

# Radical Liberalism as a Reflection of European Reform Blockades

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## ABSTRACT

Javier Milei's presidency in Argentina marks an extraordinary experiment in radical liberalism. His shock policies, ranging from the dismantling of ministries and cuts in subsidies to plans for dollarisation, have brought about economic stabilisation on the one hand, but considerable social hardship on the other. In contrast, the European Union has been struggling with structural reform blockages for years. Overregulation, the need for consensus and dependence on subsidies inhibit dynamism and competitiveness and regularly cause ambitious reform projects to stall. The aim of this paper is to use Milei's policies not as a model, but as a mirror for Europe. The analytical comparison reveals the structural weaknesses of European reform processes. Milei's approach illustrates that the pace of reform, political courage and clear rhetoric are key resources that are largely lacking in Europe. At the same time, the example shows that radical reforms without social cushioning carry high political and social risks. The central conclusion is that Europe does not need a Milei, but rather 'Milei moments' decisive, courageous reform impulses that break down blockages without jeopardising the stability of the political system. Radical liberalism does not function here as a blueprint, but as an analytical tool that

reveals Europe's inability to reform and forces it to engage in self-critical reflection.

**Keywords:** Javier Milei, radical liberalism, European Union, reform blockades, political rhetoric, reform policy

## INTRODUCTION

The election of Argentine economist Javier Milei as president in 2023 marked a turning point that attracted attention far beyond the country's borders. He ran on a platform of radical liberalism, which he himself described as 'shock therapy' for a country in economic ruin. After decades of inflation, corruption and mismanagement, the Argentine state was heavily indebted and politically paralysed [1]. Milei's response consisted of an uncompromising break with previous policy: reducing the number of ministries, making deep cuts to subsidies and social benefits, and plans to dollarise the national currency [2,3].

These measures attracted considerable international attention because they represent the opposite of what is customary in most democracies: gradual reforms, consensus-building and a high degree of willingness to compromise. Milei, on the other hand, presented himself as the 'Chainsaw President,' who wanted to cut through the state apparatus with political axes and rhetorical force [4]. Initial analyses show that the measures did indeed lead to a short-term stabilisation of inflation and

positive reactions from international investors [2,5]. At the same time, the social costs are enormous: rising poverty, growing inequality and deep social division [6–8]. Argentina has thus become a political laboratory that provokes both admiration and massive criticism worldwide. While Argentina is experimenting under Milei, Europe faces a very different but no less central problem: the ability to block its own reform policies. In almost all policy areas, from the energy transition and digitalisation to pension and labour market policy, there is a tendency towards overregulation, endless negotiation and the watering down of measures [9]. The European Union's institutional arrangements, which are based on consensus and compromise, mean that reforms are often implemented late, half-heartedly and with excessive political baggage [10]. Economic studies have been warning for years that this is causing Europe to lose competitiveness and fall further behind in international comparisons [11]. The growing dependence on subsidies appears particularly problematic. Whether it be agricultural policy, industrial policy or the energy transition, almost all of the EU's major future projects are based on state support. Although this stabilises markets in the short term, it inhibits innovation and personal responsibility in the long term [12]. Added to this is a dense network of standards and regulations that places a burden on companies and research institutions and creates bureaucratic hurdles [9,13]. Several analyses by Brussels think tanks show that Europe is in danger of becoming a 'continent of rules' that manages prosperity rather than creating new momentum [14,15]. The juxtaposition of these two developments Milei's radical break and Europe's slow reform processes raises a provocative but academically worthwhile question: to what extent can Milei's approach serve as a mirror to reveal the obstacles to European reform policy? This is not about romanticising Argentina as a model for Europe. The social and economic differences between the two

regions are too great, and their institutional structures too different [3,6]. But Milei's example forces us to reflect: Which obstacles to reform in Europe are so deeply entrenched that only a radical alternative can bring them into sharp focus?

In political theory, the idea that extremes shed light on the mainstream is not new. Tocqueville already emphasised that democracies run the risk of delaying necessary changes due to their internal inertia. Radical reform experiments, even if they fail in reality or appear dangerous, can serve as a foil to highlight shortcomings in the status quo. In this sense, Milei is less a role model than an analytical mirror: he demonstrates what happens when a political system loses its ability to reform over decades and a 'political outsider' takes the stage [1,4]. For Europe, which operates within a complex network of institutions, nation states and interests, this presents a twofold challenge. On the one hand, it must not imitate Milei's approach, as the social and political costs would be unacceptable for the EU. On the other hand, however, it cannot afford to continue to remain stuck in gradual, often ineffective reform processes [11,13]. The tension between state control and market dynamics must be readjusted if Europe wants to remain capable of acting globally.

