

The Neoliberal Attractor Basin – Trajectories and Loops

Dynamical Structure of the Neoliberal Basin

In complex systems terms, **neoliberalism** can be characterized as a **stable attractor state** in the socio-economic phase space – a self-reinforcing regime of political economy with its own basin of attraction. Within this basin, key structural variables (e.g. wealth distribution, labor relations, regulatory frameworks, and ideological norms) interact through nonlinear feedback loops that **pull the system toward a characteristic equilibrium**. This equilibrium is marked by entrenched market-centric institutions, high inequality, and resilient power structures. Perturbations to the system tend to be absorbed or dampened by negative feedback mechanisms that maintain the status quo, keeping the system's trajectory within the neoliberal basin. In other words, the neoliberal order behaves like a **"point attractor"**: once the socio-economic dynamics settle into this configuration, they exhibit a strong tendency to remain there absent sufficient external force or structural change ¹.

The attractor's stability emerges from **self-organization** – the spontaneous ordering of system components into persistent patterns. No central authority explicitly "designs" the neoliberal regime; rather, **local interactions and incentives produce global order** ² ¹. For example, firms maximizing profit, politicians seeking funding, and individuals pursuing market opportunities collectively generate broad outcomes like **deregulated markets, weak labor protections, and concentrated capital ownership**. These outcomes then reinforce the initial behaviors, forming a closed loop. **Feedback is fundamental**: *negative feedback loops* mitigate deviations (e.g. policy adjustments that quell unrest, or bailouts that prevent financial collapse), thereby **minimizing variance from the attractor state** ³. Meanwhile, *positive feedback loops* amplify reinforcing processes (e.g. wealth begets political influence, which begets more wealth concentration), further deepening the basin. The net effect is a **dynamical structure with high "basin depth"** – meaning substantial disturbances are required to dislodge the system from its neoliberal trajectory.

This attractor state can be thought of as a **basin defined by phase boundaries** (thresholds in socio-economic variables). Within certain bounds – for instance, inequality up to a level that doesn't trigger mass unrest, or environmental degradation short of outright catastrophe – the system's equilibrium remains qualitatively the same. **Resistance to perturbation** is high: even crises that do occur (financial crashes, pandemics, political shocks) typically result in *regression to the neoliberal mean* once immediate effects are absorbed. Indeed, the persistence of the neoliberal regime despite repeated failures and shocks has been noted as a "strange non-death of neoliberalism" – it failed as economic theory and policy, yet *succeeded as a resilient configuration of power* ⁴. In practice, decades of neoliberal dominance have shown that **macroscopic stability** (in terms of maintaining capitalist market institutions and elite advantages) can coexist with significant volatility in other dimensions (periodic recessions, widening social fissures). This robustness is a hallmark of the neoliberal basin: short-term corrections and technocratic tweaks (often guided by market orthodoxy itself) act as negative feedback to preserve core structures, preventing regime change.

Formally, we can describe the neoliberal basin as a **high-dimensional attractor** in the state space of global political economy. Its *key state variables* include the **capital share of income**, the **distribution of wealth (Gini, top 1% share)**, the **degree of market concentration**, the **strength of organized labor**, the **prevalence of “market-friendly” policy norms**, and others. In the neoliberal attractor, these variables settle into a consistent pattern: **high capital income share, high inequality, oligopolistic market structures, marginalized labor influence, and policy paradigms favoring deregulation and privatization**. The attractor’s **phase boundaries** are crossed only when one or more of these variables push beyond critical thresholds – for example, an equality surge (due to war or revolution) or an ideological paradigm shift – such that the existing loops cannot restore the old equilibrium. Absent such a tipping point, the system exhibits **path dependence**: the longer it stays in the neoliberal basin, the more **lock-in** effects accumulate (institutional inertia, network effects, legal frameworks), making alternative trajectories increasingly inaccessible without **“escape energy”** (a massive exogenous shock or concerted intervention).

Key Feedback Loops and Amplifiers

Figure: Schematic of dominant feedback loops sustaining the neoliberal attractor. Capital concentration (wealth) reinforces political power, which feeds back via policies favoring capital. Concentrated capital also funds technology monopolies and ideological narratives, while undermining labor power. Loops of deregulation, rent extraction, labor disempowerment, and externalized risk collectively deepen the attractor basin.

