African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 37 Août 2026

The Social Function of the Neoliberal State: Hayek, Keynes, and the Contested Architecture of Market Order.

Auteur 1 : Mohamed AIT BELA.
Auteur 2 : Hassan YAKOU.

Mohamed AIT BELA
Doctoral Researcher in Public Law and Political Science
Faculty of Law, Economics and Social Sciences, Ibn Zohr University – Agadir
Morocco

Hassan YAKOU
Doctoral Researcher in Public Law and Political Science
Faculty of Law, Economics and Social Sciences, Moulay Ismail University – Meknes
Morocco

Déclaration de divulgation : **L'auteur n'a pas connaissance de quelconque financement qui pourrait affecter l'objectivité de cette étude.**

Conflit d'intérêts : **L'auteur ne signale aucun conflit d'intérêts.**

Pour citer cet article : **AIT BELA & YAKOU .H (2026) « The Social Function of the Neoliberal State: Hayek, Keynes, and the Contested Architecture of Market Order», African Scientific Journal « Volume 03, Num 37 » pp: 1034 – 1071.**

DOI : 10.5281/zenodo.21793849

Abstract

This article examines the theoretical confrontation between Friedrich von Hayek and John Maynard Keynes over the social function of the state under capitalism. Drawing on primary texts and recent scholarship in political theory and political economy, it argues that Hayek's account of the minimal state rests on three interconnected tensions: an epistemic claim privileging market knowledge over collective deliberation; a conception of negative freedom that occludes the conditions of its own realization; and a theory of spontaneous order presented as naturally emergent despite being institutionally produced. Keynes's critique is reconstructed as a three-level challenge to the anthropological, macroeconomic, and epistemological presuppositions of the Hayekian framework. The article traces how post-1970s neoliberal governance inherited and amplified these contradictions, producing a social state that both dismantles and depends on welfare institutions. The debate is thus read not as a settled controversy but as a diagnostic resource for understanding the structural instabilities of contemporary neoliberal social policy.

Keywords: Hayek; Keynes; neoliberalism; social state; epistemic argument; spontaneous order; social policy; political economy

1. Introduction

Few intellectual confrontations in twentieth-century political thought have proved as generative --- or as persistently misread --- as that between Friedrich von Hayek and John Maynard Keynes. The standard narrative casts the two as protagonists of an ideological dispute: Hayek the champion of free markets and minimal government, Keynes the defender of state intervention and managed capitalism. This framing has structured decades of policy debate, from the stagflation controversies of the 1970s to the austerity arguments that followed the financial crisis of 2008. Yet as a characterization of what was actually at stake between them, it is both historically compressed and theoretically superficial. The disagreement between Hayek and Keynes was not principally about the size of government. It concerned something more fundamental: the conditions under which social order is possible, the nature of economic knowledge, and the institutional forms through which the relationship between state and society should be organized under capitalism.1

The stakes of this confrontation have sharpened in the two decades since Crouch (2004) diagnosed "post-democracy" and Wacquant (2010) analyzed the rise of neoliberal penality. Across comparative political economy, a consistent pattern has been documented in advanced capitalist societies: the retraction of universalist social provision, the commodification of public services, and the disciplinary reorientation of welfare institutions toward labor market activation (Peck, 2010; Taylor-Gooby, 2013). These transformations are not incidental to neoliberal theory. They are, this article argues, structurally connected to unresolved tensions within Hayek's framework --- tensions that Keynes identified with considerable analytical precision, though without always drawing out their full theoretical implications. The purpose of this article is to make those implications explicit.2

Recent scholarship has further complicated the conventional interpretation of neoliberalism as a simple withdrawal of the state. Boukalas (2024) shows that contemporary neoliberal governance increasingly operates through permanent crisis management, combining market-oriented restructuring with strengthened executive and security capacities. Laruffa and Hearne (2024) similarly argue that neoliberal social policy cannot be reduced to the quantitative retrenchment of welfare provision, since it also transforms its normative purposes by subordinating social protection to employability, competitiveness, and individual responsibility. More recently, Piasentier (2025) has demonstrated that Hayek’s theory of cultural evolution does not merely describe the spontaneous emergence of market institutions; it also supports a political rationality concerned with actively cultivating and protecting the conditions of market order. These contributions reinforce the need to move beyond the opposition between an interventionist state and a non-interventionist market and to examine how neoliberalism reorganizes the purposes, instruments, and distributive consequences of state action.

The article advances three interconnected claims. First, Hayek's theory of the minimal state is internally contradictory in ways that its author acknowledged only partially and that its political inheritors have systematically suppressed. The epistemic argument for market supremacy, the political argument for the rule of law, and the sociological argument for spontaneous order each rest on presuppositions that, when made explicit, undermine the coherence of the minimal state thesis. Second, Keynes's critique is not reducible to its macroeconomic dimension. At its deepest level, it constitutes a challenge to the anthropological and political presuppositions that structure Hayek's framework --- a challenge that operates simultaneously on economic, institutional, and epistemological terrain. Third, post-1970s neoliberal governance has not resolved these tensions but managed them through institutional redesign, discursive displacement, and the selective appropriation of Hayekian themes in ways that systematically distort their original meaning.3

Methodological and Epistemological Positioning

This article adopts a critical-reconstructive approach situated at the intersection of political theory, conceptual history, and political economy. Its epistemological position is interpretive and critical rather than positivist: the purpose is not to test the empirical validity of Hayekian or Keynesian propositions through quantifiable variables, but to reconstruct the conceptual presuppositions that organize their competing accounts of the state, the market, freedom, and social order. The analysis therefore treats political and economic concepts not as neutral descriptive categories, but as historically situated frameworks that shape the boundaries of legitimate state action and determine which social problems become politically visible. Primary texts by Hayek and Keynes constitute the central corpus, while the secondary literature is used to contextualize their arguments, identify their internal tensions, and assess their subsequent institutional translations.

The article follows a predominantly abductive and comparative mode of reasoning. It moves iteratively between theoretical propositions and the institutional configurations associated with neoliberal governance, using contemporary developments to reconsider the explanatory scope of the Hayek–Keynes confrontation. This approach avoids reducing the debate to a binary opposition between state intervention and market freedom. Instead, it reconstructs each framework according to its strongest internal logic before examining the tensions that arise between its epistemological premises, normative commitments, and institutional implications. The validity of the argument thus rests on textual fidelity, conceptual coherence, and its capacity to illuminate the contradictory relationship between welfare retrenchment, market construction, and recurrent forms of emergency state intervention.

The article proceeds as follows. Section 2 reconstructs Hayek's theoretical architecture of market order across three dimensions: his epistemological argument against collectivism, his theory of the rule of law as the institutional form of freedom, and his account of spontaneous order as the organizing principle of market society. Section 3 examines the social question that Hayek's framework systematically marginalizes, focusing on poverty, structural inequality, and democratic legitimacy. Section 4 reconstructs Keynes's critique across its macroeconomic, political, and epistemological dimensions. Section 5 stages the theoretical confrontation directly, analyzing the specific points at which the two frameworks produce incompatible conclusions about knowledge, freedom, and institutional design. Section 6 traces how the contradictions identified in the preceding analysis have been inherited and amplified by post-1970s neoliberal governance. A concluding section assesses the continuing relevance of the debate for contemporary social policy analysis.4

2. Hayek's Architecture of Market Order: Epistemology, Law, and Spontaneous Organization

2.1 The Epistemic Argument: Knowledge, Prices, and the Impossibility of Planning

Hayek's foundational contribution to political and economic theory is epistemological before it is institutional. The argument, stated with maximum precision in "The Use of Knowledge in Society" (Hayek, 1945) and developed across Law, Legislation and Liberty (Hayek, 1973, 1976, 1979), holds that the knowledge relevant to economic coordination is not available to any single mind or institution. It is dispersed across millions of individuals in forms that are tacit, local, and contextually embedded --- forms that cannot be adequately articulated, and therefore cannot be aggregated and processed by a central planning authority. Market prices, on this account, function as compressed signals about relative scarcities that synthesize this dispersed information in a form that no alternative institutional arrangement can replicate. This is not, Hayek insists, an argument about efficiency in any conventional welfare-economic sense. It is an argument about the structural impossibility of the knowledge conditions required for successful central planning.5

This epistemological starting point generates what Mirowski (1989) calls the "market as information processor" motif at the heart of neoliberal theory. If the price mechanism is the only institution capable of coordinating dispersed knowledge without catastrophic information loss, then state intervention in the economy is not merely inefficient but epistemically presumptuous --- an attempt to substitute bureaucratic decision-making for a cognitive process that no human institution can replicate. The political corollary is a systematic skepticism toward collective deliberation: not merely that democratic majorities make poor economic decisions, but that the very aspiration to make such decisions collectively rests on a category mistake about the nature of social knowledge. Political deliberation cannot produce better outcomes than market coordination because political deliberation lacks access to the information that market coordination processes. This is a structural argument, not a contingent one about the quality of particular political institutions.6

It is analytically important, however, to register what the epistemic argument does not say. Hayek does not claim that markets always produce optimal outcomes or that they tend toward equilibrium. His claim is comparative and conditional: given the cognitive constraints under which all social institutions operate, market coordination is less likely to generate systematic error than any collectivist alternative. This qualified formulation is consistently lost in neoliberal policy discourse, which tends to attribute to Hayek a stronger, more triumphalist position --- that markets are self-correcting, that recessions are efficient adjustments, that inequality is productivity-enhancing --- that Hayek himself consistently and explicitly disavowed (Caldwell, 2004; Gamble, 1996). The gap between Hayek's actual epistemology and its policy appropriations is analytically significant because it reveals that neoliberal governance requires supplementary claims that cannot be derived from the epistemic argument alone. This is not a minor scholarly clarification; it is a diagnostic point about the ideological structure of neoliberalism.7

2.2 The Rule of Law as the Institutional Form of Freedom

The second pillar of Hayek's political architecture is his theory of the rule of law, developed most fully in The Constitution of Liberty (Hayek, 1960) and elaborated in the first volume of Law, Legislation and Liberty (Hayek, 1973). For Hayek, freedom --- defined exclusively as the absence of coercion by other persons --- is secured not by substantive policy outcomes but by the formal properties of the legal order under which individuals operate. A free society is one governed by general, abstract, prospective, and equally applicable rules that do not prescribe particular outcomes but establish the framework within which individuals pursue their own ends. Crucially, the rule of law so understood is fundamentally opposed to "administration" or government by specific commands directed at achieving particular social results --- what Hayek calls thesis as opposed to nomos: the difference between purpose-directed commands and purpose-independent rules.8

