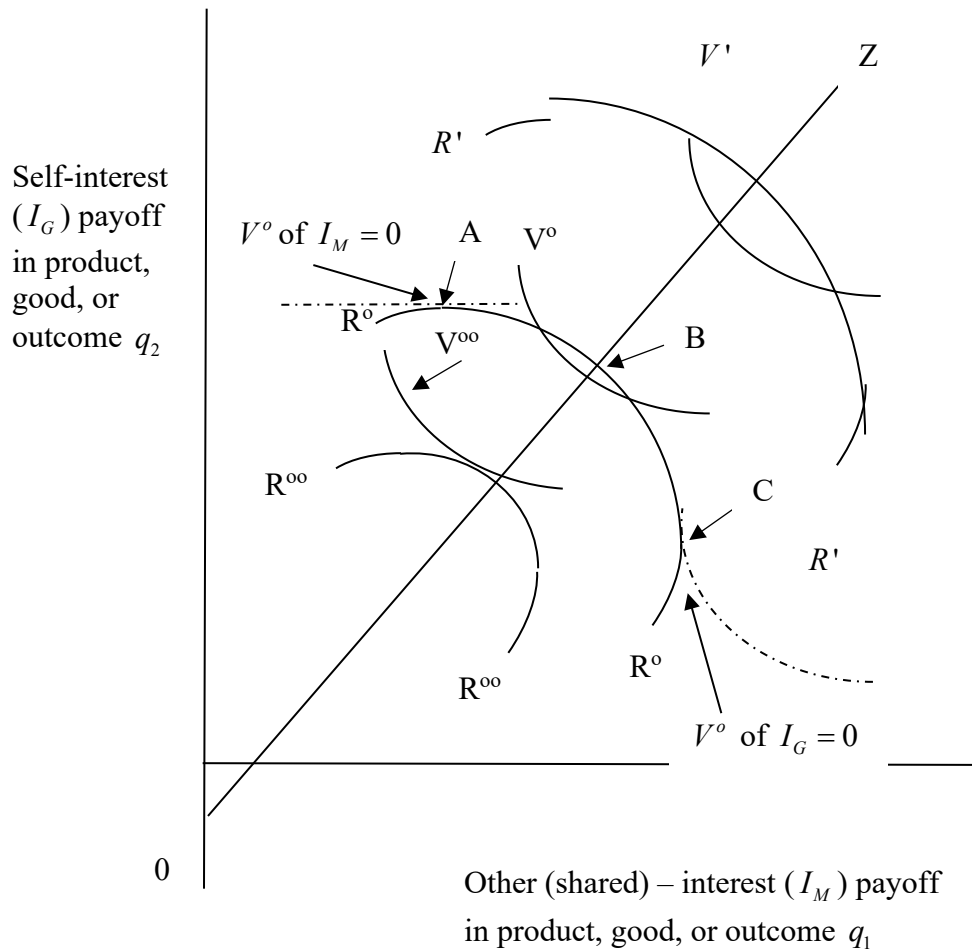


Figure 2 Possibility RR and value V curves for products, goods, and/or outcomes q_1q_2 reflecting balance in self-interest (I_G) and other (shared while internalized within the own-self)-interest (I_M)

Notes: Self-interest is maximized at point A with little payoff in the shared other-interest. Shared other-interest is maximized at point C with little payoff in the self-interest. Own-interest is maximized at point B, with balance in the dual interest, represented in a joint product, good, or other outcome. The point B choice in the possibilities space of Figure 2 influences the choice in the isocurve space of Figure 1 and vice versus.