The aim of this work is therefore to understand Milei's radical liberalism not as a blueprint, but as an analytical tool. The study follows the guiding question: How can Javier Milei's radical liberalism help to highlight Europe's reform deadlocks, and what lessons can be learned from this without taking on the risks involved? To this end, Milei's ideology and measures are first outlined below (Chapter 2), followed by an analysis of the structural obstacles to reform in Europe (Chapter 3). The focus then shifts to the question of the extent to which Milei can serve as a mirror for Europe's inability to reform (Chapter 4), before a critical discussion of the limitations takes place (Chapter 5). The conclusion (Chapter 6) summarises the findings and

leads into a future scenario (Chapter 7) that outlines possible development paths for Europe until 2035.

This study thus positions itself in a debate that is equally relevant to political science, economics and normative considerations: How much courage, speed and clarity does Europe need to overcome its obstacles? And what can it learn from the successes and mistakes of a libertarian outsider who has shaken up a country's political order in a very short time?

## **METHODS**

This study takes a comparative-analytical approach to examine Javier Milei's radical liberalism as a mirror for Europe's structural reform blockages. The analysis is based exclusively on secondary sources, including peer-reviewed articles, policy briefs, think tank reports and international media reports from 2023 to 2025. The selected literature offers both empirical insights into Milei's economic and social policy measures in Argentina and theoretical perspectives on the regulatory and institutional barriers to reform in the European Union. The methodological approach is based on a qualitative case study design: Argentina under Milei is treated as an extreme case of radical liberalisation and contrasted with the European Union, which is characterised by incrementalism, consensus-building and a high density of regulation. The aim is not to formulate generalisable causal relationships, but rather to perform a heuristic function: European reform blockages are made visible through the lens of Milei's disruptive politics. The analysis is divided into three steps: (1) presentation of Milei's ideological foundations and reform measures, (2) identification of central dimensions of European reform blockades, and (3) use of Milei's politics as a contrasting mirror to highlight Europe's institutional, political and rhetorical deficits. This approach enables a critical discussion of transferability, methodological limitations and possible future scenarios.

## **Milei's radical liberalism**

Javier Milei's ideology and politics can be understood as a radical break with Argentina's political traditions. While the country has been shaped by Peronism, state interventionism and clientelism for decades, Milei propagates an uncompromising liberalism that combines elements of the Austrian school of economics with libertarian and populist rhetoric [1,2]. His self-portrayal as the 'Chainsaw President' symbolises this programme: radically downsizing the state apparatus and elevating the market to the central regulatory power [3].

## **Ideological foundations**

Milei often refers to economists such as Friedrich August von Hayek and Ludwig von Mises, whose writings view the state as a threat to individual freedom and economic dynamism [1]. From this, he derives the model of a minimal state that is limited to core functions such as security and justice, while education, health and infrastructure are to be organised largely according to market principles [4]. This ideological radicalism distinguishes him from classical reformers who modernise the state but do not fundamentally question it. Added to this is a populist style. Milei attacks the political establishment, which he describes as a 'political caste,' and presents himself as an outsider who wants to destroy the corrupt networks of the system [3]. In doing so, he combines a neoliberal economic agenda with a highly emotional anti-politics discourse, a mixture that has been rare in Latin American politics to date.

## **Political measures**

Central to Milei's programme is the dismantling of the state. Right at the beginning of his term in office, he drastically reduced the number of ministries and merged central authorities [2,3]. Numerous subsidies, particularly for energy and transport, were cut or abolished altogether, which had an immediate impact on households and businesses [6]. Another

key point is the planned dollarisation of the Argentine economy. In view of decades of spiralling inflation, Milei sees abandoning the national currency as the only way to achieve stability [7]. While international investors welcomed this measure, economists warn of the risks of such a unilateral move, as it completely removes the country's monetary policy flexibility [8]. Milei also advocates radical liberalisation in the area of labour market policy. He wants to roll back labour law protections, disempower trade unions and make employment contracts more flexible [3]. This is complemented by a comprehensive privatisation programme that aims to transfer state-owned companies in sectors such as energy, transport and postal services into private hands [2,6].

### Economic effects

The immediate effects of this policy are ambivalent. On the one hand, inflation was indeed curbed in the short term, which was perceived as a historic success in Argentina after years of double-digit inflation rates [2,5,7]. International financial markets also reacted positively: Argentine government bonds rose, and investors signalled confidence in the new government's ability to implement reforms [6].