At the heart of the neoliberal attractor is a network of **reinforcing feedback loops** that **amplify the accumulation of capital and power**, locking in a self-perpetuating trajectory. Some of the most salient loops include:

- **Capital Concentration → Political Power → Policy → Further Capital Concentration (Elite Feedback Loop):** Economic power translates into **political influence**, which is then used to rewrite the rules in favor of those with capital. This **wealth-power feedback** is well-documented: *elites use their resources to shape policy and regulation, which in turn bolsters further wealth concentration* ⁵ ⁶ . For example, deregulation of finance, tax cuts for the rich, anti-labor laws, and lax antitrust enforcement did not occur by chance – they were the **outcome of deliberate political capture by economic elites**. Over the past 40 years, this has created a **vicious cycle** (what economist Luigi Zingales calls the “Medici vicious circle”): *money is used to gain political power, and political power is used to make more money* ⁶ . The loop operates through mechanisms like lobbying, campaign finance, revolving-door appointments, and regulatory capture ⁷ . As a result, **rules of the game (phase-space constraints)** – from financial regulations to labor laws – increasingly favor capital owners, reinforcing their dominance. This positive feedback loop is a core engine of the neoliberal attractor’s stability.
- **Labor Disempowerment Loop (Wealth → Weakened Labor → Higher Capital Share → Further Wealth):** A defining feature of the neoliberal era is the systematic **erosion of labor’s bargaining power** – through union busting, offshoring, gig economy practices, and policies that keep unemployment or job insecurity high. This is both cause and consequence of rising capital share. For instance, since around 1980, the labor income share in many countries has **declined markedly**, meaning a larger portion of output is captured as profits (capital income). In the U.S., labor’s share of GDP fell from roughly **67% in 1980 to about 59% by 2019**, reflecting decades of wage stagnation even as productivity grew ⁸ . This shift directly translates to **greater capital concentration**, because what is lost by labor is gained by owners of capital. Crucially, the **decline of labor’s power** is

self-reinforcing: **weaker unions and precarious work arrangements reduce workers' ability to demand higher wages or influence policy**, which leads to further relative gains for capital (higher profit margins, higher returns to shareholders) ⁹ ¹⁰. Those gains then fund more anti-labor initiatives (e.g. lobbying against minimum wage hikes or collective bargaining rights), completing the loop. The result is a **structural tilt**: the more capital triumphs over labor, the easier it becomes to continue doing so. Empirically, this is seen in metrics like union density (sharply fallen since the 1980s in most OECD countries) and the **doubling of the top 1%'s income share** in the U.S. (from ~10% in 1980 to >20% by the late 2000s) ¹¹ – indicators of a feedback-driven transfer of income from broad labor to a narrow capital elite.

- **Technological Rentierism and Monopoly Loop:** A prominent amplifier in the modern neoliberal regime is the synergy between **financial capital and technology platforms**. Massive accumulations of capital seek outsized returns by creating or investing in monopolistic platforms – yielding what might be termed **technological rentierism** (firms extracting rent by controlling digital infrastructure, data, and standards). Once dominant, these tech giants leverage **network effects**, economies of scale, and aggressive acquisition strategies to entrench their position. The feedback loop here: **more capital → greater monopoly power → monopoly profits (“rents”) → further capital accumulation**. Because monopolies can charge above-competitive prices and stifle competition, wealth concentrates in their hands without proportional value creation. They then reinvest some of those profits in lobbying and intellectual property fortification, **reinforcing the barriers to entry**. The UN has warned of this dynamic becoming global “**rentier capitalism**,” driven by **market concentration and endemic rent-seeking** ⁷. Empirical signs are the extreme consolidation in digital markets – for example, **three companies (Google, Meta/Facebook, and Amazon) now capture over 60% of global online advertising revenue** ¹², and **Amazon alone constitutes ~40% of U.S. e-commerce** ¹³. Such dominance yields enormous cash flows that these firms use to acquire potential rivals, invest in proprietary ecosystems, and shape regulations (e.g. lobbying against antitrust or privacy laws), *further entrenching their rent-extraction capabilities*. This loop ties back into the wealth-power loop: tech monopolies have become part of the new elite, wielding influence to sustain permissive regulatory environments and favorable trade/IP regimes (the **policy capture** extends to patent law, tax loopholes, etc.). In short, **platform consolidation** is both a product of neoliberal policies (deregulation, weak antitrust) and a driver of even more unequal outcomes – a positive feedback that amplifies capital concentration in the hands of a few “superstar” firms ⁹ ¹⁴.

- **Externalization of Systemic Risk (Privatize Gains, Socialize Losses Loop):** Neoliberal systems notoriously encourage decision-makers to **externalize costs** – whether environmental, social, or financial – because market pricing and corporate balance sheets often do not internalize these future or diffuse risks. This gives rise to a perilous feedback circuit: *companies (or investors) reap short-term gains from risk-taking or cost-cutting that imposes long-term risks on society; when the risks manifest in crises, the public often absorbs the losses, leaving the perpetrators free (or even bailed out) to continue the cycle*. A prime example is the **financial sector** leading up to the 2008 crisis: Banks and funds engaged in highly leveraged, speculative activities that yielded huge private profits; when the bubble burst, the damage (\$15 trillion in U.S. output losses by one estimate) was inflicted on the broader economy ¹⁵. Governments, fearing total collapse, intervened with taxpayer-funded bailouts and monetary backstops – effectively **shifting the losses to the public ledger**, while many of the same institutions emerged larger and more concentrated than before. This **moral hazard** loop means that **risk-taking behavior is reinforced**: actors learn that large-scale risks (too-big-to-

