Power, Ideology and Economic Change:

An Examination of Ideological Perdition within Western capitalism

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Abstract

The extent of social inequality and its connection with public policy is increasingly a central topic for examination within the literature on the political economy of the Western world. Inequality has become rooted in society, justified by ideology that both disguises loss of widespread wellbeing and diminishes the power of a nation's peoples to democratically seek change. This is not a new phenomenon.

I describe how elites shape public policy by creation of a dominant ideology that legitimises the degradation of social wellbeing. When an ideology is widely accepted through the false belief that it reflects not just a necessary reality but the only possible reality, I suggest that this is a society travelling the road to Ideological Perdition

Whilst travelling the road to Ideological Perdition is not predetermined, Western history is dominated by circumstances that *have* steered nations' peoples in that direction. Ideological Perdition evolves as an elite establishes its power through the subtle and hidden removal of society's power to limit its own exploitation. I describe the conditions in the political-economy that lead to ideological shift, to the actions of elites that maintain a perditious ideology despite its exploitation in society and I describe chaos and devastation in social wellbeing as the end of road to Ideological Perdition is approached.

The theory of Ideological Perdition is deployed as follows:

- Part I, in which a theoretical locus of power, perdition and ideology is described; and
- Parts II – IV, in which I reflect on three periods of Western political-economic history. I relate the theory to the rise of a perditious ideology in interwar Germany; to post-Second World War American Cold War geostrategic policy; and to the rise of a perditious social construct represented by neoliberalism after the late 1980s.
- This trajectory has been seen in the past as it is, I believe, is being played-out, today.

A brief note on the term Perdition

The concept of perdition is central to this dissertation, however, the term's use in the community has two distinct meanings.

I have used the term in its original, secular form, to describe a loss of societal wellbeing to the point of devastation. This definition has been used in texts since the late middle-ages and is derived from the Latin *perdiciun*. This secular definition refers to a loss of the characteristics that distinguish human society, resulting in social desperation, lack of moral base, political and economic degradation.

To interpret this dissertation's argument using the term's more recent religious meaning would be in error.

The Shorter Oxford English Dictionary defines the term as:

Perdition *n. … 2. The fact or condition of being destroyed or ruined. 3. Loss or diminution, lessening. 4. A thing that causes destruction, the ruin of something.*

The New Shorter Oxford English Dictionary, 1993, Brown, Lesley (ed.),
Oxford University Press, p. 2157.

Certification of dissertation

I certify that the ideas, results, analyses, software and conclusions reported in this dissertation are entirely my own effort, except where otherwise acknowledged. I also certify that the work is original and has not been previously submitted for any other award.

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Introduction



Protestor at the Occupy Movement rally, Chicago, 2011.[1]

Political and economic inequality, and their connections with public policy, are becoming a central topic for examination in the Western world. However, an explanation as to why democratic polities hold fast to economic models and policies which maintain, if not reinforce, inequality, has not been sufficiently widely discussed in the literature.

In this dissertation, I describe political-economic ideologies that distort national equity and entrench inequality as the dominant public policy framework in the social mindset. I argue that these political-economic ideologies, advanced by sectional elites over decades, have distorted social cognition, leading to popular acceptance of public policies that have diminished national wellbeing, ultimately leading society on a path to chaos. Further, I argue that such perditious political-economic ideologies have existed in the past as much as today.

Witnessing inequality in the political economy

Many heterodox scholars have described the failure of democratic government to provide the twin goals of broad-based societal wellbeing and political-economic stability, questioning governments' cries that these two goals are mutually exclusive. These scholars note that history tells us that both social development and political-economic stability can go hand-in-

[1] Olson 2011 (photographer) Jenny Pianko protesting in Chicago outside the Federal Reserve Bank building. Copyright: Getty Images

hand. It can be argued that social equity requires public policy settings which aim to achieve both broad-based political-economic wellbeing and stability.

A resurgence in the literature since 2000 has described the growth of political polarisation eroding the democratic foundation of many nation states. The rise of an increasingly antagonistic polity, in which polarised political intransigency typifies public policy, appears to have made impotent democracy's natural role to limit sectional excesses and increase the wellbeing of all in the nation. Many scholars are perplexed that public policy specifically designed to reduce the equitable distribution of national wealth is becoming entrenched in the political psyche - even of those whose wellbeing has been under attack.

Paul Krugman has described an ideological base which supports the inequitable distribution of national resources driving the public policies of the Clinton and Bush Administrations. With respect to the current period, he has used his *New York Times* op-ed platform to criticise American public policy that concentrates wealth and power in the hands of the rich, at the direct expense of the middle and poorer classes during the subsequent presidencies of Obama and Trump.[2] The ideology which has driven these leaders' public policy decision-making has been used to justify the succouring of the wealthy and powerful elite, particularly in the banking and finance sector, whilst stifling an equitable real-economy revival across the length and breadth of the American nation.

Joseph Stiglitz has been vociferous in his criticism of how capitalist power, released from the chains of government regulation, is shifting wealth toward the elite. He evidences near stagnant economic development in the West and an increasing frequency and amplitude of economic crises in recent years.[3] So too, Krugman argues that political and economic volatility is commonplace in the modern capitalist state. Instability is the new norm, punctuated by brief periods of growth that seem to bi-pass the great majority of the nation's people. Good public policy is absent, and its lack has jeopardised future economic growth, much to the detriment of broader social wellbeing.[4]

James Galbraith argues that widening inequality has been a purposeful design of current public policy - both of the right and left of the political spectrum. This, he writes has been the consequence of the neutering of the institutions, built over time and created to protect social

[2] Krugman 2007, 2009, 2013, 2014
[3] Stiglitz 2012, 2017
[4] Stiglitz 2012, Krugman 2009

wellbeing from the excesses of unbridled elite power. He describes the loss of institutional countervailing powers as fuelling the West's anti-democratic social development.[5]

Inequality is also a point raised by Thomas Piketty. He describes failing growth, albeit his thesis is derived from the limited perspective of money-wealth rather than Galbraith's more broad assessment of increased wealth attributed to inequalities in power.[6] However, Piketty develops the thesis of inequality in a political context with his latest writings.[7] He describes a dominant narrative in which economic, social and political constructs coalesce to bolster an existing inequitable political-economy. This, he posits, is the state of affairs even in light of national political-economic histories having taken different development courses in the past. Whereas all elites, over all periods of history, have sought to normalise inequality, Piketty contends that global, multi-dimensional/ discourse political and economic ideas have been distorted such as to lose the vigour of diversification. Ideas have become perverted by perceived 'truths' which do not stand up to fact yet are popularly believed by the mass of the electorate. Political-economic ideology is, by consequence, an amalgam of perverse ideas expressed without reference to unique national histories and designed to further entrench inequality. The 'rot set-in', Piketty alludes, as American President Reagan and British Prime Minister Thatcher flattened progressive taxation scales, leaving the middle class vulnerable to cuts in social services and not a little rise in the tribe-based associationalism that accompanies identity political and xenophobia.[8]

Piketty's description of inequality in the 21st century is nothing new to scholars. Neither is inequality's association with the broader political and social context it has within the discipline of heterodox economics. However, Piketty does add to the canon in respect to the power of elites to shift political-economic ideology, particularly as the power of dynastic wealth distorts social power over generations. Yet, I find myself at odds with his thesis that the ideas of people in power, alone, are the source of ideological shift in society. I return again and again to Antonio Gramsci's position that ideas cannot evolve to shift ideology if hegemonic power is absent; and Steven Lukes' assertation that power which is not supported by society is destined to be transitory. I discuss both these principles at length later in this dissertation.

[5] Galbraith 2012.
[6] Galbraith 2012, Piketty 2014.
[7] Piketty 2020 pp. 1-20.
[8] Piketty 2020 p. 33.

Piketty attributes the rise of inequality to the disproportionate rise in wealth to a non-proprietorial class of shareholders rather than to globalisation and technological innovation which shifted the gains of labour's productivity from the employed to the owner. Yet to discount these elements of the 21st century's political-economic landscape ignores the distorting effect trade and production has had on wealth distribution under the auspices of a neoliberal political-economic ideology. Dani Rodrik develops this point. He challenges the thesis that further reduction in trade barriers assists national development. He questions a key plank of public policy which has long shifted national wealth creation toward the grasp of neoliberal political-economic ideology.[9] He argues that where either trade gains have been substantially made in past 'rounds' or where a wide differential exists between the economic position of partners to negotiations, further reduction of domestic protection generally tilts relative cost benefits toward elite groups, raising social costs exponentially. Not only does the gap between rich and poor widen, the impetus to limit the role of countervailing institutions, such as trade unions and workers' protections, extends as globalisation extends beyond the manufacturing sector to the tertiary.

Dani Rodrik challenges the thesis that further reduction in trade barriers assist national development. Rodrik's thesis questions a key plank of public policy which has long shifted national wealth creation toward the grasp of neoliberal political-economic ideology.[10] He argues that where either trade gains have been substantially made in past 'rounds' or where a wide differential exists between the economic position of partners to negotiations, further reduction of domestic protection generally tilts relative cost benefits toward elite groups, raising social costs exponentially.

Block and Sommers describe a shift of public ideology, reflected in public policy, that has increasingly disenfranchised vulnerable citizens from the wealth afforded by American economic growth.[11] They write of de-citizenisation, in which one's rights to the wealth of the nation comes not from birth but from contribution to the money-wealth of capitalist enterprise. Popular debate, they write, has been politically polarised by misinformation, lies being authenticated by false science and the shallowness of popularism. The result is an accepted political-economic ideology in which public policy demonises the poor as undeserving and sees part of the nation as illegitimate citizens.

[9] Rodrik 2011, 2014, 2018
[10] Rodrik 2011, 2014, 2018
[11] Block 2008

Similarly, in Australia, Professor Bill Mitchell recently commented that the Australian public:

> *'..live in a smoke haze of half-truths, misperceptions and outright lies, all driven by some fear that is whipped up daily in the media as part of the campaign [to unwind democracy and legitimate their exclusion from national wealth].'*[12]

These are symptoms of the perditious ideology which surrounds us - yet are hidden to most. I suggest this ideology characterises our present-day pathway to diminished social wellbeing; a path from which it is becoming increasingly difficult to deviate. However, I argue that similar paths have occurred in history, being likewise perditious and as destructive in society.

Looking back in history, I describe the failure of German democracy in the early years after the Great War. Whilst the mid-1920s brought some political-economic stability to the German people, their civil society remained weak, ultimately unable to withstand the ravages of the Great Depression as the decade ended and the 1930s commenced. This political and economic environment characterised the penetrability of German society and the people's subsequent embrace of Nazi ideology.

Post-WW II, I describe Western capitalist reconstruction limited by government regulation. This was a capitalism formed within the context of national historic and cultural parameters that was the vision of Keynes and White at the Bretton Woods conference in 1944. The ideal was to lever postwar reconstruction off the raw innovative strength of capitalism, whilst containing capitalism's natural course toward exploitation. Capitalism's binding would be achieved through the frame of national political-economic culture and denoted by both state regulation and virile social institutions. I argue, however, the rise in the United States' military power, the consequence of the growth of nuclear weaponry under the incoming Truman presidency and its matching by a belligerent Soviet leadership, saw the power of a military, government and industrial cabal that would mis-direct national resources, ultimately bringing an end to the post-WW II economic framework.

When an ideology is welcomed by a people through the false belief that it somehow reflects not just a necessary reality for increasing social wellbeing, but the only possible reality, I describe this as a manipulation of political-economic ideology toward succouring the objectives of the few, at the expense of the many. Where an elite has control over the public

[12] Bramston 2018

policy of the state and so causes a shift of national wealth away from social wellbeing toward itself, I argue this is exploitation. Where this exploitation exists in concert with a social ideology, designed by the elite, reinforcing a popular belief that this ideology is the singular and most appropriate for the political-economy, then this characterises a society trudging the road to Ideological Perdition. I argue that these elements characterise Western political-economy in the past, as they do today.

The research thesis

The protestors involved in the Occupy Movement of 2011-12 demanded a return of power to the people, a power they say was taken by corporations through a political and economic ideology that enabled great wealth for the few at the expense of wider social wellbeing. Whilst one may question whether the people ever *had* power in the first place, the protestors felt that broader wellbeing had certainly diminished. Whilst the Occupy Movement protestors may have been a little naïve, they were nonetheless prescient in recognising that the entirety of society was missing out on the distribution of national wealth - and had been for some time.

In this dissertation, I argue that the evolution of political-economic ideologies which are antithetical to the interests of the majority of the population, have existed on a number of occasions, in many nations, throughout the 20th and 21st centuries. I suggest the occurrence of perditious ideologies in the political-economies of the past 100 years or so are the norm, with punctuational breaks being the interludes between different periods of ideological distortion. Indeed, the political-economies of nations have been characterised more so by chaos than stability.

Where Galbraith, Rodrik, Block and Sommers, Stiglitz, Piketty and Krugman quite expertly place a finger on current political-economic distortion, I suggest that one can also look at particular instances of elite power through the prism of Ideological Perdition. I suggest similar patterns over history explain why and how seismic shifts have seen political-economic ideologies which have led to the detriment of social wellbeing. I argue that the concept and reality of Ideological Perdition is the heart of the answer as to why this has happened.

My thesis is that:

(i) ideology can explain the interplay between culture, economics and politics;

(ii) ideology can be manipulated to gain power to further elite interests;

(iii) the shifting of ideology to one that has popular acquiescence, despite its subversion of social wellbeing, is perditious and will ultimately lead to political and economic collapse; and

(iv) history shows us a number of these instances.

Methodology

The approach I have taken to the research topic is somewhat polemical. While opinionated, the arguments presented are also founded on the conceptual writings of leading scholars in political-economics and develop a different, yet critically legitimate lens through which to view societal exploitation in history and the current day.

Mine is not research into questions of the miniature of specific places, institutions or events. These are worthwhile studies, to be sure. However, the research undertaken in the following work is to how and why societies chose a path toward political-economic chaos over a path toward wellbeing; of how a nation's people forsake their rights and obligations to the society in which they live; and why public policy is accepted again and again in a democracy which limits the wealth of the nation distributed to the citizenry and to the generations that follow.

The humanities are disciplines that demand the controversy of competing visions of how things should be interpreted. They are fields of study that grow knowledge by casting the events of the past in a different light in order to see clearly the future. I make no apologies for the polemical tone – I cannot see any other way to do to the topic the justice it deserves.

The method of addressing Ideological Perdition in this dissertation is quite straight-forward. I construct a theoretical framework around power, politics, society and ideology. I then relate this to three separate periods – interwar Germany, Cold War United States and the current era in the West. Each period presents a different ideological framework in which elites impose their power in different ways. However, each is perditious inasmuch as those in society are

manipulated into seeing one public policy framework as the only one that can deliver wellbeing, and where political-economic ideology discounts all alternatives.

Yet, each period raises a different elite power, each a different means to instill perdition in the social mindset and each a different path to chaos from which it is seemingly impossible for society to deviate. In each period, I introduce the work of scholars whose interpretation of events and the consequences of actions adds to the overall position I take in my own analysis of a society's path to Ideological Perdition.

Society's journey along the road to Ideological Perdition links each period. In each, the collectivity of social actors (i.e. the society – see below) has willingly forsaken its vigilance to defend its right to control their nation's future direction, in return for a promise of short-term stability. The road to Ideological Perdition has been travelled time and time again and the conclusion remains the same. The links between each period are demonstrated by understanding the nature of perdition and its relationship to ideology. The relationship between society, perdition and ideology is thus important to understand, and is described below.

Understanding society and the elites within it

A society is more than a collection of individuals. A society represents the coming together of those who share a broadly similar set of values; similar ways of cognitively assessing problems; where the strength of the group offers individuals' protection; of the benefits of a growing wellbeing; and where the losses of individual determination are outweighed by gains from collective behaviour. However, it would be incorrect to suggest that the choices taken by a society collectively necessarily represent the preferences of all the individuals who associate with that society. The aggregate of individual preferences and priorities within the public policy choices which confront our own human societies determine not just the direction a society takes, but the degree to which the individual can willingly and constructively associate with the group.

This association of the individual with the political and/ or economic choices the group makes is important. Firstly, those group choices broadly define the individual. Identification may take the form of one's association as a citizen of a nation, a believer of a religion or not, as part of a race or of a social class, and so on. This associationalism can be levied by either one's own choice, such as to religion; by acceptance of the group, for instance in denomination of class;

or by statute, such as national identity. Secondly, where the benefits to oneself from membership are not forthcoming relative to gains afforded to others, the individual must begin to question the political and economic parameters which define the group. Finally, without individuals associating with a group, a society cannot exist.

The path to Ideological Perdition is characterised by individuals united by a common set of principles which define a unified ideology, separating them from others and, as the path is trod, separates an ever-greater number of its members from the benefits of national wealth. When individuals forsake the ideological parameters of the society, the need for socialisation does not disappear, rather, the ideological foundation of that society becomes fragile. Where the political-economic direction the society is heading (by function of the ideology the society holds) is in conflict to those of the individual, the nature of an individual's membership of society becomes less determined – it becomes one of that person's weighing the benefits of membership against the costs of isolation. In short, a society is a construct of an ideology that unifies a group of individuals.

The obverse position is also important. Where the ideology of the society begins to weigh against the wellbeing one perceives as a member of the group, that individual may try to disassociate from the group, and its ideological principles. Where sufficient numbers similarly perceive group ideology is not generating wellbeing to themselves, society becomes open to a new (although not always more beneficial) ideological form. The singular human need to associate with others is evident from birth. As such 'society' can never be destroyed. What can change, however, is the ideological form of a particular society and the association we, as individuals, have with a society.

It is here where the concept of the elite fits with a society and its track toward Ideological Perdition. Those in society, connecting with a set of political-economic principles, are doing so because those principles are manipulated by elite power. I suggest that a dominant ideological paradigm must emerge where a complex amalgam of individuals seek the protection, administration and leadership of a society. In this paradigm, a commanding elite forms. When that paradigm separates one part of society, giving it power over others, and it is earned singularly through a exploitation hidden by ideology, then this is a society travelling the road to Ideological Perdition.

Lukes described 'power over a peoples' as derivative of an elite group either within a society or external to it, the latter exampled by power emanating from an occupying foreign nation or a group of insurgents.[13] For Lukes, the exercise of power in a political-economy and the rise of an elite are each a necessary manifestation of one and other.

Yet, where Lukes associates an elite with a group exercising power, I argue an elite can also represent a political-economic ideology itself. I suggest that neoliberalism is such an elite. Neoliberalism represents no *central* group of wealth; of powerful; or leaders who command the direction of the ideology. Wealth and power certainly exist, and often exists at the expense of broader social wellbeing, but as to a singular controlling entity, there is none. Wealth, power, poverty and moral destitution rest within the ideology, itself.

In this dissertation, I example instances of societies' journeys along the road to Ideological Perdition led by individuals, political parties, political/ capitalist union and ideology. The separation between the elite as a person or the elite as an ideology may conveniently apportion the notion of blame when histories are written. However, the delineation between the power over society imparted by a person/ group and the power of political-economic ideology, is much the same. Indeed, Lukes argues that power 'over' a society is transitory whereas power which is gained through the belief in a political-economic ideology is more permanent.

Covering the trial of Adolf Eichmann in 1962, Hannah Arendt described the former Nazi SS-Obersturmbannführer as a conformist, "a leaf in the whirlwind of time".[14] It was the Nazi political-economic ideology, rather than any deeply held convictions or hatred of Jews, that accounted for his actions during the war. Guilty of the war-crimes he committed, Eichmann was as much the product of the evil Nazi ideology (as an elite) as he was of the evil of the elite of the Nazi Party (of which he was also a part). An elite can invoke perdition be it a group or an ideology – the issue here is not whom (or who) but the impact of power over societal wellbeing. Where power is vested by whatever source as Ideological Perdition, society is destined toward chaos unless change can occur.

[13] Lukes 2005.
[14] Arendt 1963 p. 32.

Where, in this dissertation, I refer to the breakdown of society, I do not mean that the necessity to be a part of a society is removed from the innate characteristic of the human species, rather, that the construct of membership to a society will shift as the ideological parameters of that social group meets or deviates from those of the individual.

To be clear, the need of the human species to belong to a society does not shift; just the representation of a particular society to the needs of the individual, does. To extend this to the political-economy, the chaos of social breakdown evident at the end of the road to Ideological Perdition does not mean society, as a concept of human interaction, no longer is pertinent, rather, the ideological parameters that defined the group of individuals to associate with each other no longer meets the needs of individuals. The need for society cannot die, as such, but society, itself, can reform, divide or be recreated with a different set of ideological parameters. Whether this revised social formation yields greater wellbeing, who controls the ideological form and which individuals are corralled as members and which are not, is the topic of this dissertation.

Understanding perdition

The secular definition of the term perdition refers to a coercive surrender of social beliefs and mores resulting in the impoverishment of society. Chaos and destitution are the ultimate consequence. Slowly, the term is increasingly used to describe the political and economic malaise global citizens are facing as this century edges away from its adolescence.

In Australia, commentaries have recently described a '*perditious political form'* identified by the celebrity of ill-defined policy which appears to pander to an increasingly fragmented political environment. It is illustrative of an electorate drifting to political poles based not on social commitment, but on self-identification.[15] Diminished is the adhesion to an Australian society, replaced primarily by identification as 'Youth', 'Urban', 'Gay', 'Indigenous', 'Muslim', 'Conservative' or whatever. Gone too are associations many one might have once had to the quest for broad-based national wellbeing, or worker solidarity. Absent is the society-wide want for environmental protection or education or healthcare. Their support or rejection appears to depend not on social awareness, but at which end of the political pole one associates oneself.

[15] Bramston 2018

Reflecting on this associationalism to one's tribe, academic commentator, Eva Cox criticised the Australian Labor Party's myopic focus on tax cuts and sectional economic growth presented in its 2018 preparation for the coming general election. She called for the:

> '*need to restore policies that re-create the social contract of fairness between citizens and those in power via collective, equitable programs that enhance social cohesion and the common good*.'[16]

Bradford De Long, former Deputy Treasurer in the Clinton Administration titled a paper *Pragmatism or Perdition*, describing the drift of public spending away from investment in future generations, whilst distorting taxation policy to the benefit of the already wealthy.[17] A rise of perditious ideology is to blame, he writes, in which the pragmatism of good policy to grow the wealth of the entire nation has been confused with the ideology of greed, exclusion and benefits directed toward the few.

So too in Jurisprudence, the term perdition indicates deception created by a subversion (unknown at the time by the injured party) of the truth. The deception leads to severe personal or social adversity. Perdition's legal culpability is an emotional harm more than simply the monetary loss of goods and chattels.[18]

The secular definition implies a sinister characteristic – unwitting coercion. Perdition is the giving-up of beliefs that is in no sense a loss *forced* upon society, against its will or even its knowledge. Rather, the term reflects the popular acquiescence to its loss of democratic rights, albeit without understanding the consequences of doing so.

During the 1950s, as nuclear power was being lauded as a panacea for the energy needs of the globe, the Western world was encouraged to embrace this new technology. The coming nuclear age was one demanding courage to maintain democratic power, however, it was the harbinger of perdition in global political relations.

In 1934, Alabama textile workers labelled regulations that allowed mill owners control over work regulations as perdition. They were reminiscent of corporate behaviour evident in the years before the onset of the Great Depression. The term littered many newspaper articles of the time, perdition describing the economy in the United States, famine in the Soviet Union

[16] Cox 2018
[17] de Long 2016 2016 pp. 1-2.
[18] Burton 2007

and political chaos in Europe.[19] These events were not the consequence of mismanagement of exogenous events, but the result of ideological forms that were, at their heart, perditious.

Older (though still current) usages of the term have been made during preceding centuries. These references were similarly centred on a 'loss' of the characteristics that distinguish human society. Perdition resulted in social desperation, lack of moral base and social, political and economic degradation.

Perdition is often associated with a journey, in the sense of an individual or society undertaking actions which will carry them toward destitution – the journey being an accumulation of coercive social or individual betrayals of humanity. Reflecting on such coercion, Carl Jung said that: *'[the individual], using evil means in order to carry out their promises [on society], is already on the road to perdition'.*[20] The implication is clearly one of an unwitting, yet popularly embraced slide into chaos.

In the historic case studies presented in this dissertation, an ideological slide into political-economic chaos was not halted by any successful counter hegemonic movement. In the case study describing the current era, I search for the genesis of a movement that will shift the trend toward Ideological Perdition. There have been many points at which a change in direction could have been taken, yet all were obscured by the intransigence of ideology. In both historic case studies, chaos at the end of the journey to Ideological Perdition is represented as social dislocation, inequality and a political-economic instability perceived incapable of resolution within the bounds of existing ideology. In the current era, chaos is predicted.

Polanyi described capitalism as a cooperative relationship between society and the owners of capital.[21] This system succeeded where endeavour was rewarded by profits and society was protected through regulation of the excesses of the capitalist system. The agent for this balance was government, facilitated through the democratic process which gave voice for public policy challenge and majority decision making. The base-line of this relationship, indeed the purpose of government's agency and the democratic power of society to keep government in check, was the protection of the core needs of the political-economy. Polanyi identified these needs as Fictitious Commodities (nature, labour and money). These

[19] Various articles from the *New York Times* during the period.
[20] Jung 1989
[21] Polanyi 2002 (1944)

commodities were formed from a society's cultural, economic and political antecedents. They were, however, under constant threat as capitalism drove for greater and more unequal distribution of the wealth of the nation. Yet, as capitalism grew more distorting of the political-economy, a Double Movement would rise in society and redress the power each, capital and society, had over public policy. The mechanism was, of course, the democratic voice of the nation's people.

Gramsci, questioned the power of democracy to raise opposition where an elite had succeeded in dismembering a nation's civil institutions to provide a platform for dissent.[22] In this dissertation, I argue that where opposition voice is supressed by a political-economic ideology that rejects alternative views, where platforms for dissent are limited and those voicing contrary opinions are segregated from society, then this is a society on the road to Ideological Perdition. Where ideology limits alternative public policies, democracy loses its legitimacy.

In each of the case studies, I posit that the elite had manipulated the society to accept a perditious political-economic ideology. The elite had neutered the role of civil institutions to offer a platform for dissent. The elite had shifted the role of government to the agency of the elite. Democracy, as Chantelle Mouffe describes, becomes less an arena of ideas, more so a place of winner-take-all. Without an active democracy, the progress of an elite (be it political, religious, social, capitalist, monarchy, feudal or whatever) is not able to be stopped.[23] Elite power will continue toward the commodification of those very aspects which represent human/ cultural being.

Polanyi argued that a Double Movement would emerge before the commoditisation of his Fictitious Commodities. Gramsci argued that a rebellion against the disintegration of social structure was difficult in the extreme if the elite had reduced to ability of dissent to be heard. Ideological Perdition is the link between these two principles. Where Ideological Perdition is the increasing and evolving distortion of a particular society's association to its core cultural, economic and political beliefs, the drive toward chaos is represented by national resources diverted to succour the demands of the elite, where increasingly greater sections of individuals are segregated (expunged) from the benefits of society.

[22] Gramsci 2009
[23] Mouffe 2000 p. 57

Ideological Perdition can be represented by the diminishing of the human condition. It impoverishes many and raises political and economic instability to the norm, that is, it leads to chaos. Only political and economic chaos can arise where the human association to their respective social cultures, political and economic forms are removed. Society, in that form, can no longer exist. It has no basis from which to found itself. The consequence must be chaos – the future only offering re-formation of a different political-economic structure with a different political-economic ideology.

The road to Ideological Perdition has led to the chaos of global war. It has given us global financial chaos. It may well lead to the first of the environmental/ food security wars in the future. We have already witnessed the consequences of current Ideological Perdition in the emergent chaos within nation states splintering into ethnic groupings; countries unable to prevent their submerging under rising seas; the lightning speed of economic contagion. In 2020, we have seen the scramble for medical and household supplies when global economic supply-chains fell victim to the spread of COVID-19 virus. This is chaos, and it is the consequence of a society journeying very close to the end of the road to Ideological Perdition.

The road to perdition is a journey already commenced, more so, it is one well-travelled. Though, whereas the religious definition of perdition represents a path that is in-escapable, I defer to the term's original usage, digressing from such fatalism. Perdition does not suggest society's path is inevitability toward chaos, it is is a journey from which deviation can be made. For such a change, however, society must become aware to its own exploitation and ideology must shift.

Perdition may be the only term that can be associated with the coercion of broader social ideology toward its own destitution. It is the progressive alienation of social wellbeing from the resources of the nation, done so by the ideological contrivance of an elite for their own benefit and achieved in the popular belief of future social reward. Perdition indicates a situation in which the whole society is condemned by an ideology to suffer at the behest of a dominant elite, one who has interest in the general wellbeing of society only inasmuch as its (the elite's) gains are superior.

Reconciling perdition and ideology

Ideological Perdition is an amalgamated term, being situated within a heterodox discussion of political power, public policy and society. The reconciliation of the terms 'perdition' and 'ideology', at least in the context of political-economy, rests with the prism through which society interprets the exercise of power; the holders of power; and the implications of both on the wellbeing of society now and into the future. The intersection of ideology and perdition establishes a theory referencing political-economic environments whose implications for social wellbeing are deleterious, yet willingly embraced by the wider population.

It is here that Jürgen Habermas offers great assistance.[24] He dissects social ideology beyond simply being a set of beliefs. He contests that societies return to the perceived safety of their fundamental history and culture, when confronted with chaotic events. It is through that prism of history and culture that society identifies and analyses external events, including new ideas, and ultimately shapes how society responds. To continue the analogy of a prism's refraction of light, it is the resulting colour seen by society that is deemed the reality to which popular society associates. It is *this* interpretation that is accepted by society as being its ideology. It is *this* interpretation of truth that is accepted by society as being its ideology – yet this interpretation of truth has no automatic connection to fact! The prism refracts colours more than those seen by the human eye – indeed, the colours seen by men are slightly different from those seen by women! The important element here is what is *perceived* by society to be truth is cognitively determined as fact. Control social ideology to see truth as displayed by their collective cognition (that is, the belief that what is being displayed is fact) and one can control society. More so, the false reality pervaded to society *becomes* the truth, thus ensuring acceptance and sustainability of political-economic ideology.

For Slavoj Žižek, the dominant social ideology represents the *Real*, being beliefs residing within the ontological (indeed, cognitive) fabric of social behaviours, weaved by the power of hegemonic systems that may well disguise fundamental fact.[25] From this, one can suggest that whilst fact may well be 'out there', like Schrodinger's cat, we may not ever know what the facts are, nor be able distinguish where perceived truth obscures fact!

The identification of fact is of no great concern; only that there is a parallax to the perception of fact (represented as a believed truth) that alters individuals' view of a cohort of ideas which

[24] Habermas 1992
[25] Žižek 2014 pp. 67-70.

thence forms a social ideology. The reverse is also apparent. An idea is necessarily refracted through the prism of social ideology to be interpreted as consistent or alien to social mores defined by that ideological Real. This suggests that many dialectical, often internally antagonistic ideological positions are possible in the formation of a social ideology – but ultimately only one interpretation of the Real, contrived by the dominant elite, becomes social ideology.

Social stability demands ideological singularity. For example, seen through the prism of repeated alienation from economic growth, Thomas Frank posits it as quite reasonable to understand why voters from his home state of Kansas continue to re-elect 'free market' politicians who blithely open local job security to foreign competition, argue for fewer social services, poorer education and health facilities and less and less wellbeing.[26] Frank writes that when such policies are distorted through this prism (elected representatives arguing they are protecting '*family values'*, anti-abortion, gun ownership and '*the American way of life')* an ideology offers an entirely logical solution; each apparently inconsistent element happily cohabitating the same space in ideology. The ideology is singular, pervasive and resilient to question. It is the Real, but one that I argue is false and, more so, extremely dangerous to stability in the political-economy.

Social ideology, aligning Žižek with Habermas, is thus the intersection of popular *perception* of what is the truth, orchestrated by those who can exert power over the angle the prism is held to the collective social eye. Extending this, if an elite has power over the institutions of society, those to which society goes to interpret events (those who interpret national history, law, employment fairness, culture, mores, beliefs and attitudes) then the elite has the power to determine social ideology (that is, the colours refracted by the prism). Žižek explains further: if the hegemony of the elite can alter social understanding and (consequent) responses to ideas, this then means that a parallax exists to shield comprehension of facts. The truth is subverted by an elite presenting a coercive social ideology as Real.

James Galbraith adds flesh to the philosophy, describing as abhorrent unregulated capitalist predation of public institutions charged with the protection of social wellbeing.[27] He casts gaze over the institutions of the United States - particularly those institutions having evolved from national history and established in the political-economies of the past – in many

[26] Frank 2004 p. 246.
[27] Galbraith 2008

instances, the public policy legacy of his father, John Kenneth, and the New Deal. James Galbraith argues that plunder of the institutional foundations of civil society in United States society over the last few decades has occurred under the auspices of a socially constructed ideology that has perpetuated the myth that the free market, unfettered by government regulation, is the greater arbiter of social wellbeing.

Galbraith argues the reality is much different: wellbeing has fallen precipitously for all but the very rich. The myth of a better political-economy for all has been perpetrated by an elite for its own favour. Paradoxically, those who have fallen by the wayside continue to see the value of the ideology espoused by that elite. This is Ideological Perdition. It represents a social ideology of a different Real, one that has little to do with reality. It is an ideology in which social perdition is complete with distortions in perception, hegemonic influence of elite power and parallax woven in place.

Yet, Ideological Perdition embodies no sense of forced surrender of social protections. It is simply an ideological construct that legitimises popular acquiescence to perdition in which social protections are given-up in the belief that this is the only avenue to greater wellbeing.

Ideological Perdition not only applies to the end-point of condemnation. It is, also, the journey represented by the individual's disassociation with their moral compass. It is society's loss of historical cultural mores, unknowing the consequences, all with society's willing compliance to forfeit those elements that reflect human society. As such, Ideological Perdition is not like Prometheus' fate. Prometheus was well aware of Zeus' strength and what was to happen to him on each waking day. Ideological Perdition suggests a society blissfully ignorant of the continual ravages against it.

Yet, if Ideological Perdition is a descent into destitution, unforced and unknown, the result of society's giving-up of wellbeing for the benefit of the powerful, then the reason for this behaviour must be embedded in a social ideology that sees protection of core social values that rank much higher than their economic or political position and/ or in anticipation of an exponential rise in social wellbeing in the future. I suggest neither is likely to happen. Rather, the outcome of a society travelling the road to Ideological Perdition - albeit sign-posted with the indications of the obvious and with exit ramps before journey's end – is chaos.

