

Abstract

Neoliberalism evokes strong reactions in the minds of both its proponents and detractors. With the so-called second Pink Tide washing over Latin America recently and the growing rejection of the legacy of neoliberalism in countries like Chile, many academics have started proclaiming it dead and outlived. Yet there are still those who defend its legacy and claim it should have gone much further. This thesis critically engages with these arguments using both theoretical and empirical arguments that point to the inherent contradictions baked in the neoliberal theory, its flawed assumptions, as well as the high social costs that neoliberal reforms inflict on the populations affected by them. Additionally, it explores the historical development of neoliberalism during the Pinochet rule and its transformation after the 1982 crisis in Chile, which has famously been called the “lab of neoliberalism” and was long used as a model for economic development by many mainstream economists and international financial institutions.