fail banks, “systemically important” firms) will be mitigated by state action, so the cycle of **private gain > systemic crash > public rescue** can repeat. Similarly, in the **environmental arena**, fossil fuel and industrial companies have long profited by dumping CO₂ and pollutants without paying the cost; the **climate change crisis** and health impacts are borne by populations and future generations. The market failure is profound – British economist Nicholas Stern called climate change “the greatest case of market failure in history,” since the market failed to price carbon correctly ¹⁶. Here, feedback operates in a more insidious way: **because negative consequences (e.g. climate disasters) are delayed and diffuse, they do not immediately correct profit-seeking behavior**. Instead, firms reinvest profits from destructive activities into political lobbying to prevent corrective regulation (such as carbon pricing or strict safety rules), thereby *maintaining the loop*. In effect, **the attractor’s stability is maintained by externalizing destabilizing forces** – crises are treated as exogenous shocks rather than symptoms of the system, and remedies are applied that restore the neoliberal order (bailouts, austerity for the public, etc.) without altering its fundamental logic. This generates a dangerous **resonance condition** where the system can sustain greater and greater imbalances (financial bubbles, ecological overshoot) before eventually hitting a boundary.

- **Ideological Legitimation Loop:** Underlying and girding all these loops is a **cognitive-ideological feedback circuit**: the dominance of neoliberal ideology itself helps self-perpetuate the system by **shaping perceptions, justifying outcomes, and suppressing alternatives**. The **ideational regime** of neoliberalism – faith in self-regulating markets, valorization of competition, individualism over collectivism, framing of government as inefficient – did not simply arise spontaneously; it was actively cultivated by think tanks, academic sponsorships, media campaigns, and political rhetoric funded by beneficiaries of the system ¹⁷. This creates a loop: *elite interests fund an intellectual narrative that markets are natural and optimal; this narrative legitimizes policies that favor elites (deregulation, tax cuts, etc.); those policies further empower elites, who then continue to fund and refine the pro-market narrative*. For example, as noted by Robert Kuttner, “**power used theory**” in the neoliberal counterrevolution – corporate elites **invested in friendly economists and politicians to bless and implement a shift toward market fundamentalism**, even after mid-20th century managed capitalism had delivered broadly better outcomes ¹⁸. The result was a hegemonic policy consensus by the 1990s that “**there is no alternative**” to free markets. This **ideological lock-in** means that even when neoliberal policies fail to deliver promised growth (as admitted in some cases by the IMF ¹⁹), the solution space considered by policymakers remains narrowly neoliberal (more market tweaks, not a different paradigm). The feedback is reinforced culturally: individuals are socialized to see themselves as consumers and entrepreneurs rather than citizens or workers, reducing the likelihood of collective action challenging the system. Moreover, **ideology conditions the interpretation of crises** – e.g. a financial crash is blamed on government distortions or a few bad actors, rather than systemic market failure – which in turn leads to solutions that *preserve the neoliberal model (bailouts coupled with austerity)*, thus preventing the attractor from dissolving. In summary, **the neoliberal basin has a powerful narrative moat**: it continuously reshapes cognition and discourse to defend against ideas that could reconfigure its loops. As long as the dominant epistemic frame remains neoliberal, any perturbation tends to be translated into neoliberal terms and addressed with neoliberal tools, completing the self-reinforcing circuit of belief and practice.

These loops are **interconnected**. For instance, **extreme inequality** emerging from the wealth/power and labor loops provides fertile ground for populist ideology or scapegoating that *distracts from structural critique*, thereby feeding back into ideological stability. Likewise, technological monopolies contribute to shaping ideology (through control of information platforms and data). The overall topology is a **tight web**

of positive feedback circuits that amplify capital accumulation, plus strategic negative feedback processes that stabilize the whole. This **feedback topology** explains why the neoliberal attractor has proven so resilient and why incremental reforms often fail to shift the trajectory: any single loop counteraction (e.g. a modest tax hike or one-time regulation) is often neutralized by the adaptive response of other loops. Only **coordinated interventions** that break multiple reinforcing loops can significantly perturb the system's course.

Emergent Properties and Macroscopic Stability

From the micro-level loops described above, **emergent macroscopic properties** arise that characterize the neoliberal attractor. Chief among these properties are **high inequality, oligarchic wealth distribution, precarious labor markets, periodic financial volatility**, and a general **orientation of the economy towards short-term profit maximization** (often termed *financialization* of everything). These are not just random outcomes; they are **system-level patterns** resulting from the aggregate of feedback circuits. Notably, the neoliberal regime exhibits a kind of **punctuated stability**: it remains qualitatively stable in its power and property relations while producing oscillations or crises in subordinate variables (e.g. asset booms and busts, localized debt crises, political oscillations between center-right and center-left governments that nonetheless both uphold the market order).