I believe there is linguistic beauty in the term Ideological Perdition. It has applicability to the end-point of condemnation, to the journey taken, society's giving-up of historical and cultural

mores, believing the consequences of their willing compliance will see society better-off. The reality is likely to be much different. The term Ideological Perdition resonates with the tenor of my research more than any other term, both in its meaning and in the applicability of the term to the concepts I raise. It is a term that implores the question: 'Why?' It is a question incompletely answered in the literature and of significant importance to our understanding of the political-economy of the past and into the future.

Contribution to knowledge

Sheri Berman distils the association between the *economic* (the gamut of capitalist to socialist economic frameworks) and the *political* (the range of democratic to authoritarian political systems) to describe what is meant by social ideology. To make this connection, she raises the position of national beliefs, culture and mores in social ideology and posits that these elements are the proximate cause of a nation's political-economic failings. To extend this a little further, she suggests that ideology is the impetus for shifts in the political-economy.[28]

Berman also questions social ideology as simply the reactive consequence of the political and economic circumstance of the time. Ideology, she strongly argues, necessarily drives a pyrrhic choice a people make for the political-economic direction of their nation. Ignoring the conduit that ideology gives the economic and political position of a nation (that is, imagining that ideology is apparent in society but has no part in shaping the political-economy), she writes, is akin to '*the drunk looking for his car keys under the lamp post, simply because that is where the light is'*.[29] The gap in our knowledge does not rest in the literature describing political frameworks arising from various, different economic systems, nor from scholarly work examining different ideologies. The gap lies in the dearth of research as to how and why social ideology can shape national behaviours in the political-economy – and it is this deficit at which my research is aimed.

Berman describes the rise of fascism in Italy, France and Germany during the interwar period contrasted to the emergence of social democracy in Scandinavian nations during the same period. The conclusion she reaches is that social ideology played a decisive role in the direction of national political-economy and the respective decline and rise in human wellbeing in these nations.

[28] Berman 2009 p. 2.
[29] Berman 2009 p. 9.

Any separation of social ideology from state economic policy is ill-founded, I suggest, albeit a natural objective of the state and those elites who would wish to influence it. Rather, the objective of the state is to standardise political institutions so that the nation's peoples accept a social belief-set that supports its (the state's) policies in the political-economy. This argument is, of course, reminiscent of Antonio Gramsci's Cultural Hegemony.[30] Cultural hegemony reflects the entrenched influence over the institutions of civil society by a reigning elite, an influence only able to be removed by a protracted War of Position to shift social acquiescence in the *status quo*.

The golden period of economic growth apparent in social democracies after World War II, Berman suggests, was replaced in the 1960s by a failure to see that democratic political systems evolve to interact with capitalist economic systems. They were not the result of weak social ideology, rather the consequence of non-sustainable civil institutions in the political-economy. An ideological Real that does not see the need to maintain effective institutions of civil society cannot hope to see democratic capitalism exist with any long-term sustainability.

As such, scholarly work has circled around the importance of social ideology in the political-economy represented by national regime choice. The literature has failed to place social ideology at the locus of political-economic behaviours. Little has been written identifying patterns in ideological shifts; nor how and why social ideology suddenly and seismically shifts; or the role elite power has in the popular acceptance of new ideology, even to the point where ideology is socially destructive. It is in this area of the discipline that I trust I can add some understanding.

Outline of the argument

In Part I, a theory of Ideological Perdition is developed. I situate ideology at the centre of discursive national public policy. Political-economic ideology is argued to be the result of the sublime yet perditious influence an elite creates in society. I describe the nature of power as an ideological form, able to imbibe society to a path against its own wellbeing. I look to the power ideas have in society, on uncertainty and rise of the notion of a collective social cognition which can be driven in one way or another by the interests of elite power. Finally, I discuss the role of democracy, the state and chaos as a nation's peoples travel the road to Ideological Perdition.

[30] Buttigieg 2005 p. 40.

Parts II, III and IV comprise the second section of the dissertation. These parts extend the theory of Ideological Perdition to some national experiences evident over the last century. Specifically, Part II examines interwar Germany; Part III looks at post-WW II internationalisation and the Cold War from the perspective of the United States; and Part IV examines the rise of neoliberalism in the Western world and the decline of societal power over the excesses of elite power.

In each case study, I develop the characteristics of the road to Ideological Perdition. Conceptually, each journey starts with the failure of an existing ideological form to meet the needs of political and/ or economic environment. Ideology shifts to one that brings forth the advancement of an elite whose position of power over public policy is reinforced by increasing abrogation of social power. The ideological shift is subtle at first and embraced as the only right and proper way forward in society. However, it is perditious because the ideology's fundamental base is exploitative, hidden and necessitates increasing diversion of resources and suppression of vocal dissent to remain in place. Without intervention, the ideology's perditious form must lead to social chaos as resources become limited and the vectors that identify a society as an integrated whole, break apart.

Whilst I do not suggest the trajectory to perdition is without the ability of deviation, I do describe the difficulty for society to embrace a new, more beneficial pathway when the ideological nature of the political-economy is increasingly entrenched in the very fabric of society. Yet, once commenced, one must acknowledge the devastation the end of the road promises. One must also value the preciousness of social mores, beliefs, practices and institutions that raise our awareness to the dangers of the journey ahead – an awareness which is needed in time to shift to a different path.

Conclusion

At the head of this Introduction, the Occupy Movement protestor voiced her anger that society was being usurped by a corporate presence, unified and pitted against popular democracy. Other posters on the day chanted *'Eat the Rich'*, a catch-cry reproduced on placards, the hoardings on disused buildings and T-shirts hastily printed for the day.[31]

[31] The thought on the poster is not strictly original. Jean-Jacques Rousseau (1712 – 78) is reputed to have said "When the people shall have nothing more to eat, they will eat the rich". This thought was not lost on the Occupy protestors.

The following pages do not support the conspiracy view of a coordinated attack on democracy by an elite - nor of dietary change! Neither does it give a clarion cry for the illusion of democracy as society's protector against the coercive rise of elite power. Democracy unattended by those to whom it is meant to serve has seldom, if ever, limited the rise of power. Neither have I tried to suggest a way forward. I fear the cycle of perditious exploitation is more likely to be punctuated by chaos than any ideological, revisionary re-birth. Rather, my objective is to provide a universal framework that explains a perditious political-economic ideology through the lens of history and with resonance today. Mine is a description of history and the current day that offers reason for social behaviours in the past, and sufficient caution in the present that can act as a warning for the future.

Part I

Introducing a theory of Ideological Perdition

'The man who promises everything is sure to fulfil nothing, and everyone who promises too much is in danger of using evil means in order to carry out their promises and is already on the road to Perdition.'

Carl Jung[32]

Jung's exploration into the human mind sought to uncover the sources of an evil which drove the individual to prey on the beliefs of others in order that others submit to exploitation. Jung experienced the perdition of ideology during Stalin's Soviet Union; fascism in Germany, Italy and Spain; and the bi-polarity of the Cold War. However, whilst Jung was concerned with the actions of the self and the self's impact on others, the road to Ideological Perdition is characterised by the 'evil means' brought by one group in a society upon the rest of the society through the perversion of political-economic ideology.

Ideological Perdition is situated within the theoretical cannon in the following chapters:

- Chapter 1 describes the notion of power which can be both predatory and persuasive;
- Chapter 2 reconciles the individual, society, ideas with political-economic ideology; and
- Chapter 3 argues that sustained power necessitates that ideology must be perditious.

David Hume wrote that '*The art of persuasion has always been a necessary part of the equipment of [power].*'[33] He believed the key to persuasion was to convince society that what is being disseminated as the path to greater wellbeing is, indeed, exploitation - a journey along the road to Ideological Perdition.

[32] Jung 1946
[33] Carr 2001 p. 168.

Chapter 1
An anatomy of power

'The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed, the world is ruled by little else. ... I am sure that the power of vested interests is vastly exaggerated compared with the gradual encroachment of ideas.'

John Maynard Keynes[34]

The greatest manifestation of power rests in the ideas that are created which can shape the political-economy of society. In this chapter, I suggest that ideas, perditiously entwined as a social ideology, can been used by elites to distort the allocation of national resources in a society.

Not one to be reticent about the '*revolution in the way the world would think about economic problems*', Keynes wrote that his *General Theory* signalled a warning that power exists in '*ideas … which are dangerous for good or evil*.'[35] Where power is held by the few and exercised for their own benefit, then the control of ideas can condition society to accept a singular distribution of economic wealth and political determination as the only policy permutation leading to wellbeing. Where this is the political-economic environment in society, I argue that this is a society travelling the road to Ideological Perdition. Where public policy is the consequence of the imposition of elite power over the ideology driving societal behaviours, imposed unseen and coercive, that society is ultimately destined to chaos.

The chapter progresses as:

- the nature of power;
- power as perdition; and
- power and the art of seduction.

[34] Keynes 1936 p. 383.
[35] Keynes writing to George Bernard Shaw, January 1st, 1935, in Pilling 1986 p. 27, and Keynes 1936 p. 384.

1.1 The nature of power

Power in the political-economy could be described as good or evil, domination or paternalistic, constructive or dangerous. It can be described as each of these as they impact different groups of society, and to all in society, each at the same time.

The realist international relations theorist, Kenneth Waltz, saw power manifest singularly for the benefit of the state where cross-border relations were involved. To Waltz, power was measured by the military might of a state relative to others. The individual played no part in the determination of a state's foreign relationships. This is not to suggest that democratic power was non-existent, just that the sphere of international relations rested with the state and, in the final assessment, power lay with the state that had the most effective command of force (and the willingness to use it).

Harmony between nations exists, to realist theoreticians, only in a balance of military power between adversaries as they defend their international political and economic interests. The position of a national elite, Perry Anderson writes, is dependent upon the nation's hegemonic power in reference to other nations.[36] As such, the sustainability of elite power comes from their monopoly control of force, that is, the police and military. Deprived of this monopoly, an elite's control over society would have little popular hold because they could not ensure national stability in face of military threat from beyond state borders. An elite's hegemonic power would be seen in society as feeble. Anderson continues, describing the hegemony attained by military might as greatest when it is '*perceived'* by society as protecting, by force, the national ideology. It is the public perception of power as the defender of national identity that enables an elite to build its hegemony within a society.

Wolfgang Streeck is more direct. His review article on an elite's hold of hegemonic power in the age of international neoliberalism is simply titled *You Need a Gun*.[37] He argues that an elite's political-economic power can never be sustained without the presence of forceful coercion. He argues that coercion in the political-economy cannot be effectively hegemonic without military might. Continuing, power afforded an elite by ideology induces a hegemony where citizens believe that the presiding elite is benevolent in the protection of society against both internal and foreign insurgency. Security, therefore, must rest in the hegemon's ability to instil fear in society, not toward the elite, but against those perceived to shift national ideology.

[36] Anderson 2017 p. 91.
[37] Streeck 2017 p. 25.

Waltz's contemporary, Hans Morgenthau Jr., argued that power is an insatiable appetite of human-kind and inter-state relations. The lust for power is never-ending.[38] There could be no balance between states as power was always a competitive zero-sum between belligerents. For Morgenthau, harmony was a singular point on the continual swing of the pendulum of power between rival political actors. Power represented the outcome of an ongoing flux of alliances across international social, cultural and economic platforms, with the sole objective of securing military supremacy and, in doing so, the longer-term reign of the elite. To society, therefore, a dominant military is generally seen as the determinant of long term political and economic stability. Similarly, for an elite, its ability to deliver a stable political-economy through military force necessitated its hegemony over society, firstly, and secondly, ensured the sustainability of its power over the political-economy.

Throughout this dissertation I return to the basic and coincident goal of elite and society, political and economic stability. I argue that stability is integral to entrenching the hegemony of power and the vehicle an elite uses to achieve its hegemonic position in its manipulation of a political-economic ideology. Further, it is through political-economic ideology that society perceives the elite as protecting the freedom of national society from those of other nations which maybe intent upon creating instability.

It is interesting how often we hear the term freedom to legitimise the restrictions imposed on society by an elite power when that elite represents a singular public policy stance as the sole avenue toward political-economic stability. For example, Buttigieg proffers the rhetorical questions: can the deregulation of government environmental laws, which limit market forces determining the price of energy, be interpreted as a policy against individual freedoms; is freedom from government regulation of an imperfect market-place a synonym for personal freedom; or is freedom from progressive taxation justified because an individual disagrees with certain government spending?[39]

Answering the rhetoric, Buttigieg suggests that to equate freedom with stability is manifestly ludicrous. Where stability arises from restricting society's opportunity to determine its political-economic framework, the result of the malevolence of one section of society over another, then freedom surely is reduced. The exercise of power, therefore, is an exertion of control

[38] Morganthau Jr. 1945 p. 10.
[39] Buttigieg 2005 p. 46.

over society and exists at the cost of so-called individual freedoms to behave in a way that is deleterious to others in that society.

Membership of a society unavoidably involves the balance of individual freedoms and obligation toward broader social wellbeing. The object of this balance rests in the collective benefits perceived by those who constitute a society – those benefits coming from controls exerted by those in power. Freedom, in other words, is neither absolute nor separable from the three-way balance of power between individual, society and elite. Where social benefits are believed to exceed those attained from individuality, a framework of elite power will be supported in the political-economy and tend toward hegemony.

However, I suggest this argument is too simplistic. It assumes either individuals or society can exercise popular choice from a breadth of benign political-economic ideologies. It is an argument indifferent to the power of elites resting behind the ideology which succours elite objectives. For power to be gained, an elite must be able to distort society's ability to choose the balance of control and freedom it enjoys in the political-economy. The elite, whose objective is to maintain power, must limit society's ability to increase their (society's) own presence in decision-making. Power brings about political and economic stability - but the very nature of maintaining an elite's hold on power depends on ideological opposition being excluded, that is, limiting freedom of choice. The road to Ideological Perdition can be typified by the perception that freedom is associated with stability - no matter how draconian the impost of power may be. As Janis Joplin sang, *'Freedom is just another word for nothing left to lose*!'[40]

One might better view power not by freedom of individual choice, but the efficacy by which an elite can apply its decision-making position over society. Thus, for power to be sustained in society, it must be achieved by ideological illusion. This ideological nature of power is most clearly elucidated by Steven Lukes.

Lukes sees power distorting the political-economy of society, to be sure. However, he describes sustainability of elite power not resting in overt control, rather, existing within an ideological foundation of society's acceptance of power.[41] He described three dimensions of

[40] Kristofferson and Foster 1969, as performed by Janice Joplin and released posthumously on the album, Pearl, in 1970.
[41] Lukes 2005 p. 25.

power. The particular dimension of power determines the depth, breadth and likely longevity of an elite's reign in a political-economy.

The First Dimension of power is pluralist power. It is a one-directional power in which an elite compels society to act in a way that the society would not otherwise act. This is power by conquest, maintained by force against the people and behest of privilege to those in the court of the elite. The power of force has often been malevolent, manifest as a clash between classes or by colonial exploitation. Lukes argues power must exist within a structure of laws, policing and punitive action, all of which are imposed from above (by the elite). However, whilst First Dimensional power may have a head – such as a monarch or dictator - without local social acceptance such institutional power is often transitory. A cadre of local beneficiaries of elite rule is obligatory to ensure that broader social control remains intact.

Lukes' 'power over' is represented by his Second Dimension of power. It is the power vested by society in the authoritative rule of an elected government. Its key characteristic is that this power is observable and defined by *de jure* circumstance. Whereas pluralist power is one of 'obey or else', where privileges are removed from the bulk of the population, this Second Dimension of power is one of social acquiescence. It is power willingly accepted on the basis that, to society, it seems reasonable, legitimate and transparently arrived at.

The Third Dimension of power is a subliminal power. It is a power over society sustained through a popularly accepted political-economic ideology. This power is the consequence of the interplay between politics, economics, history and culture which, together, create an environment of coercion. It is a power un-seen, nevertheless obeyed through social hegemony.[42] Where such ideology is couched in terms of its singular track toward social good, yet favours the preservation of sectional interests at the expense of the many, I call this Ideological Perdition.

I have suggested that the longevity of an elite's power depends upon an ideological construct embedded in society. This requires a leap from the behaviours of the individual to the actions of the totality of society. Whereas an individual can demonstrate cognitive decision-making abilities, so too can society as a whole – albeit the decisions made by society are not the sum of individual decisions! Society, as a collective of individuals, has cognitive decision-making abilities, separate from the individuals who associate with that society.

[42] Lukes 2005 p. 108.

Keynes saw the pensive behaviour of the individual in times of recession, however '*the psychology of the community*' to consume cannot be simulated by the simple additive policy medication used on an individual level.[43] Society's cognitive acceptance of a pervasive ideology is not the same as an idea's resonance being the simple summation of the collective of individual thoughts.[44] Rather, there is a dichotomy between the sum of individual behaviours and the behaviours of the society in which that individual belongs. For example, the individual may well exhibit social charity, kindness and benevolence to others, yet behave inconsistently as, say a manager of a corporation or government minister underpaying workers or voting to deny asylum to those fleeing aggressive foreign regimes. Power separates the tenor of *accepted* collective behaviour from the actions of the individual.

Yet, scratch a little deeper into this seemingly contradictory cognitive process and one can see consistency between these two apparently discursive behaviours.[45] An individual relates to a social ideology inasmuch as it best represents their belief-set. This representation is neither total, nor are the elements of people's belief-sets prioritised in the same way. It is just that the society-wide ideology is more or less a comfortable fit to the unique belief-sets of the individuals who make up that society.[46] Returning to Jung's words, if an elite can convince the individual of the social good of a set of society-wide policies, then the collection of individuals (the society) will acquiesce to some degree of control – and do so hegemonically.

In current-day political discourse, one might see certain leaders describe the poor as poor because of their own profligacy and that society must accept government action to suspend welfare, despite the human and social costs that may result. This may conflict with one's individual moral code but be entirely consistent with the position taken by society, as a whole. It is the societal ability to cognitively assess public policy issues, through the lens of a particular political-economic ideology, which is the key to understanding this supposed dichotomy.

The ideological foundation of the political-economy delineates individual/ society behaviour. Importantly, it also reinforces a three-way imbalance of power between the elite (holding power); the part of society supporting the promulgation of the elite's singular offering of policy; and those excluded from social decision-making due to an ideology that diminishes their

[43] Keynes 1936 p. 25.
[44] Higgs 2008 p. 558.
[45] Homer-Dixon, et al. 2013 p. 342.
[46] Ciote 2012 p. 459.

belonging to that society (one might term this as 'de-citizenisation'). Where the political-economy has been altered to an extent that individuals accept as 'right and proper' the power of an elite to separate rights between individuals in a society, then society is on the road to Ideological Perdition.

1.2 Power as perdition

That the exercise of power is 'good' or 'bad' can be open to interpretation. Is 'good' or 'bad' universal for all interpretations of public policy society can make? Without addressing this question, it will be difficult to progress.

I suggest that the exercise of 'good' power is a power which is transparent, absent coercion, where what freedoms that *are* given up by society are known and those who *do* hold power are accountable to society. What 'good' power is not, therefore, is where the cries of select groups usurp the rights of the many, or where the rule of the many prevents the development of society through crushing the rights of the few. This gives rise to Ideological Perdition - and it is certainly not 'good' power!

We may lament how wealth has defined moral righteousness in the 21st century, and thus power. It appears that wealth *is* power, and power is perdition if it excludes any alternative public policy to achieve societal wellbeing. James Galbraith writes that Western political-economic ideology destines the many to inescapable poverty, whilst loading further riches and power on the top 0.1% of society.[47] This power has been entrenched, he argues, by fact of the systematic neutering of the traditional role of civil institutions in voicing alternative political-economic policy positions.

Elite power, Galbraith continues, rests in a construct of neoliberal ideology that pervades all corners of social, political and economic life. The evidence of history can show that the ideology of neoliberalism has created more volatile economies; made social wellbeing greatly susceptible to asymmetric shock; increased the speed of contagion across the globe; diminished the democratic vibrancy of the middle-class; and functionally separated lower income earners and those dependent on welfare from inclusion in the nation's citizenry. Neoliberalism has entrenched perdition in political-economic ideology, for without discussion

[47] Stiglitz 2012 p. 37.

of alternative policy settings, society is prevented from seeing the warning signs of its own acquiescence. Society has essentially embraced poverty, crime, depression and economic volatility as a means to sectional wellbeing; and has done so at the cost of social cohesion.

John Kenneth Galbraith saw the legislative entrenchment of institutions of civil society as the foundation stone of a viable modern industrial society. The presence of trade unions, citizens' organisations, statutory bodies, farmer cooperatives and the like, enabled Countervailing Powers to offset corporate capitalist power. Yet, a society's hold on power is a formidable task where capitalism forms the basis of power in the political-economy.[48] Extending this train of thought, James Galbraith describes today's neoliberal ideology premised on the distortion of civil institutions.[49] These institutions gave society a political platform from which to demand the limitation of the excesses of capitalism's natural trajectory to commodify all aspects of the social being.

Karl Polanyi saw the political-economy shaped by the exercise of opposing forces of power. He saw a continual Double Movement acting to limit the inevitability of capitalism's self-destruction. On the one hand there was society, being informed by its underlying culture and history. On the other, capitalism seeking to separate society from the attributes of human social existence this history and culture defined. Building on Polanyi, Ideological Perdition tracks capitalism's natural trend toward commodification on the elements of nature, labour and money. It also tracks the difficulty of the Double Movement to effectively limit this commodification.

Nature, labour and money were posed by Polanyi as fundamental to identifying a group of individuals as a society. These elements bind individual's identity to their collective social history and culture. Society's control over these commodities is constantly in contest (a Double Movement) against capitalism's natural tendency to separate society from these commodities, in order to achieve a capitalist utopia. As nature, labour and money approached commodification, that is, separated from the human condition, a Double Movement would rise in society to prevent capitalist utopia. The Double Movement would gain counter hegemonic power in society to counter the power exhibited by the elite, reforming the parameters which define both social ideology and capitalism.

[48] Galbraith 1980 p. 126.
[49] Galbraith 2008 pp. 126-128.

James Galbraith takes a particular interest in government and semi-government institutional organisations created in the United States during the Great Depression.[50] These institutions had limited the control of the economy by monopoly corporations and associations, particularly 'Big Oil' and bankers. Since the 1980s, however, these institutions (such as the Federal National Mortgage Association, the Environmental Protection Agency, Federal Reserve System) have all been stripped of their role in civil protection. Galbraith suggests the means of their demise have varied between the revolving door of executives of '*Main Street, Wall Street and Washington'*; legislative curtailment in the name of free market neoliberalism; or supplanting their Boards by pro-industry management members. Where these institutions do remain, they operate as defenders of social power in name only, no longer in substance, Galbraith argues. In the current era, the road to Ideological Perdition reflects elite power to distort social cognisance so as to embrace neoliberal ideology, rewarded by lesser wellbeing and shallower freedoms, all within the construct of ideology itself.

Thomas Piketty offers us a definition of a 'just' society as one in which society organises *'socioeconomic relations, property rights, and the distribution of income and wealth in such a way as to allow its least advantaged members to enjoy the highest possible life conditions.'*[51] Yet, as Galbraith alludes to above, where the agencies of public discourse are stymied, the notion of what is just has little political-economic purchase when measured by the power of society to demand change. In later chapters, I suggest that a perditious political-economic ideology segregates national (and international) societies into groups centred about what might be called tribal associations – where one's concept of society, and what is just, is extended to one's own kind, one's own tribe.

To continue; Piketty's just society, having been reinforced by progressive taxation, inheritance taxes and transitional property ownership in the past, has certainly taken a (near) knockout blow since the 1980s, when the gap of inequality began to widen exponentially. But his retreat to the sanctity of social cohesion based on history and culture across the breadth of the nation simply does not fit with society travelling the road to Ideological Perdition. It is the transparency afforded by democracy, facilitated by power resting in society, that is the nexus of what is just, or good. The political-economic ideology accepted by society is the driving force of justice; and what the distribution of power is in a society, determines the form of ideology.

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[50] Various publications including Galbraith 2008, 2012
[51] Piketty 2020 pp. 966-968.

Power, in the context of the long-term sustainability of an elite, is dependent upon the preservation of a generational lineage through time. An elite's power beggars entrenching its control over sectional privilege into social ideology. As such, the key to maintaining generational power is the hegemonic acceptance of elite power dominance in social ideology. In other words, an existing structure of elite power is sustained by society-wide perception that this structure is to the benefit of society; that no other understanding can achieve any better; and more so, to maintain political-economic stability, all alternatives must be rejected in their entirely. Thus, at the core of elite self-protection is its control of the institutions of civil society that might otherwise offer a platform for opposition to be voiced. This power is the result of an elite's purveyance in society of a singular and perditious ideology. Social cohesion as suggested by Piketty, has not emerged to limit widening inequality. Nor has association to national history or culture acted as an adhesive in societies around the globe. Rather, political-economies appear to have morphed into social sectionalism whereby the benefits of society apply to one's own tribe, to the exclusion of all others.

Ideological Perdition describes elite power in term of discursive behaviours across the political-economy and purposeful diminishing of social wellbeing. This road to Ideological Perdition, if un-challenged, will lead to catastrophe! Marx described capitalism's eventual supersession from within as its increasing accumulation of the nation's resources impoverished the working-class. In the longer term, the trajectory of capitalism would be unsustainable; naturally giving rise to breakdown and reformation under a different political-economic ideological tenet.[52]

One must broaden the scope of ideological change beyond Marx's breakdown of the means of capitalist production when seeking to explain political-economic shift. Firstly, the history of ideological shift has generally occurred as a result of the excesses of privilege. Secondly, shift is more often instigated by reaction against political-economic instability by the *greater* part of society, not workers alone. As such, Russia's February Revolution had its origin in protest against crown privilege and the economic backwardness which had impoverished the nation under the Tsar Nicholas II's rule.[53] True, the absolutist government's mismanagement of the war triggered the military's support of public demonstrations in Petrograd (now St Petersburg), but the proximate causes stretched back to the failure of the monarchy to

[52] Block and Somers 2014 pp. 105-113.
[53] Rabinowitch 2008 p. 1.
The revolution commenced on March 8th and lasted for eight days. The denotation 'February' refers to the old Russian calendar which had the date as February 23rd, 1917.

address political and economic concerns progressively raised since before the turn of the century.

The subsequent revolution in October brought the Bolsheviks to power. The interregnum was one of turmoil in which the ruling provisional capitalist government's power was being contested by a multitude of soviets based around industrial installations across the country, under the banner of Lenin's Bolshevik Party. The incoming Kerensky government (July) failed to stem Bolshevik insurrection (albeit Alexander Kerensky being a moderate socialist) and, eventually it outlawed the Bolshevik Party and set about the imprisonment of its leaders. Yet, it was clear there was popular dissatisfaction with the instability present in government and this instability was not helped by support for the reform of capitalist ideology.

Lenin, who had fled to Finland in July, escalated his claim for political legitimacy by promising land to peasants, a withdrawal from the war and devolution of power to industrial workers.[54] He argued that only a changed political-economic ideology would bring about stability. In October, power was seized by the Bolsheviks and though it had to supress many internal rebellions, it instigated a process of ideological change both politically and economically. Stability was brought with an iron fist and the process of instigating ideological change had to commence. The parlous state of the nation in 1917, together with its particular historic and cultural antecedents, saw society ripe to embrace of a new political-economic ideology.

Somewhat illustrating the unique Russian context of monachal dictatorship and a failing capitalist political-economy, ideological shift neither did, nor could, spread across Europe. In the postwar industrial powerhouses of Western Europe, capitalist ideology appeared not to be a threat to worker's fundamental belief-sets. There was discontent, but across much of the remainder of European society, the solution to social discontent was something other than the replacement of capitalist ideology by a collectivisation of the means of production.

Antonio Gramsci writing from his Regina-Coeli prison cell in Rome, observed workers' failure to engender social change. He saw ideological shift prevented by a complex and intertwining set of social relationships that defined national ideology. These relationships were different to those in Russia (and subsequently, the Soviet Union). Gramsci argued that the majority of European national societies demonstrated relationships between worker/ capitalist/ society/ government that had grown over generations and represented history, culture, religion and the

[54] The period between July and October becoming known in Soviet interpretations of the era as the Dual Power period.

civil institutions of particular nation's peoples. From this, the nation's Historic Bloc, there emerged the nature of elite power and, similarly, a unique form of any social uprising. Gramsci wrote that:

> *'The complex, contradictory and discordant ensemble of the [society's political-economic relationships] is the reflection of the … social relations of production. From this, one can conclude that only an all-encompassing system of ideologies gives a rational reflection of the contradiction of the … conditions for the revolutionising of praxis.'*[55]

For Gramsci, the political-economy comprised more than a productive contest between capital and worker. A political-economy included the bourgeoisie and proletariat, institutions like the nation's constitution, law, education, unions, the church, political parties, and media. These all interacted on multiple levels and in infinite permutations to denote a political-economic ideological formwork, from which the nation can be uniquely identified and differentiated from others.

For a nation's peoples, the institutions of civil society traditionally balanced elite power and social protection.[56] Yet, the practical manifestation of all in society being ideologically tied to the same political-economic framework made change instigated by any one section of society (the counter-hegemony of a Double Movement) difficult to develop. Gramsci argued that by bringing civil institutions within the ideological construct proffered by elite power, a Cultural Hegemony could be instilled in the political-economy serving the objectives of the elite.

An elite could exert ideological control over society, cognisant of a nation's Historic Block, facilitating an exploitation which was both perditious and long lasting. If an elite could influence civil institutions by distorting social ideology to see the objectives of the elite as the singular path to better, nation-wide wellbeing, then the position of that elite could be sustained indefinitely. The strength of elite power, therefore, could be measured by the limits the elite could exerted on any civil institution's provision of a platform for discordant opinions. Perceived by society as beneficial to its wellbeing, this hegemony represented a perditious hold over political-economic ideology by the elite.

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[55] Gramsci 1971 p. 366.
[56] Homer-Dixon, et al. 2013 p. 341.

Gramsci described ideological unification as a Praxis. It was the physical actions of a unified society, coming only from an ideology shaped from the belief-sets embodied by an elite in exercise of its power, as represented by the Historic Bloc. In post WW I Italy, the position of the proletariat was weak because historically and culturally the bourgeoisie sector was poorly developed. Industrial workers' demands could not gain purchase in a largely agrarian nation. Praxis rested with the land-owner, those in small villages dependent upon the yield of the surrounding land and agricultural workers. Thus, an industrial (city based) workers' revolution dissolved into nothingness, whereas Mussolini's agrarian wave from the north, in which a growing number of people embraced fascist lead political-economic stability over socialist change, was the more palatable, and the more successful. Stability within an agrarian political-economic context was consistent with the historic and cultural nature of the Historic Bloc in Italy - as it was to the rise of fascism.

By contrast, German industrial workers *did* have power. Yet to describe post-World War I Germany's Historic Bloc as being driven by capitalist objectives misses the point. Germany's was a bloc derived from the amalgamation of states under Bismarck in the 19th century. They were founded upon family association, landed heraldry, local länder laws and social obligations. Industrial, yes in many areas, though of a political-economy built along local länder lines. During the postwar period, German social discontent was vent against the instability created by a failing parliamentary system. Discontent was *not* against capitalist Praxis, as such. By the mid-1920s, dissent subsided somewhat, not as capitalism was brought under control (it was not) but by economic stability returning to society.

When Gramsci described power resting in a nation's civil institutions as a countervailing power, he was referring to civil institutional defence of the particularities of agrarianism in Italy and the autonomous länder system in Germany. Where Ideological Perdition arises, it is in an elite's power to distort political-economic ideology in concert with the underlying form of a nation's Historic Bloc. Elite power used to pervert political-economic ideology in its favour, representing an alignment with a nation's culture and history (the Historic Bloc), is the core of Gramsci's argument that any emergent shift away from an existing political-economy, even if society's trajectory was toward collapse, would be very unlikely to succeed. Why, then has elite power remained so pervasive?

1.3 Power and the art of seduction

The novelist and political activist, Arundhati Roy described the 2011 Occupy Wall Street movement as '*the most spectacular display of public morality in the United States*.'[57] This protest represented an American civil society that was, she said, the only power greater than the United States government. Roy was wrong – the protests failed to garner widespread support for change.

Roy viewed the protests as a call for popular action to reverse social inequality, political corruption, corporate greed, social dislocation, poverty and gay/ woman's/ immigrant rights. What Roy misread was that, without a central ideological locus, the calls of the Occupy protestors were easily discounted as a rabble of incoherent, discordant demands. Against the protestors was a counter-attack which used deep-seated existential fears of instability, embedded in the political-economic ideology of American society. Since 2011, little has changed, leaving one in sadness, yet awe, of the seduction elite ideological power has over a society so visibly diminished in its wellbeing.

What Roy did not address was why society had been fairly content with the state of play at that point of time and, indeed, would continue to be thereafter. Apart from some murmur, there was but slight evidence in social discourse demanding change to the political-economic mechanisms of neoliberal capitalism. Until the protests, the *status quo* remained and had done so for many years. The exploitative ideology of elite power remained and was reinforced by increased popularly in the years subsequently.

As the 21st century entered its adolescent years, civil institutions under the control of the elite, wrote Galbraith, remained strong in opposition to any change in social ideology.[58] For the Occupy Movement protestors, any progression to wider society of the discontent voiced at that time, was stymied. I suggest, however the art of seduction of elite hegemonic power over the democratic voice of opposition had not stopped there.

Returning to the failure of the Bolshevik revolution to spread beyond the borders of the newly created Soviet Union, in the rest of Europe, what power industrial workers *had,* was directed to other political-economic troubles, particularly postwar economic and political instability. There was little breadth across wider European society in support of ideological shift along the

[57] Roy 2011
[58] Galbraith 2008 p. 131.

parameters posed by socialist revolutionaries and, if for that reason alone, the movement's discredit was the only possible outcome. I suggest a similar fate befell Roy's jubilant description of the Occupy Movement nearly one hundred years later.

Gramsci called the shifting of social ideology a War of Position and this was the more complex revolutionary fight to maintain. It was also infinitely more difficult to win. Opposition to an existing elite power had to mobilise broad social support, separating exploitative elite privilege from its foundation in a nation's Historic Bloc. Extending this toward perdition, it is a Cultural Hegemony that entraps society's ideological mindset into believing elite power presents not merely the best, but the *only* path, to social wellbeing.

