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Recently I was involved in a long discussion with a close friend of mine who is not an anarchist**.** He believes that the destination of human beings is a kind of socialism but not necessarily the one that anarchists want.

My friend thinks the needs of the state gradually decrease, to the point where it will no longer be necessary to run society by any separate authority, as its members will be fully aware, conscientious and responsible so that all care for each other and society too. Finally, he concluded by saying, "Since society would be run by its members, law makers will become unnecessary".

Of course, anarchists talk about socialism but in a wider form as it will be a classless and non-hierarchical society. Anarchists do not design the map for future society and how it should be managed. We think and work to create a society that would be controlled by all, where there would be no one in charge to dominate and exploit us; no bosses, no landlords and no government from above. We do not elaborate on how it will be in the future. That would be the task of those who live in

that society, how they would organise it and how they would manage themselves.

There are fundamental questions arising here. Will the role of the state diminish when capitalism gets stronger? Will the state disappear gradually or dismantle itself? Has neoliberal theory failed to reduce some or all functions of the state? If so, why do we see the state stronger than ever? There are many more questions to be asked on this subject.

To begin with, I must, very briefly, look at the recent history of the state, liberalism, and neoliberal theories. Many of us know that the state is very old, dating back some 10,000 years, maybe longer it developed through various stages and functioned differently in accordance with the society that the state had emerged from.

However, it took a long time for the modern state to emerge and reach its mature stage.

Whatever stage the state went through, historically or as it is now, there was always a vital struggle between the business sector and the state. Although neither could live without the other, each wanted to subdue the other for its own benefit.

At present the state looks to have completed its functions, its essence once embraced the liberal economy and then the neoliberal theories. While the state was not completely compatible with the business sector in general and with the big corporations in particular, the corporations always tried to find ways to reform the state for their benefit in meeting their aims.

One of the major attempts to reform the economic system, in the last century was neoliberalism. A group of liberals who helped to shape the social market economy put forward a program at a meeting in Paris in 1938. Among the delegates were two men who came to define the ideology, Ludwig von Mises, and Friedrich Hayek. They believed in the opportunity of individualism. They found government a major barrier as it prevented individualism. The neoliberal embraces individualism and is opposed to **"*the collective society,*"** as Margaret

profits. It is government which shapes business activities, providing a suitable and workable environment for business. The aim of business is to make profit, while government's goal is to ensure economic stability and growth. Business has a big influence on government when investing heavily in large-scale projects.

Government, directly and indirectly, implements rules and regulations which dictate what business organisations can and cannot do and tries to influence those organisations' policies with taxation measures.

The main goal of business is to make a profit and the government provides everything for them. Government is even helping to establish companies' production facilities by offering them tax incentives in less developed regions in the country.

As government and politicians want to return to power in coming elections, they need support from business. They want to satisfy corporations and corporations want to play a role in government and have a great influence.

Corporations and the rest of business know very well that the establishment that can protect and maintain them is the government, the state. They know that the police, the laws, the courts, the army, the spy networks, and the education system are all under the control of the state. They know that once they face bankruptcy, the state can bail them out or when they face threats by their own workforces, the state will protect them by whatever means.

They need one another desperately. In today's global economy, businessmen and entrepreneurs are the driving forces of the economy states have long been the most powerful force in the economy.

Therefore, anarchists insist that the struggle against the system, the ownership of the economy, and the elites, to bring about a classless and non-hierarchical society cannot happen without a struggle against power, authority and the state.

Thatcher put it. In 1944 Hayek, in *The Road to Serfdom* argued that, ***"Government planning, by crushing individualism, would lead inexorably to totalitarian control"***

In 1947, Hayek founded the first organisation that would spread the doctrine of neoliberalism and it was supported financially by millionaires and their foundations.

Neoliberalism's doctrine is very exclusive in aiming to liberate the major sections of the state and privatising them. In short, Hayek's view is that governments should regulate competition to prevent monopolies. The ideology of neoliberalism brought financial meltdown, environmental disaster and even the slow collapse of public health and education. Clearly it was waging a war on every front against society; it not only created economic crises, but also caused political crises.