On the other hand, subsidy cuts and price adjustments led to considerable social hardship. Energy costs skyrocketed, food prices rose significantly, and the poverty rate grew rapidly in the first months of the administration [4,8]. Several analyses describe these side effects as a structural risk to the legitimacy of the reforms [6,7].

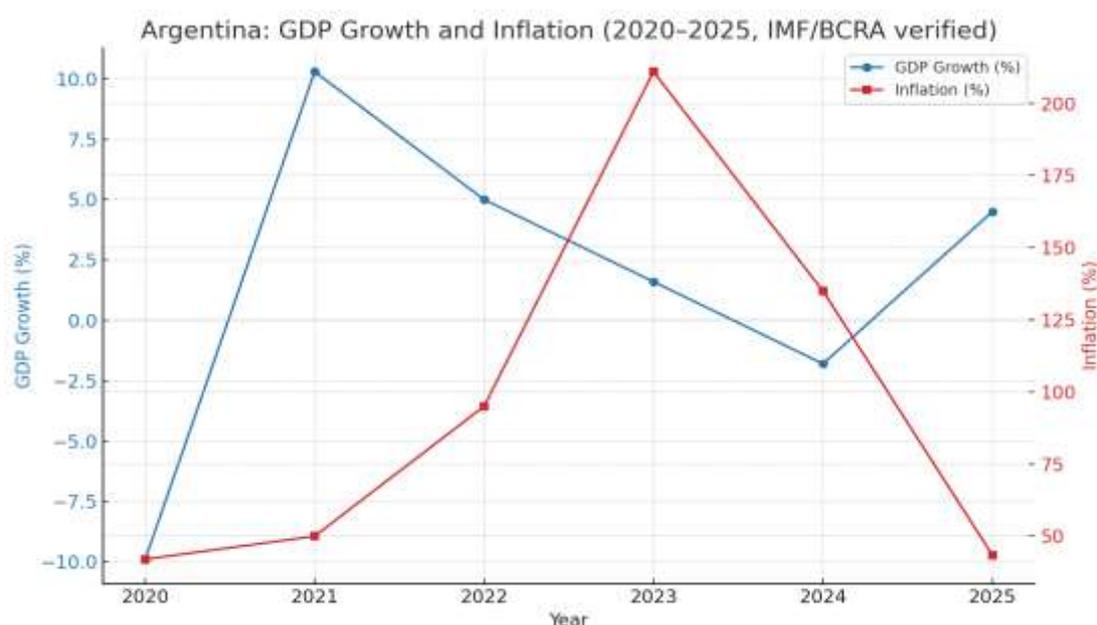


Figure 1. Argentina: GDP Growth and Inflation (2020–2025).

The figure depicts Argentina's economic performance from 2020 to 2025. GDP contracted sharply in 2020 (-9.9%), rebounded in 2021–2022, and then weakened again with a slight recession in 2024 (-1.8%). Inflation accelerated from 42% in 2020 to over 200% in 2023, peaking near 290% in April 2024, before declining to an IMF-projected 43.5% in 2025. Data source: International Monetary Fund [18],

Banco Central de la República Argentina [16], World Bank [17]

### Social and political reactions

Reactions to Milei's policies are polarised. Supporters praise his courage in breaking taboos and see him as the first politician in decades to directly tackle the structural causes of Argentina's crisis [1,5]. Opponents, on the other hand, criticise his authoritarian style, the lack of social

safeguards and the high price that the poorer sections of the population have to pay [4,6]. Protests and strikes have become a regular feature of his reforms. Trade unions and social movements in particular are rallying against the radical austerity measures [7]. At the same time, Milei's support among parts of the population remains stable, especially among those who no longer have any confidence in the political classes [5]. This polarisation makes it clear that Milei's programme is disruptive not only economically but also socially.

### International perception

Milei is being closely watched internationally. The media and specialist literature characterise his policies as an 'economic experiment with an uncertain outcome' [2,6,7]. Supporters see his course as a positive example of the revival of classical liberal ideas, while others describe it as a 'dangerous mixture of populism and economic dogmatism' [2,4,5]. Perceptions

in Europe are particularly significant. There, Milei is seen less as a direct role model and more as a foil. While the EU is criticised for its slow, piecemeal reform processes [9,10], Argentina demonstrates what a radical break can look like, with all its opportunities and dangers.