Without resonance to national cultural or historic fundamentals by those promoting opposition to the current trajectory of the political-economy, the hegemony created by an elite's power will entrench an exploitative ideology in society. Opposition and protest will not be strong enough for any political-economic shift to happen. For the Occupy Movement, visible as its opposition to global neoliberal capitalist greed may have been, it was destined to fail to garner broader social support. The reigning ideology could not be shifted because of the hegemony vested in the elite by society's adhesion to the existing political-economic ideology. Power rested in the hegemony of the neoliberal political-economic ideology and the neoliberal ideological base was not able to be shifted by protestors sufficiently enough for popular demand for any societal shift. As such, it is the hegemony embedded in political-economic ideology which seduces members of a society to accede to the parameters of an elite's power. Those holding a differing ideological position are to be excluded from broader society, as are their ideas destined for the rubbish bin. In the eyes of society, Occupy Movement protestors offered the instability of neither reasonable alternative ideology nor attachment to any fundamental tenet of the existing (albeit veiled exploitative) social fabric. The *status quo* is seductive simply because it is stable. New ideas are not - they introduce uncertainty!

Wolfgang Streeck is harshly (yet, I believe, accurately) blunt. Occupy Movement protestors had no identifiable political-economic ideological alternative because they were basing their demands firmly within the existing ideological context of neoliberalism.[59] There was little to the protests that could be considered a break from the past. In short, without the prospect for real ideological challenge to neoliberalism, the perceived implosion of capitalist development

[59] Streeck 2014 p. 64.

envisaged by most all of society from the protests would singularly lead to social conflict – to political-economic instability.

As the ideology of current-day neoliberalism extends beyond national borders, the hegemony of the powerful has become un-shackled from what national legislative constraint is possible to put in place. The hegemony of neoliberal ideological power is largely immune from any isolated national contest.

Yet, power extending across national borders is nothing new. Neoliberalism is certainly such a force but so too was fascism, communism, the Gold Standard and colonialism beforehand. Internationalisation of an ideology requires usurping whatever a local institution's role is to voice the alternative views of local societies, domestic elites and state-based goals. Neoliberalism's transnational ideological premise is of a power which acts on behalf of an international elite, establishing supra-national institutions beyond national jurisdictions, in difference to the power domestic institutions once had as part of a nation's civil society.

An elite's orchestration of a political-economic ideology in society, engendering society's own perdition, might be the greatest manifestation of the art of seduction. It '*mould[s] public opinion and, hence, the political will of the nation, while reducing the dissenters to discontented specks of dust*.'[60] It is no wonder living scholars such as Streeck, Galbraith and Krugman fear that, with no strong ideological platform for opposition; education firmly fixed to the prevailing neoliberal position; where learned discussion is stymied; and with even fewer avenues for opposition to be heard, the future is very bleak, indeed.

[60] Buttigieg 2005 pp.45-48.

1.4 Conclusion

Keynes said that ideas have the power to alter social behaviours. Ideas can become the foundation of ideology and, from this, power can evolve. In this chapter, the power to distort has been discussed as a multi-faceted, sublime, hidden influence on society. This is Ideological Perdition.

Gramsci wrote that hegemony is the key to an elite's power in the political-economy. However, power was only possible if the civil institutions of the nation were brought under elite control and done so by public acceptance. Power is not a one-way street. The position of an elite must be legitimised in the context of a society's complex of relationships and institutions which are, themselves, drawn from national history and culture. Those powerful must legitimise their power through shifting civil institution's traditional social function and discounting any discontent so as to represent those opposing the *status quo* as contrary to core social cultures and history - as insurgents *against* society. Only then is power entrenched, sustained and able to continue over generations.

There is an obvious question that arises: if elite power has the potential to lead society along the road to Ideological Perdition, why is society often both unable and unwilling to deviate from its trajectory to chaos? This is the topic of the following chapter.

Chapter 2
Ideas, uncertainty and fears

'Methods of thought which claim to give the lead to our world in the name of revolution have become, in reality, ideologies of consent, not rebellion.'

Albert Camus[61]

Ideology, says Camus, is the method which replaces an individual's hope in revolution for a better life, by consent to something much less. Whilst Camus was writing about the forfeiture of individual hopes, his lament also has reference to how ideology expresses the power of an elite across broader national society. In this chapter, I examine how personal beliefs are transferred to a society-wide cognition and how this can entrench elite power that often offers little change for the better. The chapter follows as:

- ideology as the link between individual and society;
- power as the link between ideology and cognition; and
- uncertainty, power and ideology.

The road to Ideological Perdition is a journey cast by society's embrace of ideas. It is a journey trod by the feet of individuals. However, the journey is also taken by the entirety of society, following a roadmap, often unwilling to deviate from the direction set by ruling power.

2.1 Ideology as the link between individual and society

There is an inconsistency at the very core of political-economy: why does society often act in a way against the benefit of the individuals within? Colin Crouch has written extensively on the power of society being usurped by large corporations; and his work can inform an understanding of collectives, such as the collective of individuals who make up society.[62] The cost of power, he argues, is reduced democratic representation and social wellbeing, despite those owning and managing these corporations being humans - generous, forgiving and supportive of their fellow being.

[61] Camus 2012 (1951) p. 247.
[62] In various publications including: Crouch 2012, 2011

Ideology links individual behaviours to one's extended interest group: family, co-workers, acquaintances, class or race. It is social ideology which separates one group from others, who then form communities of the like-minded. While one associates with a group with similar political-economic interests (accepting the group's mores and behaviours as denoted by a suite of ideas), an ideology initiates broader social relationships within the group. Social ideology links the individual to the wider sphere of political-economic relationships by creating a personal identification to a set of ideas to which one can broadly accept.

The link between individual and social decision-making is reconciled by associating a complex system of internal, often volatile preferences, allowing individuals to accept/ follow/ support a socially unifying ideology. Political-economic ideologies are a complicated manifestation of individuals behaving as a single entity, that is, a society, and facilitating a collective social cognition.

As humans, we are blessed with an emotional investment in an ideology that ties us in, and to, a supportive society. The way we feel loss; the emotions of sympathy, love and hate; our imperative for self-survival; the way we react to fear, uncertainty, confusion, knowledge; and leadership, all are shaped by social ideology. Whereas a colony of termites behaves as one, due to the hard-wired genetics of the species, human ideology is branded by the way society cognitively interprets the political-economic environment around it. Our very human condition seeks out a set of ideas that is best perceived to give our lives surety. Without this, the individual is lost, has no socially defining parameters with which to either interpret or govern their future and that of their society. As political-economic situations evolve over time, those particular social structures are destined to be reformed.

Social ideology consists of a set of interdependent ideas. These ideas are non-linear in that aspects of ideas can wax and wane over time and between situations. Ideas are flexible in that they are the building blocks of social ideology and can adapt to new circumstances. Ideas are often path-dependant and recursive, in that they build upon themselves. Ideas are causative in that they generate/ evolve further ideas consistent with overarching ideological belief-sets. Social ideology is, thus, a complex system demanding an appreciation of the fluidity of the components within, that is, ideas, which determine society's behaviour and the adhesion of a society-wide ideology to the psyche of individual mind.

Social ideology is, therefore, an assortment of *related* ideas which connotates with an individual's own identification to the group. This relationship is necessarily two-way. Each

individual's ideological identity arises from their harmonising coherent connections to society in much the same way as society must link the collective ideology to the individual. The crossover to a society-wide cognition - where society rather than the amalgam of individual preferences driving decision-making - is thus derived from the emotional connections the individual has to their own belief-set and their harmony with the general thrust of the broader society' political-economic ideology.

Of course, social ideology is a multi-level, fluid interaction of related ideas, many of which are conceptualised on an individual level. However, the characteristic of social ideology is that all who associate with that particular society have similar attractions to the decisions of the group. Ideology gives society a cognitive ability above and beyond the simple sum of the decision-making abilities of the individuals whom constitute that society.

Society has no brain, yet it can act with cognition to achieve collective individual action. Thus, society can reflect the will of the collective even though particular ideas may have different impacts upon the individual. Ideas can represent a cognitive function of societal shaping which, in turn, should inform public policy in a political-economy. This is social decision-making, not decisions arrived at via collective assessment (such as in referenda). It is ideology which determines if society accepts a public policy or not and it is the individual who accepts an ideology as representing the society to which they belong.

Rodrik writes that comprehension of the political economy comes of individuals recognising the role many ideas have in shaping their society.[63] However, ideas are just ideas. If an idea is to jump the gap from concept to social acceptance, they need to reflect the historic and cultural construct of the broader political-economy. As such, ideas cannot be comprehended by people in isolation of their broader, society-wide political-economic context. In short, for ideas to have a political-economic resonance, they must be enmeshed in the socio-political context in which those individuals live. It is only then that can ideas influence social decision-making.

[63] Rodrik 2014 pp. 189-208.

It is also only when ideas can be comprehended as derivative of a society's culture and history that an elite can shape the cognitive interpretation of ideas, that is, political-economic ideology. The cognitive process by which society examines an issue is defined by this ideology. Yet, there is an element missing - power.

2.2 Power as the link between ideology and cognition

Whereas ideology is the mechanism connecting the cognition of the individual to that of society, it is power that shapes the cognitive form political-economic ideology takes. Thus, if the manner a society comprehends its political-economy is determined by ideology, then the shaping of social ideology becomes elementarily political.

A contest between society, individual and elite plays out in the power exerted to manipulate ideology. I suggest that, as ideology determines the cognitive process, ideology is the singular element in society that must be controlled by the elite for their power over society to be sustained.

Ideology is not a collection of disparate ideas, nor is it an aggregate of like-minded individual's thoughts. Ideology is a common cognitive manner by which a society processes information and accepts decisions as 'right' or 'wrong'. Marx wrote that the driving force behind ideology was consciousness: '*It is not the consciousness of men that determines their fate, but … their social existence [which] determines their consciousness.*'[64] For Marx, the way a society analysed the world around it, that is, cognition, identified its consciousness. In other words, the particular *form* of cognisance defines a particular social ideology, and this then shapes social and individual behaviours. It is the unity of an individual's acceptance of power in the political-economy that creates an elite's hegemony and, thus, an elite's power to distort the resource distribution of that society. When an elite controls political-economic cognition, it captures power.

Marx, focussing singularly on the relationship between capital and the worker, described hegemony as a one-directional power relationship of capitalist over worker. Capitalist power distorts workers' consciousness. Hegemony misrepresents the capital/ worker relationship as beneficial to the employee where, in reality, the relationship is necessarily exploitative, giving rise to the accumulation of capitalist wealth and the progressive dismemberment of worker

[64] Karl Marx, 1859 in Higgs 2008 p. 554.

power. This distorted ideological association was termed this as the workers' False Consciousness, a concept later to be developed by Antonio Gramsci in his broader theory of Cultural Hegemony.

Ideological Perdition obviously links to False Consciousness, as it does to Cultural Hegemony, yet it differs in its scope and implications. The construct described as Ideological Perdition is society-wide, formed of social cognition, presented as a trajectory toward chaos, defined by power to modify ideology and entrapped by perdition. When a political-economy is travelling the road to Ideological Perdition, it is the entirety of society (including the elite) on the journey toward chaos.

An ideological hegemony which distorts society's cognitive assessment of public policy represents the purest manifestation of elite power. The core of Ideological Perdition is this manipulation of social cognition. To understand this more fully, one must address the power of elites. Some examples may set the scene.

In the United States, ideological polarity is typically referred to as 'liberal or conservative'. These terms essentially represent different cognitive assessment of similar issues facing the nation's voters. Norman Nie and Krist Andersen describe ideological polarisation since 1972, when presidential candidates, Nixon and McGovern, proffered alternative ideological interpretations of the issues then faced by the American electorate. Same problems, although different cognitive understanding of their cause, and different solutions, arrived at. Each candidate drew upon society's cognitive 'filters', such as those representing American history, its culture, social obligations and government responsibilities, to define solutions. Both liberal and conservative voters interpreted the issues facing the nation through these filters. These filters were the cognitive forms, being a product of ideology.[65] We are what we believe and what we believe is defined by ideology - and ideology is shaped by power.

The 'white lines' on the edge of the road to Ideological Perdition (beyond which society is told disaster is guaranteed) are the construction of power. Elite power ensures society is thinking about issues in a manner that will arrive at the 'correct' decision for an elite's power to be sustained in the longer-term. The power vested in an elite's control of social ideology permits the impost of ideas in society and, importantly, the cognitive way these ideas are processed to

[65] Nie and Anderson 1974 pp. 540-550.

be *perceived* as 'good' or 'bad' for social wellbeing. This is the hegemony of elite power and it is a pervasion across the entirety of the political-economy.

Some illustrations of cognition shaping social ideology are: tax reduction for higher income earners and corporations will lead to more jobs for all; 'carbon di-oxide is not a pollutant'; moral strength and prayer will defeat an epidemic; school children should go back and 'learn the Three Rs' not protest climate change in-action.[66] These positions represent political discourse designed to be processed by society through a cognition shaped by existing elite power. Similarly, President Obama's *Patient Protection and Affordable Care Act (2010)* represented policy shift, yet little in the way of an ideological movement away from the hegemony of the private health and pharmaceutical industry. This public policy, too, was formed and processed through the cognitive filter of elite power. I argue that power is the key to defining political-economic ideological beliefs.

Ideological Perdition is distinguished by a social cognition manipulated by the elite to exclude viable alternative public policy positions. An elite's power to shift cognition starts from stripping the institutions of civil society of their platform to present opposition. President Trump's proposal of climate change denier, Hartnett's accession to head the environmental policy of the United States is one example, as is President Obama's refusal to instil government representatives on the Boards of the banks his government 'rescued' in 2008. There are many more examples today, throughout history and across nations.

James Galbraith asks rhetorically of political-economic ideology: '*What social institutions remain to protect society if those institutions have been removed or engulfed in a system that so favours the elite?*'[67] He argues the Public Service in the United States, today, is much reduced. The Public Service's upper ranks are politicised; media is concentrated and lacks diversity of opinion; and democratic argument is reduced to which 'team colours' voters prefer, rather than any substantive assessment of the nation's ideological future. Hospitals have been replaced by mobile phone apps and universities, rather than being seen as a source of knowledge, they appear to be the training ground for more bank tellers! In effect, the theory of Ideological Perdition asks what, in the absence of the counter-hegemonic institutions of civil society, is the political-economy destined?

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[66] On tax – the general neoliberal thesis espoused by conservative and liberal leaders across the globe; by President Trump's candidate, Kathleen Hartnett, to chair the government's Council on Environmental Quality, 2018; and Australia Prime Minister Scott Morrison on student protest about government inaction on climate change, 2018.

[67] Galbraith 2008 pp. 126-150.

Karl Polanyi, in his 1944 book, *The Great Transformation*, described capitalism as an ideology directing the political-economy toward commodification of the elements of humanity which holds national society together.[68] However, as capitalism trends toward the expungement of the human characteristics of a society, described by Polanyi as a capitalist utopia, a Double Movement in society will emerge as a counter-hegemonic force to shift back political-economic ideology. Polanyi was not describing a massed revolution when theorising his counter-hegemony, though protest is characteristic of social change. His Double Movement was fixed firm by the rise of popular support for a definite and different ideological path as capitalism progressively separated society from the cultural and historic elements defining that society. The track of capitalism would be discredited; a new ideological form arising as its replacement.

Keynes wrote of ideas in the final pages of his '*Treatise on Money',* that economic theory:

> '… *will be almost useless for practical purposes until a certain degree of exactness and perfection is reached. Half-baked theory is not of much value in practice, though it maybe half-way to perfection.*'[69]

For new ideas to gain a purchase in the mindset of society, they need to be properly formed. Yet, society already on the road to Ideological Perdition, suggests Streeck, Galbraith and Krugman, may see the point of deviation too late to 'rescue' its political-economy from eventual chaos.

A society on that path will fail to comprehend alternative ideological forms because of a Cultural Hegemony imposed by elite power over the cognitive interpretations of the institutions in civil society and thus, society, itself. For a Double Movement to progress the society toward ideological change, alternative ideas must be sound and well-formed enough to evolve into a viable challenge to an existing ideology. The hurdle to jump is, of course, that elite power manipulates society into seeing new, counter-hegemonic ideas through the lens of a distorted ideology. Where ideas are ill-formed, one wonders if society can cross the white lines on the side of the road to Ideological Perdition to take a different path, before it is too late. The scholars above cannot see alternative ideologies making any ground against an existing ideological construct which increasingly displays social insularity, xenophobia and a neo-

[68] Polanyi 2001 (1944)
[69] Keynes 2011 (1930) p. 406

Malthusianism separation of individuals into 'right-thinking' citizen and the 'undeserving, non-citizen' poor.

Looking to history, one may describe the political-economic shifts in ideology in the past as reaching chaos at the end of the road, but not necessarily heralding a better, more effective democracy. Relating Polanyi's argument, the road to Ideological Perdition must necessarily be interrupted as a Double Movement rises to shift an exploitative ideology. Yet toward the end of the road, I suggest that any deviation is difficult, if not impossible. The arrival of chaos is a high price to be paid for a future that may be no better than before.

The hegemony of elite power, describes Polanyi, extends across society as capitalism moves to commodify basic human associations to their history and culture (nature, labour and money). Separation from these Fictitious Commodities alienates society from the core belief-systems embedded by virtue of human connection to history and culture. Without its tie to the Fictitious Commodities, there would be no society. Yet, whilst society references its history and culture to limit hegemonic power (the Double Movement), capitalism must extend its grasp through the separation of society (and the individuals who constitute society) from these Commodities.

As such, elite power must develop its manipulation of social ideology cognisant to cultural and historical antecedents - the elite grasping and/ or distorting political-economic antecedents as a means to influence cognition. Perdition arises when social cognition is shaped to reinforce elite hegemony and, by so doing, society abrogates its own power. This is the natural, if not a necessary trajectory of elite power. It can only be truncated by a shift in political-economic ideology. Polanyi's *The Great Transformation* argued cognitive shift occurs, via the counter-hegemonic force of the Double Movement, when the political-economy approaches the near complete commodification of money, nature and labour - a point of capitalist utopia to which no society can fall, but capitalism must head.

Gramsci suggested that an elite's power manifests through its restrictive control of the institutions of civil society. An elite's power, so applied, has the ability to limit dissent arising, in the first place and, secondly, the unifying of social cognisance in support of the elite's power position in society. This is the power of Cultural Hegemony.

Power exerted over civil society shapes the cognitive processes of society to exclude those individuals who differ from accepted ideology. Power resides in an elite's ability to create a hegemony in which social cognition defines the understanding of the reality that surrounds individual members of society.

Ideology is, in the most part, more entrenched in society if elite power is *presumed* to offer political-economic stability. As such, alternative ideologies, without the platform of social consciousness, can be described as a 'grab-bag' of discursive ideas, at least, or 'insurgent ideas' that must be eradicated, at the extreme. Faced with uncertainty and the public's perception of poorly defined alternatives, society will retreat to its prevailing ways, despite the failings of the political-economy to deliver greater wellbeing.

The influence of power in manipulating social ideology is greatest when an elite can present the perception of political and economic stability through the progressive separation of a nation's peoples from the Fictitious Commodities, these Commodities being derived from society's cultural and historic background. Above all other attributes that collective association can give, the promise of political-economic stability is the lynch-pin that, where proffered by an elite, can pervert ideology toward perdition. Where political-economic stability is perceived to exist in society, individuals remain stubbornly entrenched to the *status quo* of existing power structures, often despite evidence of wildly inequitable distribution of the wealth of the nation.

To ensure power, therefore, an elite must convey a singular political-economic ideology as the only public policy that will give society the certainty it demands. How an elite engineers the perception of stability, or more correctly, the *prospect* of instability if alternative ideologies are entertained, is how an elite sustains its hegemony over the political-economy.

2.3 Uncertainty, power and ideology

Elite power is sustained by broader society fearing that any alternative ideology will bring instability to the political-economy and endanger individual wellbeing. The counter-position is, of course, an elite not delivering stability to society. An elite's failure to deliver at least the perception of political-economic stability is a power destined to be very short-lived. It is therefore worthwhile to discuss the relationship between uncertainty and fear, and its link to Ideological Perdition.

2.3.1 Uncertainty

If society perceives an uncertain political-economic future, the connectivity between the complex elements and relationships that link ideology and elite power begin to be dislodged. Uncertainty introduces a *perception* that the decisions made by an elite may not prove to be socially advantageous. Again, I stress that Ideological Perdition is supported by the perception that the ideology adhered to by a society (as orchestrated by the elite) will ultimately lead to increased political-economic wellbeing. However, when fears of uncertainty grow, the connection between the elite and the individual begins to fracture social belief in a particular political-economic ideology. Uncertainty is the enemy of power - whatever legitimacy might be attached to an elite and the ideology they represent.

The legitimacy of an elite's position of power, writes Max Weber, is determined by the degree to which society believes an existing ideology satisfies the objective of political and economic stability.[70] As stability is at the core of social expectations, an elite which cannot mitigate uncertainty, quickly loses its popular legitimacy. Weber continues: an elite's legitimacy is a creation of the legal structures defined by social ideology.

Whereas, Weber did not comment on ideologies, he placed great faith on the legal foundations protecting the civil structures which influenced social interpretations of new ideas with respect to national culture and history. These ideas would build the structures which would, thence, define the parameters of civil intuitions - legal structures of government, in particular. At its most reduced level, elite power must negotiate a political-economic ideological framework, including civil institutions, which provides the popular perception of security. Without this perception, the ideology maintaining elite's hegemonic power will come under threat.

[70]Webber 2012 (1947) pp.125-133.

The journey along the road to Perdition, it can be argued, is one where the excesses of elite power compound social exploitation. The cost of this growing exploitation to the hold of power by the elite is that social exploitation becomes ever more visible in the political-economy. To this end, power must exert ever-greater control, requiring more draconian measures to contain popular dissent. At this point, I turn to the work of Karl Polanyi.

Fictitious Commodification, argued Polanyi, was the inevitable trajectory of capitalism unregulated by society. In attempting to wrest greater control over the political-economic ideology, capitalism unfettered would send society on the way to chaos. Elite manipulation to discredit opposition must become more constraining so as to disguise the fundamental attributes of a society; money, nature and labour; as they approach commodification. At the point of commodification, human existence would be no more valued as an input into the production process as, say, steel, plastic or electricity. At the point of commodification, human society would no longer exist.

At the point at which money, nature and labour breached historic and cultural foundations, that is, beyond which social ideology can be distinguished as unifying the individuals within, society would breakdown. Before that point, however, elite power is reinforced by more pervasive social exploitation and this is achieved by an increasingly more perditious ideological form. Polanyi argued that capitalist commodification could never be achieved as people, representing *national* society, would rise and demand a reset of political-economic ideology – a reset of the parameters which define society.

I single out the word 'national' in Polanyi's argument with purpose. His was writings are viewed through the prism of collections of individuals sharing similar beliefs, histories and cultures which represented a society forming a nation-state. However, as Gramsci described, the elite needs to instil greater limits on the role civil institutions play in the identification of what the nation represents, its obligations to its citizens and those of the nation's people to the nation, to hold power. Thus, the notion of the 'nation' and who are 'nationals' can be defined by the institutional parameters which determine citizenship – even toward those born and breed within the borders of the country. During the Nazi reign in Europe and, indeed, as evident in many Western nations, today, the term 'nation' can be altered not to reflect those whose antecedents, culture and history was derived from the borders of the nation, but by their citizenship as determined by the elite and civil institutions via the perditious political-economic ideology they promote. The German Jew during WW II, the Ugandan Indian, the

Australian gold rush Chinese and the Dreamers in the United states are testament. The issue of de-citizenisation as an instrument of the perdition of civil institutions is discussed later in this dissertation.

An elite's hold of power in society, through a dominant ideological form, can be accommodated in the social mindset only if uncertainty can be rationalised. Perry Anderson, linking Gramsci with Weber, reduces rationalisation to the legitimacy granted by society's adherence to a particular ideology that supports the elite.[71] More so, society legitimises an elite power's monopoly control over legal force (the police, secret service and the military) that is required to maintain the perception of a stable political-economy.

Gramsci extended the power of elite hegemony beyond cultural or historic lines. He noted that where the jurisdictional framework of society becomes un-workable, groups outside jurisdictional bodies take on a proto-hegemonic forcefulness. In 1920s fascist Italy, the *Squadristi* could only wield their violent suppression of dissenting voices with the tacit approval of the fascist elite. Vice versa, the fascists could achieve greater power in the political-economy by turning a blind-eye to the actions of the *Squadristi.* Elite hegemony, vent by the *Squadristi*, maintained fascist power with harsh retribution; bashing, murdering and threatening the officers of the nation's labour unions. The issue at point, here, is that where uncertainty gains a hold in society, power will prevail to limit popular dissent, quashing counter-hegemony by any means available. The lesson pervaded by the elite is that any uncertainty left unchecked will lead to elite loss of legitimacy – to less power!

However, uncertainty should be distinguished between fear over 'possible future events' and change that is un-knowable. In 1921, Frank Knight's seminal text on risk, *Risk, Uncertainty, and Profit*, distinguished measurable risk from un-measurable uncertainty.[72] Decision-making differs between the two and the difference is important in terms of elite power to shape political-economic ideology. Defence against possible future events can be quantifiable and planned. The un-knowable, on the other hand, cannot. The rising existential fear of the un-knowable could be characterised as creating fissures in the ideological form of the political-economy.

An individual can react to uncertainty in a myriad of ways. Though, where society encompasses what might or might not happen without the concrete base of political-economic

[71] Anderson 2017 pp. 70-73.
[72] Knight 1921

stability, it is to the strength of ideology that one must look toward for future political-economic direction. If all are employed and there are no threatening clouds on the horizon, society puts little credibility in the cries of doomsayers. Yet, when some issues gain broader social presence, for example: climate change; casualisation of employment; threats to healthcare affordability; society's fears over the un-knowable become heightened, un-knowable uncertainty must be sublimated by greater imposition of power. Elites need to control popular dissent in the face of un-knowable uncertainty so as to project the impression of political-economic stability. The un-knowable is not predictable, not measurable and un-anticipated. It is the fear of the un-knowable which is the initial push which creates inertia for ideological change.

Keynes wrote that risk decisions could only made by probabilistic extrapolation from the data of the past.[73] A bank will levy a higher rate of interest on lesser creditworthy borrowers as determined by their past credit history. The higher interest rate levied against high-risk borrowers should cover losses over the entire portfolio of risky loans, therefore. These calculations characterise a Knightian Uncertainty. Yet, Knightian Uncertainty is correctly predictive only in the situation where the rate of future default is at, or less than that denoted by the data factored into risk calculations.

Of this, Keynes was very clear:

> '… *that the assessment of uncertainty attributed by the individual to events around them do not necessarily relate to any particular, nor rational, risk calculation*.'[74]

Extrapolated to the society, Keynes used uncertainty to highlight the importance of time as an economic and political variable. Across society, un-known uncertainty may follow a collapse in the Marginal Efficiency of Capital, bringing with it interest rate increases. Investment falls and greater liquid assets are preferred by investors. However, 'time' may lead to a policy shift aimed to reduce the rate of interest and/ or to increase government spending. But time may not be on the side of the society. Ideological shift may come too late to alter the path to political-economic chaos. For instance, society may be unwilling to forgo the certainty of liquidity or deem greater Budget deficits against the interests of the elite, given the prospect of inflation.

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[73] Keynes 1936 p. 161.
[74] Keynes 1938 Davidson 2009 p.33.

Uncertainty, therefore, hinders social action, the linchpin that undermines any automatic return to equilibrium, describes Joan Robinson.[75] The inherent ideological challenges arising from the fact that unknown uncertainty must exist through time, means that past experiences cannot predict those of the future. Thus, political-economic future, is naturally uncertain. More to the point, suggests Robinson, this uncertainty makes economics a political discipline. Limiting the challenge that exists by virtue of time (the impossibility of predicting the future), elites must manage social ideology such that objective discourse never manifests – thus political. Elites must manage fear such that society is unwilling to entertain disparate opinion, though not enough to bring forth a Polanyian Double Movement.

2.3.2 Fear

Fear of future instability drives a society to hold onto an existing political-economic ideology, despite its increasingly obvious failings. It is fear of political-economic instability, the result of a breakdown in the political or economic fabric of society that tests individual-social-elite ideological connections.

Mary Wrenn writes that the nature of social fear is derived from societal beliefs, experiences, history and the methods used to pass through previous times.[76] For example, she cites the rise of National Socialism in 1930s Germany due, in part, to that society's *gestalt* fear of post-World War I *anarchy* (her word). Indeed, Germany's fear of inflation, today, is generally attributed to the country's brief period of hyperinflation and the political ineptitude of government policy-making which created it.

[75] Robinson 1962a pp. 16-17.
[76] Wrenn 2014 p. 339.

This type of existential fear is ever present, yet in a stable society where the ideology is un-challenged, the existential is subsumed by the ontological, that is, the perceived every-day well-working of the political-economy. Political surety is believed even as economic growth may be sectional in society and this maintains they elite power's influence over ideology.

Yet, one must return to the nature of power. For power to continue to hold political-economic ideology against inevitable drift toward chaos, it must become increasingly pervasive. The battle to maintain stability is one doomed as elite power ratchets up political-economic control to limit the instability caused by popular dissent, the very consequence of restrictions on legitimate opposition!

Stability, as such, is the creation of a political-economic ideology that gives the illusion of robust civil institutions yet satisfies the perditious expansionist nature of an elite's hegemonic power. Society's existential fears are kept in check by an ideology that veils the reality of its exploitation and inequitable distribution of the nation's wealth. Where the veil wears thin, disclosing social injustice, then society can be segmented into those deemed to be participating in the ideological form of the political-economy, and those excluded. Fred Block described the poor and destitute huddled in the Louisiana Superdome without government assistance after Hurricane Katrina, as an example of this type of neo-Malthusian de-citizenisation.[77] Polanyi might describe this event as a consequence of Fictitious Commodification, effected on a 'nation segregated within a nation'. One might wonder the evidence of a Double Movement emerging at the time where no rights of (real, effective) citizenship have been applied, ex-post.

If one's world-view is distorted by economic and political events, then the protections proffered by social ideology give way to heightened fears of the future. These are existential fears, of course, though nonetheless influential in a society. Wrenn suggests such instances sees society aligns itself with values of stability, the sanctity of the family and with more conservative political policies.[78] Rather than seeking solution in a new political-economic ideology, the consequence of fear is to withdraw to the stability promised by the reigning social ideology (orchestrated by the elite). For a time, the solution to rising fear, for those holding power in society, is to enact even greater draconian controls. Border security; 'get tough on crime' policies; restrictions on public demonstration; censorship and political

[77] Block 2008 p. 111.
[78] Wrenn 2014 p. 342.

correctness; are all illustrations of the reaction of elite power to maintain its social presence in face of existential fear. For the society gripped by fear, the safety of ontological certainty is much preferred to anything 'new'.

The ideas forming the complex cognitive processes embodied in a social ideology are not stagnant. They evolve with new thoughts, albeit remaining true to the underlying core beliefs which are defined by individuals' identification to the society to which they associate. Ideas develop as the academe progresses, new slants are developed on previously described events and cross-discipline application of theories are applied to new and old problems, alike.

So too, does demographic change develop ideology. The influx of peoples of different cultures, changing levels of national wealth, health awareness, education and travel possibilities all challenge past ideas within a social ideology and move its reference points. The point is, however, that these reference points and the process of change are contextualised by the fundamental tenet of the existing ideology – be it perditious or not. These political-economic ideological tenet are formed by whom/ what holds hegemony over political power - and do not change readily.

2.4 Conclusion

The foundation upon which ideology is secured is in ideology's promise to bring about political-economy stability. The road to Ideological Perdition represents society's journey toward chaos and instability, bound by an ideological framework that leads precisely in that direction! Ideological Perdition describes the power of an elite to increase its control over the political-economy and so limit the perception of individuals in society to their exploitation, in the first instance, and, secondly, its segmentation of society to limit any voice of opposition.

In this chapter, a bridge between individual behaviour and that of society has been constructed. This association shows that society can have a cognition of a political-economic ideology and act in a hegemonic manner to support a reigning elite's power. The next step of the circle is to describe how ideology reinforces the nature of social cognition - the link is power.

Power allows an elite to form the way a society processes issues in the political-economy. It is power that builds a Cultural Hegemony that sees a particular ideology favouring an elite, which is obvious, but less apparently, an ideology that rejects vision of the social exploitation the elite has instilled.

Finally, uncertainty and fear describe the glue an elite uses to set its hegemony firmly in the political-economy. The circle of power is thus: individual to social cognition, social cognition to political-economic ideology, fear to ideology, and back to the individual.

Schumpeter wrote of society that, excepting the few who are capable of analysis, ideology represents the *'class structure of the corresponding society and the groups' minds or attitudes that form it.*'[79] Gramsci warned of the distortion of social wellbeing through elite power creating a self-protective Cultural Hegemony. Polanyi described a capitalist utopia in which political-economic ideology had been so diminished, fundamental tenants of existence as a society were under threat.

In a quite telling reflection of the times in which he lived, Bertram Russell said that '*People would prefer to die rather than think … and most do*.'[80] Albert Camus described the nature of ideology under the spell of power correctly - the elite offer much but deliver only a means of society's consent to perdition.

[79] Schumpeter and Schumpeter 1954 p. 38.
[80] Russell 1925 p. 166.

Chapter 3

Reconciling social ideology with perdition



Theodore Geisel

better known as Dr. Seuss[81]

Dr. Seuss' infamous cat enters the house and causes mayhem - upsetting the accepted and understood way of things. He juggles but loses his balance of cups, plates, chairs, all to come crashing to the ground in front of his two 'victims', who sit both mesmerised and shocked by their curious visitor. So why is this cat, with his oddly striped hat, relevant to my discussion about societies on the road to Ideological Perdition?

The answer is that he urges his two young observers to think (and think and think again) about what is happening to them; how to clean up the mess; and, more importantly, what could be better. He asks, in effect; is what you are used to, the best that is possible? Is what you see as normal, only right and proper because you cannot not think about something different? Is what you think is normal, is *normal* because you have been shown that this is the only way to think?

Scratch the surface and Dr. Seuss, the children's books author, might be better shown as a force for a better vision of the future … or a subversive! The road to Ideological Perdition does not *need* to be a political-economic journey the society takes, but deviation to something better *does* require those in society to think beyond the parameters their collective ideology permits.