One key emergent phenomenon is **persistent income and wealth inequality at near-historic extremes**. By multiple measures, inequality in the neoliberal era reached levels not seen since the pre-WWII decades. **Global inequality** peaked around 2000 with a **global Gini coefficient of ~0.72** (on a 0–1 scale) – extremely high by historical standards ²⁰. It has since modestly declined (to about 0.67 by 2020) mainly due to rapid growth in Asia, but remains comparable to the inequality of the early 20th century Gilded Age ²⁰. Within many countries, inequality surged: for example, the United States' Gini index rose from the mid-0.3s in the 1970s to around **0.47 by 2023**, placing the U.S. among the most unequal high-income nations ²¹ ²². Such **extreme concentration of income and wealth** can be seen as the macro signature of the attractor's loops (especially the wealth-power loop and labor share decline). Indeed, *the top 1% in the U.S. roughly doubled their share of national income from ~10% in 1980 to over 20% by the late 2000s* ¹¹, and the richest 0.1%'s wealth share has tripled. This stratification is **self-reinforcing and surprisingly stable** in aggregate: despite public discontent or alternating party control in politics, the **trend of concentration has not fundamentally reversed**, indicating the attractor's hold. In complex systems terms, inequality is an **order parameter** of the neoliberal regime – a quantitative descriptor of its state – and its sustained high level signals that the system continues to occupy the same attractor basin.

Another emergent property is the **pervasive precarity and disempowerment of labor** as a class. This is evident in stagnant real wages (median wages barely rising even as GDP grows), the casualization of employment (rise of gig work, contractor arrangements), and weakened social safety nets. A stable trait of neoliberal economies is that **economic growth no longer translates into broad-based income gains** ²³ – a decoupling of median income from GDP. This indicates a structural shift in how gains are distributed (again reflecting the labor-capital feedback outcomes). Yet, paradoxically, the overall system remains *functionally stable*: unemployment in advanced economies oscillates with the business cycle but has not trended to catastrophic highs in normal times, because various adjustments occur (labor force withdrawal, gig economy absorption, migration). The **stability is bought at the cost of equity**. In cybernetic terms, the system prioritizes maintaining output and profit metrics (through flexible labor markets, global supply chains, etc.) while allowing the **quality of livelihoods for the many** to degrade if necessary. This points to a *trade-off built into the attractor*: it will sacrifice human development or environmental health long before it

sacrifices capital accumulation or market institutions. Those sacrifices manifest as emergent patterns – e.g. **chronic underemployment, regional decline, health and wealth disparities** – which again feed back into political fragmentation or apathy that ironically helps stabilize elite control (divided, insecure populations are less able to mount organized challenges).

Macroscopic stability of the neoliberal regime is also seen in its ability to weather **shocks and adapt** without changing its fundamental character. The 2008 Global Financial Crisis, which might have been an opportunity for paradigm shift, instead resulted in a **reassertion of neoliberal policy logic** (bank bailouts with few strings, austerity for the public sector, and only marginal financial reregulation). By around 2010–2012, the system had largely reverted to its prior state – major banks were still in place (bigger than ever), inequality continued rising in the recovery, and political discourse soon returned to **deficit cutting and market-led growth**. This exhibits what we might call **attractor resilience**: *the basin's negative feedbacks (central bank interventions, government backstops, pro-market ideology to deflect systemic blame) were strong enough to absorb a once-in-75-years financial shock*. Similarly, during the COVID-19 pandemic, while there were brief moments of expansive fiscal policy and stronger social safety nets, many of those measures were rolled back quickly; the longer-term trajectory (e.g. tech titan gains, wealth inequality increasing as asset markets boomed with low interest rates) actually **reinforced some neoliberal trends**. **Emergent adaptation** – such as increased market concentration (small businesses closed while large firms thrived) – turned the crisis into an amplifier for pre-existing loops. The attractor thus demonstrates **high homeostatic capacity** for core variables: when displaced, mechanisms (often orchestrated by central authorities sympathetic to market stability) push it back toward the familiar equilibrium.