Hayek's account of the rule of law carries normative weight that determines the permissible scope of state action. A government that pursues distributive justice --- that attempts to arrange the outcomes of market processes according to any principle of need, desert, or equality --- necessarily violates the formal character of the rule of law by introducing purpose-directed intervention into what should be a procedurally open order. Hayek (1976) is explicit: the concept of social justice is a category error, an attempt to apply to the impersonal outcomes of spontaneous market processes the moral vocabulary appropriate only to deliberate human actions. This argument is not presented as a conservative defense of existing inequalities but as a logical consequence of taking seriously both the epistemic limits of collective decision-making and the formal conception of individual freedom. Its effect, nevertheless, is to render the state structurally incapable of responding to the distributional consequences of market coordination.9

The rule of law thesis contains an unresolved tension that generates cascading problems for Hayek's political theory. On one hand, he argues that the rule of law is a formal condition about the character of rules, not their content. On the other hand, his substantive arguments consistently presuppose and favor a particular configuration of market institutions: private property rights, freedom of contract, limited government, and the non-criminalization of economic activity. These substantive preferences cannot be derived from the formal rule of law principle alone; they require additional normative premises about the appropriate baseline of entitlements and the acceptable distribution of legal protections. Hayek either smuggles in these premises from classical liberal theory without acknowledgment, or derives them from his epistemology in ways that are themselves contestable (Plant, 2010; Barry, 1996). This gap between formal principle and substantive implication is precisely where Keynes's challenge, as reconstructed in section 4, bites deepest.10

2.3 Spontaneous Order: Between Natural Emergence and Institutional Construction

The third pillar of Hayek's theoretical architecture is his concept of spontaneous order or catallaxy --- the idea that the market economy is not a deliberately designed institution but an emergent order arising from the interaction of individuals pursuing their own ends under general rules (Hayek, 1976, pp. 107–120). The concept performs several theoretical functions simultaneously. It explains the superiority of market coordination without presupposing any designing intelligence, thereby evading the objection that market arrangements require justification as deliberate choices. It insulates market outcomes from normative evaluation on the grounds that no one designed them and therefore no one can be held responsible for them. And it generates a general presumption against institutional interference: since spontaneous orders emerge from the local knowledge of millions of participants, deliberate interventions are more likely to produce unintended negative consequences than to achieve their stated objectives.11

The concept of spontaneous order, however, contains a fundamental ambiguity that Hayek never theorizes systematically. Spontaneous orders do not emerge from a social vacuum. They emerge within institutional frameworks --- property regimes, legal systems, enforcement mechanisms, monetary institutions --- that are themselves the product of deliberate human decisions and, frequently, coercive state action (Polanyi, 1944). The catallaxy that Hayek describes as naturally emergent was historically produced through state interventions of considerable scope: the enclosure of common lands, the enforcement of contract and property law, the suppression of alternative economic forms, the construction of monetary systems. As Polanyi (1944, p. 147) wrote with characteristic precision: "Laissez-faire was planned; planning was not." The spontaneous market order is, in this sense, institutionally constructed spontaneity --- a paradox that Hayek acknowledges in scattered passages but never confronts directly.12

This ambiguity has significant political consequences. If the market order is institutionally constituted, then the question of which institutional arrangements to maintain, modify, or replace becomes a fully political question --- one that cannot be resolved by appeal to the epistemic superiority of spontaneous processes. The boundary between the "rules" that constitute the market framework (which Hayek permits the state to establish) and the "interventions" that distort market outcomes (which Hayek forbids) proves, on examination, to be indeterminate. Different rule systems produce systematically different distributional outcomes: property rights can be defined broadly or narrowly, contract law can be more or less protective of weaker parties, labor market regulation can shift risks between employers and workers. Each configuration distributes social advantages differently, and the choice among them is a political choice that requires normative justification. The minimal state is not minimal; it is a particular political settlement presented in the language of natural order (Hay, 2004; Streeck: 2014).13

3. The Social Question in Hayek's Framework: Poverty, Inequality, and Democratic Legitimacy

3.1 Poverty and the Structural Limits of the Minimum Safety Net

It would misrepresent Hayek to characterize him as indifferent to poverty. The Constitution of Liberty contains an explicit acknowledgment that the state may legitimately provide a minimum income floor as insurance against catastrophic destitution (Hayek, 1960, pp. 285–286). This concession has been cited by some interpreters as evidence that Hayek's framework is compatible with social provision and has even been used --- somewhat perversely --- to argue that a universal basic income could be grounded in Hayekian premises (Zwolinski, 2011). The concession is, however, considerably narrower than it appears. For Hayek, the minimum is justified not by any principle of social justice or positive freedom, but as a form of social insurance against risks that markets cannot adequately price. It is a marginal exception to the rule of non-intervention, motivated by strategic political considerations, not a foundational social commitment from which a broader theory of social rights could be derived.14

The theoretical problem with the minimum income concession is that it requires exactly the kind of substantive judgment about social outcomes that Hayek's epistemological framework forbids. To specify what constitutes an adequate minimum --- what threshold of food, shelter, health care, or education is sufficient to prevent "destitution" --- requires normative decisions about the content of human welfare that cannot be derived from market prices or formal rules. Markets do not generate a "destitution line"; that line requires a political determination about the content of basic needs that stands entirely outside the logic of spontaneous order. Hayek never specifies these thresholds, and his framework provides no principled basis for doing so. The minimum safety net, in other words, requires a politics of social rights --- a substantive theory of what human beings need --- that Hayek's theoretical architecture is constitutionally unable to articulate (Ferrera, 2005; Esping-Andersen, 1990; Marshall, 1950).15

More fundamentally, the poverty concession reveals a deeper structural problem in Hayek's account. He treats poverty primarily as a market failure or statistical misfortune --- the unlucky draw in a generally beneficial game --- rather than as a structural outcome of the specific institutional arrangements that constitute the market order. This depoliticization of poverty is not a neutral analytical choice; it is a theoretical move that determines in advance what kinds of institutional responses are permissible. If poverty is contingent misfortune, a minimum safety net is adequate. If poverty is a structural outcome of property regimes, labor market organization, and the historically accumulated distribution of endowments, then addressing it requires altering those structures --- redistributive taxation, labor market regulation, public provision of education and health care --- exactly the interventions that Hayek's framework excludes from the permissible scope of state action (Barry, 2005; Streeck: 2014).16

3.2 Inequality, Formal Equality, and the Problem of Initial Endowments

Hayek defends inequality of market outcomes as unavoidable and, under specified conditions, socially beneficial. The defense takes two interlocking forms. The instrumental argument holds that inequality provides incentives for productive effort, risk-taking, and innovation that egalitarian redistribution would extinguish. The procedural argument holds that inequality of outcomes is compatible with freedom and justice provided that the rules generating those outcomes are formally equal and apply universally. What matters is equality before the law and equality of opportunity, not equality of results (Hayek, 1960, pp. 85–100). Both arguments have been subjected to extensive critical scrutiny, but the deeper problem lies in their interaction: the procedural argument presupposes an answer to the question of initial endowments that Hayek cannot supply.17

The procedural defense of inequality assumes what it needs to prove: that the existing distribution of initial endowments is itself the result of formally equal procedures. This assumption is empirically false. The social endowments with which individuals enter market competition --- wealth, education, health, social networks, cultural capital --- are themselves the product of historically accumulated inequalities, many of which were generated by non-market mechanisms: colonialism, legally enforced racial hierarchy, gender-structured labor markets, the hereditary transmission of property. Formal equality of rules applied to substantively unequal starting positions does not produce procedurally legitimate outcomes; it reproduces and amplifies the initial inequality through subsequent market transactions (Rawls, 1971; Young, 1990; Piketty, 2014). Hayek is intermittently aware of this difficulty, particularly in his acknowledgment that inherited wealth raises distributive problems, but he cannot solve it without importing normative criteria about fair starting positions that his framework has no resources to generate.18

The democratic dimension of the inequality problem further compounds Hayek's difficulty. High levels of economic inequality are empirically associated with reduced political equality: the concentration of economic resources enables concentrated political influence through lobbying, campaign finance, regulatory capture, and the disproportionate access to educational and social networks that shape political recruitment (Gilens & Page, 2014; Hacker & Pierson, 2010). A political order in which formal democratic equality coexists with extreme economic inequality is not merely procedurally unjust; it is functionally undemocratic in the specific sense that policy outcomes systematically track elite preferences rather than median voter preferences. Hayek's insistence on treating political and economic equality as entirely separate questions fails to theorize the causal mechanisms through which economic power converts into political power --- a failure that has significant consequences for his theory of democratic constitutionalism.19

3.3 The Democratic Deficit of the Catallaxy

The deepest problem with Hayek's social theory is structural rather than empirical. The catallaxy, as Hayek constructs it, is a system that generates social outcomes without social responsibility. No one is accountable for the distributional consequences of market processes because those consequences are, by definition, the unintended result of individual decisions within a spontaneous order. This is precisely the point at which Hayek's theory becomes politically unsustainable in a democratic context. Democratic politics, as Przeworski (1985) observed, necessarily involves conflicts over the distribution of the social product; it is the institutionalized form through which societies negotiate who gets what, when, and how. A theory of the state that systematically insulates market distributions from democratic contestation does not constitute a theory of limited government in the classical liberal sense. It constitutes a theory of circumscribed democracy --- democracy minus economic policy, which is to say democracy minus most of what politics is about.20

Hayek is largely explicit about the anti-democratic implications of his framework. In The Constitution of Liberty, he argues that unlimited democracy --- democracy without constitutional constraints on the scope of collective decision-making --- is inherently self-destructive, because democratic majorities will inevitably use their power to redistribute in ways that undermine the market order (Hayek, 1960, pp. 103–118). The institutional response is not to restrict democracy directly but to constitutionalize limits on what democratic majorities can decide. This program, as Slobodian (2018) has demonstrated in historical detail, was pursued with considerable effectiveness through the design of postwar international economic institutions. The GATT, the IMF, and later the WTO and the institutional architecture of European economic governance were explicitly designed to insulate market processes from national democratic politics --- precisely the application of Hayek's constitutional arguments at the international level.21