[81] Geisel 1976

Power, uncontrolled by the society, sets an ideological seed that can legitimate an elite's exploitation of national resource distribution. Perdition necessitates the manipulation of the parameters defining social expectations which define political-economic ideology, to negate any limit to elite power and so create an environment for exploitation.

In this chapter, to think about political-economy disarray completes the conceptual framework of a society journeying the road to Ideological Perdition. Yet, the end of the road does not signal the end of society. Perdition is not the measure of a post-apocalyptic world. Humans are a social animal, social connection gives security. However, Ideological Perdition unchecked will deliver chaos and cause the redefinition of social structures - not always in a manner which achieves better wellbeing. The chapter follows as:

- power, capital and the decline of democracy;
- the role of the state; and
- chaos at the end of the road to Ideological Perdition.

3.1 Power, capital and the decline of democracy

As the power of hegemonic ideology becomes more pervasive and opposing ideological voices are supressed, society's political choice appears limited between parties of very similar policies; where decision-making is cloaked in the mist of incomprehension and where so few exercise their right to vote. One may be forgiven for seeing democracy, today, as a choice between 'your team' or 'my team'. Each political party appears to be battling the others on little more than image yet, playing the exact same ideological 'game'.

Lukes' Third Dimension of Power is a framework describing the removal of real and substantive choice of society in its future direction. It separates those in society from the wider democratic process. The position of a singular political-economic ideology appears to have been created by the exercise of an elite's hegemonic power over the institutions of civil society. Power is the prize and to win this prize requires the cumulative acceptance of society of an ideology which legitimises elite power over that of any other political-economic ideological form. Power also ensures elite self-sustainability. This is not to say we do not see art, culture, kindness and humanity in society; just that power abrogated is the only way to supress contest and ensure an elite's longevity. This is an ultimately perditious paradigm that

creates a Cultural Hegemony. It supports elite interests by limiting the political strength of the individuals who constitute national society, to choose alternative ideological forms.

With perdition, diversity of political-economic ideology becomes a casualty. It naturally sees democracy becoming a contest encouraging the ills of popularism. The rise of radical fringe political interests is the consequence representing popularist views - being an environment that distains deeper political analysis, if only by mere fact that popularism's basic superficiality would be exposed. Perdition gives a position beyond their station to one-issue parties and the radical fringe groups of the left or right. As a political-economy progresses toward perdition, social democratic platforms - those voicing opposition - are increasingly marginalised. Peripheral political parties example both the ill-informed voter seeking quick-fix answers to difficult problems, the consequence of Ideological Perdition, and the brevity of political analysis masquerading as news to the disinterested.

Hans Morganthau labelled this type of popularist democracy as demagogic and theatrical.[82] He believed that unscrupulous politicians could easily sway the ignorant with shallow promises and by isolating sections of society to blame for the nation's problems. He saw no ideological solution to popularism simply because the problems facing a nation's peoples are the consequence of an elite's increasing perdition.

Rather, Morganthau believed democracy, limited to the franchise of the few as a superior form when juxtaposed against the vulnerability of universal suffrage to the perdition vent by the elite. This position, not necessarily agreed albeit understandable, was derived from his witness of the ills of popularist democracy in early and mid-20th century politics. One might ask if the political rise of an Atlee or Churchill, a Deakin or Curtin, or Franklin Roosevelt would be possible in a popularist democratic landscape where image is all, the ten-second grab is what is considered a substantive interview and Twitter and Facebook posts are seen as investigative journalism? The shallowness by which voters weigh political alternatives suggests popularist simplification is the dominant ideological element as society edges toward Ideological Perdition. The voter led by the nose by popularist discourse, ultimately serves the exploitative interests of an elite holding power.

[82] Morgenthau 2001 pp. 17-20.

By the progressive shift of social cognition, so as to reject opposition to the reigning ideological form, democracy has been diminished, giving substance to an elite's control over the institutions of the civil society. By manipulating political-economic ideology to legitimise elite power, the role of the state becomes one that supports the position of the ideological legitimacy of the elite. If the state remains at the apex of monopoly control over the institutions that exert power, then elite power over the state is created by fact of its increasing perdition of political-economic ideology.

3.2 The role of the state

Realist thinkers in international political relations see power as the 'main-game' and it is power which enables the fundamental policy direction of the state. It is the state that represents a nation's peoples, its resources and is the 'librarian' of the historic and cultural background of its citizens. It is the state which has monopoly control over police and the military, the amount and direction of taxpayers' revenue, the legislature, political and economic policy. Legitimising control of the state is thus imperative for elite power and the hegemony it seeks. This track leads back to a failing democracy and the importance of an elite influence over social ideology.

The state is a creation of people with like-minded historical and cultural social circumstance. Polanyi described the state as the physical and legal entity representing a people's social ideology - it derived from their unity of historic and cultural backgrounds. He said that distortion of the founding ideological principles (represented by the indivisibility of money, nature and labour) by capitalist exploitation must lead to chaos, revolution or both. The historian, Edward H. Carr described states as a developed from an aggregation of communities under the same ideology; particularly as religious uniformity ceased to retain the church's political and economic hold on power during the Reformation.[83]

The state represented the social ideological form from within, presumably unable to be separated. By designating the state as separate from the power underlying their political-economic form, one diminishes the position of Cultural Hegemony in shaping the behaviours of the state. I contend that defining the state means acknowledging the political-economic

[83] Carr 2001 p. 176

ideology that shapes the society, within. It is, thus, those whose power over ideology, having gained popular legitimacy, who represent the position the state holds both domestically and internationally. Power defines the elite and allows the elite to control the mechanisms of state.

This contention is not, however, a transition toward liberalisation in the sense of states moving to a rules-based international system. Rather, it describes the reduction of the power of society, as a democratic entity, within an anarchic global political-economy. While current-day neorealism is a unified political-economic ideology crossing state frontiers, the state still represents the defining unit in international relations. But rather than seeing the state as the entity representing the freely determined voice of the nation's people, the state might better be seen as the transactional entity of the elite in power. The state maybe at the apex of domestic and international relationships, but it is the power over social ideology that determines the behaviour of the state – and, in a context of Ideological Perdition, that power belongs to the elite.

Buzan and Little continue this train of thought.[84] They label any separation of social ideology from the behaviour of the state, as state-centric. Separating political-economic ideology is parsimonious, they write. Separation fails to understand the gravity that power brings to the shaping of national ideology. It is the power of the elite that links politics and economics by a uniforming ideology which, thence, supports the notion of perdition residing in the structures of the state. Buzan and Little's criticism argues that, if power over political-economic ideology is divorced from the ideological foundation of the state, analysis will fail to see the true limitations perdition has on democracy.

As such, by posing the state as the pinnacle of power, indifferent to its internal political-economic ideological form, it is difficult to explain the significant incidence that non-state-based economic globalisation has had in world affairs. Be it the Gold Standard or current-day neoliberalism, globalisation connects many state's political-economic ideology together, achieving a cross-border unification of elite power over the power individuals have in many societies. This uniformity breaks with what defined the nation - like histories and cultures of a people. Rather, globalisation is valued for the perception of stability it creates - a stability being the promise of a unifying and singular ideology proffered by the elite to global societies. It matters not that these ideological forms will lead to perdition, just that they promise political-economic stability.

[84] Buzan and Little 2009 p. 451.

Though, by deconstructing the primacy of the state to the primacy of an elite's hegemonic hold over social ideology, one can reconcile much of realist theory to the spread of global ideology, domestic perdition and the rise of cross-border capital power. With state monopoly over civil institutions and the power of the elite benefitting from a political-economic ideology that hegemonically supports this power, society appears somewhat locked into its journey along the road to Ideological Perdition.

Yet, as argued above, this is a journey which can be stopped, and a new path taken. Though difficult to do, societies have, in the past, revised their ideology and reset developmental public policy in their nations. The particular nature of the road to Ideological Perdition makes creeping social dislocation hard to see – but it is possible. To see the reduction of political-economic wellbeing, the telling signs of perdition must be noticed, and society must begin to think about its preferred direction.

3.3 Chaos at the end of the road to Ideological Perdition

Political-economic ideology *does* shift. However, when there is a deviation from society's trajectory along the road to Ideological Perdition, the shift is sudden, dramatic and often instigated from an exogenous source. In the mid-19th century, witnessing the social change brought on by the Industrial Revolution in Britain, John Stuart Mill wrote:

> *Ideas, unless outward circumstances conspire with them, have in general no very rapid or immediate efficacy in human affairs; and the most favourable outward circumstance may pass by, or remain inoperative, for want of ideas suitable to the conjuncture. But when the right circumstances and the right ideas meet, the effect is seldom slow in manifesting itself.*[85]

There are instances in which society takes the lead in rebellion against the excesses of an exploitative political-economic ideology proffered by the elite - but they are few. More often, society appears spell-bound by a framework of exploitation and social division that creates the illusion of political and economic stability. It is only when faced with an asymmetric shock that expectations of future political and economic stability are broken, and new ideologies emerge

[85] Mill, J.S. 1855, in Higgs 2008 p. 554

to be contested. Yet, one would be mistaken to believe that new political-economic ideologies are presented to society, discussed, analysed, judged and put in place. More so, ideologies contest as elites vie for power in the vacuum of chaos.

Crisis, Mill wrote, is a time where the limits of social acceptance in its ideology are tested. Existing connections between the belief sets, theories and mores that make-up an ideological complex are re-aligned and revised. Indeed, whereas ideology evolves around society's moral foundations, the opportunity for power to be exercised is presented generally as a result of crisis. Only as an elite establishes itself does the evolution of new ideas become embraced, along a path different to that before.

The years after World War I saw the Great Depression, further wars in Europe, the Japanese invasion of China and revolution in parts of Europe and South America. These events all contributed to growing fear of political-economic breakdown as represented by existing ideologies. It fuelled a society very receptive to changed ideas. Further, new voters were being introduced to the democratic process. Universal suffrage was won in Germany and The Netherlands (both in 1919), Ireland (1923) and the UK (1928), introducing women and non-landowners into the equation of government choice.

In the 1930s, whatever its past strengths, the system of limited franchise and faith in automatic economic and political stabilisers neither worked nor would be tolerated by postwar society at the voting booth. I suggest that these political and economic events shifted social ideology and the power of a nation's peoples to give effective voice to this shift. Popular power gave rise to opportunities for new elites to exploit society's need for leadership that could translate society's amorphous want for stability into a political platform from which power could be grasped. For power to be vested in an elite's command of a hegemonic ideology, the process of social distortion had to commence. The political-economic environment was ripe for change. Citing the instance when circumstances coalesce, Keynes wrote that this was when change in the political-economy is most likely to occur: '… *people are unusually expectant of a more fundamental diagnosis; more particularly ready to receive it*…'.[86]

A social ideology is a complex structure of goals, permutations, priorities and connections. But when these associations break down, the social ideology no longer represents the individual. Though, whilst ideological breakdown may result from asymmetric shock, society

[86] Keynes 1936 p. 383.

cannot be defined as in any way cohesive unless a new ideological form emerges. Political-economies are complicated associations that cannot function without a labyrinth of mores, accepted behaviours, laws and institutions. Without a structure of command, shaped by and shaping social ideology, the political-economy is destined for collapse, again. So, whereas Polanyi described society relying for its safety in unregulated markets as naïve, frail and eventually in peril, the autarky of the 1920-30s may have prophetically heralded the vanishing of the old order. Thus, society is likewise receptive of a new ideological form, one that promises to give order to instability.

At the point of chaos, when an existing political-economic ideology fails to yield the stability a citizenry demands, new ideological forms emerge. Yet, as elites contest for supremacy, so social freedoms are progressively taken and surrendered as dominating elites seek to limit opposition to their emerging hegemony – from both other elite contenders and the population. In much of Europe, the emerging elite was one promising a stable new order in the form of brutalism – fascism. By 1932, the political-economic ideology supporting an unencumbered/ unregulated market was largely discredited – not replaced by freedoms but by authoritarianism.

New ideological forms, however, were not necessarily an anathema to the fundamental core values of national history and culture. Indeed, as I discuss later in the dissertation, that without reference to core fundamentals, elite hegemony is difficult to establish. However, chaos has generally engendered new ways elites could postulate political-economic certainty to a willing society. For example, the newly inaugurated Franklin Roosevelt declared: '*It is common-sense to take a method and try it: if it fails, admit it frankly and try another. But above all, try something.*'[87]

Eighty years before, the British Parliament's repeal of the *Corn Laws (commencing 1846)* brought into sharp focus urban society's discontent with low wages, high food prices and contrived price support for the output of wealthy agricultural landowners. Popular revolt against ruling aristocracy was gaining momentum, reaching flash-points in France (1789 and again in 1830 and 1848), Poland (1830-31), Belgium breaking from Holland (1839), the German states (1848-49), Italy (1848), Austria (1848-49), Denmark (1848), Spain (1820),

[87] President Franklin Roosevelt's address to Oglethorpe University, Georgia, U.S.A. on May 22, 1932, as recounted in Rodrik 2014 p.204.

Russia (1825), and Norway (between it and Denmark and with Swedish annexation in the period 1809-14). Those who held power in Britain feared the same.

Popular calls to balance the distribution of House of Commons seats between the agricultural boroughs and rapidly growing cities, the result of the Industrial Revolution, were finally resolved in the *Representation of the People Act 1832* (more often called the Reform Act). Whereas the voting franchise was limited to males who owned land, the Reform Act did break the agricultural stranglehold which supported tariffs levied against grain from the Americas which had caused food prices to soar in the industrial cities of the British nation.

Later, in 1842, the Chartists, a movement of industrial workers taking their name from the *Peoples' Charter of 1838*, garnered three million signatures on a partition demanding radical reform of voting rights, legal equity and workplace reform. The petition was rejected by parliament - even to vote that the petition should not be tabled. Notwithstanding, the risk to the British political and economic structure from a reformation in popular ideology was plain to see. Under the urging of conservative forces (led by an ageing Duke of Wellington of the Battle of Waterloo fame), significant changes in the political-economy were enacted; avoiding outright confrontation between reigning establishment elites and the nation's people.

The Corn Laws repeal reflected the elite's response to a challenge from an ideology, increasingly supported by a popular counter-hegemonic movement. This altered the absolute hold elite power had in society – at least enough to quell social revolution. The period after brought revision to poverty laws, new child working laws, Public Health Acts and the Public Libraries Acts.[88]

Polanyi argued that the autarky of an economic system, divorced from its social consequences, cannot hold an exploitative ideology in the political-economy indefinitely. His *Great Transformation* described power's sustainability as necessitating ongoing capital accumulation and, by so doing, it must diminish society's fundamental parameters of existence, the so-called Fictitious Commodities. However, capitalism's trend will eventually bring forth a social Double Movement with the objective of shifting political-economic ideology through counter-hegemonic power.

Polanyi saw ideology and the elite it supported, clearly susceptible of dismemberment if the societal parameters formed by the peoples' history and culture, were challenged. He put it

[88] Lusztig 1995 pp. 395-400.

that, where stability/ safety had been threatened before, the ideological form that reinforced the elite then, would become questionable now. Moving to the following century, Polanyi saw this ideological shift in the rise of fascism in Germany, Italy and Spain … and in Britain. Just as the 19th century British elite had seen the very real danger of ideological shift, Polanyi wrote that it was '*faulty logic*' to believe that once society had been '*impressed of an acute danger*', that its current (failing) political-economic ideology would serve the future.[89] The reforms after the Corn Laws were the result of endogenous action. In a similar way, ideological shifts characterising the 20th century reflected the demand for the stability of social cohesion, though through an ideological shift not always for the better. The signposts of a Double Movement are thus important, not solely to unite society to deviate from the road to Ideological Perdition, but as a clarion call to elite power to double its efforts to hold onto power.

Whilst the characteristics of chaos can be obvious, manifest as inequality, segregation between citizen groups, poverty and even revolt and war; what is more influential to ideological shift are changes in social cognition. Cognition is how those in society perceive the issues in front of them and the form of possible public policy solutions to be put in place. It is social cognition that defines a particular ideological political-economic form and so it is to the changes in society that give indication of impending ideological collapse. Three sociological shifts can display the manifestation of a perditious political-economic ideology:

- fear;
- inequality; and
- narcissism.

[89] Polanyi 2001 (1944) p. 199.

3.2.1 Fear

Individual fear tips to community-wide discontent if an existing ideology no-longer instils confidence of future stability. When social cognition - the way the group process events in the political-economy around them - no longer leads individuals to have faith that the political-economic form can produce stability, will shift support to other ideologies, to other elites.

Such was cognitive shift in societies across the Globe, after the Great War. The ideology of empire, duty to the overlords and rule of aristocracy (and here I particularly illustrate Europe and her dominions) which had shaped government policies during the 1920s and into the Great Depression, was broadly considered by the majority of working and middle-classes to have failed. Experience of the instability of the past engendered fear for the future. The result was a nascent shift in the social cognitive interpretation of (then) present-day issues. The late 1920s and Great Depression was a time ripe to exploit fear and bring about a changed ideological hegemonic support for a rising elite power, one promising stability, promising an end of fear.

As the economic history of current times is written, associations might be made to Polanyi's description of social decline, the consequence of commodification of base historic and cultural ideological tenets that identify individual Western societies. Fear may well be a marker identifying a point in the history to be written, that will represent a connection to money, nature and labour beyond which society's ideology is fractured. What might be written is that social fear both characterised the road to Ideological Perdition and, if a counterhegemonic movement can garner momentum, instigated a change in direction.

Donald Trump's inaugural presidential address painted a bleak landscape of 'American Carnage'. Poverty, economic decline, corruption, weakening military power and the 'swamp' of political leaders not listening to the people of the land. These all described a nation he was going '*Make America Great Again'*. History may show the shallowness of the new president's promises. However, whilst President Trump's vision bore little resemblance to any reality, and his actions as president have reinforced social political and economic dislocation, his electoral hyperbole did (and still does) resonate with the deep historic and cultural roots in that part of society where decades of neoliberal ideology had diminished wellbeing.

Candidate Trump had mobilised a fear in the heartland of the nation. It continues to be the weapon of choice for him, as president, as it does for many other leaders promoting the

'strong-man' solution to problems in society. It is an effective electoral weapon now as it was in the past. The notion of the past failed, leading society into danger was a fear which made much of a nation's citizenry receptive appetite to new political-economic ideological forms. They gave the promise of stability. Again, as the history of Mr. Trump's presidential victory is written, the failure of recent past presidents to acknowledge the effects of a shifting political-economic ideology will lend substance to the part fear played in democratic politics in the early years of this century.

3.2.2 Inequality

Margaret Thatcher told the British public that:

> '*They [the poor] are casting their problems at society and, you know, there is no such thing as society. There are individual men and women and there are families.*'[90]

Thatcher was demanding that welfare was not a right for the poor and disenfranchised, but a privilege that belonged to the 'deserving' - and only the government could determine who the deserving were. Her rise to power heralded a social ideological shift toward individualism and an exponential move away from the social duty of the state and the well-off to those less privileged. The tenet of society's cognitive shift was that inequality was the consequence of the undeserving – the poor were poor because they did not contribute to society.

Cognitively, ideology assessed the chaos alleged to exist in the political-economy was solely the consequence of the fundamental unsustainability of welfare state. The solution proffered by Thatcher was a new, neoliberal ideology. This, and only this ideology would rebalance social obligation and state responsibility. Social cognition was being shifted to see the issues of the past in a new light, interpreted to shift political-economic ideology in favour of a new elite. The new elite was, of course, big business, banks and conservative government; and it spread to the United States (both Reagan and Clinton), Europe and Australia, amongst others.

It was, of course an ideology modified for popular consumption yet obscuring the very selective wealth and power objectives of the elite. Summed up quite well after the collapse of the Soviet Union and during Russia's own reign of the free market, Boris Fyodorow (Finance Minister 1993-94) said that chaos and confusion had created a very wealthy oligarchy at the

[90] Thatcher 1987

cost of broader social impoverishment and that, moreover, the perception of chaos only allowed hinderance of any coordinated opposition, so permitting the elite to exert their power to corrupt and control with impunity.[91]

Yanis Varoufakis wrote something similar in: '*And the weak suffer what they must?*', the title of his 2017 account of Greek perdition at the hands of European bankers and the governments that supported them.[92] The Greek people, he lamented, were to pay the price of German (particularly) retribution as the wealthy North protected its and other Western banks. He noted that there was not a little punitive punishment thrown into the policy prescriptions, for good measure!

Inequality raises numerous issues of discontent: workers' rights; institutionalised age/ race/ gender discrimination; limited health-care; environmental degradation; abuse and so on. These are societal issues, yet issues impacting more gravely on the poor who have little resources to abrogate the consequences. A political-economy in crisis exacerbates social inequality by mere fact that employment falls, savings decline and fear mounts.

Joseph Stiglitz goes further. He argues that as the wealth gap widens fundamental social divisions emerge which isolate the 'haves' and 'have nots'.[93] To an extent, the distinction is based on class – those of capital having greater resources and education to draw upon. Yet, Stiglitz refers to political-economic chaos more broadly, describing the impoverishment of the middle-class as well as the poor. To this extent he writes that the breadth of inequality is beyond a worker/ capital class divide and, being so, represents an ideological claim on wealth and power by the elite, made at the pointed expense of the 'have nots'. Economic rents rise as both company and progressive tax rates are reduced.

James Galbraith continues this line of reasoning, though a little more broadly.[94] He describes inequality as systemic; its key determinant being the structural composition of the economy, itself. He revisits Simon Kuznets' income inequality curve, describing the levelling out of inequality as a democratic political-economy industrialises. Kuznets' argument, Galbraith recounts, is that, as manufacturing establishes, social inequality widens. Capital investment is rewarded, and manufacturing wages are kept low by fact of their agricultural shadow price. Yet, as manufacturing becomes the driver of economic growth, labour power becomes

[91] Johnson 2009 p. 56.
[92] Varoufakis 2017
[93] Stiglitz 2012 pp. 28-51.
[94] Galbraith 2012 pp. 47-53.

increasingly reflected in increased wages and, more so, in the policy decisions protecting labour power made by government beholden to the middle-classes. Galbraith suggests employment (and redistribution of labour's productivity to the owners of capital) is the key to rising inequality. As a manufacturing-based economy transitions toward the tertiary, as technology increases productivity, capital becomes the dominating force in political-economic power. As such, labour is less needed to maintain the profitability of capital (as new technology is put in place).

The Kuznets curve turns from an inverted 'U' as development transitions from agricultural to industrial (initially greater inequality thence to more equality) to an inclined 'S', transitioning again as technology supplants manufacturing as the source of national economic development. Labour loses the ideological significance it once had in social cognisance. The issue in the context of inequality, to be precise, is that without redistribution of wealth from capital (made rich through technology fuelled productivity gains) to the broader society, the latter will never reap the rewards of technological development. Without redistribution, political-economic inequality is entrenched systemically by unemployment/ underemployment and will only become more pronounced.

Block and Somers describe inequality as an ideological lynchpin securing the position of power to separate society between the deserving and undeserving. Just as Thomas Malthus decried government assistance to the poor locked into the destitution of the Corn Laws in early 19th century Britain, ideology can split those whose resources are limited from those who remain in employment. Block and Somers describe this as Ideological Fusion.

Ideological Fusion refers to the deeper association of the ideals of corralling isolationist principles of employment, taxes, education, religion and family values to the 'haves', that is, to those deemed deserving.[95] Those 'have nots' are said to not contribute, are poorly educated, from broken families and jobless. Ideological Fusion excludes the 'have nots' from the right-thinking society represented by government. It even seeks to expunge any legitimate position they may have as part of the nation's citizenry. Though, why, if large sections of society are progressively excluded from the wealth of the nation, indeed from effective citizenry, has there not been protracted discontent?

[95] Block and Somers 2014 pp. 200-201.

The answer may lie in dissecting Polanyi's Double Movement of counter hegemony. Polanyi's conceptual base was to describe how a Double Movement will emerge as a counter to the hegemonic power of capitalist elites as they extended their accumulative power toward debasing fundamental historic and cultural tenets of national society, that is, to attempt Fictitious Commodification. However, my notion of a society's journey along the road to Ideological Perdition is more broadly based in the power of ideological hegemony as manipulated by elites. I suggest that ever-greater inequality is a systemic construct of a perditious political-economic ideology and, without any deviation, will be a pre-determined path toward utopia. But inequality is similarly so if an elite shuns free market capitalism!

Inequality is a characteristic of a perditious ideology, designed to instil elite power, create hegemonic support and, particularly separate those deemed undeserving from any platform to voice their complaint. As such, Block and Somers are right to describe Polanyi's emerging counter-hegemonic movement against capitalist excess. However, the use of social de-citizenisation based on widening inequality is not limited by mere wage and salary differences. Block and Somers are astute in describing the *need* for a Double Movement in response to social issues diminishing the wellbeing of the 'have nots'.[96] However, where an inequal national resource distribution is justified by the ideological form of the social mindset - for rich, middle-classes and many of the poor - then an emerging Double Movement is destined to find little broad social purchase apart from the disenfranchised, who are effectively excluded from society, anyway.

The ideological partner to inequality is hegemonic separation of those without means, from their participation in the mainstream of the political-economy. The road to Ideological Perdition can be identified by increased numbers who cannot withstand economic downturn, including those working poor whose wage is so debased by their employer, that they require taxpayer funded welfare to survive. What is more telling of society's journey, is that inequality becomes increasingly hard-wired into the individual's cognition of theirs and society's obligations (more so, society's lack of obligation) to remedy inequality in the political-economic environment, around them.

This disassociation describes Malthus' scapegoating of the poor in the 1810-1830s, German de-citizenisation of its Jewish citizens in the 1930s and sectionalist political parties on the conservative outer edges in current day democracies. Ideological segregation in society,

[96] Block and Somers 2014 pp. 203-204.

based on inequality, introduces social narcissism to the regime of an elite's power – and it identifies a society's journey on the road to Ideological Perdition.

3.2.3 Social narcissism

Adam Smith, in his *The Theory of Moral Sentiments*, described the 'Invisible Heart' as the natural and somewhat obligatory complement to the economic philosopher's much misused theory of the 'Invisible Hand' of individual endeavour.. The Heart describes the obligation of the wealthy to support the land-less poor, thus constituting the development of a healthy, wealthy, unified and harmonious society. Smith argued that the perfectly legitimate quest for wealth must never subsume one's obligations to those, who by no fault of their own, were less well-off. He wrote:

> *'… wealth [is] often regarded with respect and admiration; … and contempt, of which vice and folly are the only proper objects, is often most unjustly bestowed upon poverty … and has been the complaint of moralists in all ages.'*[97]

Toward the end of *The Theory of Moral Sentiments*, Smith alludes to the generational greatness of dukes, lords and noble families achieved only by their broader, social largesse. However, as a political-economy approaches Perdition, social ideology appears to suppress those not perceived as compliant of and contributing to the principles of the ideology proffered by the elite. The progress of society along the road to Ideological Perdition is not only identified by diminished social consciousness; consciousness, also, is lessened as a necessary element of an elite's drive to maintain power.

However, broad-based fear that an existing ideological form will be insufficient to guarantee political and economic stability against existential shock will inevitably unlock dissent – giving both credence and support to a popular counter-hegemonic position. Yet, as suggested above, elite defence is to sectionalise the community. By separating those benefitting from the political-economic ideological structure in place from those deemed the undeserving poor, ideological strength (that is, the elite) can be maintained, at least for a time. The Double Movement of counter-hegemony is quarantined to those segregated from broader society.

[97] Smith 2013 (1759) p. 53.

Consistent with social segregation is the rise of the consciousness of the individual as the centre of social action. As the journey on the road to Ideological Perdition comes nearer its end, ideology becomes more focussed on what the political-economic system can do for the individual, initially, and how obligations to those outside the ideological form (from beyond one's own tribe) are to the detriment of this closed, like-minded sub-set of the nation's peoples. Shifting social ideology to perceive those not contributing as external to one's own social group, intrinsically bolsters the power of the elite and the hegemony of a perditious ideology, itself. It should come as no surprise that the primacy of the individual over wider national society, as a political-economy lurches toward chaos, is not new.

Malthus, at the turn of the 18th century, set in train a change in thinking toward Social Naturalism. The term was a pre-cursor to more odious social theories collectively described as Social Darwinism that took the naturalist and humanitarian's name to legitimise the notion of nature's grand design to limit poverty through starvation and that social assistance was to set oneself in the path of nature.

Social Naturalism posed that trying to limit the burden of poverty would be counterproductive, only further entrenching the poor in a spiral of monetary and moral depravity. Malthus described nature's self-regulatory purpose in limiting excessive population by starvation and disease. Assistance to the poor, from the doe-eyed, misguided wealthy, only increased the births of the profligate poor and set up the even worse catastrophe of revolution, in the future.

Mother Nature was, of course, more powerful than human endeavour and so it was pointless to conspire against her! More so, interfering with the Darwinian process of evolution by supporting the profligacy of the poor may very well bring down the wealthy as the poor gain the numbers sufficient enough to seize power.

The term Moral Hazard has been used in the insurance industry since the 17th century to describe subjective losses. However, the term is currently used to describe the failure of individuals to seek better wellbeing if supported by government welfare, however pitiful that support may be. A society segregated into the deserving and the undeserving can legitimise its (the so-called 'deserving's') inequitable division of national resources. Those under the umbrella of elite largesse can, thus, justify their lack of support for the poor; seeing the poor's illnesses, feeble education and limited employment opportunity, as the Moral Hazard of the poor's own actions (excessive birth-rate, moral laxity and so on). This Malthusian ideological stance asks: 'How can the poor learn from their poverty if they are supported in a way that

removes all risk and consequence of their actions?' The answer embedded in the cognitive processes is, simply, they cannot - the poor must suffer the consequences of their own making. It is along these lines that Yanis Varoufakis titles his 2017 book, above.

The promise of future political-economic stability plays to continued ideological hegemony if individual benefit could be argued to arise if only those said to be not contributing to the society, those outside the reigning ideology, can be excluded. Fred Block describes a Habitation Society in which political-economic growth centres around employment, public resources and urban development in the communities in which people live.[98] He illustrates this as a more recent transition of post-industrialisation, however, it may well describe the latter steps of society on the road to Ideological Perdition.

Block's Habitation Society represents only that part of the ideological form that supports the wellbeing of those individuals who benefit from elite power. It does not include those segregated. Public services to those, the political-economic ideology describes as the lesser citizens of the nation, are limited. For individualism one must read the self, family and like-minded participants in the ideological hegemony of elite power. As the notion of support for the poor ceased to be an entitlement of citizenship; power and wealth, in and of itself (separate from effort or opportunity), has become the criteria of social entitlement.

In a Calvinist sense, those at the top *must* have earned their place there – that is why they are at the top! The Wimbledon winner claims championship because he or she has worked hardest to reach this goal. Opportunity and just plain luck had nothing to do with it! By extension, success becomes a righteous achievement, more moral than that of physical ability, skill and the opportunities afforded by education and wealth.[99] The corollary is that those who do not succeed are demonstrably unworthy, lazy or living off the legacy of the worthy. This is society on the road to Ideological Perdition and represents a destructive cognitive process in public policy decision-making. The process of altering social cognition to favour the self, not as a constituent of national society, but as a participant in a zero-sum-game, in which redistribution represents an equal and opposite loss to one's kind, is instructive in understanding the nature of society's journey along the Road.

Polanyi discussed the role that our formative years bare on us as social beings. He extrapolated this to society-wide behaviours where, if the ingredients of culture and history are

[98] Block 2017 pp. 49-52.
[99] Manne 2014 p 170.

many and well proportioned would bring balance, production and harmony to national society. However, as commodification of money, nature and labour progressed, the human ties that fastened individuals to a national society, would fracture. I suggest the fractures lead society toward social narcissism.

I am positing that raising narcissism becomes one of the defining characteristics of political-economic ideology as society continues along the road to Ideological Perdition. To understand why narcissism is endemic in society travelling the road to Ideological Perdition we must return to the core of what sustained power is. I argue that an elite's sustained power in a political-economy is consequent of greater draconian controls, instilled in social ideology by its (the elite's) hegemony and designed purposely to benefit those under the umbrella elite power at the cost of all others. Only with greater control over society, including the exclusion of some from society's gamut, and so raising the significance if the individual, can an elite protect the sustainability of its hegemony – of its power? In viewing the nature of many political-economies, today, the ideological parameters which limit society's cognition of Smith's Invisible Heart are similar to those of Malthus' pursuit of Social Naturalism – an ideological legitimisation reinforcing inequality through an embedded, perverted sense of righteousness.[100]

The rational citizen abides by the rules of their society as set-out by society's ideological foundation. They understand that to achieve any wellbeing for themselves or their family, they must play by the rules.[101] This is not narcissism, rather just aligning oneself to a group whose mores and beliefs are similar to one's own.

By adhering to social ideology, the group is advanced. Social narcissism goes beyond this. If social ideology is altered to reward narcissism, that is, where exclusion of others is perceived to be a public policy which is the only avenue to generate reward, then it is only rational to see one's own wellbeing under threat from those outside the (sub-set or tribe of) society to which one associates. The undeserving can be ideologically seen as such 'outsiders' as perdition evolves. Indeed, any support given to outsiders not only reduces the wellbeing of one's own kind, it limits the imagined up-lifting force of moral hazard, and more importantly, introduces an existential fear of uncertainty and destabilisation.

[100] Manne 2014 p 82.
[101] Cooper 2000 p 142.

The ideological shift that imbeds narcissism as a behaviour in society reflects a widespread cognitive change that hegemonically buttresses elite power as the political-economy teeters. A society which cannot see the need to deviate will continue its track along the road to Ideological Perdition, ending in political and economic chaos. Where there is some social power, counter hegemonic action will evolve such as to divert political-economic direction from its path toward chaos. However, this is at the cost of elite power and, as Gramsci suggested, to dislodge an elite, especially one entrenched and becoming ever more controlling, is a protracted War of Position with no guarantee of either success or achieving a transition to something better.

3.4 Conclusion

Think, think and think again Dr Seuss' cat told his young victims. If only it were that easy!

Neither individuals nor the society in which they live have capability to assess the political-economy in isolation of their ideological base. It is ideology that sets the parameters and form of society's cognition of the political-economy. Where one society may interpret issues in one manner, another may come to a radically different interpretation. The difference is due to ideology; and ideology is the instrument of how power has interacted with society and social culture and history.