While Argentina is experimenting with radical shock measures under Milei, Europe faces a completely different challenge: structural reform gridlock. The European Union (EU) is considered one of the most complex political constructs in the world. Its institutional structure, the large number of member states, the high importance attached to consensus-oriented decision-making and a dense network of standards and regulations mean that reform processes are often slow, watered down or not implemented at all [9,10]. These blockages affect key policy areas ranging from fiscal policy and the energy transition to digitalisation.

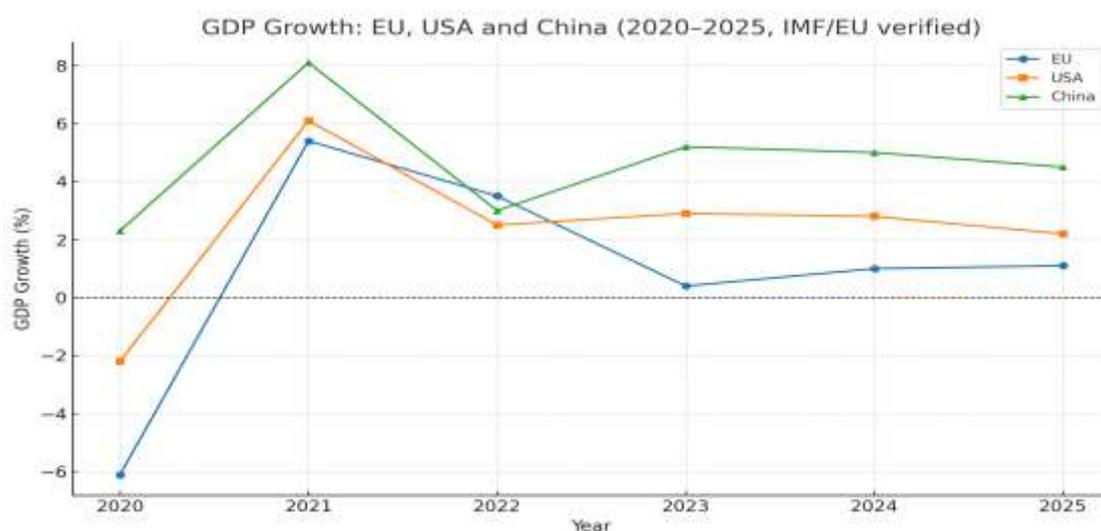


Figure 2. GDP Growth: EU, USA and China (2020–2025).

This comparative figure highlights the divergent growth trajectories of the EU, the USA, and China. After the COVID-19 crisis in 2020, the USA and China maintained relatively robust growth, while the EU lagged behind, reflecting structural reform inertia. Data source: IMF [18], World Bank [17].

### Overregulation and density of standards

The EU is known for its comprehensive regulation. Originally intended to guarantee fair competition in the internal market, over the decades a dense regulatory framework has developed that is increasingly perceived as a burden by businesses [9]. Small and medium-sized enterprises in particular have to devote enormous resources to complying

with regulations that are often complex, redundant and difficult to implement. An analysis by the Financial Times shows that this bureaucratic burden stifles innovation and diverts capital from productive investments into compliance structures [9]. In a global comparison, the US and China appear to be significantly more agile: there, the focus is more on enabling new business models, whereas in Europe the legal framework is often restrictive from the outset.

### Political consensus pressure

In addition to the intensity of regulation, the need for consensus among European institutions is proving to be a major obstacle to reform. Many decisions require unanimity or far-reaching compromises. This makes any far-reaching reform a balancing act, in which ambitious goals are usually watered down [10,12]. Although crises such as the financial crisis or the COVID-19 pandemic create pressure for reform in the short term, in the long term they mostly result in provisional solutions

[12]. This lack of structural adaptability leads to chronic inertia, which undermines the credibility of European politics.

### Subsidy dependency

Another feature of European reform blockages is the pronounced dependence on subsidies. In almost all areas of agricultural policy, energy transition and industrial policy, billions are distributed to cushion social hardship or compensate for competitive disadvantages [11].

The Common Agricultural Policy (CAP) is a prime example of this dynamic: a significant portion of the EU budget goes towards payments to farmers, which do little to encourage innovation and instead preserve existing structures [11]. Energy policy works in a similar way: price caps and subsidy programmes support consumers and businesses in the short term, but prevent the market adjustments that would be necessary in the long term [12]. Subsidies thus have a stabilising effect, but at the same time they act as a barrier, as they delay necessary structural reforms.

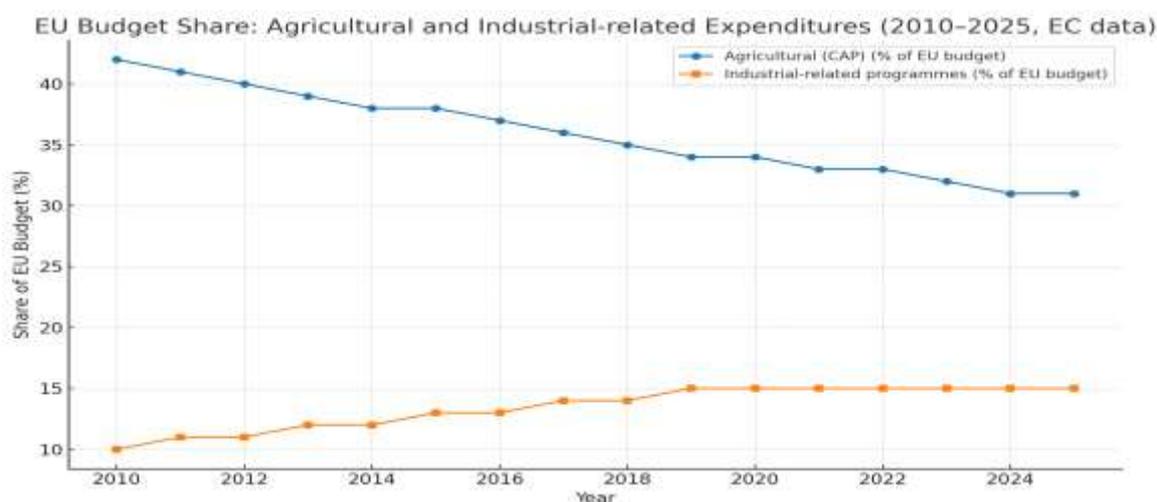


Figure 3. EU Budget Share: Agricultural and Industrial Subsidies (2010–2025).

The figure shows the long-term persistence of agricultural subsidies in the EU budget, alongside a gradual increase in industrial subsidies. This pattern illustrates the EU's structural dependence on state support, reinforcing the argument of a "subsidy trap." Data source: European Commission [19], European Court of Auditors [20].

### Competitiveness in international comparison

The consequences of these blockages are evident in Europe's declining competitiveness. The European Commission's Competitiveness Compass warns that the EU is falling behind the US and China, particularly in the areas of

digitalisation, capital market integration and innovation [10].

Bruegel emphasises that ambitious programmes such as the Green Deal or the Digital Strategy are formulated politically, but fail in their implementation due to overregulation and a lack of coordination [12]. Europe formulates visions, but loses itself in detailed regulations. This discrepancy between aspiration and reality reinforces the impression of a creeping inability to reform.

### **Digital transformation as a focal point**

This is particularly evident in the digital transformation. The planned Digital Single Market was intended to overcome Europe's fragmentation and create a uniform digital infrastructure. In reality, however, national differences, diverging tax systems and legal inconsistencies remain [13].

Added to this is a regulatory policy that sets standards but incurs high costs. The General Data Protection Regulation (GDPR) and the planned AI Act are internationally recognised, but companies complain about significant compliance costs. In contrast to the innovation-driven tech sectors in the US and Asia, Europe remains on the defensive.

### **Institutional constitution**

Finally, the EU's institutional structures also act as an obstacle to reform. Analysis by the Centre for European Reform shows that fundamental institutional adjustments, such as moving away from unanimity in the Council or greater centralisation, would be necessary but are being blocked politically [14].

The European Council on Foreign Relations points out that the EU is caught in a Catch-27 dilemma: on the one hand, there is consensus on the need for deeper integration, but on the other hand, national self-interest prevents any substantial steps in this direction [15]. This tension paralyses the Union's ability to act and reinforces the perception that it is incapable of reform.

### **Milei as a mirror**

Javier Milei's politics in Argentina do not represent a direct blueprint for Europe. The institutional structures, socio-economic realities and political cultures are too different. Nevertheless, his radical liberalism can be used as an analytical mirror to reveal key weaknesses in Europe's capacity for reform. Milei's experiment acts as a contrast medium: in a country in the throes of a massive crisis, it exaggerates those elements that Europe has taken to extremes inertia, excessive regulation and blockades.

### **Pace and radicalism of reform**

One aspect concerns the pace of reforms. Milei implemented far-reaching measures within a few months: ministries were abolished, subsidies cut, and privatisation plans initiated [2,3]. Regardless of the consequences, this approach signals that political will can bring about visible change in a short period of time.