One notable emergent macro-dynamic is the **erosion of liberal democracy** under neoliberal regimes, which can be seen as the system adjusting its political form to maintain stability. When inequality and economic insecurity reach extreme levels, public discontent grows. However, rather than prompting a turn to social democracy or egalitarian reform, many societies have seen a drift towards **authoritarian populism or illiberal democracy**. This can be interpreted as the neoliberal attractor morphing into a new stable sub-regime (sometimes termed *neoliberal oligarchy* or *neofeudalism*), where democratic institutions are hollowed out to preempt redistribution. As Polanyi famously observed, if the market economy is not embedded in social protections, the social backlash may empower autocrats or fascist solutions ²⁴. We see echoes of this: **wealthy interests can align with authoritarian politics to preserve their privileges**, producing a hybrid stable state (e.g. crony-capitalist autocracies, where elections or rights are curtailed but capitalist oligarchs continue to rule) ²⁵. In global terms, this suggests the neoliberal attractor may have bifurcations – one path clings to nominal democracy with plutocratic influence (as in the U.S. and UK), another path slips into open oligarchy or nationalist-authoritarian governance (as in some emerging markets or even parts of Eastern Europe). Both are **adaptations that secure the fundamental socio-economic hierarchy**. Thus, the **macroscopic stability** extends even to political morphology: the system can tolerate changing its skin (from a liberal democratic veneer to a more authoritarian one) as long as the underlying economic feedback loops (capital control over resources and policy) remain intact.

In summary, the neoliberal attractor's emergent properties paint a picture of a **highly unequal, concentrated, yet dynamically stable socio-economic configuration**. It is a regime that **maximizes certain macro-outputs (GDP growth for a time, corporate profits, innovation in pockets) while generating chronic stresses (inequality, debt, environmental damage)**. These stresses, remarkably, do not topple the system; instead, they are managed, deflected, or allowed to persist in peripheries (e.g. the precariat, the Global South) such that the **central regime survives**. It is akin to a **metastable state** in physics: seeming stable until a critical threshold is passed, at which point a dramatic phase shift may occur.

To date, those thresholds have not been crossed, which testifies to the system's **capacity to maintain order through internal adjustments** (often reinforcing the power of those at the top). The emergent pattern is therefore **one of "order in instability"**: volatility for individuals and sectors, but continuity in the overarching regime.

Boundary Conditions and Escape Energy

Every attractor basin in a dynamical system has its **limits – the boundaries beyond which perturbations or parameter changes lead the system into a new regime**. For the neoliberal attractor, these **boundary conditions** correspond to breaking one or more of the core feedback loops such that the self-reinforcement is interrupted. In practical terms, escaping the neoliberal basin requires pushing the socio-economic system through a **phase transition** – overcoming the "gravitational pull" of existing loops and settling into a different set of structures (a different attractor, e.g. a social democratic mixed economy, a socialist or solarpunk system, etc.). The concept of "**escape energy**" can be analogized to the energy needed to push a ball out of a deep valley in a potential landscape: the deeper and steeper the valley (the more stable and entrenched the attractor), the more force or momentum is required to exit. In the neoliberal context, the "energy" takes the form of **material interventions (economic shocks, policy overhauls, mass mobilizations)** or **epistemic shifts (ideological ruptures, new paradigms)** – or typically both in combination.

Historically, we have glimpses of what it takes to leave one attractor for another. The mid-20th-century transition from laissez-faire capitalism (which had culminated in the Great Depression) to the **Keynesian welfare-state attractor** after World War II was precipitated by massive exogenous shocks (economic collapse, global war) and an ideological revolution in economics (Keynesian theory overturning classical orthodoxy). That "escape" from the prior attractor involved *deliberate interventions of great scale*: **New Deal policies, redistribution, global Bretton Woods institutions to regulate finance, strong pro-labor laws, progressive taxation** – essentially applying force against each major feedback loop of the previous order. The result was a new basin (managed capitalism) with lower inequality and stronger damping of market instabilities. However, as noted in retrospective analyses, that attractor shift **required maintenance**; when the political will and paradigms faltered in the 1970s, the system slid back toward the neoliberal configuration ²⁶. The **1970s–1980s neoliberal restoration** was itself a crossing of phase boundaries: stagflation and the breakdown of the post-war consensus created conditions for free-market ideologues to take power (Reagan, Thatcher). They **dismantled counter-loop institutions** – crushing unions, deregulating financial markets, privatizing state industries ²⁷ – thereby removing the negative feedbacks that had kept capital in check. This allowed positive feedbacks of wealth and power to run unchecked again, re-establishing the neoliberal attractor. The lesson is twofold: (1) **Exiting an attractor demands a powerful constellation of changes hitting at the feedback structure**, and (2) even once achieved, a new attractor can revert if its supporting loops are eroded ²⁸.