Gramsci described the power of an elite measured by its control over the institutions of civil society. An elite could garner even greater power and longevity through a Cultural Hegemony, locking social ideological consciousness to the objectives of that elite. Later, Polanyi described an increasing need for an elite to usurp social freedoms; freedoms established from individual's collective cultural and historic precedents which underpin human connection to money, nature and labour commodification.

Polanyi argued that, as society approached capitalist utopia - the point at which the cultural and historic foundation of society is breached - a Double Movement will break lose and shift power back to society. However, in this chapter, the traits of a political-economy approaching the end of the road have been suggested as making impotent any budding counter-hegemonic movement against elite power. To continue the road travelled analogy, I suggested fear,

inequality, de-citizenisation and social narcissism are signposts advising a political-economy to take another direction – to reform its ideological basis.

To be sure, political-economic ideology has reset, reformed on many occasions without the collapse, chaos and devastation caused by the implosion of elite power. Yet, for society to deviate from the road to Ideological Perdition, it must revisit its ideological structure. To do so, however, society must instigate a rebalance of power between it and a presiding elite.

But what the road to Ideological Perdition tells us is that elite power is likewise not sedentary. It looks to build its hegemonic force, isolating, delegitimising and diminishing oppositional power. The road to Ideological Perdition is not a trajectory from which society could not deviate. However, to embark on a new direction, society must break the hold of an existing, perditious ideology.

The Cat in the Hat had the solution – think. In the case-studies that follow, imagine the *thinks* society might think – if only society *could* think!

Part II
The road to Ideological Perdition of German fascism

'To the victims of fascism, then and now.
To all who fight fascism, in others and in themselves.
Fascism: A warning'

Madeline Albright [102]

The armistice signed in Field Marshal Foch's private train carriage, in November of 1918, brought about the end of the Great War. It also heralded the reformation of social order across much of Europe. What replaced Germany's previous political-economic ideology was a parliamentary structure. Yet, over much of its existence, it served the interest of political factions, rather than those of the broad majority of the nation's people.

As the decade of the 1920s approached middle age, the German economy stabilised and a broader political representation began to emerge. It was not to last. As the economic impact of, firstly, the European recession and, then, the Great Depression reached deeper into the political fabric of German life, its fledgling democracy began to unravel.

In this part of the dissertation, I argue that the failure of German democracy was inevitable, not solely caused by its own public policy flaws, but because of events which shifted the political and economic direction of Europe. From these events, a change of political-economic ideology in Germany was set in train. The Nazi regime instilled in the political-economy a discursive ideology which engineered the shift of national resources toward a war economy supporting the expansionary needs of authoritarianism. Reflecting on the thesis, the German people's culture, economic and political foundations were distorted to support the interests of the Nazi leadership as society's political-economic ideology was increasingly made perditious. Whilst is was not predetermined, it resulted in the nightmare of the Third Reich.

[102] Albright and Woodward 2018. The author's moving book dedication. She follows her own dedication with an anonymous Holocaust survivor's lament that: *'Every age has its own fascism',* a warning for the future, it being the subject of her book.

After the WW I and the subsequent turmoil, political and economic stability was the lynchpin of the German people's wants. However, as the nation's democracy stumbled to find a remedy for the economic depression after war's end, the German people's need for stability was increasingly affected by a perditious ideological authoritarianism that would leave Europe physically, economically, politically and ideologically devastated.

The chapters, below, follow the circular nature of the German people's political and economic disempowerment, characterised by a society travelling the road to Ideological Perdition:

- Chapter 4 describes the political and economic flux of the early and late 1920s, which gave fertile ground for ideological change in the 1930s;
- Chapter 5 extends the circular process of Ideological Perdition with devolution of popular power to the Nazi elite; and
- Chapter 6 illustrates the end of the road to Ideological Perdition as the German people's hold to the fascist ideology, despite the imminent collapse of their nation.

Chapter 4
Chaos at the end of World War I

'Very few of us realise the intensely unusual, unstable, complicated, unreliable, temporary nature of economic organisation. But the spokesmen of the French and British peoples have run the risk of completing the ruin by a peace which must impair yet further the delicate, complicated organisation, already shaken and broken by war, through which the European peoples can employ themselves and live.'

John Maynard Keynes[103]

After the Great War, attempts to consolidate democratic institutions proved successful in many nations – though not all.[104] Spain and Italy were notable exceptions to the democratisation of Europe. German democracy, despite the sectionalism of vested interests in the first years after the war, had stabilised by about 1925. Its path to a robust democracy, at that point of time, was seemingly assured. Political coalitions were eliciting the trust of the nation's people for the first time since the war and the German economy was growing. Yet, German democracy failed to set its foundations deep enough in social culture. Its democracy was only tacitly reinforced by the institutions of civil society.

As German democracy failed to temper the ravages of the European recession in the latter half of the decade, which broke into chaos as the Great Depression wore through the early 1930s, Germany's political and economic ideological framework began to faulter. Its people disillusioned, the political-economy was ripe for a shift toward the stability which was promised by greater authoritarianism.

Keynes, in 1919, had foreseen the danger of economic reductionism imposed by The Treaty of Versailles (which he termed a 'Carthaginian Peace') on a defeated foe.[105] It was a danger particularly evident where economic reductionism was combined with democratic systems in

[103] Keynes 2005 (1919) p. 8.
[104] Germany, Britain, Ireland, Austria, Czechoslovakia, the Scandinavian and Benelux countries among the nations that successfully introduced universal democratic systems. Finland did so in 1906, and France introduced female suffrage only in 1945.
[105] The Treaty of Versailles was signed in the Hall of Mirrors in the palace of the same name about 30 minutes outside Paris, in June 1919. In reality, it was a collection of agreements signalling the formal capitulation of the Axis powers and reparations to the Allied victors.

which historic and cultural social frameworks were not strong enough to weather the forces of economic boom and bust cycles. The Peace, Keynes envisaged, would exacerbate the vulnerability of the defeated countries to control by sectional elites which, he believed, would necessarily arise from the mire of political and economic stresses associated with the economic cycle.

In this chapter, I describe Germany's ultimate journey along the road to Ideological Perdition. I argue its journey was a consequence of chaos the nation endured during the immediacy of its postwar years and as the decade turned to the 1930s. Using Keynes' words, the chapter describes: '*how much [was] endurable* and *what direction [society sought] to escape [its] misfortunes*.'

The road to Ideological Perdition was to be built by fascism. However, fascism gained its hold as the political-economy fell into a form of chaos that was both predictable and avoidable.

The chapter is as follows:

- the nature of postwar democracy in Germany;
- social ideological alienation;
- economic disorder; and
- system failure.

4.1 The nature of postwar democracy in Germany

It would be incorrect to read Keynes' cautionary message contained within his *The Economic Consequences of the Peace,* as referring to the immediate postwar years in Germany, alone.[106] Keynes was foretelling of political-economic weakness that was woven as the very weft of Germany's ability to achieve long-term economic development. The nation certainly did experience both political and economic volatility directly after the war; but what he described was the genesis of a much longer and fundamental malaise, proffered by the Allied victors. The Peace forced the German nation toward a different and dangerous ideological form. Keynes' warnings went to the heart of the longer-term European economic reformation he felt was needed to ensure a peaceful Europe in the future.

[106] Keynes 2005 (1919)

The Peace represented retribution focused narrowly on the rebuilding of British and French empires. It levied debilitating reparations and national humiliation upon the defeated foe. The Peace's reparations were an incipit weight on German longer-term economic and political growth and upon the nation's ability to secure stability through democratically formed public policy, as it tackled the economic volatility inherent in the process of nation-building.

Whilst Keynes fully understood the prewar political-economic order had ended, he was not to know the desperate shape of things to come. Though, to the future, Keynes gave this salient warning: '*who can say how much is endurable, or in what direction men will seek at last to escape their misfortunes.'*[107]

Sheri Berman expands Keynes' concerns, distinguishing interwar Europe as exhibiting inherent conflict between nascent democracy and the power of unfettered capitalism.[108] Yet, Berman suggests what emerged in Germany was neither capitalist nor democratic. Rather, postwar Germany's political-economic development sanctioned a form of anti-free-capitalism which was buttressed by a state constructed ideological authoritarianism.

In Germany, during the early 1920s, democratic institutions failed to give hope to society that its postwar economic crises would be resolved. The nation suffered hyperinflation, recession, credit shortage and a political environment coloured by factionalism and assassination. Yet, as the decade progressed, policy driven democracy replaced the sectionalism and ineptitude of the immediate postwar years. Political and economic stability began to set the scene for future German wellbeing. However, German development was built on foundations sunk in sand. The nation's decision to return to the gold standard, at prewar levels, may have assisted the defeat of inflation (assisted by the gold backing of the American loan in 1924), but it would limit the nation's ability to adjust to its obligations to Allied reparations.

However, Germany's was not a problem brought on by itself. The return to gold by Britain, France and other nations in Europe, at unrealistic prewar parities, naturally initiated recessions in nations still rebuilding economies after the devastation of the war. Tackling their own recessions, European war victors exacerbated the call for German reparations to bolster domestic national finances, just when Germany was experiencing its own economic problems.

[107]Keynes 2005 (1919) p. 251.
[108] Berman 2009 p. 2.

The American economic turmoil, instigated by the curtailment of margin lending in the equity market in 1929, was a final straw for the fledgling postwar German democracy. With their dwindling gold reserves, European governments were having difficulty servicing and refinancing their sovereign debt – this only adding to European recession. The contagion of the equity market's crash on Wall Street spread to Europe, albeit the disease of economic depression had different causes. Whereas depression in the United States was the consequence of overvalued private firms and excessive private debt used to fund the equity market's previous growth, the European depression rested in the inability of sovereign states to service and refinance their debt.

As the 1920s turned to the 1930s, German society grew less and less convinced that stability could be achieved without a decisive change in political and economic direction. National democratic institutions became increasingly discredited. There was popular abandonment of the democratic ideal of nation-building, in the belief that the existing ideological parameters denoting the political-economy would be able to rescue the German state from political-economic turmoil. The environment was ready to fuel society to demand a shift of ideology – one which offered the promise of political-economic stability.

The federal democratic system appeared divorced from the power of the German länder system of local representation. The members of the Reichstag largely ignored societal discontent. Nor was the legislature seen as derivative of national culture, religion or national history. Barrington Moore Jr. suggests both Structuralist and Functionalist approaches apply to postwar Germany. Absent the middle-class revolutions that swept Britain and France in the centuries before, Germany had little practical experience of any popular check to the power of authority. Moore stresses that historical struggle against authoritarianism, born of national history and culture, on the one hand, and balanced leadership, on the other, are preconditions of a successful democracy - preconditions Germany had not endured.[109] What avenues *had* existed to represent political opinion, were generally local; represented by discussion within a religious institutional structure or a small-town setting. It was where the life of the merchant or farmer was bounded by the geography of their valley - yet, maybe this was all the voice that was of importance to daily existence?

[109] Moore Jr. 1966 p. 413.

On the local level, German länder and townships were a platform for local comment over local issues; a remnant of the role of the noble class during feudal times.[110] As industrialisation grew under the authoritarian rule of Kaiser Wilhelm II, social focus remained toward the land, merchandise (in the larger towns) and, above all, family.

Geoff Eley suggests that German national culture rested in an exaggerated respect for authority, commitment to religious institutions and what one may now call family values.[111] National democratic institutions were neither familiar to the German people, nor were they perceived to be successful in achieving political and economic stability. In the latter part of the decade, German institutions had little power to address, in a political way, the crisis emerging as all European economies went into decline, in the first instance, and subsequently, the breakdown of American aggregate demand commencing in 1929. This is the point alluded to in Keynes' quote at the head of this chapter.

Historically, the German ideological base was somewhat apolitical, at least as represented by decision-making on the national level. After the war, the standing of newly created Weimar democracy; with its compromises, revolving coalitions and popular perceptions of Reichstag members' self-serving objectives; was eroding as it failed to address economic contraction toward the end of the 1920s. Indeed, by the early 1930s, economic conditions had worsened; and were generally expected to continue to do so. Authority, clear decision-making and duty to the state (the *Volksgemeinschaft)* were absent the floundering democracy.

As the 1930s commenced, fractures emerged in the political-economy which would widen into fissures, as democracy itself was questioned as to its suitability to resolve the economic crisis. The conditions leading a people to travel the road to Ideological Perdition occur when the existing political-economy has appeared to fail, without hope of repair. This was ideological void which emerged in Germany.

The democratic institutions, having finally found their feet in the mid-1920s, were clearly unable to reach a representative, workable and stabilising public policy solution to the depression in which the nation was mired as the 1930s progressed. Political organisations on the periphery of society trumpeted that they, and they only, held the answer to core social wants. They promoted radical, if somewhat unbelievable policies to achieve stability in both governance and economic wellbeing. As an eye-witness, Peter Drucker saw the German

[110] Moore Jr. 1966 p. 418.
[111] Eley 2013 p. 1.

people applaud any counter-stance offering political-economic stability, as infinitely preferable to the *status quo* - even if economic policies were internally contradictory.[112]

Political allegiances were polarised toward socialist or rightist parties, the latter of whom the fascists were but one. However, all parties were generally representative of social and cultural structural antecedents, though each purporting to offer better leadership through suppression of dissent. On the right, particularly, but also the policy of many leftist parties, political organisations saw stability best achieved through anti-democratic, authoritarian and state focused public policy stances. Reflecting popular positions, either left or right in the political spectrum, the ground was fertile for ideological shift and support of whichever the political elite was perceived to deliver stability.

With a touch of hindsight, Keynes' fears of a doomed German democracy were accurate. A fundamental mis-match between the institutions of representation the nation had; the impossibility for German economic foundations to bed securely due to reparations; and an inflexible domestic policy the result of the European return to the gold standard, all led to the alienation of democracy from the nation's citizen's core political and economic demands for political-economic stability. However, the rise of authoritarianism was not a predefined consequence of Keynes' warnings voiced in his writing of *The Peace*.

4.2 Social ideological alienation

German postwar democracy saw, for the first time in the nation's history, a political voice granted to all - workers, merchants and landless men and women. Whilst democratic in the terms of a universal vote, the structure of civil institutions quickly became fractious. As the Reichstag was increasingly incapable of decision-making, public policy reduced to an endless contest of political discord. As political blocs, urban working men were largely united in the belief that employment and better wages would lead a return to political and economic stability; women, particularly, saw democracy's purpose failing to temper the excesses of those in authority; and rural landowners and workers were devastated by ever-falling agricultural commodity prices. These groups felt justified in their thoughts of government neglect.[113] Indeed, the Weimar Republic's acceptance of the terms of the Treaty of Versailles

[112] Drucker 1995 (1939) p. 18.
[113] McCarthy 2012 pp. 223-224.

in 1919, only reinforced popular resentment of the democratic direction the nation had embarked upon and, as a consequence, the nation's parlous economic predicament in the early 1930s.

In urban areas, middle-classes appeared more resilient to reparations and economic limitations imposed by Treaty. However, the agricultural sector remained beholden to the bankers and merchants of the major cities. Rural groups saw parliamentary democracy giving very little economic stability from which they could prosper. Moore focusses on this point, using it to argue that sectional division was a sign that the political-economic foundations of German democracy were shaky.[114] He suggested that nascent German postwar economic internationalisation polarised the German people between city and rural societies, instigating a dangerous diversion from church rule, family and the mores of national history and culture, which had traditionally unified the nation.

It is at this point the German notion of the *Heimat* must be raised. The *Heimat* is a trinity of heritage, community and tradition used to identify the German peoples' bind to their homeland by birth, language, family and affinity. The *Heimat* was German social identity; and many believed it absent in the democracy of the Weimar Republic. In agricultural areas, rural worker and land-owner united in a curious coalition in their distaste for the Weimar Republic. Both envisaged that democracy was systematically removing their connection with their core social identity. The view from below was that democracy was a political structure that was impotent in face of the crisis - if not exacerbating the crisis, itself.

Moore describes the *Heimat* in the large German cities. Similar to rural landowners and workers, urban workers' own *Heimat* was one of secure and economically sustainable industrial employment; allowing workers to provide for their families. The locus of interest, that is, the family unit, was under threat from an economic structure, derived from ineffective democratic government, that failed to bring stability to the nation, let alone economic development.

The Reichstag was roundly attacked by industrialists as too removed from the fundamentals of the free-market and that government policies were being imbued by socialist-leaning fringe parties. On the other hand, the Reichstag was criticised by left leaning parties fearing the nation would slip further into disarray as economic policies were focused on reparations and

[114] Moore Jr. 1966 p. 448.

internationalization (which, under a gold standard, would see external trade deficits fall on domestic economic growth, already precarious). To many Germans, low growth/low inflation policies favoured only bankers - and not even those from Germany. Indeed, it was clear to many Germans that fiscal austerity benefitted French financiers, particularly, those seeking protection of their German debt base.[115]

Yet, to suggest that opposition to the German parliament was limited to fringe parties advocating anti-democracy, would be to misread popular discontent. Though democracy was not broadly attacked in and of itself, the nature of the particular democratic framework in Germany (seen by many to be unable to initiate political-economic stability) was being questioned. Government, as such, was irrelevant in the discussion of a policy position that could lead the nation out of depression – it was a shift in political-economic ideology which was believed necessary.

The Social Democratic Party held the largest representation in the Reichstag, although not a majority. This might lead one to believe economic stability could have been brought about within the framework of a socially balanced democratic voice. Yet, as depression deepened, outside the Reichstag and gaining evermore popular support, were groups whose solution to economic decline was the centralisation of power. Whilst these parties promoted an often contradictory platform of economic growth, higher incomes along the production chain (from farmer to shopkeeper to customer) and nationalist freedom, they also promised stability without the confusion of democracy.[116] Inconsistent, maybe, not even believable; but to many Germans it was a promising hope where the existing democratic political-economy ideology appeared to be in tatters.

Interestingly, as German economic and political stability eventually was restored in the mid-1920s, Moore charted the rise of popular questioning as to whether democracy was distorting the ideological ideal of the *Heimat*.[117] From a political-economic viewpoint, whilst stability was being achieved, the democratic model of the Weimar Republic still did not resonate with the ideological basis of national history or culture. Democracy, to an increasing number, was simply not functioning for the betterment of society within the context of what reference to the *Heimat* would have designed for the nation. Democracy's foundations may have been made more secure had the European recession not been followed by the Great Depression, as this

[115] Kirshner 2007 pp. 89-100.
[116] Drucker 1995 (1939) p. 18.
[117] Moore Jr. 1966 pp. 433-435.

would have given time for the German nation to rebuild industrially. However, the evidence of remaining dissatisfaction in the nature of democracy in the Republic, even as growth advanced around 1926, suggests a political environment ready for ideological shift.

Adolf Hitler's appointment to the chancellorship by a naïve Paul von Hindenburg, the German president, in January of 1933 and Hitler's rule by decree after the Reichstag fire at the end of February that year, was representative of the authoritarianism seen by many as the singular solution to economic decline.[118]

4.3 Economic disorder

The Treaty of Versailles was one designed by the Allied war victors intent to '*crush the economic life of (France's) enemy*.'[119] It created a systemic and *undeniable rottenne*ss in German economic conditions which received very little assistance from the largely modest policy and decision-making talents of the Weimar government.[120] However, faith in German democracy had yet to reach rock bottom.

The decline of democratic legitimacy accelerated after the 1921 assassination of Finance Minister, Walter Rathenau, by the nationalist, anti-democratic, anti-Jewry organisation, *Consul*. This event ended any international confidence in the Reichmark and instigated an insidious train of events that saw German banks awash with domestic currency, though unable to provide finance for industry (a credit squeeze). The Reichsbank could not supply funds to support industry without challenge from foreign bankers who feared the collapse of their German bond values. In the same vein, the central bank was unable to discount commercial bills of exchange and, as such, much-needed credit to agriculture and industry was limited. The financial chaos eroded sovereign legitimacy and, with this, was raised the spectre of failed government debt raisings - even those backed by Germany's limited gold sureties.

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[118] The Nazi's blamed the Reichstag fire on a communist insurrection and 'responded' by instituting the Enabling Act, which, under the German Constitution, allowed rule by decree. The Act was passed on March 23rd. Whilst the Hindenburg caucus may have believed it could contain the Nazi Party and Hitler at its head, Hindenburg's death in 1934 prevented any effective intervention.
[119] Keynes 2005 (1919) p. 226.
[120] Feldman 1993 p. 105.

What hope had Germany in securing foreign funds required for ongoing economic development? The Reichsbank was caught between the necessity to maintain industrial production through debt, yet having to restrict credit due to its reparation obligations (denoted solely in foreign currency or gold); the constraints of Europe's return to the gold standard; and dominant economic theory obligating the economy could only be stabilised at an equilibrium requiring high unemployment. Public policy was, thus, severely contractionary.[121]

Wilhelm Cuno's short but destructive chancellorship in 1922 failed to elicit industrialist's backing for his economic stabilisation policies. His reading of both the economy and social discontent saw his plan to renegotiate reparations (to provide payment in wood and coal from the Rühr Valley instead of gold) was rejected by wealthy German elites. This event was the trigger for French (later joined by Belgium) occupation of the Rühr Valley, Germany's industrial heartland.[122] With a socialist government in Prussia and Thuringia, communists in control of Saxony and the French and Belgians in the Rühr, it was little wonder that consistent, workable national economic policy was impossible. The German government's classical economic policy solutions - modified, revised, dumped, resurrected as they were - failed to return the nation to a path of economic growth. Political and economic disarray only fuelled the rise of anti-democratic movements.[123]

Drucker described the short period of strong growth mid-decade as a false hope.[124] Simmering underneath newfound wealth, he saw free-market policies serve only to highlight the distinctions between social classes and, geographically, between rural and urban Germany. A visitor to Berlin at the time, Drucker argued that the very nature of Economic Man could be delivered by neither capitalism nor socialism where the democratic form of Weimar Germany was unable to reconcile underlying distortions so visible in the society. Drucker saw in Germany's failing democracy, the openings for something much more sinister than instability. He believed that, if the mix of capitalism and democracy practiced in Germany during the 1920s was supposed to return long-term political stability to the nation and economic wealth to its peoples, then it failed miserably … and dangerously.

Capitalist policies designed to return the nation to stability only crushed social wellbeing. Public policies were inept and impotent in mitigating the impact of economic depression.

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[121] Feldman 1993 pp. 450-451.
[122] Feldman 1993 pp. 656-658.
[123] Berman 2009 p. 113.
[124] Drucker 1995 (1939) p. 45.

Come 1933, the environment was ripe for the emergence of a political elite who could garner popular support, promising authoritarianism as a panacea for democracy's chaos.

4.4 System failure

By the late-1920s, the Weimar Republic was believed by much of the population as a self-serving rabble. Giovanni Capoccia argues that without the ability to pass policies to rebuild the nation economically, let alone national self-esteem, the fractious coalitions of the Reichstag would have to lead to an end of German democracy.[125] The democratic model represented by the Weimar government, even if political-economic stability was returned, was systemically flawed, he wrote. Democracy was destined to become more polarised and partisan as elected coalition alliances shifted to the ideological stances of those political actors at the (non-elected) periphery.

Reflecting upon Sartori's political polarisation theories, Capoccia points to the mere presence of peripheral anti-democracy parties enticing minor parties *within* the democratic system to adopt populist policies, simply in order to remain relevant to the disenchanted voter. Those who felt unrepresented by the mainstream centre drifted to political outliers, either within the Reichstag or outside it. From the late 1920s, coalitions were progressively made up of greater numbers of minor, sectional parties. With these coalitions of convenience, heterogeneous political ideology (if not a lack of a clearly definable ideology) resulted in instability and inevitably led to inept public policy.

Democracy was not assisted by groups aligned against fascist parties, either. Though anti-fascist groups were unified against the Weimar Republic's democratic model, the multitude of parties had little idea of the particular shape of a democracy they wanted to replace the model then in-place.[126] What they *were* against was quite obvious, authoritarian government of either the left or right. What they were fighting *for*, was much less defined.[127]

What *was* democracy? To the EIA, democracy was somewhat contradictorily intertwined with Christian mores, on the one hand, and un-hindered capitalism, on the other. Socialist aligned

[125] Capoccia 2007 p. 3.
[126] The principle groups were the Entente Internationale Anti-Communiste (EIA) and the Comite Mondial contre Guerre et le Fascisme (CMGF) and the SPD, the Social Democratic Party as translated from the German: Sozialdemokratische Partei Deutschland.
[127] Gijsenbergh 2014 p. 64.

organisations, such as the CMGF, had equally ill-defined parameters.[128] To the rural sector and urban working-class, the EIA's association to a loose rein of capitalist principles, particularly the international free market, was distinctly unpalatable. The EIA was vehement in its opposition to the emancipation of women and divorce, linking these to a communist moral, social and economic threat. As such, the EIA's reform of the democratic system, rather than its complete replacement, played directly into the hands of those demanding the stability of the authoritarians (including nascent fascist parties). One might be forgiven to believe the reactionary democrats of the EIA were more worried about the prospect of socialism/communism, than with the rise of Adolf Hitler.[129]

On the left, the CMGF's socialist orientation saw it suffer the hangover of prewar *Socialist Internationales,* where an international unity of workers was thought to be an inevitability, indifferent to nationalist feelings within Germany. CMGF internationalism broke with the core ideology of the *Heimat*. The global unity of the working class lent toward democratic system which alienated land based rural electorates.

Further, the left's socialist leanings appeared to sideline the wants of middle-class merchants and those who saw greater internationalism (in labour and/ or capital) as a threat to the power the German worker needed to lift domestic wages and conditions. The left was dangling in a noose of broader irrelevancy as far as much of the electorate was concerned. The people wanted economic and political stability, neither of which was anticipated by the German assessing the future of Weimar democracy. The government of the day, and the society it represented, separated due to a poor reading of the electorate, illustrated by the decisions made by government (a Functionalist approach) and deviation from social norms and mores established over history (a Structuralist approach).

Yet, the Structuralist approach has been challenged by Linz and Stepan and, more recently, O'Donnell and Schmitter.[130] Both pairs of authors point to ineffective political alliances made by government. In a similar vein, Keenan describes a democratic dilemma whereby democratic systems must recognise anti-democratic movements. This relationship '*lodges conflict to the heart of the political itself*.'[131]

[128] Gijsenbergh 2014 p. 75.
[129] Gijsenbergh 2014 p. 73.
[130] Capoccia 2007 p. 3.
[131] Keenan 2003 p. 96.

I believe both Functional and Structural arguments explain what raised German democracy to the ground and left a path for a shift in social ideology. The resilience of society, as reflected by the people's needs and wants during depression and desperation, became atomised. Society was narrowing its focus on demands for political calm and economic stability. Civil associations, such as social groups, trade associations, unions and religious orders were to merge into the one focus, that is, the quest for political-economic stability, indifferent to any ideological stance this goal may necessitate. Institutions sidelined their innate differences and, becoming more myopic, were less able to act as a platform for political dissent to temper the shift to an authoritarian political-economic ideology

The political-economic environment leading to Ideological Perdition is one of society's desperation for an ideological framework offering something better. In Germany, one may suggest that the political-economy was rapidly approaching nihilism, where popular belief was that anything was better. To many Germans, what was the use of democracy when there was no bread on the table!

4.5 Conclusion

Germany's postwar experience with parliamentary democracy failed because it lacked a relationship to the nation's history and culture. Democracy was cast along class and ideological lines which made cooperation difficult in political coalition, particularly as the nation felt the brunt of economic decline as the 1920s drew to a close. The democracy of the Weimar Republic was systemically destined to collapse, although authoritarianism was not a natural evolution. To paraphrase Moore, a successful democracy must:

- be able to check the arbitrary rule of national elites;
- demonstrate to the people that their wants are represented; and
- ensure some degree of equity in the nation.[132]

The Weimar Republic was unable to provide for any of these traits as the economy stabilised in the mid-1920s, nor as slowdown embraced the German nation afterwards.

Curiously, Cole Porter's musical *Anything Goes* opened on New York's Broadway in 1934. The entire cast sang the title song:

[132] Moore Jr. 1966 p. 414.

You're the top!
You're the nibble tread of Fred Astaire,
you're the Mussolini,
you're the Mrs. Sweeney…

The Italian fascist dictator shared the song's limelight with President Coolidge, Ghandi, Keats and Mickey Mouse.[133] Mussolini's authoritarianism was heralded as the ideological savior of European national economic collapse. Adolf Hitler's name never made it to Broadway, but the call by the German people for political and economic stability was initially satisfied by the authoritarianism of fascist ideology.

Unlike the musical, German exuberance in its political-economic ideology was a short-lived fantasy. Fascism may have imposed stability, but it did so by tearing down the civil institutions limiting the coming abuses of power. Germany's was a society embarking on particular political-economic journey that would ignore alternatives, but one which would lead it along the road to Ideological Perdition. This is the topic of the next chapter.

[133] Cole Porter's musical first performed on Broadway, New York, USA, to sell-out crowds in November 1934. The paly centres around a madcap vouge taken by the young rich and titled between London, UK and New York, USA. Somewhat of an allergy of the times of national blindness to the political and economic events brewing across the globe! The reference to Mussolini was replaced in performances during and after the Second World War. The reference to 'Mrs. Sweeny' was to a 21 year old heiress who featured in gossip magazines for jilting her royal fiancée, the earl of Warwick, for golf professional Charles Sweeney. She is included if only to complete the verse.

Chapter 5
Fascism on the road to Ideological Perdition

'The state is a spiritual and moral entity because it is the concrete political, judicial and economic organisation of the nation. Therefore, for the fascist, everything is in the state and nothing human or spiritual exists outside the state.'

Benito Mussolini[134]

Democracy is not an automatic, naturally evolving political-economic framework of governance. Many first attempts at democracy fail, often due to the fragility of civil institutions, inept leadership or democracy's incompatibility with national historic and cultural foundations. Before the Great War, Germany was one of Europe's more democratic states. Male suffrage was universal and, while the Kaiser had control over military and foreign policy, budgetary allocations were controlled by the Reichstag.

Although no single party could gain a dominant position in the parliament, the SPD had remained the party of greatest representation since 1912. The Party spearheaded the adoption of the Constitution that established the Weimar Republic after the revolutions of 1918-1919 (consolidating these in the election of 1920), which removed the German monarchy.

Whilst consisting of a loose association of the four centre/ left parties, called the Weimar Coalition, remained stable from the mid-1920s, no one party could muster the electoral support to gain power in its own right. Whilst this, in and of itself, does not necessarily mean political or economic instability, decisive public policy designed to tackle the European recession in Germany, and the contagion of the American Wall Street crash, was too little – too late. After the war, the peace treaty and the economic calamities in the early postwar years, Germany could not engender a government with any long-term popular support, even though the Weimar Coalition always remained in office.

Germany's democracy eventually failed the test of strength when confronted with economic depression. What democracy Germany did produce was, rather, a democracy which failed the popular view that political freedom could resolve the nation's difficulties in the 1930s,

[134] Benito Mussolini, The Achievements of the Fascist Revolution, 1926, recounted in Berman 2006 p. 123.

where possibly, authoritarianism could. During interwar Germany, democracy did not yield its people what they craved – stability. Authoritarianism did give that stability, though at a horrific future price, at the time unbeknown to the German people or to the world.

In this chapter, I suggest Germany's political-economic ideology was engineered by Adolf Hitler's National Socialist German Workers' Party (NSDAP).[135] Hitler's Nazis took advantage of the unique characteristics of German civil society to achieve their ends, setting the nation along a path to Ideological Perdition. The chapter progresses as:

- the importance of political-economic legitimacy;
- hegemony in fascist Germany; and
- the creation of a fascist *Volksgemienschaft.*

Hitler's Germany had an image of the state at its head and all who were protected by the state, were the servants of the state. The German people were on the road to Ideological Perdition, with only national destruction able to limit their journey.

5.1 The importance of political-economic legitimacy

For German fascism to become pervasive, it necessitated the orchestration of a hegemony able to shift national political-economic ideology. Fascist ideology required ever expanding control over social beliefs; ultimately leading to a breakdown in social structure and the subsequent political-economic ideological shift at the end of the Second World War.[136] To take a step back, however, I suggest that for power over the political-economy to become entrenched, as did Nazi rule in Germany, the position of the elite commanding that power must be popularly legitimised.

The rise of fascism in Germany, writes Berman, was not the result of a sudden political overthrow.[137] Such an overthrow would represent a power imposed, akin to Lukes' First Dimension of power, in which social ideology remained, though suppressed. Rather, Hitler's path to power was slow and determined; designed to shift society's political-economy to their welcome of an authoritarian ideology. Neither was the process of ideological change one

[135] In German: Nationalsozialistische Deutsche Arbeiterpartei
[136] Polanyi 1934 p. 391.
[137] Berman 1997 p. 421.

taken by the fascist elite by stealth. Quite the reverse. Power was granted to Hitler's fascists by way of the laws of the land. The Nazi Party was installed by popular acclimation, within the constitutional parameters of the nation and consistent with historic and cultural behaviours. I suggest that, without the element of legitimacy, fascist control over the German political-economy would not survive the test of popular approval – Hitler's Nazi power would have been transitory.

Power legitimised is a power sustained in the longer-term. Yet, to suggest that the social journey set in motion by Hitler's NSDAP was illegitimate, would be to misunderstand the nature of the sustained power described by Lukes' Third Dimension. Longevity depends on legitimisation of the elite's power. Only with legitimisation can an elite garner popular support and, with this support, achieve a longevity sufficient to effect political-economic ideological change. With political and economic legitimacy, power can become hegemonic - as it did after 1933 in Germany.

The Nazi Party never received a free democratic vote greater than the 44% it gained in the March 1933 elections. Yet, the Party held power in Germany (and over much of Europe) until it was destroyed by Allied forces twelve years later. Indeed, the authoritarianism instilled in the political-economic ideology by the Nazi Party was remarkably resilient as a system of rule till the very end.

That the Nazis never gained an overall majority in a free vote of the people is irrelevant. What is important is that, through the construction of perditious and ubiquitous control over the political-economy, the Nazi Party's constitutional legitimacy to rule was assured under the very democracy the nation's people were convinced to dismantle.[138] Legitimacy to rule was the key to the hegemony of ideology – fascist or otherwise.