4. Keynes's Structural Critique: Demand, Risk, and the Social Preconditions of Market Order

4.1 Effective Demand and the Macroeconomic Refutation of Spontaneous Order

Keynes's challenge to Hayek is not, in its primary analytical form, a defense of government spending. That reading --- dominant in both popular discourse and much of the economics literature --- mistakes the policy implications for the theoretical argument. The General Theory's central analytical move is the demolition of Say's Law: the classical doctrine that supply creates its own demand, that savings are automatically matched by investment, and that the economy therefore tends toward full employment as its natural equilibrium (Keynes, 1936, pp. 18–26). Hayek, who defended a version of the classical position through his theory of intertemporal capital structure, was not merely wrong in a technical economic sense --- although he was wrong in that sense too. More fundamentally, he was committed, Keynes argued, to a methodological error about the relationship between individual rationality and aggregate outcomes.22

The fallacy of composition that Keynes identified is directly and devastatingly relevant to Hayek's spontaneous order thesis. Hayek argues that individual rational responses to price signals produce, in aggregate, an order superior to any planned alternative. Keynes's macroeconomic analysis shows that this claim is false in at least one critical and practically consequential respect: individually rational responses to uncertainty can produce collectively irrational outcomes. The "paradox of thrift" --- the finding that an individually rational decision to increase saving, multiplied across the economy, reduces aggregate demand and produces the recession that makes saving necessary in the first place --- is the paradigm case. It shows that the market is not self-correcting in the domain of aggregate demand; it can generate stable equilibria at levels of employment and output far below the economy's productive potential. The spontaneous order, at the macroeconomic level, is spontaneously suboptimal.23

The macroeconomic critique has a distributional corollary. If market coordination systematically fails at the aggregate level, then the social costs of these failures become a political question that the market cannot resolve. Recessions do not distribute their costs uniformly: they are borne most heavily by those with least market power --- the unemployed, the low-waged, workers in procyclical industries, communities dependent on single employers. The state's response to these distributional consequences is not optional; it is structurally required. The political choice is not between intervention and non-intervention but between different forms of intervention with correspondingly different distributional outcomes. A government that declines to provide unemployment insurance does not thereby allow the market to manage unemployment; it allows the costs of unemployment to fall entirely on those who can least bear them, which is itself a distributional policy --- one that Hayek's framework systematically obscures by presenting it as a natural outcome.24

4.2 Social Risk and the Political Preconditions of Market Legitimacy

Keynes's challenge to Hayek operates at a second level that is less frequently analyzed but analytically indispensable: the question of the social preconditions of market legitimacy. In "The End of Laissez-Faire" (1926) and in the wartime policy documents that informed the postwar welfare settlement, Keynes argued that the political sustainability of a market economy requires social institutions that buffer individuals against catastrophic market risk. This is not a purely humanitarian argument. It is a political argument about the conditions of democratic stability: a population exposed to unbuffered market risk --- to the permanent possibility of unemployment, destitution, and social exclusion --- will not indefinitely maintain democratic support for market institutions. Social protection is, in this sense, a condition of market legitimacy, not a deviation from it (Keynes, 1926; Ruggie: 1982; Polanyi, 1944).25

This argument anticipates Polanyi's (1944) "double movement" with greater institutional specificity. Where Polanyi frames the dynamic at the level of historical macro-sociology, Keynes frames it at the level of institutional design: the question is not whether social protection will emerge in response to market expansion, but what institutional form it should take in order to sustain both market efficiency and democratic legitimacy. The Keynesian welfare state was, in this sense, not a concession to anti-market sentiment but a deliberate institutional design for making markets politically sustainable over the long term. Hayek's framework, by treating social insurance as a marginal exception rather than a structural requirement, systematically underestimates the political instability generated by unbuffered market risk --- and therefore systematically overestimates the stability of the minimal state.26

The political sustainability argument also operates at the micro-level of the relationship between distribution and aggregate demand. Keynes argued, most explicitly in the General Theory's closing chapter on social philosophy, that high levels of inequality are economically dysfunctional because the wealthy have a higher marginal propensity to save than lower-income households (Keynes, 1936, pp. 372–384). Where a redistribution of income from high-savers to high-spenders increases aggregate consumption and investment, the concentration of income at the top generates precisely the deficient demand that produces the underemployment equilibria analyzed in the General Theory. This is a structural claim about the relationship between distribution and growth that inverts Hayek's instrumental defense of inequality: inequality is not merely unjust, but is, above a certain threshold, economically counterproductive. The empirical literature has largely confirmed this Keynesian intuition (Ostry et al.: 2014; Stiglitz, 2012).27

4.3 The Epistemological Challenge: Uncertainty, Conventions, and the Limits of Price Signals

Keynes's most fundamental challenge to Hayek operates at the epistemological level, though this dimension of the confrontation has rarely been reconstructed systematically. Hayek's epistemic argument rests on a sharp dichotomy between dispersed practical knowledge (which markets process) and centralized theoretical knowledge (which planners claim but cannot have). Keynes, in his philosophical writing on probability and uncertainty --- most notably the Treatise on Probability (1921) and the 1937 Quarterly Journal of Economics article --- challenged the foundations of this dichotomy by questioning the model of rational knowledge on which it depends. For Keynes, economic agents under conditions of genuine uncertainty do not process probabilistic information in the systematic way that Hayek's price mechanism presupposes. They rely on conventions, animal spirits, and social norms that are irreducibly intersubjective and whose stability is socially rather than informationally determined (Keynes, 1921; Keynes, 1937).28

The implications of this epistemological challenge are wide-ranging. If economic agents act not on the basis of information processed through prices but on the basis of conventions and expectations about what other agents will do, then the price mechanism does not transmit information about underlying scarcities in the reliable way that Hayek's theory requires. Prices can become self-referentially misleading: asset price bubbles, for instance, generate price signals that accurately reflect current market expectations while systematically misrepresenting fundamental values (Shiller, 2000). The financial crisis of 2008 was, in precisely this sense, a refutation of the Hayekian information thesis: price signals in housing and derivatives markets not only failed to transmit accurate information about underlying risks, but actively generated a collective delusion that rational individual responses to those signals systematically amplified (Mirowski, 2013; Akerlof & Shiller, 2009).29

The Keynesian epistemological challenge does not, it should be noted, imply that collective deliberation is straightforwardly superior to market coordination. Keynes was fully aware of the knowledge problems that afflict collective decision-making, and his policy prescriptions were consistently oriented toward institutional design that could harness expert judgment within democratic accountability structures rather than simply expanding the scope of democratic deliberation (Hall, 1989; Blyth, 2013). The point is not that deliberation is epistemically superior to markets, but that neither institution has an unconditional epistemic advantage --- and that the choice between them is a political choice about which kinds of errors are more costly and more tractable, not a technical determination that can be resolved by appeal to the epistemic properties of one institution alone. This is a considerably more sophisticated epistemological position than Hayek's binary, and it has resources for thinking about institutional design that the Hayekian framework systematically forecloses.30

5. The Theoretical Confrontation: Knowledge, Freedom, and Institutional Design

5.1 The Knowledge Asymmetry: A False Dichotomy

The confrontation between Hayek and Keynes on the question of knowledge reveals a fundamental asymmetry in how each theorizes the relationship between information, institutions, and political authority. Hayek's epistemological argument rests on a dichotomy between dispersed practical knowledge, which only markets can coordinate, and centralized theoretical knowledge, which only planners claim but cannot possess. This dichotomy frames the choice between markets and planning as a choice between an epistemically humble institution that works with the knowledge that actually exists and an epistemically arrogant institution that requires knowledge that structurally cannot exist (Hayek, 1945; Hayek, 1952). The rhetorical power of this framing is considerable, but its logical structure is flawed in a way that Keynes's work makes visible.31

The flaw is this: Hayek's dichotomy between market knowledge and planning knowledge does not exhaust the institutional possibilities. Between the catallaxy, which aggregates dispersed individual preferences through prices, and comprehensive central planning, which would require total knowledge of all preferences and production possibilities, lies an enormous range of institutional arrangements --- selective regulation, sectoral coordination, democratic deliberation over framework conditions, public provision of specific goods --- that Hayek's binary systematically excludes from consideration. The epistemic argument against central planning does not entail an epistemic argument against all forms of collective economic coordination; it entails only that comprehensive planning is epistemically impossible. The Keynesian welfare state was never an instance of central planning; it was a set of institutional interventions into specific market failures --- unemployment, public goods provision, externalities --- that left the price mechanism as the primary coordinating mechanism for most economic decisions (Keynes, 1926; Hall, 1989).32

Keynes's epistemological response to Hayek also operates at the level of the epistemic claims themselves. By distinguishing between risk (quantifiable probability) and genuine uncertainty (non-quantifiable), Keynes shows that market prices under conditions of genuine uncertainty do not transmit information about underlying values --- they transmit information about current expectations, which may or may not be rational. Asset markets, in particular, are epistemically unstable in precisely the way that Hayek's theory requires them not to be: they can generate sustained self-referential dynamics in which prices diverge from fundamentals for extended periods, generating allocation patterns that are neither informationally accurate nor socially optimal (Minsky, 1986; Shiller, 2000). The epistemic case for markets is, at minimum, sector-specific --- and the sectors where it is weakest are often the most socially consequential.33

5.2 Freedom: Negative Liberty Versus Effective Capability

The second axis of the theoretical confrontation concerns the concept of freedom. Hayek's definition of freedom as the absence of coercion by other persons is the pivot on which his entire political theory turns. It enables him to argue that market outcomes are consistent with freedom regardless of their distributional consequences, because market processes do not coerce anyone: individuals respond to prices that are not directed at them as commands. A worker who cannot afford food, shelter, or medical care because market wages are insufficient is not, on Hayek's account, unfree --- she is merely subject to the impersonal constraints of circumstances, which is a different thing from coercion. This distinction is philosophically contested and politically consequential.34

Keynes does not offer a systematic theory of freedom, but his policy commitments and philosophical premises imply a substantively different account. In the closing pages of the General Theory and in "The End of Laissez-Faire", Keynes argues that the aim of economic policy is not to minimize state action but to create the conditions under which individuals can effectively pursue their own ends --- which requires, among other things, the absence of involuntary unemployment, access to adequate health care and education, and a degree of economic security sufficient to make genuine choices possible. This is, in Berlinian terms, a positive conception of freedom: freedom not as the absence of constraint but as the effective capacity for self-determination (Berlin, 1969; Sen, 1999). The institutional implications are profoundly different from Hayek's: a state that provides education, health care, and unemployment insurance is not restricting freedom but extending it to those whose formal liberty would otherwise be substantively empty.35