On the other hand, there is Keynesian economic policy, which was developed by the British **economist John Maynard Keynes** during the 1930s. His theories were a response to the Great Depression and he was highly critical of previous economic theories, which he referred to as "classical economics". He stated that intervention is necessary to moderate the booms and busts in economic activity.

Throughout the 1950s and 1960s, Keynes's influence was at its peak, as the developed and emerging capitalist economies enjoyed an exceptionally high rate of growth and low unemployment. Later this was echoed by the then U.S. President Richard Nixon, "We are all Keynesians now"

Keynesian policies did not last long. By the end of the 1960s there was a big change and the balance began to shift towards the power of private interests. According to the journalists Larry Elliott and Dan Atkinson, ***"1968 was the pivotal year when power shifted in favour of private agents such as currency speculators"***. Keynesian economic policies were officially abandoned by the British Government in 1979. So, gradually, Keynesian policies began to crumble, and economic crises deepened. At that time Milton Friedman remarked,

"When the time came that you had to change … there was an alternative ready there to be picked up".

Once Margaret Thatcher and Ronald Reagan took power, the rest of the package soon followed: massive tax cuts for the rich, the crushing of trade unions, deregulation, privatisation, outsourcing and competition in public services were all supported or promoted by multilateral bodies and treaties, like the IMF, the World Bank, the Maastricht treaty and the World Trade Organisation, neoliberal policies were imposed – often without democratic consent. Remarkably these policies were adopted among parties that once belonged to the left, including the Labour party and the Liberal Democrats. This was expected. As John Major, when he was elected Prime Minister in 1992, famously said ***"1992 killed socialism in Britain.... Our win meant that between 1992 and 1997 Labour had to change."***

The Chicago School, also known as Chicago boys designed packages for several countries including Egypt and others in South America, particularly Chile. On a visit to Pinochet's Chile – one of the first nations in which the programme was comprehensively applied, Hayek told a Chilean newspaper that it was possible for a "…***dictator to govern in a liberal way…"*** and that he preferred a ***"…liberal dictator to a democratic government lacking liberalism. My personal preference leans toward a liberal dictatorship rather than toward a democratic government devoid of liberalism".***

We should not be shocked when Friedman and Hayek happily embraced neoliberal policies as documented by Naomi Klein in 'The Shock Doctrine'. ***"Neoliberal****theorists advocated the use of crises to impose unpopular policies while people were distracted: for example, in the aftermath of Pinochet's coup, the Iraq war and Hurricane Katrina, which Friedman described as "an opportunity to radically reform the educational system"***

After almost forty years, the 2008 financial crash and the Great Recession derailed neoliberalism which lost its force and

fell apart. Some governments and economists wanted to go back to Keynesian solutions to tackle the crises of the 21st century. They could not or did not want to understand or simply ignored the reality that last century's solutions cannot resolve a crisis of the present century. The reason for this is quite clear; it is fundamental to the nature of capitalism itself that, whatever name or shape it takes, it will not work anymore.

Neoliberalism has gone too far and, wherever it was implemented, it brought total disaster. One of these countries was the US where data shows that, ***"During the neoliberal era, the racial wealth gap did not fare much better. In 1979, the average hourly wage for a black man in the U.S. was 22 percent lower than for a white man. By 2015, the wage gap had grown to 31 percent. For black women, the wage gap in 1979 was only 6 percent; by 2015, it had jumped to 19 percent. Homeownership is one of the central ways that families build wealth over time, yet homeownership rates among African Americans in 2017 were as low as they were before the civil rights revolution, when racial discrimination was legal***". The situation was so bad that leading political scientists declared that, ***"…the U.S. is no longer best characterized as a democracy or a republic but as an oligarchy—a government of the rich, by the rich, and for the rich".***

Some economists, including Paul Krugman, also argued that economic conditions are like those that existed during the earlier part of the 20th century.

In light of the above, we can see that government and business institutions in any country, in many ways, are interrelated and interdependent. Their unity is much stronger than their division, their conflicts are nothing more than efforts to unite against society. They are inseparable. Corporate executives, political leaders and government officials are all of the same social class.

The state is the main pillar of the system and its economy. It works to facilitate the function of business and increased