Berman notes that the quest for legitimacy stretched nearly a decade before Hitler's Nazi Party became instilled.[139] The NSDAP reformed along legal, parliamentary lines after Hitler's release from jail in 1925, that is, it sought mainstream approval within the framework of the democratic system, albeit its anti-democratic policy platform. To reflect upon Lukes' Third Dimension of power: without popular support, elite power is destined to be fleeting.[140] In the

[138] Paxton 2004 p. 92.
[139] Berman 2006 p.139.
[140] Lukes 2005 p. 108.

context of the power Hitler's fascism held over the German nation, the term 'support' must be examined a little further, lest power be misrepresented to mean popularity.

Hegemony is the key to Lukes' Third Dimension of power; the key to elite longevity. Power neither represents the righteousness of the ideology, nor even its popularity. In Germany, fascist power was achieved by the Nazi Party's direction of the nation's peoples along a path that changed their collective political-economic ideology. Thus, to associate universal popularity as a necessary precedent for social embrace of a new ideology ignores the nature of power. Rather, ideological shift is the consequence of a coercive replacement of the framework of social institutions, such that opposition is removed and supplanted by hegemonic support for the rule of the elite. The path to Ideological Perdition is a path of elite hegemony, not necessarily of popularity.

Jürgen Habermas described political power as enmeshed within the bounds of social morals, culture and history, that is, within his concept of the Public Sphere.[141] The Public Sphere defines the parameters, determined by national historic and cultural characteristics, which govern social interactions. It is from the antecedents of a nation's history and culture that, in turn, the nation's legal principles are derived. Habermas was reflecting on post World War II democracy, yet, I suggest, his arguments have resonance to the accession of interwar fascism in Germany.

Fascist power necessitated legitimisation by way of the moral and legal position, entrenched in popular reverence for the German Constitution. That is, legitimisation of power was required to instigate the process of political-economic ideological shift and that, in turn, necessitated accord with the Constitution. Without legal credence, by which Habermas meant the written and unwritten parameters derived from the nation's history and culture (represented by the Constitution), a Nazi government would have no 'moral' foundation in society. Without its legal basis, the fascist government would be alien; a fiat institution in much the same way as the Weimar Republic was viewed.

[141] Finlayson 2005 p. 107.

Therein lies the paradox! For power to be sustained, it must be gained through a process that is popularly *respected* rather one that is popular. This is true even if those in power aim to subsequently disassemble the very process of democracy. Moore notes that '*objective law vanished under fascism'*, though the need for legitimacy had not.[142] Hitler knew this from bitter experience.

Seeking to mimic Mussolini's 1923 march on Rome, Hitler had sought to abduct leaders of the Bavarian government and take control of the Länd. The fascists saw, as their moral justification, authoritarianism as the singular and rightful ideology heralding political and economic stability. They believed that their notion of political-economic stability would trump the democratic freedoms the Republic promised. However, such a political overthrow was antithetical to the existing moral, historic and legal ideological framework of the Bavarian citizenry. Government by political overthrow was outside the parameters of civil acceptance and it failed to garner the broader popular support it needed to succeed.

The NSDAP certainly had *some* popular support and the Länd government *was* characterised more by ineptitude and chaos than by good policy-making. However, Hitler misread the broader public's belief that the installed government had an unbreakable and symbolic linkage to legitimacy by simple fact of its election under constitutional law. The consequence was ignominious failure.[143] The police, military and civil authorities rallied against the violent assault on the Bavarian Constitution that Hitler's Munich Putsch represented; irrespective of the promises for political or economic stability it may have promised.[144]

The enlightenment writings of Jean-Jacques Rousseau and the current-day scholarship of Habermas can help us understand legitimisation further. Rousseau called the political-economic parameters describing the right to rule as The Legislator. Habermas similarly used the term to develop his Legal Theory. The Legislator represented the cultural beliefs and history of society. In 1925, Hitler quickly realised that, for power to be obtained - more so held - the organisation of his party must satisfy two facets of power: power must derive from The Legislator; and power must be used to create a hegemony, reinterpreting the mores, beliefs, history and cultures of social ideology. For these facets to hold, the Nazi Party had to alter German political-economic ideology.

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[142] Moore Jr. 1966 p. 449.
[143] Paxton 2004 p. 91.
[144] Berman 1997 p. 408.

The Nazi Party received this legitimacy from the German president, Paul von Hindenburg with his 1933 invitation to Adolf Hitler to become the nation's chancellor. Fascist power was not gained by overwhelming popularity, though it was perceived as legitimate. However, whereas popularity is not a requirement of legitimisation, the popular acquiescence to the ideology posited by an elite, is.

To achieve a shift in the political-economic ideology held by society, an illusion of fascism's ideological identification with German-ness was created. Acceptance of the fascist ideology had to go to the very roots of the societal 'being'. This represented a distortion of the *Volksgemienschaft*. By associating fascism to the stability afforded by the peoples' service to the state, the fascist ideology became glued to the singularity represented by the notion of the German national family. Both social and individual identity became inseparable from that of the state; the *Volksgemienschaft* being unity with the fascist identity of the German state.[145]

5.2 Hegemony in fascist Germany

Gramsci gave us the concept of Cultural Hegemony in which an elite can engineer a political-economic framework to unify a nation's peoples to a singular set of beliefs and mores. Indeed, Cultural Hegemony was an elite's vehicle to gain the cross-generational presence with which an elite requires to manifest its exploitation of the nation. The fascist hegemony limited dissent by aligning broader popular opposition against any nuance of disagreement to the rule of the elite.

However, Cultural Hegemony is more than the simple consent of the population to political organisation. Hegemony, Gramsci wrote, is the universalisation of ideology by the intellectual to an otherwise fractious subaltern class.[146] For the ideology of the German fascists to have any purchase in society, its ideological framework had to be seen as the unifying element; that which the discredited Weimar Republic lacked. For this, fascist ideology had to be embedded at the very core of what it meant to be German.

Hannah Arndt attended the 1961 trial of SS-Oberstrumbannführer Otto Adolf Eichmann, the principle organiser of the extermination of Jews, Roma, foreign workers and many others

[145] Eley 2013 p. 141.
[146] Gramsci 1971 pp. 12-13 and 52-53.

during wartime Germany. She covered the event for the *New York Times* and subsequently authored *Eichmann in Jerusalem: A report on the banality of evil.* Raising controversy at the time, she described Eichmann as '*neither a monster nor a demon'*. To Arendt, Eichmann represented the perversion of the citizens of a nation entranced by an ideology with no grounding in humanity.

Of Eichmann, Arendt wrote:

> *'The longer one listened to him, the more obvious it was that he was unable to think from the standpoint of somebody else. No communication was possible with him, not because he lied, but because he was surrounded by the most reliable of all safeguards against the words and presence of others, and hence reality as such.'*[147]

Eichmann belonged to the Nazi elite. Yet, he was also a product of an ideology that was perditious. The application of fascist ideology in the political-economy by the architects of the Holocaust, SS senior officers Gruppenführer Arthur Nebe and Obergruppenführer Reinhard Heydrich (they directly reporting to Reichführer Henrich Himmler), was a complex of popular persuasion, infiltration across civil society, propaganda and terror. Eichmann was guilty of horrific crimes and his punishment seen by many, including Arendt, as just. But what Arendt was saying was that Eichmann was as much a product of an ideology as he was its architect. Evil, Arendt implied, exists in the individual and is quickly expunged by society. However, where society is constructed on the basis of an ideology which is, itself, evil, those within society become its instruments. One must remove the ideology, as well as those in power for good to triumph.

Whilst the orchestration of fascist ideology in society was cruelly masterful, the underlying basis of fascism was philosophically quite shallow. Its appeal to the masses lay in its simplicity of principle - reverence for the state will bring stability and wellbeing to all. To the elite who ruled the state, its appeal was that any vocal or alleged deviation could be deemed subversive and violently suppressed, with the overwhelming support of the nation's peoples. The core tenet of Nazi ideology was that it promoted a cult of reverence for the state, more specifically interpreted as embodied in the person of the Nazi leader. This reverence was, simply, German-ness - the *Volksgemienschaft*.

[147] Arendt 1963 p. 49.

Obversly, the counter-image of the *Volksgemienschaft* was represented by a section of Germany's own society, now distinguished by the obligatory wearing of the Star of David. The Jewish people, who had a heritage stretching centuries to Germany's Middle-ages, were separated from the ideological image of the German. This was the ideology instilled by the need for Nazi authoritarianism's identification of a foe to legitimise its hegemony. Reporting about the 1961 trial, Arendt had captured in Eichmann's testimony the seductive simplicity of the fascist ideology to the defendant and the absolute evil that both fascist ideology and those who acted as its officers, represented to society.

Cultural Hegemony was afforded to the Nazi Party by Germany's unique character of civil society. Berman writes that while German civil society was widespread, it had little diversity of political-economic opinion. To borrow from Max Weber, Germans *were singing from the same songbook*.[148] The objective of the Party was to engineer a political-economic shift derived from the re-creation of social ideology. The method was hegemonic control over the institutions of civil society, centred on a distorted image of the *Volksgemienschaft*.[149]

The *Volksgemienschaft's* historic and cultural roots created a unified Germany in the previous century. This association was used by Hitler to instill fascist civilian duties to what was described as a more proud and independent German state; resembling the Germany of the prewar years. It was a link to past national pride, to be sure, however it also created a platform for excluding competing ideological pretenders to Nazi power.

The perversion of the *Volksgemienschaft* was a powerful plank in Nazi hegemony. Cultural Hegemony could deliver the Party the social acceptance of the authoritarianism the elite required to further shift political-economic ideology to accepting the increasing demands placed on German people by the regime. The *Volksgemienschaft* was a practical manifestation of the singularity of society under fascism; representing the unification of the self with the state, not so much as a citizen, but as a product of the nation itself. Being German meant being integral with the state - and the state (being the people individually, the society and government) could accept no dissent. The *Volksgemienschaft* was heraldic in Germany's references to nationhood, its culture and history. The universality of what it meant to be German that the *Volksgemienschaft* represented, afforded the fascists a nationally ubiquitous platform to shift political-economic ideology to service its own ends.

[148] Berman 1997 p. 407.
[149] Eley 2013 p. 66.

Yet, the Nazi *Volksgemienschaft* was premised upon an identity of German-ness derived from a selective reading of history. It posited the image of the Aryan across class divides. It set up the outsider as a foe to Germany and the 'rightful' German. The outsider was, as the German people goose-stepped further along the road to Ideological Perdition, anyone or part of society whom the Party demonised. As far as fascist hegemony was concerned, the outsider had to be easily recognisable - the Jew, gypsy, homosexual, disabled or foreigner. Described as covert and dwelling amongst the people; socialists, communists, Bolsheviks were equally labelled as dangerous to the state. The outsider, whomever the 'outsider' was determined to be, was ideologically excluded from *Volksgemienschaft*. The obvious extension, and one upon which the power of all authoritarianism lies, was that the outsider was a threat to national stability. The outsider was the easy focus of hegemonic fear and this fear instilled a popular belief that the outsider must be removed; for without whose elimination, a truly pure German society could not rise. That the fascists formed allegiances with many Jewish industrial leaders was beside the point; fascist ideology required a clear focus for hegemonic power to exist, and that focus was on those who were deemed not part of the *Volksgemienschaft*.

Fascism's breadth of hegemony had a part missing - it had not secured the middle-class representation so necessary in its claim to represent the entirety of German society. The fascists had to be seen to be the party of the *volk*. Yet, without middle-class support, fascist power would always be perceived as sectional - as was the years of Weimar government. However, in a convenient turn of circumstance, the Weimar government ensured the shift of middle-class allegiances.

Commencing the 1919-23 period of hyperinflation, the Weimar government failed to react to middle-class economic fears, in particular, the continuing reparations which most merchants and small business owners thought were the cause of the nation's economic problems. Inflation significantly diminished middle-class savings, diminished their investment and financial prospects. To add insult to injury, Germany's return to the Gold Standard in 1923 (at prewar levels that did not reflect the nation's dire economic circumstances or stock of infrastructure), demanded yet lower domestic economic growth to balance the nation's dismal Capital Account. Returning to gold locked the economy into a downward spiral, engendering Weimar economic policy too few in the middle-class.

Yet, class theory alone cannot explain the appeal of fascism. In interwar Germany, there is little evidence that middle-classes faired any better than the working-class. What did occur, argues Michael Mann, was that big businesses prospered to the exclusion of all else.[150] Rather than class conflict between proletariat and bourgeois, unregulated capitalism alienated the middle-classes from traditional capitalist modes of production. Consistent with the narrowing of the gap between working and middle-classes, the Nazi Party idealised the *Heimat* as a union between the image of peasants' toil of the land and small merchant's struggling against the Weimar Republic's favoritism toward large industrial conglomerates. The worker, peasant and middle-classes became politically and economically indistinguishable from each other; ideologically captured by the fascist ideal of the state. Promises made are often jettisoned, Barrington Moore Jr. wrote, and once accession of fascist rule occurred:

> '*…of course, it was an absurdity that the nation could do without a strong industrial sector, so necessary to facilitate the territorial expansion demanded for life under fascist ideological rule*.'[151]

Gramsci argued that one must look to Cultural Hegemony when assessing the degree of power held by an elite. Hitler's power over the political-economy of Germany was the consequence of the hegemony that fascist ideology created. As such, the degree of power the Nazi Party held in the German political-economy was measured by its hegemonic purveyance across aspects of national civil society. Cultural Hegemony delivered the fascists unlimited avenues into German civil society, creating both broad and grass-root access to disseminate propaganda, on the one hand, and a cadre to quash any dissent, on the other.

Achieving such a universal hegemony over civil society required the Nazis to merge private and public spheres of social interaction, creating a unity between both spheres and a singular beholding of the nation's peoples to the fascist state.[152] Paraphrasing Mussolini's quote at the beginning of this chapter: the (fascist) state is all, and all exist to serve the state! If the people willingly adhere to an authoritarianism such as that presented by fascist ideology, then society itself will remove any nascent opposition to political or economic policy made by the state. As such, the Party's power was not the result of conquest - rather of the German peoples'

[150] Mann 2010 p. 32.
[151] Moore Jr. 1966 p. 58.
[152] Riley 2005 p. 289.

acquiescence to Nazi ideology in absence of any avenue for an alternative political-economy to be voiced.

Fascism may have risen opportunistically amongst a rabble of intersecting political-economic alternatives, but Hitler's Nazi Party had been able to engineer an environment where Cultural Hegemony would entrench the German people on a path to Ideological Perdition. This ideology represented citizenship as a collective agency - not to the nation, but to fascist ideology.[153] Power in the political-economy thus rested in the state and, in turn, the individual was indistinguishable from the state.[154] The road to Ideological Perdition is not made by popularity, rather, it is made by power obtained through hegemonic control of society. The fascist's success was measured by its legitimacy to assume power in a democracy and the degree to which German civil society disavowed that very democracy.

5.3 The creation of a fascist *Volksgemienschaft*

It could be suggested that Nazi political-economic ideology considered civil institutions' roles as an integral part of the normalisation of the fascist state. The Cultural Hegemony of fascism which pervaded political-economic ideology described a like-mindedness across society. This new, singular manifestation of social ideology did not reflect the ideology of the past, which gave weight to the role civil associations had in traditionally representing the diverse political voices of German citizens. Rather, in Nazi Germany, civil institutions were integrated into the fascist's political-economic strategy, representing a conduit for Nazi ideology, and only Nazi ideology.[155]

That Hitler needed his party's power legitimised is clear. However, the Party's power above its own electoral weight had also to be demonstrated. This power came from its claim as the singular protector of the *Volksgemienschaft*. In return, the voice of its ardent followers gave the Party, or more particularly the charismatic Adolf Hitler, a dominating presence throughout Germany's social associations. The Nazi elite garnered control of civil society, achieving power enough to show the nation's peoples that it, the Nazi Party, was the only true defender of 'German-ness'.

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[153] Eley 2013 p. 66.
[154] Riley 2005 p. 303.
[155] Riley 2005 p. 289.

Herein lies a dilemma. Scholarly work has more often linked the breadth of associational life to a strong democratic polity; whereas the German experience appears the opposite. The 19th century French political scientist, Alexis de Tocqueville, wrote of the positive relationship between a peoples' predilection to form social and political associations in the United States and Britain, as an indicator of the strength of their democracies. His basis for observation was that peoples who were practiced in giving and listening to the opinions of others were, as a result, also practiced at negotiating the convoluted path to decision-making which is so necessary in a robust democracy. Germany had a vast web of social associations comprising its civil society. Indeed, Max Weber noted his fellow citizens' embrace of voluntary associations that, to study German political life, one must '*…start at the bowling club and continue to the political party or religious, artistic or literary sect*.'[156] So, if a broad civil society is the catalyst to making democracy work, what was the problem with interwar Germany?

Berman argues that it is not the *number* of associations that promotes democracy in a society, rather the *diversity* of the views those in these associations hold - that is the key to the power of civil society.[157] She suggests that the particularly narrow diversity of German interwar civil society was an ingredient in the limited mix that saw an easy hegemonic spread of fascism's perditious ideology throughout the nation. Unlike associational life in Britain or the United States, Weber noted that German association-ism failed to promote better citizenship or democratic values. Germans had little diversity to promote a respectful, yet politically vigorous, Public Sphere (to borrow from Habermas). Weber continued:

> *'A man who is accustomed to use his larynx in voicing powerful sentiments on a daily basis without, however, finding any connection to his actions; this is a man who easily becomes a 'good citizen' in the passive sense of the word."*[158]

German civil society was broad; however, it was not particularly vibrant – at least in the sense of raising politically divergent views. This assisted the hegemony of Nazis' ideological spread across the nation. Indeed, while German associationalism may have had a wide base, its narrow diversity was essential for the rise fascist power elite.

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[156] Berman 1997 p. 407.
[157] Berman 1997 p. 405.
[158] Berman 1997 p. 407.

Arendt's work can help us understand the failure of German civil society to limit the political-economic excesses of fascist ideology. Her conception of Mass Society represents a national civil society consisting of a single ideology. Being singular meant civil society lacked any substantive platform upon which individuals could raise fundamental contradictions to the reigning ideology of the *status quo*.

I suggest a minor modification of the Arendt's Mass Society. Rather than the *number* of associations developing civic power, the *nature* of their social diversity may better describe the breadth of ideology in the political-economy. The limited ideological depth of the German Mass Society surely helped fuel the process of fascism's hegemony. In contrast, a diverse civil society, represented by a peaceful, though vibrant associational environment, sees political cleavages bridged through the practice of democratic discussion and collective determination, as suggested by Tocqueville. In fascist Germany, where the art of discussion and negotiation was diminished due to limited associational diversity, dissent was considered as an attack against the state.

Mann suggested that, as specialisation in industrialisation consumed the value of human endevour in the production process, the individual would be increasingly alienated from the roots of their production.[159] Thus, society's traditional political and economic moorings to their pre-industrial national history and culture were severed. Interwar German society characterised Arendt's Mass Society - its ideology becoming more pervasive over time. The German society, therefore, naturally tended toward more polarised political-economic ideologies, that is, ideological stultification.

Hitler's fascists championed the prospect of state power over national infrastructure and welfare, divorcing these policies from the devastation that *laissez-fare* capitalism had wrought. They advocated industrial protection through tariff control and fixed agricultural prices.[160] The Party promoted bottom-up economic policies, directed firmly toward their constituency, whilst securing political control from the top via staunch, centrally controlled authoritarianism. In this, Hitler's Nazi cadres succeeded in gaining power by way of shifting political-economic ideology by coercion and force, infiltration and alignment of civil society, rather than any particularly innovated economic policy platform.[161]

[159] Mann 2010 p. 32.
[160] Mann 2010 p. 59.
[161] Mann 2010 pp. 47-49.

Arendt wrote in the late 1950s that a strong civil society, represented by a wide associational structure, would temper ideological shifts if only due to the fact of restraint on personal behaviour that association with others in society brings. Similarly, Robert Putman wrote some 35 years later, that the value of a wide and diverse associational structure established a culture which lessened narcissistic behaviours in society.[162]

Berman shares a common joke of the interwar period that '*Whenever three Germans meet, they are more than likely to draw-up by-laws of a club!*' What Germany had was breadth, but little ideological depth. If Mass Society has this meaning, then the Berman and Arendt/Touquevillian views may not be separated by as vast a chasm as first implied by the dilemma referred to above. The lack of diversity played to the power that Cultural Hegemony delivered the fascist elite in Germany. This is why the elite had to concentrate on aligning civil institutions to the fascist political-economic ideological form.

Longevity of fascist power meant meeting society's political and economic expectations of: a return of stability cognisant with historic and cultural identity; return of national identity and pride; and the setting of a course for greater social wellbeing. Drucker witnessed Hitler's fascists engender near mystical qualities in the minds of the German people. Though he wrote that few believed the hyperbole, enough did see the prospect of political and economic stability greater than that of other ideological contenders at that time. Drucker saw in Berlin's Alexander Platz, and in rural towns and villages, how fascist ideology gave hope, though not necessarily belief, that the surrender of democracy for any morsel of stability in the political-economy, was a welcome swap.[163]

Drucker's observation is important to an understanding of the power hegemony has in shifting a political-economic ideology in a society already disillusioned. The Nazi Party promised hope. I contend that this hope turned to perdition as all political-economic ideologies that usurp social rights must. However, with hope largely absent the Weimar Republic, the fascist rise saw the dissemination of its political-ideology advance rapidly. As German civil society became much less diverse over the course of the Weimar years, and particularly during the Great Depression, lack of associational diversity proved more receptive to a fascist voice advocating ideological shift.

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[162] Berman 1997 p. 405.
[163] Drucker 1995 (1939) p. 18.

For society to embrace a different political-economic ideology, particularly one that promotes the jettison of democracy, the belief in authoritarianism had to come from ideological infiltration of German associations. That infiltration across the German landmass and in the aspirations of its people was extremely rapid, as reflected in the Party's electoral results (Table 5.1):

NSDAP Electoral Vote	
May 1928	2.6%
September 1930	18.3%
July 1932	37.3%
November 1932	33.1%
March 1933	43.9%

Table 5.1 The Nazi Party electoral vote

The Weimar governments' policy responses to The Great Depression were disjoint and confused. In contrast, Hitler's own charisma and his party's popularist, albeit simplistic economic platform held political sway. The method and means by which political-economic shift was orchestrated was novel – and masterful. The Nazi Party's organisational skill embedded its activists across the nation's civil associations. Locally, political and social movements were popularly seen as detached. However, the centrality of the fascist ideological message was nevertheless managed by the elite, residing in Berlin. The Nazi Party's organisation tailored propaganda specific to each association; to the characteristics of the geographic area; to social class; and guild membership, represented in civil society. Its propaganda appeared to mesh with local concerns. This localisation was in stark contrast to other political parties' centralism which, given the local nature of the *Heimat*, made the Nazis political competition appear aloof and disconnected.

Local management and control of activities was left to local Nazi cadres. The organisational structure of fascist rule was a process that gave management skill to Party cadres.[164] Organisationally, the reporting-lines of power were structured vertically within the association

[164] Moore Jr. 1966 p. 47.

and were also networked horizontally across different associations. Such a managerial structure facilitated the spread of Hitler's fascist ideology to cross class lines and geography in a very short span of time.

The NSDAP's propaganda was targeted to potential 'joiners', particularly from the disenfranchised bourgeois. By attracting the middle-class, the Party would be perceived to be somewhat more respectable, being believed to be ideologically broader than just a political party for workers and students, as it was in its early years. The middle-classes were anxious for the promise of stability and so the fascist ideology met with willing ears across sports clubs, civic associations and voluntary groups.[165].

Where a civil society is broad and diverse, the Touquevillian assertion that democracy would be strong and vibrant *might* hold. However, the notion of Mass Society in Germany has a little more prescience in that Germany's was a society of uniformity, stretching back in history. This linear heritage was exploited by Hitler's fascists as they sought to intrench their political-economic ideology. The Nazi Party focused on raising an exclusionary German-ness or *Volksgemienschaft* to embed its perdition, especially in light of the racial and heraldic notions espoused in *Heimat*. As such, the Nazis bridged the cross-class divide, engineering the takeover civil society on a local level and promising the frustrations of the people would be alleviated by political stability, economic growth and national pride.

[165] Moore Jr. 1966 p. 32.

5.4 Conclusion

Opportunistic as it may have been, socially degenerative as it became, German fascism was nevertheless a solution to the free capitalist, democratic impasse confronting the nation during the 1920s and early 30s. The power of Hitler's Nazi Party evolved from the situation of ideological void or, at very least, the failure of any alternative social ideology to gain significant social purchase. However, the rise of fascism in Germany was not a natural evolution - quite the contrary. Fascism's power necessitated a concurrence of events in the political-economy.

The NSDAP received less than three percent of the 1928 vote yet, by the end of 1932, Hitler was anointed the Republic's chancellor. The road to Ideological Perdition is one where an elite commands power over the political-economic ideology of a nation's peoples by force of its hegemony. For the people of Germany, this ideology may have represented hope for a greater wellbeing, but by usurping the role of civil society to limit the excesses of the elite, Germany was destined to a chaos of almighty proportions.

The fascist rise was legal, if impurely attained. It was the consequence of the hegemonic spread of a perditious ideology throughout the political-economy. As such, Hitler's rise represented:

- hegemonic power, not popularity;
- the manipulation of political-economic ideology through a perversion;
- a civil society, broad but limited in diversity; and
- a perditious shift in the ideology of society.

The shift in social ideology removed any bounds on Hitler and the Nazi Party. Yet, the hegemony of fascism could only hold power whilst the Nazi command delivered national strength. For this, fascism had to expand in both the geographic sense and the meta-physical. Military success would deliver both. However, authoritarianism must be ever-increasing for ongoing military extension and this extension *must* lead the nation toward its ultimate collapse.

If a nation's peoples cannot instigate change, the road to Ideological Perdition must end in an inevitable political and economic collapse. The collapse of the fascist ideology in Germany is the topic of the next chapter.

Chapter 6

Chaos at the end of the road



Wherever they burn books,
they will also, in the end,
burn human beings.

Heinrich Heine[166]

The Allies envisaged the Second World War coming to an end by late 1944. Barring some miraculous technological advance, many of the senior Nazi hierarchy believed much the same.[167] However, while assessing German military capacity beyond the point of resurrection, the Allies misunderstood the hold fascist ideology had over the German state, its military and, particularly, its people. The Germans refused to capitulate despite recognising their certain defeat!

I posit that fascist ideology in Germany was so fixed, even as the war was coming to an end, that the nation's path inevitably moved closer to Ideological Perdition. At this point in time, no deviation to the path the nation had embarked upon a decade before, was possible.

[166] Heinrich Hein (1797 – 1856) German poet, journalist, essayist and literary critic.
The image is from the motion picture *Fahrenheit 451* (1966, Director: François Truffaut, Producer: Anglo Enterprises Vineyard Ltd./ Lewis Allen/ Universal Pictures). It shows a teacher, an outcast choosing to burn with her books, which were forbidden by the authorities, rather than live without the freedom they gave her. The film was adapted from the novel of the same name written by Ray Bradbury (1953).
[167] Kershaw 2011 p. 17.

Henrich Heine was German, Jewish and a keen commentator of his nation's strengths and failings. Though he died eighty years before the Third Reich began, his warning was as prophetic in the 1930s and 1940s, as it was in his lifetime and is today: suppression of legitimate opposition leads society in only one direction.

The chapter follows as:

- the radicalisation of hegemonic ideology; and
- nihilism at the end of the road to Ideological Perdition.

6.1 The radicalisation of hegemonic ideology

Götterdämmerung is the fourth and final drama of Richard Wagner's magnificent opera, the *Ring Cycle (Der Ring des Nibelungen).* It was performed to a packed audience in Stuttgart by the Berlin Philharmonic, just weeks before German capitulation in 1945. *Götterdämmerung* completes the narrative of an unwinnable, though pyrrhic, battle between the gods of Valhalla. The battle leaves complete destruction in its wake - and a re-birth of humanity from the chaos of its ashes. The road to Ideological Perdition is a road to the destruction of the political-economy necessitating the breakdown of existing social structures, opening the way for new associations to form.

Similarly, Wagner's contemporary, Fredrich Nietzsche's nihilism can describe pointless, though obligatory, defence of a broken fascist ideology at the end of the road to Ideological Perdition. Resignation and inevitability were the only resolutions the nation's people could take as they faced their destruction. The *Ring Cycle* idealised self-sacrifice in front of insurmountable odds. It gave the promise that consequences faced in the present would lead to rewards for a future nation; albeit of which one would not be a part.

As the war drew to an end, the purges after the failure of the July plot to overthrow Hitler removed much of the military opposition to fascist political-economic ideology. Similarly, the Gestapo terror put upon the German citizenry suppressed any deviation from their continued connection to their fascist political-economic ideology. In short, support for the political-economic ideology of fascism existed not because of the possibility of victory, but because there was no alternative to defeat.

In Germany, as defeat became ever more evident, the political-economic ideology which had ensured the people put their efforts behind the nation's war effort, remained the singular ideological platform that defined the political-economy. The myth of future triumph in present defeat which *Götterdämmerung* represented, was proffered to the nation's people. In the last year of the war, the end of the road to Ideological Perdition was demonstrated by, firstly, elite power in jeopardy maintaining its grip over the political-economy through increasing radicalisation and, secondly, an ideological hegemony which strengthened if only because there was no alternative in place (after any alternatives having been expunged over the years). If a soap-box were available to present differing views, would many gather to listen if food and shelter had to be found amongst the ruins?

It is perhaps not surprising that, with the only perceived alternative to fascism being disorder, the German people held on to the architecture of the authoritarian state, even in the midst of the state's looming demise. There was nothing else to turn too!

In late-war Germany, political-economic ideology was being defended, albeit that ideology becoming increasingly more radicalised. German civil infrastructure continued to operate; courts passed judgment; civil servants were paid and even university grants made. Though, whilst Germany may have ended the war with civil institutions in place, the apparent order disguised a deep-set vein of anti-democracy and a latent, violent ideology. Germany's was a political-economy physically devastated and, with social freedoms increasingly constrained by a perditious ideology controlled and defined by a failing fascist elite.

Without ideological radicalisation, the people's sight of the nation's predicament may have incited the overthrow of the fascist elite. Polanyi described a coincident Double Movement taking grip as the commodification of the elements of human existence were usurped by an exploitative elite. Whereas, Polanyi was describing the power of *capitalist* ideology to exploit society to the point where the basis of human existence was put under threat, a similar application can be made to perdition in any political-economic ideology.

Yet, where Polanyi described the Double Movement to be a somewhat automatic response to challenges to social history and culture, Gramsci's notion of Cultural Hegemony offers us a model that demonstrates an elite, in control of hegemonic power, can suppress nascent counter-hegemony from ever gaining social purchase. In Germany, there was clear indication of opposition to fascist rule, particularly in the last years of the war, yet to describe these as a Double Movement would be incorrect. These opposition voices had little purchase across the

wider community. Fascist ideology was so strongly welded to the German political-economy, that its hegemony suppressed any opposition, quickly and brutally.

As 1944 turned to 1945, the behaviour of the fascists became more authoritarian. The Nazi party's power was held by increasingly violent and arbitrary measures.[168] As the war drew to a close, German citizens saw the reality of the nation's hopelessness. Theirs was a political-economic nihilism as the Nazi state became decidedly more draconian.

Greater authoritarian control preventing dissent is a defining characteristic of Ideological Perdition. Indeed, whilst the actions taken to control the citizenry by the fascists may have been more blunt than that of elites exampled later in this dissertation, the *modus operandi* remains the same: civil institutions made impotent in their ability to voice organised opposition; and increasingly harsh measures to contain divergent views. One must remember that the power of an elite is powerful so long as the elite remains in power. Without its power entrenched, the longevity of an elite is limited. Hitler's was a Third Reich to last one thousand years and the fascist ideology was designed to last that long!

In Germany, the process of ideological radicalisation was by propaganda and terror. As the war turned against Germany, social discontent was evident as a series of reactionary outbursts. Whilst, Germany's defeat at Stalingrad was not generally considered a turning point, it did signal perceptions of possible German defeat. From 1943, anti-war graffiti increasingly appeared on buildings in major cities and reports noted an '*increasing number of bourgeois, industrialists and officers contemplating compromises to end the war.*'[169] As time moved on, desertion from the Eastern and Western fronts became more pronounced and acts of open defiance to orders from Berlin became commonplace amongst officers on the field of battle.

Propaganda appeared to reflect the Wagnerian image of heroic defeat on the battlefield. Ideological manipulation celebrated the crushing German defeat at Stalingrad as a defining moment of nation-building, in much the same way as the tragic poem of the *Nibelungen Saga* (from which Wagner derived the *Ring Cycle*); a Greek tragedy; or Australia's Gallipoli offensives. Germany's defeat at the River Volga was portrayed as the bloodying in battle believed so necessary for nationhood. This analogy was of a nation built of the blood of its young, heroic men, defending the Fatherland.

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[168] Kershaw 2011 p. 10.
[169] Wegner 2004 p 21.

Association of defeat with honour has been used by all sides, in all conflicts and has seldom lost its hegemonic effectiveness when used to support the position of an elite in the political-economy. Heroic defeat was used to buttress Nazi solidarity. It was exemplified in propaganda directed toward factory workers, as it was to merchants and grieving mothers, whose lost sons were to be lionised as the 'glorious dead'.[170]

A passage from a 1936 German military handbook read:

> '*Even an attack without hope of victory, attack purely for its own sake, can be justified as a last desperate deed that leads to heroic death instead of shameful capitulation.'*[171]

Self-sacrifice was integral to the fascist ideology, rooting itself as the highest service the German could make to the state. The *Volksgemienschaft*, the very being of German-ness as exemplified by the *Heimat,* would be the German people's war epitaph. It was an epitaph that would resurrect a fascist Germany in the future; a clear reference to human-kind's resurrection in Wagner's *Götterdämmerung*.

Hitler's own perception of his rule, contained in his work *Mein Kampf*, was of the leader misjudged in his own time but hailed by the 'Goddess of Destiny' in history.[172] This image was not diminished as victory shifted from winning the war, to the ideology of the glory of defeat.

[170] The reference to 'Glorious Dead' is one carved into the many monuments, in most country towns, to the fallen Australian soldiers of WW I.
[171] Wegner 2004 p. 32. Handbuch der Neuzeitlichen Wehrwissenschaften, vol. 1: Wehrpolitik und Kriegführung (Berlin, 1936), p. 212.
[172] Kershaw 2011 p. 393.