In the present context, what **material and epistemic interventions** constitute sufficient "escape energy" to break free of neoliberal lock-in? Materially, one can point to **thresholds of inequality, instability or external shock** beyond which even elites find the status quo untenable. For instance, if inequality approaches a point where political legitimacy collapses or social unrest becomes unmanageable (a kind of **critical instability** in the social subsystem), the cost of maintaining neoliberal policies might exceed the cost of reforming them. Similarly, **major crises** such as a global ecological collapse or a truly systemic financial implosion could overwhelm the extant negative feedback stabilizers and force a chaotic departure from the basin. However, such uncontrolled exits risk moving the system into a **worse attractor (e.g. neo-**

fascism or collapse) rather than a reformed capitalist order. Therefore, a *guided* escape would require intentional interventions like:

- **Structural Economic Reforms:** e.g. **drastic redistribution of wealth and income** (through steeply progressive taxation, wealth taxes, debt jubilees), **breaking up monopolies** or converting them to public utilities, **re-regulating finance** with measures to eliminate speculative feedback (transaction taxes, capital controls). These actions directly attack the economic feedback loops (wealth-power, rentier profits) by limiting how far they can amplify. They effectively **flatten the basin** by reducing the “steepness” of wealth accumulation advantages.
- **Empowerment of Countervailing Forces:** e.g. **rebuilding labor power** (supporting unionization, sectoral bargaining, job guarantees), **strengthening public institutions and commons** (health, education, housing) to reduce reliance on private gatekeepers, and **campaign finance reform** to break the money-politics link. By empowering labor and citizens, the feedback loop that concentrates political influence is weakened (introducing new negative feedbacks that stabilize a more egalitarian regime). This pushes the system toward a new attractor where, say, **labor share of income is higher and self-correcting mechanisms prevent extreme inequality** – a qualitatively different equilibrium.
- **Ideological and Epistemic Shift:** Perhaps most critically, the **ideological superstructure must shift**. As long as neoliberal thought rules (the belief that markets are the only efficient allocators, that growth is paramount, etc.), any material intervention will be undermined or rolled back. Escaping the basin thus demands an intellectual paradigm change akin to a Kuhnian shift. This could be catalyzed by **evidence of neoliberal failure** (climate disasters undermining the notion of efficient markets, or empirical research – even from mainstream institutions – admitting the harms of neoliberal policies ²⁹ ³⁰). Already, there are signs: the IMF economists Ostry et al. (2016) questioned neoliberalism’s benefits, noting that *certain neoliberal policies increased inequality and hurt sustained growth* ¹⁹. If this acknowledgment grows into a new consensus that inequality and unregulated markets are inefficient and unstable, it could legitimize policies that were once “unthinkable” under neoliberal ideology (e.g. capital controls, public enterprise, robust welfare expansion). In terms of attractors, a broad epistemic shift **reshapes the landscape** – essentially **raising the potential energy of the neoliberal basin and lowering that of alternative basins**, making it easier for the system to roll into a new valley.
- **Coalitions and Agency for Change:** Complex social systems require agents of change to coordinate interventions. A combination of **political movements, enlightened elites, and external pressures** can provide the vector for escape. For example, a strong climate justice movement allied with reformist policymakers might use the urgency of climate change to implement a Green New Deal – which, if sweeping enough, would restructure energy, transportation, and labor sectors, thereby breaking fossil-capital feedback loops and possibly leading to a *post-neoliberal green attractor*. The “escape energy” in this scenario is provided by the looming threat of environmental collapse (a boundary condition) and the mobilization of public will behind a different vision (epistemic change from seeing climate as a market failure requiring collective action). The key is that **multiple feedback loops must be tackled in concert**: partial pushes tend to get absorbed. For instance, attempting heavy redistribution without campaign finance reform might just see the wealthy buying the next election to reverse it; conversely, public financing of elections without economic reform might yield a more representative government that still faces structural capital flight or market

discipline if it strays too far. Therefore, a **synchronous push on many levers** – economic, political, ideological – is needed to reach escape velocity.

In quantitative terms, one might imagine “**escape metrics**” such as: a sustained **tax-to-GDP increase and redistribution that cuts the top 1% share in half** (indicating a fundamental redistribution of power), or a **dramatic rise in union density and worker co-determination** (indicating a new feedback favoring labor), or on the ideational side, **public opinion and expert consensus shifting to prioritize equality and sustainability over pure growth** (indicating the narrative loop has flipped). When such metrics move past certain thresholds (phase boundaries), the system would cross into a new domain of attraction.

It’s also worth noting the possibility of *unplanned escape*: if the neoliberal attractor becomes too destabilized by its own contradictions – say, runaway climate change or a global financial collapse that governments can no longer control – the system could be thrust out of the basin chaotically. In that event, where it lands might depend on **which new attractor is closest** or how initial conditions reconfigure during turmoil. This underlines the importance of **prepared “alternative attractors”** (policy frameworks, institutions-in-waiting, narratives) to capture the system in a preferable basin rather than free-fall into authoritarianism or breakdown. In complexity language, we need “**adjacent attractors**” – pre-developed regimes that can stabilize the system once neoliberalism unravels.