Europe, on the other hand, is characterised by gradual reforms that are often discussed, negotiated and ultimately watered down over a period of years [9,10]. Even in crisis situations, such as during the euro debt crisis, structural changes were minimal, while fundamental adjustments failed to materialise [10]. Milei's speed makes it clear that reform inertia is not a law of nature, but rather the result of institutional arrangements and political culture.

This raises the question: could Europe benefit from a more decisive pace of reform, at least in selected policy areas such as digitalisation or the energy transition? Milei makes it clear that the ability to act and the courage to make decisions are resources in their own right, which Europe is currently failing to exploit to the full.

### **The courage to make decisions**

Closely linked to this pace is the courage to make unpopular decisions. Milei cut subsidies despite massive protests and strikes, arguing that short-term hardship would ensure long-term stability [6,7].

Although this policy exacerbated social tensions, it demonstrated a determination that is rarely seen in Europe.

The EU tends to avoid or postpone unpopular measures. Reforms in the area of pension or labour market policy are often delegated to subsequent governments or implemented in small steps in order to minimise social resistance [11,12]. The result is a reform backlog that ensures political stability in the short term but undermines competitiveness and sustainability in the long term.

Milei's example illustrates that political courage does not necessarily mean consensus. Sometimes reform policies require a conscious break with vested interests, even at the expense of short-term popularity. Europe could learn from this example that too much consideration for political feasibility ultimately cemented an inability to reform.

### **Discourse strategy and narrative**

A third point of reflection lies in the role of political discourse. Milei combines economic radicalism with clear, emotive language. Terms such as 'political caste' and the staging of a chainsaw as a symbol of the dismantling of the state are striking but effective [3]. They mobilise supporters, put pressure on opponents and create a simple narrative: freedom versus the state.

Europe, on the other hand, relies on technocratic communication. Political reform projects are presented in complex technical language that is difficult for broad sections of the population to understand [9,12]. This contributes to the perception that European politics takes place far away from citizens.

Milei's discourse strategy suggests that reform rhetoric must appeal not only to reason but also to emotion. Simple narratives can accelerate reforms by creating acceptance and pressure to act. The challenge for Europe would be to implement this without resorting to populist simplifications.

### **International context**

The mirror metaphor becomes even more striking when Milei's policies are contrasted not only with Europe but also with other global players. The United States has significantly greater flexibility for reform, as less regulation and a pronounced risk culture favour innovation. Disruptive technologies can be scaled more quickly, while in Europe bureaucratic hurdles slow down the pace. A comparison shows that Milei's radicalism and US flexibility generate reform momentum in different ways.

China provides another contrasting backdrop. The country is capable of implementing reforms at a rapid pace from the top down, even if this is done under authoritarian auspices. So while Milei is an example of radical market liberalisation, China stands for authoritarian control. Europe, on the other hand, appears in this triangulation as a space of institutionalised inertia, which diagnoses the need for reform but is hardly decisive in implementing it.

This illustrates the global perspective: Milei shows how blockages can be radically broken down; the US illustrates market-oriented flexibility; China demonstrates authoritarian speed. Europe, on the other hand, remains in a state of structural reform weakness by comparison.

### **Criticism of the state as a corrective measure**

Milei's radicalism is directed primarily against the state. He does not regard it as a creator, but as a stumbling block that shackles citizens and the economy alike [1,3]. Even if this understanding of the state is inappropriate for Europe in its extreme form, it can nevertheless serve as a corrective.

Europe suffers less from too little government than from an overburdened government that permeates many areas of life through subsidies, regulation and control [11,13]. The Milei's mirror makes it clear that the question of the role of government must be re-examined: What

tasks must it perform, and where would less interference be more productive?

### **Polarisation as a risk**

At the same time, Milei's example also highlights the risks of such radicalism. The social upheaval triggered by subsidy cuts and price increases has provoked protests, strikes and political instability in Argentina [6–8]. Europe, with its more fragmented society and consensus model, would probably be plunged into a deep political crisis by comparable shock measures.

This point highlights the limitations of the mirror metaphor: Milei shows that radical measures can break through barriers to reform. But he also shows that the social costs of unbridled liberalisation can undermine political legitimacy. For Europe, the lesson is that the courage to reform must always be combined with social safeguards.

### **The Mirror in an international context**

Milei also acts as a mirror in a global comparison. While the US and China are pushing ahead with reforms in an agile and often unilateral manner, Europe is showing a high degree of self-restraint through procedures, standards and interests [9,10,14]. From this perspective, Milei's Argentina is an extreme example that illustrates how differently reform processes can proceed when institutional hurdles are low and political majorities are concentrated. The challenge for Europe is to find a middle ground: not to imitate Milei's radical experiment, but also not to remain stuck in a paralysing status quo. Milei's example calls on Europe to critically question its own institutional constraints.

## **DISCUSSION AND LIMITATIONS**

The analysis of Javier Milei's radical liberalism as a reflection of European reform blockages provides valuable insights, but at the same time raises methodological, theoretical and normative questions. Milei's politics offer an extreme contrast, but their transferability to the European Union (EU) is limited. This

chapter will highlight the central areas of tension and limitations: institutional differences, social and economic costs, the danger of simplification, and normative risks to democracy and legitimacy.

### **Limits to the transferability of institutional structures**

Argentina has a presidential system of government with strong executive powers [1]. Immediately after taking office, Milei was able to issue decrees, dissolve ministries and initiate far-reaching reform packages [2,3]. In Europe, on the other hand, reform processes are caught between the conflicting interests of national sovereignty, supranational institutions and multilateral consensus-building. Even when there was an urgent need for reform, such as during the euro crisis, the decision-making processes proved to be lengthy and fraught with compromise [10].

This leads to an initial limitation: Milei's radicalism is hardly conceivable in Europe from an institutional perspective. The EU lacks the executive power to implement reforms on its own. Instead, multilateral negotiation processes are unavoidable. Milei's model can therefore be understood less as a guide for action and more as a contrast that highlights the structural inertia of European institutions.

### **Social costs and political stability**

Another aspect concerns social costs. Milei's policies led to drastic cuts for broad sections of the population: rising energy prices, growing poverty, protests and strikes [4–7]. Supporters portray these hardships as a necessary price to pay for stability and investor confidence [5], but at the same time they undermine social cohesion.

A comparable policy would be virtually impossible to implement in Europe. The European welfare state is not only an economic model, but also a central component of political legitimacy. Radical cuts without social safeguards would probably lead to massive protests, political polarisation and growing support for

populist movements [11,12]. This marks a second limitation: Milei's approach shows the possibility of radical change, but in a Europe shaped by the welfare state, it would destabilise the political order.

### **Risk of simplification**

Milei's analysis as a mirror carries the risk of oversimplification. There are many reasons for Europe's inability to reform: institutional hurdles, political culture, economic interests and social expectations [9,13]. This complexity cannot be explained solely by referring to a 'lack of courage' or 'too much government'.

Milei's rhetoric thrives on simplification: he reduces complex problems to assigning blame to the 'political caste' and presents the market as a panacea [3]. This simplification is analytically problematic because it ignores structural factors such as globalisation, geopolitical dependencies and technological path dependencies. Europe cannot afford this simplification. Adopting Milei's discourse would be more likely to create polarisation than strengthen the capacity for reform.

### **Risks of populist discourse strategies**

A central element of Milei's politics is his discourse strategy. His polarising language mobilises support by establishing clear friend-foe dichotomies [3]. For Europe, however, such a strategy carries considerable risks.

European integration is based on compromise, plurality and balance. If the EU were to adopt similarly polarising rhetoric, this could undermine the fragile balance between Member States and weaken democratic processes [14]. The challenge is to use Milei's mirror to recognise the importance of clear and understandable communication without resorting to populist simplifications.

### **Normative dimension: democracy and legitimacy**

Another area of tension concerns the normative dimension. Milei's politics

question the legitimacy of state institutions by delegitimising them as inefficient and corrupt [1,3]. This strengthens his own position in the short term, but weakens the institutional basis of trust in the long term.

Such a strategy would be dangerous for Europe. The legitimacy of the EU is already based on a fragile consensus that is under pressure from Euroscepticism and nationalist movements [14,15]. If the EU were to attempt to break through reform deadlocks by radically delegitimising its own institutions, this could irreparably damage the architecture of integration.

### **Milei as a mirror - benefits and limitations**

Despite these limitations, the mirror metaphor has analytical value. It shows that the ability to reform cannot be taken for granted, but must be created politically. Milei demonstrates that courage, speed and clear rhetoric can break through political deadlocks [2,5]. In contrast, Europe shows that excessive consideration, the pressure to reach consensus and dense regulation paralyse reforms [9–11].

But the mirror metaphor ends where institutional, social and normative differences begin. Milei is not a role model, but a contrast. He shows that the lack of reform can lead to a radical break in the long term a warning, not a blueprint.

### **Methodological reflection**

From a scientific perspective, the use of Milei as a mirror is also methodologically limited. The comparability between Argentina and Europe is restricted: different economic starting points, political systems and historical contexts make a direct analogy difficult [1,9].

The strength of the approach therefore lies not in comparative generalisation, but in its heuristic function. Milei serves as an extreme analytical example that makes Europe's weaknesses more clearly visible. In this respect, the mirror metaphor is less empirical-descriptive than constructive-reflexive.

## **CONCLUSION**

The analysis of Javier Milei's radical liberalism and Europe's structural reform blockages highlights a central tension: while Argentina is attempting to break out of a prolonged economic crisis with shock measures, Europe remains stuck in a state of institutionalised inertia. Milei shows that reform blockages can be broken down, albeit at the cost of massive social costs and political polarisation [2,5–7]. Europe, on the other hand, demonstrates that stability and consensus may create security in the short term, but in the long term can lead to stagnation and a loss of competitiveness [9–12].

The key insight is therefore that Milei's policies are not a model for Europe, but rather a mirror. This mirror reveals that courage, speed and clear communication are largely lacking in European reform policy. Milei's approach shows how decisive leadership can force through reforms, while Europe's procedures often block their implementation. At the same time, it is clear that adopting his approach would be unacceptable for Europe: the social hardship, polarisation and delegitimisation of state institutions contradict the normative foundations of the EU [11,14,15].

This presents European policymakers with a twofold task: firstly, they must actively address obstacles to reform by speeding up decision-making processes and removing bureaucratic hurdles. Secondly, they must communicate reforms in clear, understandable language that generates acceptance and pressure to act without resorting to populist simplifications. Only by striking this balance between courage and legitimacy can Europe secure its ability to act in the face of global competition.

### **Future scenario: Europe in 2035**

The future of Europe will depend largely on whether the obstacles to reform can be overcome. Milei's policy does not provide a blueprint, but it does offer a framework for outlining possible development paths up to 2035. Three scenarios appear plausible.

### **Scenario A - Reform breakthrough**

Europe recognises the danger of institutional rigidity and is focusing on targeted structural reforms. Decision-making processes are being accelerated, for example by gradually abandoning unanimity in the Council. Reducing bureaucracy and strengthening the internal market are creating new momentum [10,13]. In the area of digitalisation, the Digital Single Market is being successfully implemented and technological sovereignty is being expanded. The EU is becoming a globally competitive player that combines stability and innovation. In this scenario, Milei's mirror acts as a catalyst: it reminds Europe that courage and speed are key resources.

### **Scenario B - Reform deadlock**

The EU maintains the status quo. Individual reforms are discussed, but are watered down by the need for consensus and national self-interest. Overregulation remains in place, subsidies stabilise in the short term but create long-term dependencies [9,11]. Europe continues to lose competitiveness, especially vis-à-vis the US and China. By 2035, the EU will have developed into an 'administrative bloc' that manages prosperity but provides little new impetus. In this scenario, Milei's mirror becomes a warning that goes unheeded.

### **Scenario C - Radical change**

The ongoing reform blockade is provoking social frustration. Populist movements are gaining strength and pushing for radical change. A 'Milei moment' is emerging in Europe: charismatic actors are calling for the dismantling of institutions, the withdrawal of the state and rapid liberalisation. In the short term, this creates momentum and a spirit of optimism, but in the long term, it threatens instability due to social divisions and the loss of institutional legitimacy [5,6,14]. Milei serves not only as a mirror here, but also as a blueprint for a European state of emergency with incalculable consequences.

## Conclusion of the scenario

The three scenarios show that Europe is at a crossroads. A breakthrough in reform is possible, but it requires courage, speed and clear rhetoric. Clinging to the status quo would weaken Europe's global significance. A radical change, on the other hand, carries the risk of eroding political stability. Milei is not telling Europe what to do, but forcing it to decide how much capacity for reform it believes it has in the future.

## ABOUT THE AUTHOR

Enrico Moch holds a doctorate in economics and teaches as a lecturer at various universities, including the DHBW Ravensburg and as an assistant professor at the IIC University of Technology. As Academic Director of the GrandEdu Research School in Germany, he combines academic excellence with practice-orientated teaching. His research interests include the Austrian School of Economics, AI governance, technical data protection and the institutional governance of digital platforms. Dr Moch publishes regularly in specialist journals, is involved in interdisciplinary book projects and runs the podcast "GrandEdu Research School - Der Wirtschaft auf der Spur!".

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## Declaration by Authors

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