Wegner quotes a telling passage written for an imagined future by the fascist leader, on the day before his suicide:

> *'Out of the sacrifice of our soldiers and out of my own close ties with them unto death, the seed will one day germinate in German history one way or another and give rise to a glorious rebirth of the National socialist movement, and thus to the realisation of a true racial community [Volksgemeinschaft].'*[173]

Propaganda had strengthened popular support for fascist ideology as war approached and during the greater part of the conflict, by the end of 1944 even Minister for Propaganda, Joseph Goebbels, felt the efficacy of misinformation had mostly been played-out.[174] At home, the image of the 'people's community' as one of solidarity and integrative effort behind the war, had become to dissolve in face of news coming from the fronts and the tide of homeless fleeing destroyed towns as Allied troops advanced.

Where propaganda failed to re-invigorate popular credibility in the regime, ever-greater sectional violence was perpetrated by the SS; its swift 'justice' reinforced by the state-controlled judiciary. Terror against the German people supplanted ideological persuasion. Certainly, fear of occupation drove some to continue to fight, especially against Russian advances. Yet, fear of reprisal from the fascist state and those cadres remaining loyal to the Party cannot be under-estimated. Terror was the domestic weapon used to prevent the rise of popular opposition and it was used widely and effectively.[175]

Defeatism was particularly targeted. The core of fascist ideology was that each German person was an arm of the state and existed solely to serve the state. The protection of fascist political-economic ideology was key to resistance of any discursive shift in society, from the grass-roots up. Defeatism was a crime and any deviation from the fascist ideological line was an attack against the state and, by inference, against all German people, both jointly and severally.[176]

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[173] Wegner 2004 p. 33.
[174] Kershaw 2011 p. 390.
[175] Kershaw 2011 p. 391.
[176] Kershaw 2011 pp. 208-209.

The retribution of the state was swift and absolute. Greatest were the punishments against those in positions of local authority and the armed forces - though all were subject to the violence of the radicalised fascist ideology. Whereas past repression had been mainly directed toward those deemed non-German, the growing popular anxiety of erstwhile loyal supporters of the fascist ideology were now being targeted. Fascists took actions to the final degree, executing of many thousands who dared to voice a call for conciliation. The state had long held control over the judiciary and police, however its orchestrated terror over the German people enlisted not only these civil institutions, but covert means in ever-greater and arbitrary social subjugation. Foreign workers in their millions were enslaved; execution of Jewish, Roma and those with disabilities were increased. Any ill-judged remark in a coffee shop or at work, could result in imprisonment or execution.[177]

State terror was brutal during the final months of the war. An escalation in arbitrary executions was ordered, concentration camp executions were ramped-up, reprisals were wrought upon the families of those at the front who questioned orders, 'misplaced' their regiments or outright deserted.

The destruction of the nation did not stop there. The Nero Decree (the *Nerobefehi*), issued by Hitler in March 1945, ordered the destruction of all physical infrastructure that might conceivably be used by the advancing enemy. Destruction was to be immediate and complete, whether it be in occupied territory or on German controlled soil. The decree was too late to be of any military benefit. However, the decree demonstrated the extent to which Hitler and the Nazi Party would defend the shaping of an ongoing political-economic ideology in a defeated, postwar Germany. In the most part, the Nero Decree was defied, particularly by Governor Choltitz in Paris; the Minister of Armaments, Speer; and by field commanders throughout Germany.

The population appeared resigned to defeat, unwilling to raise criticism of the regime for fear of being struck down, yet hoping the British and American forces would arrive before the Russians.[178] But why, when military loss was obvious to all, was the war pursued?

[177] Wegner 2004 p. 18.
[178] Kershaw 2011 p. 208.

The answer lay in fascist ideology. For the fascists, the final months of the war were a means to an ideological end. Whilst the war was lost to the Germans, the fixature of fascist ideological objectives, was not. In face of defeat, the legacy of fascist ideology was to be the horrific Final Solution, delivered through the ideological perversion of 'glory in defeat'.

6.2 Nihilism at the end of the road to Ideological Perdition

I suggest that fascist hegemony made social ideological shift near impossible. Ian Kershaw suggests that many German people preferred a defensive stance in face of defeat, enduring '*an end with horror rather than a horror without end*.'[179] Malcolm Bull similarly describes the atrophy of social dissent.[180] Where civil structures were so corrupted as to wholly embed the fascist ideology into all aspects of social, political and economic life, ideological shift proved impossible. Ideological change can only evolve where there is an alternative. Where there is no alternative, there can be no ideological shift, irrespective of the chaos as the end of the road to Ideological Perdition approaches.

Germany's immanent defeat instigated a greater perdition. Fascists, to control their power in a rapidly dismembering political-economy, had to instill the notion of heroic defeat as the only plank of national survival into current ideology, as they sought to lock their position into the postwar future. Bull writes of this counter-intuitive inability for society to shift a political-economic ideology as chaos approached, as a somewhat Machiavellian. Where political-economic ideology becomes fractured, Niccolo Machiavelli asked both if the fracture were severe enough to *invite* a shift in ideology and if society could recognise a better political-economy if, indeed, it was presented.

An exogenous shock is more often the event that *invites* new political-economic ideology. However, the shock of defeat and advancing armies of occupation was not sufficient to counter the fear that defeat warranted the loss of the *Volksgemeinschaft*. Bull describes the ideological assault to power coming from exogenous and asymmetric shock (what Machiavelli termed Historic Rapture) as a singular hope for change. In Germany, there was no such Historic Rapture. The invitation for a new ideological form was both too late and set against

[179] Kershaw 2011 p. 386.
[180] Bull 2016 pp. 33-44.

the futurist notion of the *Götterdämmerung* that fascism had created as the end of the war approached.

Nietzsche juxtaposed the nihilism of wellbeing on earth with reward in the Hereafter. He suggested that to see one's reward after death necessarily subjugated one's life (and reduced the supposed importance of impending death) in the present. In 1945 Germany, nihilism reached its apex. The expungement of the German state would live on in a postwar hereafter through the continuing hegemony of fascist ideology. As such, the individual and the built environment, by extrapolation, were of no value to the nation's ideological future. The only value that *can* remain, was the people's ideology and this was a fascist past to create a fascist future.[181] Amidst the ruins, the Nazi ideology's legacy was reduced to what was possible at the time - the eradication of the Jewish diaspora.

The Final Solution was Hitler's legacy to history. It was his (horrific and unconscionable) gift to a postwar, defeated Germany. The promulgation of the conflict in its last months could well be seen as an act of self-destruction. It was designed to buy time, not for the nation, but for fascist ideology. It bought time at the cost of lives and property for the purpose of the extermination of a race of people, themselves German, which represented the nightmarish legacy Hitler and fascist ideology willed to the future.[182]

6.3 Conclusion

It was not coincidental that, as Station 451 officers burned the pyre of forbidden books (in the movie Fahrenheit 451, pictured at the head of this chapter), François Truffaut's camera zoomed to a copy of Kurt Vonnegut Jr.'s seminal antiwar novel, *Slaughterhouse 5*.[183] The book's lead characters, two American prisoners of war were supervised by officers, tasked with clearing bodies from the ruins of Dresden after its fire-bombing in the final days of the war, even as Allied troops entered the city from the north. Vonnegut's book could be said to describe the end of the war as the terminus of Germany's journey along the road to Ideological Perdition which had commenced in 1919.

[181] Bull 2014 pp. 45-48.
[182] Wegner 2004 p. 27.
[183] Vonnegut Jr. 1969

I am cautious to separate the *inevitability* of political-economic destruction arising from a nation travelling the road to Ideological Perdition from any counter-hegemony that could break that journey, seeing the nation shift to a different ideology and, thus, to a different path. However, Germany's path did not shift from the grip the fascists established on the state in 1933. The hegemony the fascists orchestrated over the political-economic ideology of its people, remained firm. Popular dissent from the fascist ideology grew, yet the last months of the war saw an increased grip of ideological hegemonic radicalisation. A Polanyian Double Movement never eventuated!

Fascist ideology was certainly about expansion through war, but it was more. Its ideology was framed in the perversion of the state existing above the sacrifice of the individual, for a historical legacy that would endure through time. The perdition of fascist rule in Germany was not for the nation, nor its people, but form the ashes of destruction for the *ideology* of fascism to rise again.

When those in society believe their future rests in burning ideas contrary to those embedded in the reigning political-economic ideology, such as those expressed in books, society soon becomes blind to ideas which could act as the nation's savior. Rather, society sees only the danger which ideas bring and *that* justifies the burning of those who dare to hold such ideas, as Heine warned.

Part III

The road to Ideological Perdition during the Cold War



Leslie Illingworth[184]

Despite the physical devastation of Europe after the Second World War, the political and economic landscape was anything but barren. It heralded a period of rapid economic growth. However, by the 1970s, political-economic ideology had so perverted democratic power that this very ideology's collapse was in the offing. Illingworth's cartoon depicted the globe dangerously careering to a military contest between the United States and the USSR - human destruction was a mere movement of the wrist away.

Postwar political-economy had evolved from pre-1929 monopoly capitalism into a form regulated by government, in what John Ruggie labeled as embedded capitalism. Yet, Illingworth showed something more obscure than a dispute amongst leaders. He described the proximate cause of societal fear was a hegemony supporting a military, government, industrial elite, orchestrating the form of a Cold War, with global war on a hair's trigger!

[184] Illingsworth 1962. The Welsh political cartoonist, Leslie Illingsworth's cartoon in the *Daily Post* succinctly brought to his British readers the knife-edge the fate of the globe rested upon as each president faced-off during President Kennedy's naval Quarantine Against Cuba as Soviet vessels, believed to carry nuclear missiles were headed to launch bases in Cuba.

I suggest ever-increasing military allocation of resources was a systemic stress built into the postwar political-economy. The war-footing conflicted with America's evolving political and economic environment and ultimately characterised the end of the road to Ideological Perdition. In concert, the nation's political, military and armaments elites orchestrated a shift in popular political-economic ideology. It was perditious in that the fruits of postwar development were enjoyed disproportionately by the elite cabal; led to a reduced wellbeing than could have been delivered; was promoted as the only public policy possible to the exclusion of any alternative; and, ultimately, lead to chaos.

The discussion follows:

- Chapter 7 suggests that a political contest between power blocs shifted United States' social ideology to one of direct international intervention;
- Chapter 8 proffers Ideological Perdition's explanatory strength as fear of capitalist collapse was used to subvert democratic power; and
- Chapter 9 aligns the Cold War power threat exacerbated systemic economic flaws in Bretton Woods system, ultimately causing political-economic collapse in 1973.

The nuclear trigger is depicted at the finger-tip of both leaders. In this Part of the dissertation, one may be left wondering whether either leader was really in control?

Chapter 7
Emerging American political and economic hegemony

'Roosevelt's death was a calamity of immeasurable proportion which was directly responsible for the breakdown in United States-Soviet relations in 1945 and thereafter. Indeed, had Roosevelt lived and retained his health, he would have never permitted the present situation to develop.'

British Foreign Secretary, Anthony Eden[185]

Eden's comment was prescient. It signaled a sea-change in the United States' geo-strategic policy away from Roosevelt's policy of engagement with the Soviet Union; to one where American power was designed to contain the Soviet's influence through might rather than cooperation.

The Second World War had levered American society from its post-Great War isolationism, on the one hand, and emboldened its global hegemony by fact of its nuclear supremacy, on the other. In this chapter, I argue the United States':

- hegemony was as a consequence of Roosevelt's doomed cooperative postwar political-economic framework;
- global geo-strategic position shifted as a result of its monopoly in nuclear weaponry; and
- international hegemony was the basis for domestic political-economic security.

The chapter follows as:

- Franklin Delano Roosevelt (FDR) and the failure of a cooperative hegemony;
- the atomic bomb and the rise of American hegemony;
- the hegemony of military power;
- the hegemony of economic power; and
- aligning international hegemony with domestic ideological shift.

[185] Anthony Eden, in 1945, venting his abject frustration to the Tory Cabinet at United States' President Truman's dismantling of Roosevelt's painstaking diplomacy that had aligned Stalin's interests in a cooperative peace with western powers after war's end, as reported in Costigliola 2012 pp. 2-3.

The global strategic map had shifted with nuclear weaponry affording the incoming American president, Harry Truman, a significant political advantage to interpret his nation's interests as centred about a European vision of U.S. style capitalism. With a touch of hindsight however, Eden's words have signaled the coming prolonged period of global political-economic contest. He envisaged the reality of a new world political-economy; systemically flawed by putting the needs of military power dangerously over those of public security.

7.1 FDR and the failure of a cooperative hegemony

Whilst Roosevelt's position toward Soviet postwar expansionist plans were clearly accommodative, his policy was purely pragmatic. Roosevelt's had but one objective: to conclude the war with as little loss of American lives as possible. If accommodating Joseph Stalin helped achieve this end, then so be it. For after the war, Roosevelt had grander plans to build world peace.

On a cursory analysis, Warren Kimball suggests Roosevelt's foreign policy was 'impressionistic', noting policy was often contradictory, never documented, shifting as circumstances changed and secretive.[186] Roosevelt relied extensively on the power of personal relationships, though clearly in ill-health during

the last years of the war. That said, Roosevelt's policy had a clear, broader and grander postwar vision.

Kimball writes that Roosevelt's behaviour was consistently in accord with his view of a postwar political-economy power being guided by, as the President termed, the Four Policemen: the United States, Great Britain, USSR in the West and a re-invigorated China in Asia. Rather than policy incoherence, Kimball sees Roosevelt as a juggler, with many balls in the air, knowing the position of each and a current and future vision of them all. Roosevelt's over-riding fear, as Allied victory became evident, was holding of wartime Allied forces together when separate excursions to take territory from defeated Axis nations might well have been expected.

Kimball's view of the statesmanship of FDR differs from some Cold War era descriptions of Roosevelt's war policy. These earlier discussions fault the President's ill-defined postwar

[186] Kimball 1991 p. 7.

structure, arguing it was primarily the result of naïvely accommodating Soviet territorial demands. I feel this view is a little disingenuous. Kimball writes that this assessment ignores the nature of circumstances as the war drew to an end and, indeed, geo-strategic policy as the Cold War approached its conclusion. Kimball draws a direct line from Roosevelt's political policies to events such as Soviet Glasnost and Nixon's recognition of the People's Republic of China, citing cooperative economic frameworks locking in an American ideological base to interventionalist capitalism.[187]

Frank Costigliola has a similar opinion. He writes that, in Roosevelt's view, Stalin, though anticipating the downfall of capitalism, was nevertheless patient for revolution and open to the thought that collaboration was not antithetical to the eventual rise of socialism. The 'problem of the Soviets' after the war was, for Roosevelt, resolved in the form of the Four Policemen. It was a policy Stalin could live with. However, the black bordered flags atop the Kremlin on the days after Roosevelt's death suggested that the personal relationship between the two leaders might not transfer as easily to the newly elevated vice-president.[188]

Roosevelt, in search of postwar European peace, had to acknowledge the inherent military power of the USSR, especially when juxtaposed against the devastation in Europe. Of this, he had first-hand experience; having seen the political-economies of Europe in social flux since the collapse of 19th century empires, thirty years before. Looking at the 20th century, the Second World War might be considered an interlude, horrific as it was, which truncated an unhindered rise of destructive ideologies - ideologies that may rise again. It is not by spontaneous occurrence that the final years of the 1940s saw nascent separatist actions in Yugoslavia, the Korean Peninsula, Vietnam, Iran, the Mandated Palestinian Territories and Greece amongst others; the consequence of pent-up tensions 'freed' from the binds of the war.

Roosevelt had imagined postwar European political-economic stability achieved through joint British and Soviet hegemony, with the aid of local nation involvement, that is, the Four Policemen. It was a strategy to snare Stalin in a net of European obligations and contrived mutual trust, particularly at a time when the USSR was at the height of its power. By design, the United States would have limited policing functions; a somewhat passive stance Roosevelt believed the American public would favour, especially after its costly European interventions during the previous thirty years. A hegemony of cooperative states, Roosevelt surmised, was

[187] Kimball 1991 p. 190.
[188] Costigliola 2012 pp. 205-206.

dependent upon national economic and political interests aligning with geo-strategic benefits of cooperation; that is, economic reconstruction, social harmony and, thus, a long-lasting peace.

The soon to be established United Nations Security Council (its principles discussed as early as the 1943 tri-partite Tehran Conference attended by Roosevelt, Churchill and Stalin) would prevent complete disengagement of the United States' interests from future, postwar Europe. It would permit the United States, as the most militarily and economically stable nation at war's end, a degree of power to influence the course of European political-economic stability for its (the United States') own ends. The Security Council was supposed to entrench in global affairs a cooperative rules-based economic and political order, ensuing capitalist West Europe's sustainability by quarantining Soviet expansion and the unchecked spread of totalitarianism and/ or communism. Rather than the naïvety often levelled at Roosevelt, his was a peace without the cost of the United States' occupation, or the mistake of its prewar isolationism.

This was Roosevelt's desired legacy - a 'new globalism', including a Soviet participation brought within a community of European nations. That said, Roosevelt's postwar vision left his successor, Harry Truman, a foreign policy that appeared to be based upon the personal relationship between the late president and Stalin, rather than any superficially delineated agreement defining Soviet expansionism.[189] Roosevelt's vision was dropped by the incoming administration soon after the United States detonated its atomic bombs on Japan. Truman realised the geo-political power he, and the American nation, now held!

However, I suggest the practical realisation of the immense military power the United States would *naturally* lead to the rise of American hegemony in Western Europe and, consequently, a race for geo-strategic counter-positioning by the USSR. Whereas a cooperative strategy may have been necessitated to gain Soviet accommodation *during* the war, the atomic bomb instigated postwar behaviours reverting to the promotion of historic national interests, thus limiting Western/ Soviet cooperation.

To answer why this was so, the writings of Antonio Gramsci can help. He described a historical irreconcilability of disparate ideological fundamentals between nations. As the military position of the United States became entrenched, its monopoly over nuclear weaponry

[189] Miscamble 2008 p. 1.

(and the USSR had to counter with its own build-up of forces) lead to the failure of a cooperative international hegemony.

Gramsci's derivation of hegemony is founded in the history and characteristics of national social-historic-political-economy. He posited a Moment of Hegemony as the point where an emerging hegemony was possible, dislodging society's previous cognitive way of assessing political-economic events. But to achieve a successful internationalism, as envisaged by Roosevelt, domestic class and political-economic interests must coalesce. Internal divisions needed to merge into a singular national interest; recognising the superior benefits of international cooperation.[190] It was Roosevelt's postwar plan to centre power around a hegemony of European states (and China in Asia) bent on peaceful cooperation, in which the Soviet Union and Britain would set the tone for reconstruction, fruitful economic development and political co-existence.

Gramsci imagined that the relationship between economic Structures (the effect private ownership has on human behaviour) and Superstructures (being socially entrenched class divisions) would narrow between like-minded nations. Societies in workable harmony would enjoy the benefits of inter-state cooperation, outweighing the benefits of national isolation.

Gramsci theorised that a nationally defined ideology emerges from the form of the Structure, thence manifest in the class and history embodied in the Superstructure. Hegemony was the result; unifying a group toward a cooperative political-economic ideology instilled by an elite. Gramsci principally related this to the formation of national hegemony to the unification of northern and southern Italy. Yet, going beyond state borders, Gramsci posited that this notion of cooperative political-economic progression was also valid across national lines, especially when one considers like-minded class (the worker) or national geo-strategic interests. Without the shift in geo-strategic power caused by possession of the atomic bomb, I suggest that this environment could have been applied to postwar national interests.

[190] Morton 2007 p. 95.

For Gramsci, the interaction between economic Structures and ideological Superstructures creates a Historic Bloc. Such a bloc will unify disparate national interests into a particularly supported political-economic order. Complex and sometimes discordant ideologies are, thus, a reflection of social relationships of production (Structures). It is when these relationships offer collective benefit over individualism, that a fertile soil is ploughed for international hegemony to grow. Yet, where hegemony can grow, there must also exist exclusion, for without exclusion, power would be universal and not attributed to any one hegemon. Postwar political-economy was defined by a Western hegemonic alliance being associated with the United States – as *it* was the only nation with nuclear weaponry. The Soviet bloc was contained by the European West under the hegemony of the United States and Stalin was frantic to achieve a military presence to legitimise both USSR territorial objectives and its totalitarianism.

To understand American/ Soviet cooperative failure, one must understand how postwar political-economic ideologies were contrived as bridgeless chasms. Postwar, George Kennan described the Soviets characterised by a communist, totalitarian mindset, which was wholly entwined in the nation's very 'being'.[191] The United States, as European hegemon, he surmised, would make Soviet cooperation within a capitalist Western Europe, an impossibility. Built of differing models of production, Kennan believed any coalescence of civil society across borders would never be possible. Accordingly, where ideologies of the Superstructure were enmeshed in the national psyche, as described by Kennan and reflected by the Truman Administration's foreign policy during and after the Potsdam Conference, there was established an ideological rationale to *preclude* the cooperative hegemony which was envisaged by Roosevelt.

If the political-economic ideological gap was deemed too great to bridge, then the legitimate policy direction for the West was to the United States as hegemon and, at great cost to the American people, Europe's protector against Soviet expansion. The analysis could be described as reverse-logic: the coincidence of American and Soviet interests, envisaged by Roosevelt could never be sustained on ideological grounds, and so one has the evidence to justify the creation of a belligerent bi-polar hegemony. One must be left to wonder if, had Roosevelt completed his fourth term, his Four Policemen policy could have ever extended to shared development of nuclear weaponry? Given the immensity of the technology, I have suggested that the Four Policemen policy could not have been established if only one of the

[191] Kennan 1947 p. 858.

'policemen' had the power to annihilate the rest. In any case, the Moment of Hegemony failed to emerge between the United States, Britain and the USSR once the binds of wartime cooperation were released and nuclear technology was quarantined by the American government under Truman. Hegemonic power from the American and the Soviet blocs became legitimised, solely by each amplifying their political-economic ideological differences.

Looking a little closer to the ideological basis of the rise of bi-polar hegemony over Roosevelt's cooperative geo-strategic form, one can example Britain's need to rebuild after its devastation. Whilst there may have been divisions between classes, the British political-economic framework was capitalist, though within an emerging welfare state public policy setting. Using Gramsci' inspection, this framework gave rise to a Structure from which political-economic ideology (the Superstructure) had begun to shift as early as Ramsay MacDonald's second Labour government from 1929. An incompatibility of cross-border Superstructures existed because of natural ideological discordance. A Moment of Hegemony between the Four Policemen could not arise because bi-polar bloc hegemons were being created in the shadow of the race for national protection against nuclear threat.[192]

Importantly, Gramsci differed from Marx in that, in the international context, Gramsci believed class coalescence need not be uniform across national boundaries. This he understood as working classes fought as citizens of national foes, rather than as a class against their elite rulers. For cross-border class cooperation to create international hegemony, a nationally coherent Superstructure had to be in place. For such coherence, a uniform political-economic ideology had to exist over the borders of nations; a force Gramsci did not envisage in face of each national elite's power to control domestic political-economic ideology. In postwar Europe, I suggest the divisions between Western and Soviet ideological Superstructures needed to reach a cooperative hegemony. However, this cooperation was made incompatible by design, in the first instance, and irreconcilable as the Cold War developed, in the second. This policy position suited the Western hegemon and possibly those of Joseph Stalin, as well.

I am not suggesting there was no ideological shift after the war - there certainly was! In Britain, the voice for social reform was reflected in Churchill's decisive defeat of 1945; partly a consequence of the Tory party's limp support for the Beveridge Report's call for ground-breaking social welfare reforms. However, ideological liaison between British workers and the

[192] Morton 2007 pp. 95-99.

wider communist movements in Europe never eventuated[193] Economically, government and citizens' unity held priority over other factors which might have caused division. European nations were concentrating on reconstructing their own state infrastructures, rather than looking outward to align political-economic ideological interests to something as amorphous as the pan-Europeanism which was at the forefront of Roosevelt's Four Policemen. Applying Gramsci, the relation between the Western productive forces in an embedded-capitalist framework and communism, had little proximate necessity. Politically, Britain was attempting to hold onto its dominions in face of American opposition; and Stalin was pursuing a line of buffer states to protect from any future Western European hostilities. As such, ideological divides were not bridged by economic or political assimilation and any such actions were never going to create a Moment of History. Both Britain and the USSR were, understandably, war-weary and were also elsewhere occupied.[194]

A Historic Bloc between the West and the Soviet Union could not establish as their ideological Superstructures were so alien to each other in the aftermath of the West's (that is, the United States') possession of nuclear weaponry. Any reconciliation of joint interests could not transcend the divide of monopoly nuclear military power and the one-sided destruction it posed. The distrust between the lead victors of the war, rooted in disparate ideology, was insurmountable.

The ideological rift between Western Europe and the Soviet Union was most greatly manifest in the divide between capitalism and communism. The new American president held a fundamental distrust of Soviet territorial intensions and his consequent foreign policy position was supported by many in the Administration. Kennan's 1947 Foreign Affairs article accurately described the new Administration's ideological differences toward Soviet ideology.[195] Kennan wrote that communism *necessitated* totalitarianism and territorial expansion. It was politically designed to the overthrowing of democratic states as its defence and to entrench its own ideological legitimisation. He argued that the United States should never again be caught by totalitarian expansionism. Kennan continued the lineage, writing that, as in prewar Germany, Soviet civil society institutions were suppressed. Indeed, so deep was the ideology of capitalism's inevitable collapse, that Stalin's involvement with the diverse political-economic community of European nations, was inconceivable. This, Kennan feared,

[193] Gramsci 2000 p. 204.
[194] Chirot 1977 p. 119.
[195] Kennan 1947 p. 858. Published at the time as authored by 'X'.

made Western trust of Soviet behaviour ill-considered in the least and dangerously foolhardy, at best.[196]

As the balance of geo-strategic power shifted in Europe toward the United States after the detonation of the atomic bomb, a Superstructural shift increasingly reflected incompatibility of American and Soviet political-economic ideologies. This led to an open ideological assault on any cooperative Soviet/ European policy. Ideologically, Truman would align his country's vision of capitalism to mean democratic freedom, representing social-political-economic values, that is, to its own Superstructure. This political-economic ideology was presented not only in stark contrast to Soviet communism, but also as mutually exclusive.

The geo-strategic position was thence one of containment of Soviet power. It was a public policy that would necessitate a much greater American involvement in European affairs than Roosevelt had ever planned. I suggest this policy stance was quite natural. The United States emerged from the war with great economic power and it had jettisoned isolationism for a popularly supported interventionalist foreign policy. It also had a monopoly over military power with the detonation of the atomic bomb – which it would not squander on a passive geo-strategic presence.

7.2 The atomic bomb and the rise of American hegemony

A product of his times, Gramsci had placed the size of a nation's military, its geographic area and its population as the determinant of a nation's power. He broke with Marx's False Consciousness which had hegemony rising from class alliance, particularly proletariat classes exploited by capitalists being aligned across nations. In Figure 7.1 (below), Gramsci's position is illustrated by a hegemony arising from the collective social ideology which unifies a historic bloc. The Structure represented more than the economic parameters defining one's job and the Surplus Value reaped by capitalists. Rather, it represented the individual's legal, social and historic association with collective political-economic ideology. Power does not rest as dominance between classes. Power is represented by how political-economic ideology evolves as an organic construction of social relationships across the entirety of society, its institutions and apparatuses.[197] Gramsci had blurred the distinction between Structure and Superstructure which Marx had originally limited only to class conflict. Gramsci posited that

[196] Kennan 1947 pp.856-858.
[197] Laclau and Mouffe 2014 pp. 56-57.

each class effected the other and their cross dependence thus diminished the role of class in the evolution of hegemony.

Further, military force, Gramsci argued, was important though only in terms of it being a decisive element in any struggle between hegemonic powers on the national stage.[198] He saw it as a force imposed, not a force popularly acquiesced. The monopoly supply of both a nuclear threat and a nuclear defence, by the very nature of its destructive force, shifted the elements determining hegemony toward the hegemony of military protection being not only accepted, but demanded by recipient nations.[199] The military was, to Gramsci, an important part of hegemony, yet not the greatest part.

The American detonation of the atomic bomb turned global power on its head. With a single weapon, able to level a city in an instant, the Bomb relegated time-honoured attributes of military power to the realm of history. More importantly, it shifted the ideological basis of the political-economies of Europe and the United States.[200]

When entire states could be burned from the face of the Earth with a dozen or so atomic weapons, and this destruction could be achieved in a matter of hours, the power of one class over another makes little sense. Total destruction does not discriminate on the basis of wealth! Gramsci died long before the atomic bombs were detonated in New Mexico and Japan (the latter, of course, fulfilling Roosevelt's objective to end the war in the Pacific). However, Gramsci's defence against the limitations of interpreting power based singularly on the materialist nature of working-class verses the capitalist (Materialism) within the context of the history of society (thus Historical Materialism), can be applied to the postwar Atomic Age. The position in 1945 was that postwar history could only be defined by the new parameters of warfare and by the monopoly the United States held in the nuclear threat dominating these parameters.

Postwar hegemonic power was paper-thin, I suggest, if considered as a power which existed between classes. Rather, hegemony would evolve as a harmonious association between classes seeking their survival as part of the entirety of a nation-state; both as a society and as an individual within that society, in face of nuclear obliteration. Hegemony would be defined by military power and military power was singularly defined by the atomic bomb!

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[198] Morton 2007 p. 94.
[199] Augelli, recounted in Gill 1993 p. 127.
[200] Alperovitz 1985 p. 205.

By inference, I suggest that the form of political-economic ideological form after World War II can be described as an interaction between Structure, Superstructure and military power. This extends Gramsci by fact of the power on the political-economy of a military weapon he could never have envisioned.

The shift in the elements creating a hegemonic power occurred by the unbridled military power the United States had in shaping the relationships between Structure and Superstructure. The political-economic ideology that gives rise to hegemony, as Laclau and Mouffe write demonstrates:

> *'Gramsci's position [was] clear: the collective will is the result of politico-ideological articulation'* and articulation represents a '*… unity through a multiplicity of dispersed wills with heterogenous aims, welded together with a single, common … conception of the world*.'[201]

The postwar determinant of political-economic ideology was the hegemony of the United States and due to its possession of a military power that was both unquestioned and infinitely destructive (Figure 7.1).

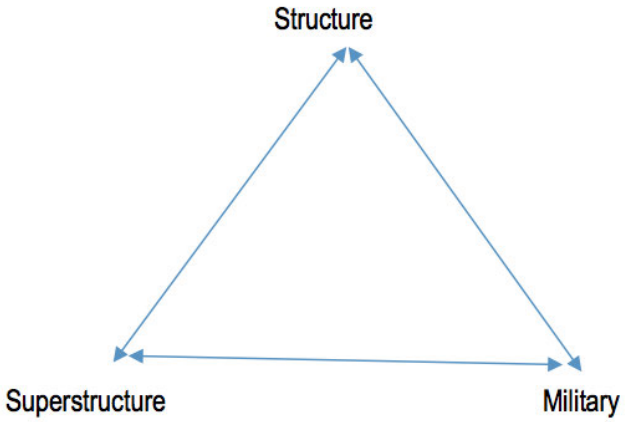


Figure 7.1 The association of hegemonic forces

The nuclear threat drilled-down the importance of American hegemony to the Structure of the nation and embedded it in the national Superstructure - its civil society and institutions. As Robert Gilpin expressed, the United States took on the role of *Pax Americana*, where its

[201] Laclau and Mouffe 2014 p. 58.

hegemony across much of Europe was based on a mutual wish for political stability, backed by formal military accord.[202]

One-way exploitation, as imagined by the political-economic realist theory of Hegemonic Stability, is far removed from Gramsci's role of the hegemon; enacted through cooperative relations which embedded dependence deep within national Superstructures. Gramsci's was a hegemony of the powerful; but one which served the primary goal of both hegemon and secondary state. It was, writes Robert Keohane, the key to European political and economic stability.[203] Single state hegemony, exploiting its peripheral states, is inconsistent with the longevity of American-European political-economic cooperation. Keohane separates the fact of long-term cooperation between states from the purely military attributes of the United States' hegemony - as would realist interpretations of Hegemonic Stability have it.

However, I do not see that military cooperation excludes hegemony. The United States had not constructed its hegemony by overt military command of its peripheral states. On the contrary, mutual interest, principal among them postwar political stability, had engineered European political-economic ideology to conform to the implied military protection of the United States.

Whilst Keohane rightly rejects the attributes of forced and exploitative Hegemonic Stability, the cooperative relations between European states and the United States *do* reflect an ideological shift in the political-economy toward alignment with American political-economic principles - a context which was undoubtedly hegemonic. I suggest that the implied threat from the Soviet Union, militarily, and the United States' support for NATO (as the mechanism for European protection), would see Western European anxiety consummate American political-economic ideology.

Applying Gramsci, political-economic ideologies merged due to joint interests being realised. This coincidence of interests happened internationally. In the economic policy formations of Western European governments, the context of the United States' control of nuclear military power always was in the background, though not always visible. Indeed, whilst the security umbrella was seldom raised in matters of trade, the implied threat of United States withdrawal of military protection always existed.

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[202] Robert Gilpin in Keohane 1984 p. 31.
[203] Keohane 1984 p. 136.

European cooperation is wholly consistent with Gramsci's interpretation of shifting ideological beliefs toward those of the hegemon, cognisant of mutual beneficial interest. Hegemony very much evolved though its exploitative aspects, hidden beneath the principle, and mutual objective of, the political and economic containment of the Soviet Union. This both benefitted the hegemon and its peripheral European states.[204] As such, it is fair to say nuclear military capability morphed into the ideology of the Historic Bloc in Western Europe.

7.3 The hegemony of military power

At Potsdam, the bonhomie between an acquiescent Roosevelt and cautious Stalin (witnessed during the Yalta conference five months previous) did not flow to the new Truman Administration - but for the Americans, it had no need to! News of the successful testing of a nuclear weapon reached Truman at the Potsdam conference; as it most probably did Stalin (though through different channels). What balance of power there may have existed between the two leaders and their nations, immediately shifted. Indeed, whereas Churchill had estimated Soviet strength unquestionable in late 1944, the news reaching Truman changed the need for any Soviet help to conclude the Pacific War or for any necessity for geo-strategic accommodation, thereafter.[205]

This is not to say that the Soviet Union was without power. Fred Block describes the ligaments attaching European society to conservatism from the Great Depression, WW I just ended and newly elected left-leaning European governments. Neither does Block see any Soviet influenced *Finlandisation* as a particularly bitter pill for many Western European nations to swallow. However, Soviet power was dwarfed as the geo-strategic predominance of America was realised, if only because of its nuclear monopolisation.[206]

Ideologically, the American view of the Soviet political policies were manifest firstly in distrust, and secondly, since the Bomb, without any need for accommodation. More generally, the United States' view was formed in the upheaval of capitalist production and democratic ideology that had characterised Europe's interwar years. It was also formed by witness to the scramble for reinstatement of European imperialist power in the immediate postwar years. So set the distrust - but what of its indifference?