In conclusion, **exiting the neoliberal attractor requires overcoming significant inertia and self-correction capacity**. The system’s boundaries are guarded by entrenched interests and structural lock-ins. However, those boundaries are not insurmountable. **Sufficient energy input in the form of comprehensive reforms and paradigm change** can propel society over the threshold. The critical task is identifying leverage points that weaken multiple feedback loops simultaneously (for example, a well-designed policy like a *progressive carbon tax whose revenue funds universal basic income* could hit environmental externality loops, inequality loops, and labor security in one stroke). The notion of “**escape energy**” reminds us that half-measures won’t do – the effort must match the depth of the basin. If that effort is marshaled, the neoliberal attractor can be left behind, and the socio-economic system can transition to a new configuration that ideally features more equitable and sustainable feedback dynamics.

Indicators and Phase Metrics

To rigorously characterize the neoliberal attractor and monitor our position within (or distance from) its basin, we can define a set of **indicators and synthetic phase metrics**. These metrics serve as coordinates in the socio-economic phase space, quantifying the variables and feedback intensities that define the regime. Below we compile key indicators, along with their observed trends in the neoliberal era, which together offer a **multidimensional state description** of the system:

- **Income Inequality (Gini Coefficient):** The Gini index is a summary measure of inequality (0 = total equality, 1 = maximal inequality). Higher inequality is a hallmark of the neoliberal regime. *Global Gini* reached roughly **0.72 at its peak around 2000** (up from ~0.657 in 1980), and sits at ~0.67 as of 2020²⁰ – indicating an extremely unequal distribution of world income, comparable to the inequality within the most unequal nations. *National Gini* values in many countries have risen: e.g. the **U.S. Gini increased from ~0.43 in 1990 to ~0.47 in recent years**^{21 22}, reflecting the entrenched wealth gaps. A persistently high Gini (especially above ~0.4 in large economies) signals that the attractor’s inequality-generating loops remain strong.

- **Wealth Concentration (Top 1% / 0.1% Share of Income or Wealth):** This metric captures the extreme upper tail of distribution. In the U.S., the **top 1% now captures over 20% of national pre-tax income, roughly double their share in 1980** ¹¹. The wealth share is even more skewed: the top 0.1% hold a quarter of U.S. household wealth (Federal Reserve data), up from 10% in the late 70s. Similar trends are seen in other advanced economies and at the global level (the global top 1% holds roughly 38% of wealth per World Inequality Database). These numbers reflect the cumulative effect of positive feedback loops favoring capital owners. If these shares stabilize or decline, it may indicate a weakening of the attractor; continued increase signals deepening concentration.
- **Capital vs. Labor Income Share:** The **labor share of national income** is a key structural parameter. A falling labor share means capital is claiming more output. Advanced economies have mostly seen labor share decline since 1980. For instance, **U.S. labor's share dropped from ~67% of GDP in 1980 to ~59% by the late 2010s** ⁸. The flip side is the *capital share* (profits, dividends, interest) rising from ~33% to ~41%. This shift indicates the degree to which returns to ownership have grown relative to returns to work – a direct measure of neoliberal dynamics. A low or falling labor share correlates with weak worker bargaining power and likely future inequality. Conversely, a rebound in labor share (as happened modestly in some countries post-2010 due to tight labor markets or policy) would be a sign of exiting the neoliberal basin.
- **Market Concentration Indices (Industry Herfindahls, Top-Firm Revenue Share):** Concentration metrics gauge oligopoly power. Under neoliberalism, many sectors have become dominated by a few giants, amplifying rentier loops. For example, in U.S. **retail, the top 4 firms' share doubled from ~15% in 1980 to ~30% by 2011** ¹⁴; across broad sectors, similar increases in concentration have been documented (technology, finance, pharmaceuticals, media). One composite indicator is the average Herfindahl–Hirschman Index (HHI) across industries – research has found significant HHI rises in the past few decades. In digital markets, concentration is even starker: **Google holds about 90% of global search engine queries, Facebook (Meta) controls dominant social platforms with ~2.9 billion MAUs** ³¹, and a handful of firms account for the majority of e-commerce and digital ad revenue ¹². We could define a **“Platform Consolidation Index”** (e.g. share of traffic or data handled by top 5 internet companies) – by any such measure, the index has surged, indicating the entrenchment of winner-take-all dynamics. A decline in concentration (or robust antitrust actions) would be a sign of a shifting regime.
- **Financialization and Debt Metrics:** Neoliberal economies tend to have high levels of private debt and large financial sectors relative to GDP. For instance, the ratio of total financial assets to GDP or stock market capitalization to GDP often grows under neoliberal policies (reflecting capital chasing financial returns). The frequency of financial crises can also serve as an indicator; about **150 surges in capital inflows since 1980 led to ~20% ending in crises** ³², highlighting systemic volatility. A robust metric here is the share of income going to the financial sector (which roughly doubled in the U.S. from mid-20th century to late 20th). Continued high financial sector share and household debt-to-income levels suggest that the attractor's risk-externalization and credit-fueled growth loops are active. Deleveraging or shrinking finance would denote a structural shift.
- **External Risk Index (Carbon Emissions, Climate Policy Gap):** An “externalization” metric can be approximated by how much external cost is un-priced. For climate, this could be the gap between the carbon price needed to meet climate goals and the actual effective carbon price. Currently, that gap is enormous in most countries – implying the neoliberal attractor is still externalizing climate

risk heavily. Another measure: cumulative losses from climate disasters vs. investment in mitigation – if the former keeps rising without commensurate policy response, it indicates the system is still prioritizing short-term profit over long-term stability. (Nicholas Stern’s assessment that climate change remained vastly under-addressed as a market failure is an example datapoint ¹⁶.)

- **Ideological Alignment Indicator (Survey and Political Data):** This qualitative metric captures the prevalence of neoliberal ideology. It could include surveys of public opinion on statements like “markets are fair” or “government should not interfere,” the proportion of economists in policy circles advocating deregulation, or content analysis of media/political discourse for neoliberal vs alternative frames. During the peak neoliberal consensus (1990s), such an index would be near high (with even center-left parties adopting market-friendly rhetoric). Any significant downward trend – e.g. more voters favoring socialism over capitalism in polls, or more economists acknowledging inequality harms – would quantify the erosion of the ideological loop. The shift in IMF tone noted earlier ²⁹ or the rise of political candidates running on explicitly anti-neoliberal platforms are examples feeding into this indicator.

All these metrics together define a **phase space vector** for the system’s state. One can imagine a **table of metrics** (as below) summarizing the neoliberal attractor’s profile:

Metric	Neoliberal Era Trend/Value	Significance
Global Gini (inequality)	~0.72 at 2000 peak; ~0.67 in 2020 (highly unequal) ²⁰ .	Entrenched global inequality level.
U.S. Gini (inequality)	~0.43 (1990) → ~0.47 (2023) ²¹ ²² (rising).	Within-country inequality increased.
Top 1% income share (US)	~10% (1980) → ~20%+ (late 2000s) ¹¹ .	Extreme wealth concentration.
Labor share of GDP (US)	~67% (1980) → ~59% (2020) ⁸ (downward trend).	Labor’s declining claim on output.
Market concentration	Top-4 firms in retail: 15%→30% (1981–2011) ¹⁴ ; digital ad duopoly 60%+ ¹² .	Growing monopoly power, rentier effects.
Tech platform reach	Facebook ~2.9B MAUs (2021) ³¹ ; Amazon ~40% US e-commerce ¹³ .	“Data-monopoly” saturation, network effects.
Financial depth	Private credit ~doubled as %GDP (1980–2020 in many nations); frequent crises (~20% of capital surges) ³² .	High leverage, systemic risk externalized.
Carbon externality	CO ₂ price gap: large (e.g. social cost ~\$50/ton vs actual ~\$5/ton globally); climate costs rising unabated ¹⁶ .	Externalized environmental risk.
Ideology index	1980s–2000s: Washington Consensus dominance; 2010s: slight dissent (IMF, populism) ¹⁹ .	Strength of neoliberal belief system.

From the above, it's clear the **neoliberal attractor is characterized by extreme values** in inequality and concentration metrics, and those values have generally moved further in the extreme direction under its tenure. These indicators also provide clues to phase boundaries: for example, a Gini above ~0.6 globally or top 1% share above ~20% nationally might be unsustainable socially – nearing a boundary where political upheaval occurs. Similarly, if labor share falls below ~50%, mass consumer demand could falter, potentially destabilizing capitalism itself (a boundary in economic viability).

Tracking these metrics over time is crucial for diagnosing whether we remain in the neoliberal basin or are moving out. **Phase transitions** would be signaled by inflection points in multiple indicators: say inequality dropping consistently, labor share rising, market concentration diminishing, etc., alongside a paradigm shift in policy discourse. Absent those, we infer the attractor still holds. In essence, these **phase metrics measure the health and strength of the feedback loops**: when capital-friendly loops dominate, the metrics skew in one direction; when counter-loops (redistribution, regulation, collective action) gain strength, the metrics would reverse course.

In conclusion, the neoliberal attractor basin can be rigorously profiled and monitored through such indicators. They not only describe the current state but also hint at leverage points. By observing where the extremities lie (for instance, an exorbitant top 1% share suggests the wealth-power loop is very strong there), reformers can target interventions (e.g. progressive tax or antitrust in that case) to push the metric – and underlying dynamics – toward a new regime. Ultimately, **shifts in these indicators will mark the trajectory out of the neoliberal loop and into whatever comes next**, making them invaluable for both analysis and policy strategy.

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