The Hayek-Keynes disagreement over freedom thus maps onto the Berlinian distinction between negative and positive liberty, but with an important complication. The Hayekian minimal state does not, as it presents itself, simply guarantee negative freedom --- freedom from

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 37 Août 2026

coercion. It actively produces a specific distribution of positive capabilities by determining which social endowments (property rights, educational credentials, inherited wealth) the state will recognize and protect. Formal non-interference is a positive policy: it distributes the advantages of state protection to those who already possess legally recognized property and withholds it from those who do not. The Hayekian state is not neutral between different social positions; it systematically advantages the already-advantaged by protecting the institutional conditions of their market position. This is precisely the argument that Plant (2010) develops in showing that the neo-liberal state is not minimal but differently active: active in the protection of market freedoms, passive with respect to social provision.36

5.3 Institutional Design: Constitution of Liberty or Social Constitution of Markets?

The deepest point of theoretical confrontation between Hayek and Keynes concerns the question of institutional design: what institutional framework is required to sustain a market economy that is both economically productive and politically legitimate? Hayek's answer is constitutional: a framework of general rules that protect individual liberty and property rights, constrain democratic redistribution, and insulate market processes from political interference. Keynes's answer is coordinative: a framework of macroeconomic management, social insurance, and selective public provision that stabilizes effective demand, buffers individuals against market risk, and creates the social foundations for sustainable market growth. The two answers are not merely different policy programs; they reflect fundamentally different accounts of what markets require to function.37

Hayek's constitutional approach fails, as has been argued throughout this article, because the institutional framework required to sustain markets is far more substantive than his formal rule of law permits. Markets require not merely the protection of property rights and the enforcement of contracts, but monetary institutions, financial regulation, labor market frameworks, educational systems, and social insurance arrangements that determine the parameters within which market competition operates. These are all instances of what Hayek calls thesis --- purpose-directed institutional design --- yet without them the market order cannot function. The distinction between the spontaneous market order and its designed institutional preconditions cannot be maintained; the market is always already a designed institution, and the question is not whether to design it but how (Polanyi, 1944; Hodgson, 1988; Fligstein: 1996).38

Keynes's coordinative approach is more honest about this institutional complexity. By acknowledging that market economies require active management to maintain aggregate demand, buffer social risk, and sustain political legitimacy, Keynes opens a space for institutional pluralism that Hayek's constitutional minimalism forecloses. Different societies can organize their market economies in different ways --- with different social insurance arrangements, different public provision structures, different forms of labor market coordination --- while sharing a commitment to market allocation as the primary mechanism for producing and distributing goods. The varieties of capitalism literature has demonstrated empirically that this institutional pluralism is not merely possible but economically sustainable: coordinated market economies with extensive social provision have, over extended periods, performed comparably to or better than their more liberal counterparts on most macroeconomic indicators (Hall & Soskice, 2001; Esping-Andersen, 1999). Hayek's claim that social provision necessarily undermines market dynamism is empirically as well as theoretically unsupported.39

6. Neoliberal Governance and the Residualization of Social Policy: Inheriting the Contradictions

6.1 From Theoretical Tensions to Institutional Settlements

The contradictions identified in Hayek's framework did not remain at the level of political theory. They were translated into institutional settlements through the political projects of neoliberal governance that emerged in the United Kingdom and the United States from the late 1970s, and subsequently diffused across the OECD and the Global South through the conditionality structures of international financial institutions. Understanding this translation requires tracing how the theoretical tensions analyzed in sections 2 and 3 were managed --- not resolved --- in the institutional practice of neoliberal states. The central argument is that neoliberal governance has produced what might be called a contradictory minimalism: a state that is simultaneously smaller in its social provision functions and larger in its coercive, regulatory, and financial-sector-stabilizing functions, in ways that systematically contradict the Hayekian theoretical framework from which neoliberal politics claims to derive its legitimacy.40

The Thatcher-Reagan policy revolution of the 1980s did not implement Hayek's theoretical program with any fidelity. It did reduce marginal tax rates, deregulate financial markets, weaken labor unions, and privatize public enterprises --- all consistent with Hayekian premises. But it also maintained, and in several respects expanded, state capacity in areas that Hayek did not sanction: military expenditure, penal institutions, agricultural subsidies, financial sector guarantees. The welfare state was not dismantled; it was restructured, its universalist and decommodifying elements replaced by residualist, means-tested, and activation-oriented arrangements that maintained the institutional shell of social provision while drastically altering its distributive logic (Pierson, 1994; Taylor-Gooby, 2013). This selective retrenchment was not a misapplication of Hayekian theory; it was the predictable result of implementing a minimal state in a democratic political context where organized constituencies for social provision retain significant political power.41

The management of the contradiction between neoliberal ideology and welfare state political economy has required a persistent ideational work of discursive reconstruction. Schmidt (2008) identifies this work as "legitimation discourse": the production of narratives that represent institutionally necessary social provisions as temporary exceptions, fiscal emergencies, or market-consistent measures, thereby maintaining the normative authority of the minimal state ideal while accommodating the political constraints that prevent its realization. The concept of the "social investment welfare state" (Giddens, 1998; Morel et al.: 2012) is a particularly clear example: it reconceptualizes social expenditure as investment in human capital rather than as social protection against market risk, thereby rendering it legible within the market-consistent vocabulary of neoliberal governance while preserving some of the distributive functions of the Keynesian welfare state.42

6.2 Emergency Statism and the Permanent Exception of Neoliberal Governance

The financial crisis of 2008 exposed the deepest contradiction of the neoliberal institutional settlement with unmistakable clarity. The banking systems of the United States and the United Kingdom --- the two societies that had most comprehensively implemented the Hayekian program of financial deregulation --- required government interventions of a scale and intrusiveness that exceeded anything the Keynesian welfare state had undertaken. Bank bailouts, quantitative easing, guarantee schemes, and emergency fiscal stimuli represented not a deviation from neoliberal governance but its logical emergency mode: the discovery that financial markets, when left to coordinate themselves, generate systemic risks that only the state can absorb. The spontaneous order of deregulated finance was, it turned out, spontaneously self-destructive (Mirowski, 2013; Blyth, 2013).43

The political management of the crisis followed a distinctive pattern that illuminates the structural contradictions of neoliberal social policy. Governments initially responded with Keynesian emergency measures --- fiscal stimulus, bank nationalization, expanded unemployment insurance. They then pivoted rapidly to austerity programs that imposed the social costs of the financial sector's failure on the populations least responsible for it --- welfare recipients, public sector workers, peripheral regions --- while preserving the institutional conditions of the financial system whose instability had produced the crisis. This sequence ---

private gain, socialized loss, public austerity --- is structurally explicable within the framework developed in this article. Hayek's minimal state in conditions of financialized capitalism is not minimal at all; it is a state that socializes systemic risk while privatizing productive surplus, maintaining the appearance of market neutrality through the selective application of emergency powers.44

What the 2008 crisis revealed, and what the subsequent management of the crisis confirmed, is the persistence of the unresolved Hayekian contradiction at the heart of neoliberal governance: the claim to be sustaining a spontaneous market order while actively constructing the institutional conditions of market functioning, including emergency state intervention at scales that would have been unthinkable in the Keynesian welfare state era. Keynes's structural argument --- that market economies require active institutional management to remain both economically stable and politically legitimate --- was vindicated not by the triumph of Keynesian policy but by the failure of its alternative. The spontaneous order required emergency state rescue; the minimal state revealed itself to be a maximum state for capital and a minimal state for labor. The theoretical tensions that Keynes identified in Hayek's framework have become, in the twenty-first century, the political tensions of neoliberal governance itself.45

7. Conclusion: The Hayek-Keynes Debate as a Diagnostic Resource

This article has argued that the Hayek-Keynes confrontation is not best understood as a resolved controversy in the history of economic thought. It is, rather, a diagnostic resource for understanding the structural instabilities of neoliberal governance as a contemporary political phenomenon. The analysis has proceeded by reconstructing Hayek's theoretical architecture, identifying its constitutive tensions, and showing how Keynes's critique operates simultaneously on macroeconomic, political, and epistemological terrain. The theoretical confrontation has then been traced into the institutional contradictions of actually existing neoliberal governance, revealing a pattern of contradictory minimalism that simultaneously dismantles social provision and depends on emergency statism.46

The article's principal theoretical contribution lies in distinguishing between the market-enabling and the social-legitimating functions of the state. The Hayekian framework tends to present the former as a neutral constitutional precondition of spontaneous order while treating the latter as a potentially arbitrary interference with market coordination. The Keynesian critique reveals, however, that these functions cannot be institutionally separated: the legal, monetary, financial, and social arrangements that constitute markets also distribute risks, opportunities, and capacities among social groups. The concept of "contradictory minimalism" developed here captures this dual movement whereby neoliberal governance restricts the state's redistributive and protective responsibilities while expanding its role in constructing markets, managing crises, and securing the institutional conditions of accumulation. In practical terms, this distinction provides a framework for evaluating social policies not only according to their fiscal cost or market effects, but also according to their contribution to economic stability, democratic legitimacy, and the effective exercise of freedom.

Three findings deserve emphasis. First, Hayek's minimal state is theoretically unsustainable because the institutional conditions of market functioning --- property regimes, monetary systems, financial regulation, labor market frameworks, social insurance --- cannot be derived from the formal rule of law or from the logic of spontaneous order. They require substantive political decisions about the distribution of risks, rights, and protections that the Hayekian framework has no resources to adjudicate. The minimal state is not a coherent institutional possibility; it is a political claim about which substantive institutional arrangements should be treated as if they were natural and neutral. This finding has direct implications for how we evaluate neoliberal social policy: the "natural" residualization of welfare provision is always a

African Scientific Journal
ISSN : 2658-9311
Vol : 03, Num 37 Août 2026

political choice, with identifiable beneficiaries and losers, even when it presents itself as market logic.47

Second, Keynes's critique is not a defense of expanded state power per se but a theory of the conditions under which market economies can be both economically stable and politically legitimate. The Keynesian welfare state was not an alternative to market capitalism; it was a set of institutional solutions to the coordination, risk-distribution, and legitimation problems that unmanaged capitalism generates. Understanding this distinction matters for contemporary debates: the question is not whether to have a state or a market, but which institutional design most effectively combines market efficiency with democratic legitimacy and social resilience. Keynes's contribution was to show that this is a design question, not a question that markets themselves can answer (Ruggie: 1982; Hall, 1989; Hemerijck: 2013).48

Third, the instabilities of neoliberal governance are not the product of misapplication or distortion of a coherent Hayekian theory. They are the predictable institutional expressions of the theoretical tensions that Hayek's framework contains. An epistemological argument that produces a dichotomy between market knowledge and planning knowledge, but cannot specify the institutional preconditions of market functioning; a theory of freedom that insulates market outcomes from normative evaluation but cannot provide a criterion for the fair distribution of initial endowments; a concept of spontaneous order that requires deliberate institutional construction for its sustenance --- these tensions, when translated into governance, produce a state that is ideologically minimal and operationally interventionist, whose social provisions are structurally inadequate and whose emergency interventions are socially regressive. The Hayek-Keynes debate is not over. Its unresolved contradictions are the political condition of the present.49

Notes

1. The personal and intellectual relationship between Hayek and Keynes was considerably more layered than the ideological binary suggests. They corresponded regularly, and Keynes offered a notably generous --- if ultimately critical --- assessment of The Road to Serfdom in a letter of June 1944, writing that he found himself "in a deeply moved agreement" with much of Hayek's argument while rejecting its political conclusions. On this exchange, see Skidelsky, R. (2000). John Maynard Keynes: Fighting for Freedom, 1937-1946 (Vol. 3, pp. 284-285). Macmillan. For a rigorous reconstruction of the theoretical content of their exchange, see Caldwell, B. (2004). Hayek's Challenge: An Intellectual Biography of F.A. Hayek. University of Chicago Press.

2. Crouch, C. (2004). Post-Democracy. Polity Press. Wacquant, L. (2010). Crafting the neoliberal state: Workfare, prisonfare, and social insecurity. Sociological Forum, 25(2), 197-220. Peck, J. (2010). Constructions of Neoliberal Reason. Oxford University Press. Taylor-Gooby, P. (2013). The Double Crisis of the Welfare State and What We Can Do About It. Palgrave Macmillan. For an overview of welfare state restructuring under neoliberalism, see Hemerijck, A. (2013). Changing Welfare States. Oxford University Press.

3. The argument about internal contradictions in Hayek draws on and extends the analyses in Gamble, A. (1996). Hayek: The Iron Cage of Liberty. Polity Press, and Biebricher, T. (2018). The Political Theory of Neoliberalism. Stanford University Press. Both identify tensions in Hayek's framework, though neither pursues the specific argument developed in sections 3 and 4 of this article regarding the structural relationship between the epistemic claim and the problem of democratic legitimacy. The concept of "selective appropriation" draws on Mirowski, P., & Plehwe, D. (Eds.). (2009). The Road from Mont Pelerin: The Making of the Neoliberal Thought Collective. Harvard University Press.

4. On the methodology of reconstructing theoretical confrontations in political thought, this article draws on Skinner, Q. (2002). Visions of Politics, Vol. 1: Regarding Method. Cambridge University Press, while extending it toward a mode of diagnostic reading that Hay, C. (2004). The normalizing role of rationalist assumptions in the institutional embedding of neoliberalism. Economy and Society, 33(4), 500-527, terms "ideational institutionalism": attending to how theoretical frameworks shape institutional possibilities and foreclose alternatives. For the use of historical confrontations in political theory as diagnostic tools, see also Freeden, M. (2008). Ideologies and Political Theory. Oxford University Press.

5. Hayek, F.A. (1945). The use of knowledge in society. American Economic Review, 35(4), 519-530. The argument should be distinguished from the earlier socialist calculation debate with Mises: see Hayek, F.A. (Ed.). (1935). Collectivist Economic Planning. Routledge. The 1945 article is the more philosophically sophisticated statement because it grounds the anti-planning argument in a theory of knowledge rather than in computational complexity alone. For a rigorous philosophical assessment of the epistemic argument, see O'Neill, J. (1998). The Market: Ethics, Knowledge and Politics. Routledge, chapters 5-6.

6. Mirowski, P. (1989). More Heat than Light: Economics as Social Physics. Cambridge University Press, pp. 213-222. For the political implications of the epistemic argument for democratic theory, see Christiano, T. (2012). Rational deliberation among experts and citizens. In J. Mansbridge & J. Parkinson (Eds.), Deliberative Systems (pp. 27-51). Cambridge

University Press. Christiano argues, contra Hayek, that the epistemic argument applies selectively and does not preclude meaningful democratic deliberation over the parameters of market organization. For the broader critique of epistocracy, see Estlund, D. (2008). Democratic Authority. Princeton University Press.

7. Caldwell, B. (2004). Hayek's Challenge (op. cit.), pp. 297-320. Gamble, A. (1996). Hayek: The Iron Cage of Liberty (op. cit.), pp. 78-102. The point about the gap between Hayek's epistemology and its neoliberal appropriations is made forcefully in Schmidt, V.A. (2008). Discursive institutionalism: The explanatory power of ideas and discourse. Annual Review of Political Science, 11, 303-326. Schmidt shows how neoliberal ideas function as legitimating discourses that exceed their theoretical warrant, a process she calls "coordinative discourse".

8. Hayek, F.A. (1960). The Constitution of Liberty. Routledge, pp. 148-161. Hayek, F.A. (1973). Law, Legislation and Liberty, Vol. 1: Rules and Order. Routledge, pp. 85-100. The nomos/thesis distinction is central to Hayek's legal philosophy. For a critical examination of its implications for social policy, see Sunstein, C. (1997). Free Markets and Social Justice. Oxford University Press, chapter 1. For a broader critique of the formal conception of the rule of law, see Thompson, E.P. (1975). Whigs and Hunters: The Origin of the Black Act. Penguin, which argues that the formal rule of law has historically served as both a mechanism of class domination and --- more ambiguously --- a genuine constraint on arbitrary power.

9. Hayek, F.A. (1976). Law, Legislation and Liberty, Vol. 2: The Mirage of Social Justice. Routledge, pp. 62-100. Critical responses include: Plant, R. (2010). The Neo-liberal State. Oxford University Press, chapter 4; Rawls, J. (1971). A Theory of Justice. Harvard University Press, which offers a competing account of procedural justice permitting redistribution; and Nussbaum, M. (2011). Creating Capabilities. Harvard University Press, who argues that formal freedom without substantive capabilities is normatively vacuous. For a discussion of this debate specifically within Political Studies, see Lister, A. (2011). The "mirage" of social justice: Hayek against (and for) Rawls. Critical Review of International Social and Political Philosophy, 14(4), 391-420.

10. Plant, R. (2010). The Neo-liberal State (op. cit.), pp. 93–116. Plant demonstrates that the formal neutrality of Hayekian rules cannot be separated from their distributive and institutional effects, particularly where property rights and market dependence structure access to social resources.

11. Hayek, F.A. (1976). Law, Legislation and Liberty, Vol. 2 (op. cit.), pp. 107-120. The concept of catallaxy (from the Greek for exchange) is chosen precisely to avoid the teleological

connotations of "economy" (from oikos, household management). On the genealogy of spontaneous order in Scottish Enlightenment thought (Mandeville, Ferguson, Smith), see Barry, N. (1982). The tradition of spontaneous order. Literature of Liberty, 5(2), 7-58. For a sustained philosophical critique, see Hodgson, G. (2013). From Pleasure Machines to Moral Communities: An Evolutionary Economics without Homo Economicus. University of Chicago Press.

12. Polanyi, K. (1944). The Great Transformation: The Political and Economic Origins of Our Time. Beacon Press, p. 147. Slobodian, Q. (2018). Globalists: The End of Empire and the Birth of Neoliberalism. Harvard University Press demonstrates this institutionalist dimension of neoliberalism empirically: Slobodian shows that neoliberals sought not to liberate markets from institutions but to redesign international institutions so as to insulate markets from democratic politics. This historical finding directly undermines the spontaneity claim. See also Chang, H.J. (2002). Kicking Away the Ladder: Development Strategy in Historical Perspective. Anthem Press.

13. Hay, C. (2004). The normalizing role of rationalist assumptions in the institutional embedding of neoliberalism. Economy and Society, 33(4), 500-527. Streeck, W. (2014). Buying Time: The Delayed Crisis of Democratic Capitalism. Verso. Both authors analyze how neoliberal institutions present politically constructed arrangements as natural or technically necessary, foreclosing deliberation about alternatives. For the political construction of markets, see also Fligstein, N. (1996). Markets as politics: A political-cultural approach to market institutions. American Sociological Review, 61(4), 656-673.

14. Hayek, F.A. (1960). The Constitution of Liberty (op. cit.), pp. 285-286. Zwolinski, M. (2011). Classical liberalism and the basic income. Basic Income Studies, 6(2), 1-14. For a critical assessment of the Hayekian minimum as a foundation for social citizenship, see White, S. (2003). The Civic Minimum: On the Rights and Obligations of Economic Citizenship. Oxford University Press. White demonstrates that the Hayekian minimum abstracts from the conditions of meaningful participation in social and political life, rendering it structurally insufficient as a basis for democratic social policy.

15. Marshall, T.H. (1950). Citizenship and Social Class. Cambridge University Press. Marshall's analysis of the development of social citizenship rights --- distinct from civil and political rights and requiring substantive institutional provision --- represents precisely the kind of normative political theory that Hayek's framework cannot generate from within its own

premises. Esping-Andersen, G. (1990). The Three Worlds of Welfare Capitalism. Polity Press. Ferrera, M. (2005). The Boundaries of Welfare. Oxford University Press.

16. Barry, B. (2005). Why Social Justice Matters. Polity Press, chapter 2. Barry argues that structural inequality --- the systematic concentration of social advantages across generations within particular groups --- cannot be addressed by a minimum safety net and requires redistributive institutions of the kind that Hayek rules out. For the empirical evidence on poverty as a structural rather than contingent phenomenon, see Atkinson, A.B. (2015). Inequality: What Can Be Done? Harvard University Press.

17. Hayek, F.A. (1960). The Constitution of Liberty (op. cit.), pp. 85-100. The instrumental argument against equality is most fully developed in Hayek, F.A. (1988). The Fatal Conceit: The Errors of Socialism. Routledge. Critical assessments include: Cohen, G.A. (2008). Rescuing Justice and Equality. Harvard University Press, which dismantles the incentive argument; Sen, A. (1992). Inequality Reexamined. Oxford University Press, which shows that formal equality of rules generates substantively unequal outcomes for individuals with different capabilities; and Piketty, T. (2014). Capital in the Twenty-First Century. Harvard University Press, which provides the empirical foundation for the structural inequality argument.

18. Rawls, J. (1971). A Theory of Justice (op. cit.), pp. 63-90. The distinction between formal equality of opportunity and fair equality of opportunity is fundamental here: fair equality requires not only removing legal barriers to participation but ensuring that individuals with equal talent and motivation have genuinely equal life chances regardless of social origin. Young, I.M. (1990). Justice and the Politics of Difference. Princeton University Press. On the empirical scale of inherited advantage in contemporary capitalist societies, see Chetty, R., Hendren, N., Kline, P., & Saez, E. (2014). Where is the land of opportunity? The geography of intergenerational mobility in the United States. Quarterly Journal of Economics, 129(4), 1553-1623.

19. Gilens, M., & Page, B. (2014). Testing theories of American politics: Elites, interest groups, and average citizens. Perspectives on Politics, 12(3), 564-581. This empirical study finds that economic elites and business interest groups have substantially more influence on US policy outcomes than the general public, consistent with the theoretical argument about the political consequences of economic concentration. Hacker, J., & Pierson, P. (2010). Winner-Take-All Politics. Simon & Schuster. For the comparative European evidence, see Bartels, L. (2008). Unequal Democracy: The Political Economy of the New Gilded Age. Princeton University Press.

20. Przeworski, A. (1985). Capitalism and Social Democracy. Cambridge University Press. For Hayek's own explicit acknowledgment of the anti-democratic implications of his framework, see Hayek, F.A. (1960). The Constitution of Liberty (op. cit.), pp. 103-118, where he argues for constitutional constraints on democratic majorities. On the concept of circumscribed democracy as applied to neoliberal governance, see Crouch, C. (2004). Post-Democracy (op. cit.), and Mouffe, C. (2005). On the Political. Routledge, who argues that the depoliticization of economic questions is the defining feature of the contemporary "post-political" condition.
21. Slobodian, Q. (2018). Globalists (op. cit.), chapters 2-4. This is one of the most important recent contributions to the political history of neoliberalism, and its findings directly inform the argument of section 6 below. For a critical assessment of the democratic deficit of international economic governance from a normative political theory perspective, see Rodrik, D. (2011). The Globalization Paradox: Democracy and the Future of the World Economy. Norton, chapters 8-9, who argues that the "trilemma" of globalization, democracy, and national sovereignty requires choosing two of the three --- and that neoliberal governance has consistently sacrificed democracy.
22. Keynes, J.M. (1936). The General Theory of Employment, Interest and Money. Macmillan, pp. 18-26. For a careful reconstruction of the Say's Law debate, see Skidelsky, R. (1992). John Maynard Keynes: The Economist as Saviour, 1920-1937 (Vol. 2). Macmillan, chapter 15. The technical economic dimensions of the Hayek-Keynes controversy over capital theory are analyzed in Hicks, J.R. (1967). Critical Essays in Monetary Theory. Oxford University Press. For the macroeconomic stakes of the debate as a matter of contemporary political economy, see Wren-Lewis, S. (2013). Macroeconomic policy in the 2015 Parliament. National Institute Economic Review, 224(1), F4-F15.
23. The paradox of thrift is formalized in Keynes (1936), chapter 13. For the general argument about coordination failures in macroeconomics, see Cooper, R., & John, A. (1988). Coordinating coordination failures in Keynesian models. Quarterly Journal of Economics, 103(3), 441-463. The contemporary relevance is demonstrated empirically in Ostry, J., Loungani, P., & Furceri, D. (2016). Neoliberalism: Oversold? Finance & Development, 53(2), 38-41, which shows that fiscal consolidation under neoliberal programs has systematically increased rather than reduced economic volatility in developing economies.
24. This argument is developed with particular rigor in Esping-Andersen, G. (1990). The Three Worlds of Welfare Capitalism (op. cit.), chapter 2, in his analysis of decommodification as the central dimension of welfare state variation. The concept of decommodification --- the extent

to which access to welfare goods is detached from market position --- captures precisely what Hayek's framework refuses: the political determination of which risks individuals should bear and which should be socialized. For the contemporary political economy of distributional choices under austerity, see Blyth, M. (2013). Austerity: The History of a Dangerous Idea. Oxford University Press.

25. Keynes, J.M. (1926). The end of laissez-faire. Reprinted in Essays in Persuasion (1931, pp. 312-322). Macmillan. Ruggie, J.G. (1982). International regimes, transactions, and change: Embedded liberalism in the postwar economic order. International Organization, 36(2), 379-415. Ruggie's concept of "embedded liberalism" --- the postwar compromise between market openness and social protection --- captures the institutional logic of Keynes's position: markets are politically sustainable only when they are embedded in social institutions that distribute their risks equitably. For the historical construction of this compromise, see Maier, C. (1977). The politics of productivity: Foundations of American international economic policy after World War II. International Organization, 31(4), 607-633.

26. Polanyi, K. (1944). The Great Transformation (op. cit.), chapters 11-12. On Polanyi's argument and its contemporary relevance, see Fraser, N. (2013). A triple movement? Parsing the politics of crisis after Polanyi. New Left Review, 81, 119-132. For the institutional design of postwar Keynesian welfare states, see Baldwin, P. (1990). The Politics of Social Solidarity: Class Bases of the European Welfare State, 1875-1975. Cambridge University Press.

27. Keynes, J.M. (1936). The General Theory (op. cit.), pp. 372-384. Ostry, J., Berg, A., & Tsangarides, C. (2014). Redistribution, inequality, and growth. IMF Staff Discussion Note, SDN/14/02. This IMF working paper, notable for its institutional provenance, finds that high inequality is associated with lower and less durable economic growth --- a finding that constitutes a direct empirical challenge to the Hayekian defense of inequality on efficiency grounds. Stiglitz, J. (2012). The Price of Inequality: How Today's Divided Society Endangers Our Future. Norton.

28. Keynes, J.M. (1921). A Treatise on Probability. Macmillan. Keynes, J.M. (1937). The general theory of employment. Quarterly Journal of Economics, 51(2), 209-223. The philosophical connection between the Treatise on Probability and the General Theory is developed in O'Donnell, R. (1989). Keynes: Philosophy, Economics and Politics. Macmillan. For the broader significance of the distinction between risk (quantifiable probability) and uncertainty (non-quantifiable) for political economy, see Knight, F. (1921). Risk, Uncertainty and Profit. Houghton Mifflin. Knight's distinction, developed independently of Keynes,

converges on the same epistemological point: market prices process risk but cannot process genuine uncertainty.

29. Shiller, R. (2000). Irrational Exuberance. Princeton University Press. Mirowski, P. (2013). Never Let a Serious Crisis Go to Waste (op. cit.), chapter 5. Akerlof, G., & Shiller, R. (2009). Animal Spirits: How Human Psychology Drives the Economy and Why It Matters for Global Capitalism. Princeton University Press. Akerlof and Shiller deliberately invoke Keynes's concept of "animal spirits" to argue that macroeconomic dynamics are driven by psychological and social factors that cannot be captured by the information-processing model of markets. For a Political Studies-relevant discussion of the political implications of financial market instability, see Crouch, C. (2009). Privatised Keynesianism: An unacknowledged policy regime. British Journal of Politics and International Relations, 11(3), 382-399.

30. Hall, P.A. (1989). The Political Power of Economic Ideas: Keynesianism across Nations. Princeton University Press. Hall's analysis of how Keynesian ideas were institutionalized differently in different national contexts is relevant here: it shows that Keynesian policy was not a single program but a family of institutional responses to the coordination failure problem, shaped by national political structures. Blyth, M. (2013). Austerity (op. cit.), chapter 1. For the general epistemological argument about the comparative merits of markets and deliberation, see Estlund, D. (2008). Democratic Authority (op. cit.).

31. Hayek, F.A. (1945). The use of knowledge in society (op. cit.). Hayek, F.A. (1952). The Counter-Revolution of Science (op. cit.). The rhetorical structure of Hayek's epistemic argument has been analyzed in detail by O'Neill, J. (1998). The Market: Ethics, Knowledge and Politics (op. cit.), chapters 5-6. O'Neill argues that Hayek conflates three distinct epistemological claims: (1) that relevant knowledge is dispersed (uncontroversial), (2) that it cannot be articulated (contestable), and (3) that it cannot be acted upon by any collective institution (not established by the preceding premises).

32. This point is made precisely by Pierson, P. (1994). Dismantling the Welfare State? Reagan, Thatcher, and the Politics of Retrenchment. Cambridge University Press, which analyzes the politics of welfare state retrenchment and shows that the Keynesian welfare state was not the comprehensive planning system that Hayekian rhetoric implied. For a theoretical elaboration of the space between catallaxy and central planning, see Hodgson, G. (1988). Economics and Institutions: A Manifesto for a Modern Institutional Economics. Polity Press, who develops a theory of institutions that is compatible with the epistemic argument while permitting a much wider range of collective action than Hayek acknowledges.

33. Minsky, H. (1986). Stabilizing an Unstable Economy. Yale University Press. Minsky's financial instability hypothesis --- that stability breeds instability, because periods of calm encourage the accumulation of fragile financial positions --- is an important complement to the Keynesian epistemological argument. It shows that the epistemic failure of financial markets is not aberrational but endogenous to the structure of market capitalism. Shiller, R. (2000). Irrational Exuberance (op. cit.). For the Political Studies implications, see Hay, C., & Rosamond, B. (2002). Globalization, European integration and the discursive construction of economic imperatives. Journal of European Public Policy, 9(2), 147-167.
34. The distinction between freedom as non-coercion and freedom as non-domination is central to the republican critique of Hayek. See Pettit, P. (1997). Republicanism: A Theory of Freedom and Government. Oxford University Press, who argues that freedom requires not merely the absence of actual interference but the absence of arbitrary power --- a condition that market dependence violates when employers can arbitrarily discipline workers without legal constraint. For the feminist critique of the coercion/circumstances distinction, see Nussbaum, M. (2000). Women and Human Development. Cambridge University Press.
35. Berlin, I. (1969). Two concepts of liberty. In Four Essays on Liberty (pp. 118-172). Oxford University Press. Sen, A. (1999). Development as Freedom. Oxford University Press. Sen's capability approach --- the argument that freedom should be assessed in terms of what people are effectively able to do and be, not merely the absence of formal constraints --- can be read as the most systematic philosophical development of the Keynesian intuition about effective freedom. For an explicit comparison of Hayek and Sen on freedom, see Fleurbaey, M. (2006). Capabilities, functionings and refined functionings. Journal of Human Development, 7(3), 299-310.
36. Plant, R. (2010). The Neo-liberal State (op. cit.), chapters 3-4. This argument draws on the insight that property rights are themselves a form of state action --- a point made with particular clarity in Cohen, G.A. (1995). Self-Ownership, Freedom, and Equality. Cambridge University Press. Cohen shows that Hayekian property rights are coercive in exactly Hayek's own terms: they prevent others from using resources that they do not own, a restriction that is enforced by state power. The property-owning individual is therefore not free from state coercion; he is the beneficiary of a specific form of state coercion that excludes others from access to resources.
37. The contrast between constitutional and coordinative approaches to market governance is developed theoretically in Hall, P.A., & Soskice, D. (Eds.). (2001). Varieties of Capitalism (op. cit.), which shows empirically that different institutional configurations --- liberal market

economies and coordinated market economies --- produce different economic outcomes through different institutional mechanisms. This comparative evidence suggests that Hayek's constitutional minimum is not the only viable institutional framework for capitalist economies, and that coordinative institutions of the Keynesian type can produce high-performance outcomes. For the normative dimension, see Streeck, W., & Thelen, K. (Eds.). (2005). Beyond Continuity: Institutional Change in Advanced Political Economies. Oxford University Press.

38. Hodgson, G. (1988). Economics and Institutions (op. cit.). Fligstein, N. (1996). Markets as politics (op. cit.). These two works provide complementary institutional analyses that converge on the same point: markets are political constructions that require ongoing institutional maintenance and redesign. For the specific case of financial markets as designed rather than spontaneous institutions, see MacKenzie, D. (2006). An Engine, Not a Camera: How Financial Models Shape Markets. MIT Press, which shows how financial economists' models of asset pricing literally constructed the markets they purported to describe.

39. Esping-Andersen, G. (1999). Social Foundations of Postindustrial Economies. Oxford University Press. Hall, P.A., & Soskice, D. (Eds.). (2001). Varieties of Capitalism (op. cit.). For the most recent empirical assessment of the economic performance of different welfare state regimes, see Kenworthy, L. (2014). Social Democratic America. Oxford University Press, which finds that extensive social provision is compatible with and supportive of economic dynamism, labor market flexibility, and innovation. For Political Studies, see Hay, C. (2011). Pathology without crisis? The strange demise of the Anglo-liberal growth model. Government and Opposition, 46(1), 1-31.

40. The concept of "contradictory minimalism" draws on several analyses of the actually existing neoliberal state. Wacquant, L. (2010). Crafting the neoliberal state (op. cit.) identifies the expansion of penal institutions as the disciplinary corollary of welfare retrenchment. Crouch, C. (2009). Privatised Keynesianism (op. cit.) shows how neoliberal states sustained demand through private debt rather than public spending, a form of demand management that is Keynesian in its macroeconomic logic but privatized in its institutional form. Peck, J. (2010). Constructions of Neoliberal Reason (op. cit.) traces the contradictory institutional genealogy of workfare as a neoliberal social policy form.

41. Pierson, P. (1994). Dismantling the Welfare State? (op. cit.). Taylor-Gooby, P. (2013). The Double Crisis of the Welfare State (op. cit.). On the political economy of welfare state restructuring, see also Bonoli, G. (2012). Active labour market policy and social investment: A changing relationship. In N. Morel, B. Palier, & J. Palme (Eds.), Towards a Social Investment

Welfare State? (pp. 181-204). Policy Press. For the comparative analysis of retrenchment politics, see Swank, D. (2002). Global Capital, Political Institutions, and Policy Change in Developed Welfare States. Cambridge University Press.

42. Schmidt, V.A. (2008). Discursive institutionalism (op. cit.). Giddens, A. (1998). The Third Way: The Renewal of Social Democracy. Polity Press. Morel, N., Palier, B., & Palme, J. (Eds.). (2012). Towards a Social Investment Welfare State? Policy Press. For a critical analysis of social investment discourse, see Jenson, J. (2012). Redesigning citizenship regimes after neoliberalism. In N. Morel et al. (Eds.), Towards a Social Investment Welfare State? (pp. 61-87). Policy Press.

43. Mirowski, P. (2013). Never Let a Serious Crisis Go to Waste (op. cit.), chapters 1-3. Blyth, M. (2013). Austerity (op. cit.), chapter 2. For the political economy of the bailout decisions, see Schäfer, A., & Streeck, W. (Eds.). (2013). Politics in the Age of Austerity. Polity Press. For a Political Studies analysis of the 2008 crisis and its implications for democratic governance, see Hay, C. (2011). Pathology without crisis? (op. cit.).

44. On the political economy of the shift from stimulus to austerity, see Streeck, W. (2014). Buying Time (op. cit.), chapters 2-3. The concept of "socialism for the rich" --- the socialization of financial sector losses while maintaining market discipline for wage-earners --- is analyzed in Harvey, D. (2010). The Enigma of Capital and the Crises of Capitalism. Profile Books. For the distributional consequences of austerity in Europe, see Blyth, M. (2013). Austerity (op. cit.), chapters 4-5.

45. For the long-term political consequences of these structural contradictions, see Streeck, W. (2016). How Will Capitalism End? Essays on a Failing System. Verso. Streeck argues that contemporary capitalism is characterized by a secular decline of its legitimating capacity as the gap between its ideological promises and its distributional realities widens. For a Political Studies perspective on the populist responses to these legitimation failures, see Mouffe, C. (2018). For a Left Populism. Verso; and Norris, P., & Inglehart, R. (2019). Cultural Backlash: Trump, Brexit, and Authoritarian Populism. Cambridge University Press.

46. For the relevance of historical debates in political theory as diagnostic resources for contemporary politics, see Freeden, M. (2008). Ideologies and Political Theory (op. cit.), and Ball, T., & Bellamy, R. (Eds.). (2003). The Cambridge History of Twentieth-Century Political Thought. Cambridge University Press. On the specific contemporary relevance of the Hayek-Keynes debate, see Wren-Lewis, S. (2013). Macroeconomic policy in the 2015 Parliament (op. cit.).

47. This conclusion is consistent with the findings of the comparative political economy literature surveyed above, and in particular with Esping-Andersen's (1990) demonstration that welfare state variation reflects political choices about decommodification, not technical determinations of efficiency. It also connects to the broader argument in Hay, C. (2002). Political Analysis: A Critical Introduction. Palgrave Macmillan, about the contingency of institutional arrangements that present themselves as necessary.

48. This reading of Keynes as an institutional designer rather than a statist is developed most fully in Skidelsky, R. (2009). Keynes: The Return of the Master. Allen Lane, which argues that the financial crisis of 2008 vindicates Keynes's fundamental insights about the instability of financial markets and the indispensability of public macroeconomic management. For the contemporary institutional implications, see Hemerijck, A. (2017). The Uses of Social Investment. Oxford University Press.

49. For the political implications of these structural contradictions in the context of contemporary democratic challenges, see Streeck, W. (2016). How Will Capitalism End? (op. cit.); Crouch, C. (2011). The Strange Non-Death of Neoliberalism. Polity Press; and Norris, P., & Inglehart, R. (2019). Cultural Backlash (op. cit.). For specifically Political Studies perspectives on the legitimation crisis of neoliberal governance, see Hay, C. (2007). Why We Hate Politics. Polity Press, and Flinders, M. (2012). Defending Politics. Oxford University Press.

References

Akerlof, G., & Shiller, R. (2009). Animal Spirits: How Human Psychology Drives the Economy and Why It Matters for Global Capitalism. Princeton University Press.

Atkinson, A. B. (2015). Inequality: What Can Be Done? Harvard University Press.

Baldwin, P. (1990). The Politics of Social Solidarity: Class Bases of the European Welfare State, 1875–1975. Cambridge University Press.

Ball, T., & Bellamy, R. (Eds.). (2003). The Cambridge history of twentieth-century political thought. Cambridge University Press.

Barry, B. (2005). Why Social Justice Matters. Polity Press.

Barry, N. (1982). The tradition of spontaneous order. Literature of Liberty, 5(2), 7–58.

Bartels, L. M. (2008). Unequal democracy: The political economy of the new gilded age. Princeton University Press.

Berlin, I. (1969). Two concepts of liberty. In Four Essays on Liberty (pp. 118–172). Oxford University Press.

Biebricher, T. (2018). The Political Theory of Neoliberalism. Stanford University Press.

Blyth, M. (2013). Austerity: The History of a Dangerous Idea. Oxford University Press.

Bonoli, G. (2012). Active labour market policy and social investment. In N. Morel, B. Palier, & J. Palme (Eds.), Towards a Social Investment Welfare State? (pp. 181–204). Policy Press.

Boukalas, C. (2024). A state without a future: Neoliberal despotism, crisis-fighting, and government through fear. Journal of Political Power, 16(3), 322–344. https://doi.org/10.1080/2158379X.2023.2298966

Caldwell, B. (2004). Hayek's Challenge: An Intellectual Biography of F. A. Hayek. University of Chicago Press.

Chang, H. J. (2002). Kicking Away the Ladder: Development Strategy in Historical Perspective. Anthem Press.

Chetty, R., Hendren, N., Kline, P., & Saez, E. (2014). Where is the land of opportunity? The geography of intergenerational mobility in the United States. Quarterly Journal of Economics, 129(4), 1553–1623.

Christiano, T. (2012). Rational deliberation among experts and citizens. In J. Mansbridge & J. Parkinson (Eds.), Deliberative Systems (pp. 27–51). Cambridge University Press.

Cohen, G. A. (1995). Self-Ownership, Freedom, and Equality. Cambridge University Press.

Cohen, G. A. (2008). Rescuing Justice and Equality. Harvard University Press.

Cooper, R., & John, A. (1988). Coordinating coordination failures in Keynesian models. Quarterly Journal of Economics, 103(3), 441–463.

Crouch, C. (2004). Post-Democracy. Polity Press.

Crouch, C. (2009). Privatised Keynesianism: An unacknowledged policy regime. British Journal of Politics and International Relations, 11(3), 382–399.

Crouch, C. (2011). The Strange Non-Death of Neoliberalism. Polity Press.

Dahl, R. (1989). Democracy and Its Critics. Yale University Press.

Esping-Andersen, G. (1990). The Three Worlds of Welfare Capitalism. Polity Press.

Esping-Andersen, G. (1999). Social Foundations of Postindustrial Economies. Oxford University Press.

Estlund, D. (2008). Democratic Authority. Princeton University Press.

Ferrera, M. (2005). The Boundaries of Welfare: European Integration and the New Spatial Politics of Social Protection. Oxford University Press.

Fleurbaey, M. (2006). Capabilities, functionings and refined functionings. Journal of Human Development, 7(3), 299–310.

Fligstein, N. (1996). Markets as politics: A political-cultural approach to market institutions. American Sociological Review, 61(4), 656–673.

Flinders, M. (2012). Defending politics: Why democracy matters in the twenty-first century. Oxford University Press.

Fraser, N. (2013). A triple movement? Parsing the politics of crisis after Polanyi. New Left Review, 81, 119–132.

Freeden, M. (2008). Ideologies and Political Theory. Oxford University Press.

Gamble, A. (1996). Hayek: The Iron Cage of Liberty. Polity Press.

Giddens, A. (1998). The Third Way: The Renewal of Social Democracy. Polity Press.

Gilens, M., & Page, B. (2014). Testing theories of American politics: Elites, interest groups, and average citizens. Perspectives on Politics, 12(3), 564–581.

Hacker, J., & Pierson, P. (2010). Winner-Take-All Politics. Simon & Schuster.

Hall, P. A. (1989). The Political Power of Economic Ideas: Keynesianism across Nations. Princeton University Press.

Hall, P. A., & Soskice, D. (Eds.). (2001). Varieties of Capitalism: The Institutional Foundations of Comparative Advantage. Oxford University Press.

Harvey, D. (2010). The Enigma of Capital and the Crises of Capitalism. Profile Books.

Hay, C. (2002). Political Analysis: A Critical Introduction. Palgrave Macmillan.

Hay, C. (2004). The normalizing role of rationalist assumptions in the institutional embedding of neoliberalism. Economy and Society, 33(4), 500–527.

Hay, C. (2007). Why We Hate Politics. Polity Press.

Hay, C. (2011). Pathology without crisis? The strange demise of the Anglo-liberal growth model. Government and Opposition, 46(1), 1–31.

Hay, C., & Rosamond, B. (2002). Globalization, European integration and the discursive construction of economic imperatives. Journal of European Public Policy, 9(2), 147–167.

Hayek, F. A. (1945). The use of knowledge in society. American Economic Review, 35(4), 519–530.

Hayek, F. A. (1952). The Counter-Revolution of Science: Studies on the Abuse of Reason. Free Press.

Hayek, F. A. (1960). The Constitution of Liberty. Routledge.

Hayek, F. A. (1973). Law, Legislation and Liberty, Vol. 1: Rules and Order. Routledge.

Hayek, F. A. (1976). Law, Legislation and Liberty, Vol. 2: The Mirage of Social Justice. Routledge.

Hayek, F. A. (1979). Law, Legislation and Liberty, Vol. 3: The Political Order of a Free People. Routledge.

Hayek, F. A. (1988). The Fatal Conceit: The Errors of Socialism. Routledge.

Hayek, F. A. (Ed.). (1935). Collectivist Economic Planning. Routledge.

Hemerijck, A. (2013). Changing Welfare States. Oxford University Press.

Hemerijck, A. (2017). The Uses of Social Investment. Oxford University Press.

Hicks, J. R. (1967). Critical Essays in Monetary Theory. Oxford University Press.

Hodgson, G. (1988). Economics and Institutions: A Manifesto for a Modern Institutional Economics. Polity Press.

Hodgson, G. (2013). From Pleasure Machines to Moral Communities. University of Chicago Press.

Jenson, J. (2012). Redesigning citizenship regimes after neoliberalism. In N. Morel et al. (Eds.), Towards a Social Investment Welfare State? (pp. 61–87). Policy Press.

Kalecki, M. (1943). Political aspects of full employment. Political Quarterly, 14(4), 322–330.

Kenworthy, L. (2014). Social Democratic America. Oxford University Press.

Keynes, J. M. (1921). A Treatise on Probability. Macmillan.

Keynes, J. M. (1926). The end of laissez-faire. Reprinted in Essays in Persuasion (1931, pp. 312–322). Macmillan.

Keynes, J. M. (1936). The General Theory of Employment, Interest and Money. Macmillan.

Keynes, J. M. (1937). The general theory of employment. Quarterly Journal of Economics, 51(2), 209–223.

Knight, F. (1921). Risk, Uncertainty and Profit. Houghton Mifflin.

Laruffa, F. (2024). Making sense of (post)neoliberalism. Politics & Society, 52(4), 586–629. https://doi.org/10.1177/00323292231193805

Laruffa, F., & Hearne, R. (2024). Towards a post-neoliberal social policy: Capabilities, human rights and social empowerment. Critical Policy Studies, 18(2), 207–226. https://doi.org/10.1080/19460171.2023.2232432

Lister, A. (2011). The "mirage" of social justice: Hayek against (and for) Rawls. Critical Review of International Social and Political Philosophy, 14(4), 391–420.

MacKenzie, D. (2006). An Engine, Not a Camera: How Financial Models Shape Markets. MIT Press.

Maier, C. (1977). The politics of productivity. International Organization, 31(4), 607–633.

Marshall, T. H. (1950). Citizenship and Social Class. Cambridge University Press.

Minsky, H. (1986). Stabilizing an Unstable Economy. Yale University Press.

Mirowski, P. (1989). More Heat than Light: Economics as Social Physics. Cambridge University Press.

Mirowski, P. (2013). Never Let a Serious Crisis Go to Waste: How Neoliberalism Survived the Financial Meltdown. Verso.

Mirowski, P., & Plehwe, D. (Eds.). (2009). The Road from Mont Pelerin: The Making of the Neoliberal Thought Collective. Harvard University Press.

Morel, N., Palier, B., & Palme, J. (Eds.). (2012). Towards a Social Investment Welfare State? Policy Press.

Mouffe, C. (2005). On the Political. Routledge.

Mouffe, C. (2018). For a Left Populism. Verso.

Norris, P., & Inglehart, R. (2019). Cultural Backlash: Trump, Brexit, and Authoritarian Populism. Cambridge University Press.

Nussbaum, M. (2000). Women and Human Development. Cambridge University Press.

Nussbaum, M. (2011). Creating Capabilities. Harvard University Press.

O'Donnell, R. (1989). Keynes: Philosophy, Economics and Politics. Macmillan.

O'Neill, J. (1998). The Market: Ethics, Knowledge and Politics. Routledge.

Ostry, J., Berg, A., & Tsangarides, C. (2014). Redistribution, inequality, and growth. IMF Staff Discussion Note, SDN/14/02.
Ostry, J., Loungani, P., & Furceri, D. (2016). Neoliberalism: Oversold? Finance & Development, 53(2), 38–41.
Peck, J. (2010). Constructions of Neoliberal Reason. Oxford University Press.
Pettit, P. (1997). Republicanism: A Theory of Freedom and Government. Oxford University Press.
Piasentier, M. (2025). Politics of evolution: Hayek's naturalization of neoliberalism. Political Theory, 53(5), 657–683. https://doi.org/10.1177/00905917251367668
Pierson, P. (1994). Dismantling the Welfare State? Reagan, Thatcher, and the Politics of Retrenchment. Cambridge University Press.
Piketty, T. (2014). Capital in the Twenty-First Century. Harvard University Press.
Plant, R. (2010). The Neo-liberal State. Oxford University Press.
Polanyi, K. (1944). The Great Transformation: The Political and Economic Origins of Our Time. Beacon Press.
Przeworski, A. (1985). Capitalism and Social Democracy. Cambridge University Press.
Rawls, J. (1971). A Theory of Justice. Harvard University Press.
Rodrik, D. (2011). The Globalization Paradox: Democracy and the Future of the World Economy. Norton.
Ruggie, J. G. (1982). International regimes, transactions, and change: Embedded liberalism in the postwar economic order. International Organization, 36(2), 379–415.
Savage, M. (2015). Social Class in the 21st Century. Pelican Books.
Schmidt, V. A. (2008). Discursive institutionalism: The explanatory power of ideas and discourse. Annual Review of Political Science, 11, 303–326.
Schmidt, V. A., & Thatcher, M. (Eds.). (2013). Resilient Liberalism in Europe's Political Economy. Cambridge University Press.
Schäfer, A., & Streeck, W. (Eds.). (2013). Politics in the Age of Austerity. Polity Press.
Sen, A. (1992). Inequality Reexamined. Oxford University Press.
Sen, A. (1999). Development as Freedom. Oxford University Press.
Shiller, R. (2000). Irrational Exuberance. Princeton University Press.
Skidelsky, R. (1992). John Maynard Keynes: The Economist as Saviour, 1920–1937 (Vol. 2). Macmillan.

Skidelsky, R. (2000). John Maynard Keynes: Fighting for Freedom, 1937–1946 (Vol. 3). Macmillan.
Skidelsky, R. (2009). Keynes: The Return of the Master. Allen Lane.
Skinner, Q. (2002). Visions of Politics, Vol. 1: Regarding Method. Cambridge University Press.
Slobodian, Q. (2018). Globalists: The End of Empire and the Birth of Neoliberalism. Harvard University Press.
Stiglitz, J. (2012). The Price of Inequality. Norton.
Streeck, W. (2014). Buying Time: The Delayed Crisis of Democratic Capitalism. Verso.
Streeck, W. (2016). How Will Capitalism End? Essays on a Failing System. Verso.
Streeck, W., & Thelen, K. (Eds.). (2005). Beyond Continuity. Oxford University Press.
Sunstein, C. (1997). Free Markets and Social Justice. Oxford University Press.
Swank, D. (2002). Global Capital, Political Institutions, and Policy Change in Developed Welfare States. Cambridge University Press.
Taylor-Gooby, P. (2013). The Double Crisis of the Welfare State and What We Can Do About It. Palgrave Macmillan.
Thompson, E. P. (1975). Whigs and Hunters: The Origin of the Black Act. Penguin.
Wacquant, L. (2010). Crafting the neoliberal state: Workfare, prisonfare, and social insecurity. Sociological Forum, 25(2), 197–220.
White, S. (2003). The Civic Minimum: On the Rights and Obligations of Economic Citizenship. Oxford University Press.
Wren-Lewis, S. (2013). Macroeconomic policy in the 2015 Parliament. National Institute Economic Review, 224(1), F4-F15.
Young, I. M. (1990). Justice and the Politics of Difference. Princeton University Press.
Zwolinski, M. (2011). Classical liberalism and the basic income. Basic Income Studies, 6(2), 1–14.