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[204] Fred Block, recounted in Keohane 1984 p. 137.
[205] Alperovitz 1985 pp. 276-277.
[206] Block 1977 p. 81.

The United States held a weapon of mass destruction, one that would give secondary states protection from a perceived Soviet threat for a 'cost' of their alignment to an American-centric, rules-based international capitalist ideology. The model shown in Figure 7.1 (above), with the exclusion of military power from the elements of hegemony, would be incomplete. The fact of the immediate reversal of the United States' geo-strategic position in the postwar world was solely the consequence of its possession (and willingness to use) its arsenal of nuclear weaponry. It is to the threat of national destruction that American hegemony must be attributed – and, as communist powers gained this technology, as the seed of Cold War perdition.

Gar Alperovitz writes that the atomic bomb's detonations over Hiroshima and Nagasaki would satisfy the primary goal of the United States - ending the Japanese conflict without delay and with as little loss of American lives as possible.[207] Secondly, American possession of nuclear technology would limit Soviet territorial claims over Japanese occupied Manchuria (in northern China) and any claim over Japan itself. The nuclear detonations steadfastly sidelined any Soviet involvement in the Japanese theatre of war and any claim the Soviet leader might make, thereafter.

Alperovitz describes the limiting of the legitimacy of any Soviet territorial spoils as reflecting basic and immovable ideological differences held by the Truman Administration against possible communist expansion in Europe. The atomic bomb offered Truman a decisive alternative to Roosevelt's Four Policemen - not a policy he trusted, in any case. It would set American values as a lynch-pin in West European political-economic ideologies. It would put Soviet containment as a national life-or-death necessity in the mindset of societies in Western Europe. Finally, it offered escape from the perceived threat not only from possible territorial expansion of the communist nation, but from any discursive power communist ideology might have on the home-front.

For these wartime objectives, the dropping of the atomic bomb and the pace of subsequent Japanese unconditional surrender, worked. It also halted Soviet Asian extension. Whilst the Red Army made territory in Manchuria in the five days between detonation and Japanese surrender, Stalin accepted the United States' terms of the Japanese surrender and would forfeit the short-term gains of his northern Chinese expedition. Further, Soviet calls for concessions in Europe that may have been expected had the on-the-ground war progressed

[207] Alperovitz 1985 p. 238 - 242.

for longer, did not eventuate and the terms agreed to at Yalta, largely held. Soviet containment, the centre-piece of the Truman Doctrine was, for the United States and Western Europe, the pin that would hold the balance of power between the two superpowers. The United States believed it had, maybe, seven years of monopoly power in nuclear weaponry. This was enough, the Truman Administration believed, to firmly install an American-styled ideological political-economic vision in Western European capitalist states, thus containing Soviet incursion.

Whilst military suasion was important, the United States also affected its hegemony over European ideology upon assumption of economic responsibility for maintaining the capitalist system. In this, American hegemonic evolution had two further platforms:

- reconstruction aid - the Marshall Plan, and
- international regulation of trade and currency, principally the Bretton Woods agreements.

7.4 The hegemony of economic power

American hegemony protected it against intervention in any postwar actions that might be embarked upon by rebalance of power on the Continent - or so it was believed. For this, Europe needed to be rebuilt, lest insurgence in the wake of economic devastation become commonplace. Further, the tit-for-tat behaviours of states that drove the economies of the 1930s deeper and longer into depression, had to be prevented from reoccurring. The answers were the Marshal Plan (in Europe, Japan had a similar Plan coordinated by CIA chief Allan Dulles) and the Bretton Woods Agreements.

7.4.1 The Marshall Plan and American hegemony in Europe

The Marshall Plan provided the United States' Western European partners the greatest flow of funds for their reconstruction ever witnessed. It was a significant and monumental exercise of nation rebuilding; pump-priming the economies of both recipient and donor. Roosevelt believed that government policy, pin-pointed to intervene in particular sectors of the economy, as characterised by his New Deal policies, limited the prospect of broad social crisis. Internationalising this model would be as appropriate for the rebuilding of postwar Europe, as

it had been in the United States a decade earlier, and to the American nation, after the war.[208] The Marshall Plan would deliver the aid needed to rebuild, whereas trading nations' embrace of defined rules of commercial cooperation would ensure prosperity was neither disproportionate nor subject to the behest of predatory exchange rate manipulation. The hope was for political stability which could be achieved on a world-wide scale. The reconstruction of Europe created a prosperous international capitalist community where, in its absence, postwar recession could well have been expected.

Funds provided under the Marshall Plan were given for specific programs and made only to national governments. Though much of the aid funds flowed back the United States by way of the purchase of capital goods, the program was asymmetrically in favour of the recipients. Moreover, the aid achieved for the hegemon a greater, longer-lasting geo-strategic value. Politically, aid could allay a resurgence of intrastate belligerence and the rise of sectional ideological interests. The value to the American public was, of course, a peaceful Europe.

Economically, American sponsored aid gave it access to peripheral European markets, whilst promoting capitalist development. Indeed, by aligning capitalist development to aid, the Marshall Plan strengthened the claim capitalist elites had to domestic (American) power and, by inference, Western Europe's allegiance to American political-economic ideology. This economic restructuring instigated ideological shift, favouring both hegemon and the peripheral state. Marshal aid implied an indebtedness, naturally shifting Western European public policy firmly to the sphere of American influence. Structure and Superstructure favoured the hegemon but not, as Gramsci had argued, without reward to the peripheral state.

7.4.2 The Bretton Woods agreements and American hegemony

Roosevelt believed that the failure of capitalism during the interwar period was the impetus for the rise of fascism. He accepted his predecessor's, Herbert Hoover, assessment that the Great Depression's international scope was due to unfettered capitalism's contagion, both widening and deepening asymmetric shock across markets and across national borders. From this proximate cause, Roosevelt witnessed the rise of Adolf Hitler.

[208] Kimball 1991 p. 186.

Economics was more than money, said Roosevelt, *'it ties human begins with dollars, to the benefit of the dollars and the benefit of the human beings*.'[209] Both ideologically and in practice, the economic policies of *laissez-faire* capitalism had failed to account for the changed social and political context evident after the Great War. Unfettered capitalism did not reflect the political shift in the coalition between population, social organisations, ideology and empire. For Roosevelt, the objective of post-WW II economic framework was to tie Europe's rebuilt economies tightly by new rules-based free trade and currency mechanisms. He believed, thence, reciprocal trade would act to supress both rightist nationalist movements and socialist aspirations in Europe.

Postwar, the international sphere was to be regulated by a rules-based system of currency exchange under Bretton Woods; trade liberalisation under the General Agreement on Tariffs and Trade; and political resolution under the auspices of the United Nations. Western political-economic systems could, therefore, be determined by domestic ideologies, ranging from direct central planning to a degree of 'free' capitalism; with government manipulation of Aggregate Demand via fiscal and monetary policies within the context of non-belligerent international confrontation - rather than through predatory exchange rate behaviour.

What evolved from the 1950s was a period of Western embedded capitalism, as John Ruggie described. Capitalism was guided by government public policy toward the twin goals of stable prices and full employment, within an international trading context of the orderly restructuring of external accounts. In Europe, trade cooperation between nations (and later fiscal interdependence) would become ideologically bound with the objective of political stability, capitalism and democratic freedom. Ruggie cited the controlled trade internationalism of the Bretton Woods' currency arrangements as the primary engine for the astounding rate of economic development witnessed after the war.[210] Embedded capitalism in the postwar period led toward national economic egalitarianism and achieved the ultimate objective of political stability - within a framework that mirrored an American ideological base.

Power had unambiguously shifted to the United States by virtue of its possession of nuclear weapons and the time this gave it to influence Western European political-economic ideology. The United States had adroitly engineered itself as hegemon, tying peripheral nations in a web of political protection from a perceived foe - communism and the USSR. America linked

[209] President Franklin Roosevelt in his "Dr Win-the War" speech, December 1943, recounted in Kimball 1991 p. 187.
[210] Rodrik 2011 p. 75.

Western prosperity to its own view of trade-integrated capitalism, which was reinforced by aid. In Gramscian terms, cooperation in the economic sphere was the willingly agreed price to pay and one quite beneficial to economic growth in a war-devastated Europe.[211]

There was, of course, a sting in hegemony's tail. Truman's foreign policy was a manifestation of the United States' political-economic ideology which perceived communism as an existential threat. Protecting Western European capitalism, made in the mold of that of the United States was, therefore, the prime defence for the American state. But within the United States, the protection of Europe inevitably saw the evolution of a war-economy. American military spending had to consume further national resources to keep pace with (rather, exceed) the response of Soviet military development.

This was the genesis of the Cold War. It required ever increasing political and economic support. It was manifest in secrecy. It created a popular sense of impending doom and this existential fear feed the perditious demands of the military, government and the bourgeoning weapons industry.

7.5 Aligning international hegemony with domestic ideological shift

Understanding how ideological change gives rise to hegemony is key to explaining the rise of an elite dependent upon a constant war-footing, as was the environment of the Cold War. From the successful detonation of the atomic bomb, the formula for hegemony required implied military protection of America's Western European allies. In contrast, in the United States, the political-economic ideology of the prewar years was wholly unsuitable for the position the nation had taken in the postwar geo-political world.

The hegemony of the United States, from the American citizen's standpoint, rested in the threat to their democracy from a perceived communist aggressor. The military, writes Sydney Lens, existed in an *international* defensive and offensive geo-strategic context. Its weaponry and unchallenged superiority were deemed as the first line of defence of American values and way of life, by the American public.[212] The nation's defence was tied to its power as hegemon, embodied by its protection of capitalism in Western Europe. Further, American hegemony, backed by military power, interventionalist economic policies in Western Europe (through

[211] Keohane 1984 p. 198.
[212] Lens 1970 p. 10.

Marshall Plan aid, initially, and Bretton Woods monetary leadership, subsequently) and its consequent dominant position in global political decision-making, was ideologically perceived by the nation's peoples as necessary for America's trusteeship of civilisation.[213]

Its 'trusteeship' had another purpose – retention of economic power. Communism, ideologically an anathema to capitalism, was perceived by the Truman Administration to increasingly limit American trade, both in its exports and supply of key resources, especially its importation of oil. Internationalism was linked to hegemony and hegemony was necessary for domestic political and economic protection.

The circle of thought is illustrated in Figure 7.2.

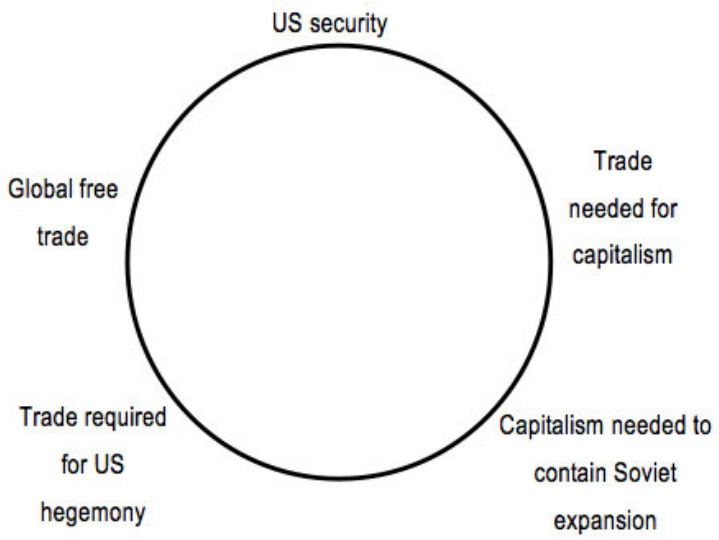


Figure 7.2 The circle of United States hegemony, security and trade.

Defence of the borders of the United States was, therefore, dependent upon its international political-economic leadership. Maintaining American international hegemony was, therefore, the lynch-pin of its domestic political and economic security!

7.6 Conclusion

[213] Lens 1970 p. 22.

In this chapter, hegemonic power was situated in an international context. Applying the theoretical framework of Antonio Gramsci, one can explain the shifting political-economic ideology which characterised the immediate postwar period. American postwar security necessarily had taken hegemony in the context of its superior military strength and economic power.

I have suggested that distinct ideologies of the United States and Soviet Union were doomed never to meld in the context of postwar military imbalance. Rather, bi-polarity was destined to evolve in the wake of the cathartic change in power brought to the globe by detonation of the atomic bombs over Japan in 1945.

However, American international hegemony must be seen in twin contexts. Firstly, the failure of Roosevelt's pan-European cooperation. With such a power imbalance, an impossibility of joint interests was brought to the geo-strategic table in which Western capitalist and Soviet communist ideologies could not be expected to coalesce. Secondly, and here I have extended the work of Gramsci, international hegemony was termed in American military capacity which could destroy national civilisations. I do not suggest this was the intent (though it was certainly possible), just that nuclear monopoly defined power.

I also posited that America's lead position in the postwar rules-based international trade and monetary systems reinforced its particular vision of capitalist ideology, across its hegemonic dominants, as did pinpointed economic aid in the form of the Marshall Plan. Domestically, America's dominant international economic and military position was seen as one of 'trusteeship' of capitalism. Its maintenance of its hegemony was, thus, enshrined in its political-economic ideology. Without American supremacy, the threat to the nation's very existence would become very real.

The Treaty of Versailles failed to instill sustainable democratic principles in many nations of Europe after the First World War. This failure gave rise to a cycle of capitalist devastation and unreformed European colonial exploitation. The consequence of this was a violent political-economic ideological choice between red (communism) and black (fascism) played out in Germany, Austria, Italy, Russia, France and Britain.

Yet, the decades after World War II were ones of remarkable global economic growth, writes Joseph Stiglitz.[214] Hundreds of millions were lifted from the binds of poverty that had

[214] Stiglitz 2017 p. xv.

characterised prewar years. Stiglitz credits Bretton Woods and capitalist systems embedded by capitalism but limited by ideological superstructures denoted by national histories and cultures. This was the reason for the postwar's astonishing social and economic wellbeing. On the other side of the coin, blunter global power aspirations represented by an emboldened United States (and countered by the Soviet Union) opened the global political-economy to the perdition of ideology which would influence public policy for decades to come.

The international hegemony of the United States evolved from the Truman Administration's political and economic use of its singular possession of unrivalled nuclear military power. Yet, as the American nuclear monopoly dissipated, its power became increasingly manifest as a tit-for-tat armaments race with the Soviet Union.

This arms build-up lasted over thirty years, in the guise of the Cold War. It was fueled by a perditious ideology. An ideology promulgated by the union of military, government and industrial interests - and it was prosecuted against the wellbeing of the American people.

Chapter 8
Ideological Perdition during the Cold War years

'There is a tendency among many in the United States to romanticize the years after World War II – to imagine a time of sky-blue innocence when everyone agreed that America was great. In fact, the Cold War was a period of unceasing anxiety in which the lingering shadow of fascism was darkened by another kind of cloud.'

Madeline Albright[215]

President Truman's foreign policy shift from that of his predecessor may well have been influenced by the changed geo-strategic context brought about by American possession of the atomic bomb, but this policy (and its Soviet reciprocal) would initiate a tit-for-tat military build-up putting the globe on a knife-edge of nuclear war and it lasting for decades to come.[216]

Secretary of state in the Clinton Administration, Madeline Albright, recounts her late teen years, newly arrived in the United States, from war-torn Czechoslovakia (from Prague, now the capital of the Czech Republic). The cloud she writes about is that of impending obliteration by nuclear war – and to the teen-aged Albright, and the majority of her fellow citizens, it was a fear which was believed as very real.

Albright describes a new type of fear controlling society in the 1950s. It was a fear that replaced fascism - though equally as frightening. Her book (above) is part memoir and part a warning to her adopted nation of a potential future. She writes about a curious societal resignation to a constant and subliminal undercurrent of impending doom. This, she says, was brought about by a perditious ideology which would see the nation surrender its democratic liberty to the interests of a military–industrial–government elite. These interests were of a power described in 1961 by retiring president, Dwight Eisenhower, as threatening the very democratic foundation of the nation.[217]

[215] Albright and Woodward 2018 p. 2.
[216] Conway 2014 p. 319.
[217] President Eisenhower referred to the 'Military-Industrial Complex' in his farewell speech to the American public in January 1961. However, it is important to note that his original draft of the speech, held in the

In this chapter, I build a theoretical framework to help understand the rise of hegemonic power during Cold War America. During that period, the military–industrial–government elite used fear to sway national political-economic ideology into believing Soviet expansionism threatened the very fabric of American society. These fears had little strategic justification, made democratic representation ineffectual and were employed as a weapon for perdition against the people of the American nation. I describe how a shift in political-economic ideology based on fear can evolve by referencing the rise of hegemony. This was Ideological Perdition and it lasted for decades.

The chapter progresses as:

- legitimising power;
- Misrecognition of Ideological Perdition; and
- manipulating political-economic ideology.

8.1 Legitimising power

The extension of the United States' postwar geo-strategic position dovetailed with its domestic position - that of a political-economy on an ongoing war-footing. The military–industrial–government elite saw the necessity to enshrine a perception of external threat to the nation's interests domestically and in Europe and Asia. Without an ever-present sense of public fear, the hegemony of the elite could not be sustained.

Ideologically, therefore, the nation's security was popularly perceived to be dependent upon the supremacy of the nation's militarily. As such, the importance of the military was brought to the fore and, by inference, its significant use of national resources could be justified to society. How had this ideological position evolved? The answer is informed by the writings of Antonio Gramsci and Pierre Bourdieu.

I suggest the perdition wrought upon society's political-economic ideology by the military–industrial–government elite can be understood by examination of the mechanisms used to effect and sustain cognitive change. To this end, I introduce the work of French sociologist, Pierre Bourdieu. His theoretical discussion of the mechanisms (he terms these as Levers)

Eisenhower Presidential Library, Abilene, Kansas, has the description Military-Industrial-*Government*. I use this term to better describe the elite that arose after World War II.

used by the elite is used to explain how Ideological Perdition emerged in the political-economy of postwar United States and how it was sustained for decades.

Bourdieu describes the fissures in society which allow the ingress of elite hegemonic power, initially, and subsequent popular legitimisation of its exploitation. At the core of Bourdieu's social theory lies the need for an elite to attain social legitimacy - for without legitimacy, power cannot be sustained. Here the work of Bourdieu and Gramsci merge. Both scholars use the perdition of hegemony upon political-economic ideology as the source of elite power.

To understand the legitimisation of perditious power, one must look at both the vehicle of power, that is, the institutions of civil society (from the work of Gramsci) and the Levers used by the elite to manipulate social cognition in favour of legitimisation (from the work of Bourdieu). As such, the work of both scholars can aptly describe the military–industrial–government elite's capture of the American postwar political-economy.

Legitimisation of the military-industrial-government elite's exploitation of society was at the centre of Albright's anxiety in the 1950s. So too does she see the legitimisation of social dislocation by the elites in the United States, today. This is the basis for her warning to future generations. As fascist power swept through her birthplace, largely unhindered, she recounts similar popular support for unchecked power in her present world.

Gramsci's originality rests in describing the rise of hegemonic power by elite control over the institutions of civil society. Bourdieu reduced hegemonic power to three aspects of societal cognition: economic, social and cultural Levers. Together, I posit a platform from which to understand the power vested in the elite by Ideological Perdition during the Cold War years.

Bourdieu's discussion of the impact these Levers have on domestic cognition, hence political-economic ideology, can assist our understanding of postwar hegemony. Bourdieu also introduces the notion of Habitus. Habitus describes the social, rather than individual, processes that lead to ideological patterns which are transferable from one political-economic context to another. As such, each public policy issue arising in the political-economy – refugee immigration, government budget surplus, welfare support and so on – can be addressed with a similar social mindset because the ideological process of cognition unifies individuals in the society.

The Habitus links the cognitive process of individuals across society. It is shaped by political-economic ideology and is the filter of understanding through which society assesses and reaches conclusions. In the United States, the political-economic interpretation to nuclear arms build-up resulted in a sense of security and stability. Quite different conclusions could well have been reached through the cognitive assessment of the same issue by another nation, with a different ideology. Habitus is the way a society views the political-economy and it depends on political-economic ideologies of the particular society, the particular nation. Power is measured by the ability to shape the way society thinks.

National Habitus may alter dramatically but such a shift generally occurs only after a seminal change in political and/ or economic circumstance. Thus, while Gramsci would argue that ideological shift may instigate a War of Position, in which social classes rise against existing elite power, Bourdieu might suggest that a social revolt is difficult in the extreme without a catastrophic event opening fissures for a new set of ideological parameters to establish in the political-economy. For the rise of elite hegemonic power, the formula is clear: alter the cognitive interpretation society makes about issues in the political-economy. With this, an elite can gain society's acceptance of any perditious public policy that is posed. The key is to manipulate the Habitus, that is, alter the cognitive processes with which those in a society process political-economic events.

To be clear, the Habitus is not free-will nor do the processes of social cognition reflect the unhindered free will of the institutions of civil society. Rather, Habitus is a function of ideology which is, itself, shaped by the Levers of culture, economy and society. Ideological Perdition represents, as described above, the elite pursuing but one objective: to manipulate social cognition (Habitus) to achieve society-wide legitimisation of society's own exploitation. Here, one must call upon Gramsci's discussion of elite hegemonic influence over the institutions of civil society.

To grasp Gramsci's theoretical direction, one must accept it is about class revolution, that is, *class awareness* of its own exploitation. It is only from awareness, by one class of their exploitation by another class, can overthrow of the existing political-economy ideology occur. For Gramsci, awareness thence overthrow is obligatory before a socialist political-economic ideology could replace capitalism. Only with the awareness of exploitation will a War of Position become established. Its success will initiate capitalist overthrow. In this, Gramsci

differed from the automacy of proletariat revolt, posed by Marx. Marx argued capitalism's own extrapolation to accumulative excess would naturally edge it towards its own collapse.

But the War of Position would be anything but automatic. Gramsci rejected as inevitable a class awakening to its exploitation and, hence, its domestic and international unification in counter-hegemonic struggle. Rather, Gramsci suggested that class distinctions would fade with the burden of cross-class exploitation, deepening and broadening from the hegemony of the elite's exploitation across the length and breadth of society. For Gramsci, political-economic change will only occur if, first, enough of society (and across many classes) are aware of their exploitation, secondly and what was more difficult, society was to stand in defiance against the existing political-economic ideological structures orchestrated by the elite.

Gramsci fully acknowledged that elite power over the institutions of civil society would limit cross-class counter-hegemony, making his War of Position difficult to establish as an instigator of ideological change. He argued (and took the example of Rosa Luxemburg's failed call for a General Strike in 1906 against Tsarist autocracy, as illustration) that where dissent was nascent or rested only in limited sectional discontent, the War of Position would be both futile and short lived.

Rather than a growing popular discontent triggering a shift in political-economic ideology, I have suggested the majority of ideological shifts have emanated from catastrophic change - often external to national borders and generally without much warning. To be sure, after a catastrophic event, past hegemonies are often discredited and jettisoned. However, Catastrophe does not necessitate the rise of any particular political-economic ideology in its wake. At this this time, the exercise of power between potential elites comes into play. Gramsci helps us understand the rise of a particular elite's power, by positing that hegemony can only emerge with control over the institutions of civil society, after catastrophe has opened the political-economy to elite contest.

Therefore, the successful rise of elite hegemonic power within the political-economy, and its ongoing position of power, depends on an elite's operation of the Levers that shift social ideology. Enter Bourdieu. The Levers are those attributes of the Habitus that can be manipulated by an elite to shift social cognition towards legitimisation of its (the elite's) exploitative hegemony in the political-economy. For Bourdieu, it is *legitimisation* of elite power by those exploited, which is key to the effective exercise of hegemonic power. As described above, legitimisation is the primary objective behind the exercise of political-economic power.

Bourdieu suggests that legitimisation of exploitation can only arise from a cognitive shift in the political-economic mindset and that such a shift in cognition can only arise from the interplay of Levers upon the nation's Habitus, that is, upon the economy, society and culture. It is to this power, via the power of an elite's hegemony over the Habitus, which gives rise to Ideological Perdition.

For Bourdieu, the application of elite power on the Habitus, through Levers, must be concealed from the view of those whom the elite seeks to exploit. Rather than the overt consent society gives an elite over civil institutions, as described by Gramsci, Bourdieu argues that hegemonic power goes to the very core of social cognition. For Bourdieu, exploitation must be unseen to preserve elite power and longevity. It is this obscurity that enables elite legitimisation.

Steven Lukes described Third Dimension power on the structures of civil society, transferred to an impersonal force which would control social order. This type of power engineers those in society to act with a uniform, specific cognitive interpretation of local and global events. Those in society would respond in a particular manner, setting a trajectory supporting elite objectives. Bourdieu describes these trajectories as both illustration and reinforcement of the legitimacy afforded to the elite, albeit the hidden exploitation of society. The legitimacy of an elite's distortion of the political-economy, perditious and pervasive as it is, requires the manipulation of various Levers affecting the elements of economy, society and culture. Manipulation, Bourdieu writes, can be described as three broad types: Structural; False logic; and Symbolism. Together, these influences lead to society's Misrecognition of exploitation and, thus, the legitimisation of elite power.[218]

Bourdieu differed from his compatriot, Emile Durkheim. Writing a generation earlier and before the devastation of the Great War, Durkheim envisaged society being formed around the integration and coherence of classes of production. Yet, Durkheim's was not a formation based purely on the definitions of Marxist class theory. Rather, it was a rationalist interpretation of the class and empire structures of his times. Cross-national associations unifying class was thus an entirely reasonable framework for understanding unification of class power across the globe. Elite power was, for Durkheim, a matter of class power, but confined by the limits of imperial allegiance, its unity of law and social hierarchy.

[218] Swartz 1997 pp. 88-90.

Bourdieu argued that a social ordering of world political-economic systems was determined largely by historic and cultural antecedents, formed by and with influence on national ideology.[219] Elite hegemony was achieved by the Levers acting across classes and within a society unified by historic and cultural association. Class distinctions may have delineated a 18th century Marxist/ Durkheimian Division of Labour, separating the individual from the result of their labours and their class from other parts of society, but such a definitive separation no-longer held in a 20th century post-production world, as existed in the late-capitalist world after WW II.

For Bourdieu, the rise of elite hegemony was proffered not by class distinction, but by the entirety of society's classes and their interactions across production, politics, economics and civil society. Bourdieu's was a much broader reference to the primal relevance to *national* history and culture than Marx's dominant focus on class. As such, it was the Habitus upon which an elite must act in order to achieve the people's legitimisation of the elite's political-economic position in society – and its unseen exploitative perdition.

National political-economic structure, not any class similarity across states, coloured social cognition one society had towards another. The cognition of others was viewed through the lens of one's own national political-economic ideology. As this ideological cognition is the construct of the elite (and reinforced by its legitimisation), often antagonistic difference to the political-economic systems of other nations was the fuel that entrenched an elite's power, domestically. Thus, a Scandinavian capitalist model might be judged by those in the United States as alien, possibly dangerous, through the lens of American history and culture. Between the USSR and USA, the ideological gulf may have been wide, though viewed through the (Habitus formed) lenses of each nation looking to the other, the divide appeared as blindingly enormous as it was incomprehensible. Set with this cognition, the United States' political-economic ideology was effectively manipulated to legitimise the power of the military–industrial–government elite as the singular defence against another nation, namely the USSR.

In the United States, a rhetoric associating freedom with military might was portrayed as a universally humanist ideological form. It was put in contrast to the starkness of communism. Viewed from this angle, any reduction of popular democratic representation arising from the military's presence in national political-economic decision-making, would be justified. Any objection to the role of this elite in public policy making would, by extrapolation, be interpreted

[219] Loic 2001 p. 107.

as anti-freedom, against American capitalism, more so, subversive. Equaling freedom to capitalism represented a simplistic bi-polar set of alternatives: freedom is capitalism - *therefore* socialism is servitude. In this manner, a particular form of the national cognitive process was embedded in the American Habitus.

Elite power is representational of the Habitus and the Levers affecting political-economic ideology (economic, social and cultural). As such, Bourdieu posits that a society's historic and cultural interpretation of religious, political, hierarchical/class and economic environment will determine the cognitive interpretation of any elite exploitation.[220] In other words, how public policy is viewed as good or bad depends on how the collective social mindset has been formed by its culture and history; and shifted by an elite's manipulation of the Levers affecting the Habitus.

8.2 Misrecognition of Ideological Perdition

False Logic is the second of Bourdieu's Levers that is used to legitimise elite power. False Logic is a simplistic and erroneous cognitive construction of decision-making in society. Public policy issues are assessed in a popularist and seductive manner; being placed before a society bereft of avenues allowing the deeper, more nuanced, interpretation of events.

Yet, I hesitate to say False Logic disguises truth. Certainly, False Logic distorts reality, but what is socially understood as 'truth' rests in the distorted cognition of those interpreting events. Truth is a matter of social cognition and rests within the Habitus, a process delineated by political-economic ideology. Truth is not fact; it is what those in society *believe* to be fact. The logic presented society, Bourdieu suggests, is presented as the *only* truth; expunged of any counterview to that endorsed by the elite. He suggests that logic is born of nationalistic symbols denoting a social belonging to a group of beliefs, to the exclusion of alternative beliefs or historic and cultural associations.

Myth or not, the promulgation of immanent Soviet threat by the military–industrial–government elite was sufficient justification, in the eyes of the society, for arming and re-arming the military, and to do so indefinitely. The Soviet threat was 'truth' whether or not it was fact. This construct of truth justified a fear of the unorthodox. It permeated Cold War social ideology

[220] Swartz 1997 pp. 83-90.

and, in turn, supported the exploitation of American society by the military–industrial–government elite. Such a pervasive fear is the basis for Madeline Albright's comments at the beginning of the chapter.

Bourdieu developed a framework to understand the symbolism used to form social behaviours in face of (hidden) exploitation. In the United States, these symbols represented the fear the population had of upheaval of the political-economy. Similarly, he noted that symbols of heroic virtue, viewed through the lens of the Habitus, supported elite power. Bourdieu described these symbols being embedded into the reigning political-economic ideology, fuelling a type of society-wide False Consciousness of its own exploitation. However, Bourdieu's analysis of social behaviour extended well beyond the narrow working-class Marxist interpretation of the term. His extension was to the breadth of the political-economy and is better described as Misrecognition. Misrecognition represented the elite's acquisition of hegemony, wrapped in an ideological framework, designed to exploit society, whilst simultaneously being legitimised by it. Misrecognition, wrote Bourdieu, excludes alternative ideological positions; indeed, it justified, in the wider public mindset, the violent suppression of any discordant beliefs.[221]

Thus, the binary nature of linguistic symbolism generated a false, but logical, interpretation of (hidden) exploitative elite behaviour in society via the cognitive lens through which these symbolic images were understood by civil institutions and a nation's peoples. False Logic also gave meaning to the social hierarchy which placed the elite as unquestioned authority in the nation. The elite is deemed by the society as protector of the values espoused by the political-economic ideology (Habitus) which, albeit perditious, sees society's exploitation legitimised by those within. The Levers that influence Ideological Perdition are those that shift economic, social and cultural beliefs for the elite's end objective: to manipulate society-wide cognition toward legitimisation of its hegemonic power.

Gramsci's discussion of the hegemony, limiting civil society's platform for dissent, is a central theme in Bourdieu's work. However, at the core of Bourdieu's thinking is the concept of Misrecognition. Gramsci argues that exploitation must be witnessed before a War of Position can emerge. Bourdieu believed that broad awareness of social exploitation *must* be hidden for an elite to comprehensively expunge any real power from those it dominates. Without Misrecognition, Bourdieu argues, the tactics which centre on the symbols of the society, will

[221] Swartz 1997 p. 87.

fail to shift the economic, social and cultural Elements necessary to alter social cognition. Without ideological shift, the elite would fail to generate legitimacy and without legitimacy, elite power is merely temporary.

Hegemony, writes Bourdieu, is the sole representative sustaining elite power. In postwar American society, maintaining hegemony meant the elite must hold power over government and, therefore, the political-economy. As Misrecognition of exploitation is key to long-lived hegemony, society imagined political freedom and economic wealth in return for the disproportionate amount of national resources consumed by the elite. While this relationship described the apparent bargain made in the political-economy, Albright questions the accuracy of the military–industrial–government elite's claim of imminent Soviet threat. Putting it another way, she acknowledged the 'truth' of the threat in the eyes of society, but vociferously questioned its interpretation as fact.

Further, Bourdieu suggests Misrecognition not only blurs class distinctions (as all classes are coloured by the elite's hegemonic power), it also reinforces elite power by legitimising an elite's pervasion of the political-economy.[222] Thus, whereas Marx describes False Consciousness in purely economic terms in reference to the proletariat, Bourdieu refuses such narrowness. He interprets Misrecognition beyond Marxist class reductionism – it is more a broader function of economy, society and national culture. As such, class distinctions tend to fade if Misrecognition is a component of elite exploitative legitimisation. For Bourdieu, power exists only as it impacts the Habitus and only if power is disguised as benefitting the broader society – a 'truth' as distinguished from 'fact'. For elite power to be effective, the very process of exploitation is obtained by imbedding a perceived 'truth', whilst hiding the 'fact' of exploitation.

Gramsci's originality rests in his map of elite hegemony which moves beyond Marx's singular interpretation of power as purely economic. Gramsci broadens the construct of capitalist power to encompass what he called Superstructures - power over the institutions in society that shape political-economic ideology. We might see Bourdieu's Levers over the Habitus in the same light. Power is a social contract between the elite and the dominated, with the consent of the latter given in grateful, albeit Misrecognised, return for the elite's services rendered.[223] This is a hegemony somewhat 'passive', akin to Stephen Lukes' Third Dimension

[222] Swartz 1997 p. 83.
[223] Streeck 2017 p. 25.

of power. It is not a power forced upon society by an elite, rather a power supported by popular acquiescence, that is, by hegemonic influence.

Bourdieu extends these thoughts to describe the methods by which hegemonic power alters the ideology of political-economy. For him (and Gramsci), hegemony is coercive in the political-economy as defined by its perditious enmeshment into the social mindset. