

28 - 30 November 2025

Vienna , Austria

Internalized Neoliberal Ideology and Socio-economic Disadvantage: a Qualitative Study on False Consciousness

Severin Hornung , Christine Unterrainer , Thomas Höge , Lisa Seubert

University Of Innsbruck

Abstract

Why people support political-economic ideologies that contradict collective socio-economic interests associated with their position in society is a long-standing conundrum. Established in social and political psychology, system justification theory explains this paradox “false consciousness” through a palliative function of ideology, helping individuals to reduce negative affect and maintain coherent worldviews by reducing dissonant cognitions and appeasing unfulfilled epistemic, existential, and relational motives. Drawing on this literature, the present study examines psychological functions of neoliberal ideologies among socio-economically disadvantaged persons based on qualitative data. Semi-structured interviews with nine individuals in precarious life situations and long-term unemployment in Austria and Germany were examined using thematic content analysis and hermeneutic interpretation. Respondents endorsed neoliberal ideologies of individualism, competition, and instrumentality by verbalizing meritocratic explanations for poverty and success, opposition against redistributing wealth, internalized inferiority, and economic utility as indicating human worth. Structural analyses showed how these beliefs served psychological purposes by reducing cognitive dissonance, justifying the status quo, and appealing to epistemic needs for simplicity, structure, order, and predictability of the social environment. Emerging themes were xenophobic stereotypes and group-based enmity. Perceived existential threats of economic crisis were projected onto immigrants, scapegoated for lacking self-reliance, illegitimately appropriating resources, and insufficiently contributing to the host economy. Results demonstrate how neoliberal ideology captures epistemic and existential motives to reproduce social inequalities and tensions in the belief systems of those deprived of status and resources. The amalgamation of free market ideology with crypto-fascist themes explains the widespread rise of right-wing populism in advanced neoliberal societies.

Keywords: Neoliberal Ideology; System Justification Theory; Epistemic Motives; Cognitive

International Conference on Modern Approach in
HUMANITIES and SOCIAL SCIENCES



Dissonance; Socio-Economic Precariousness; Xenophobia and Racism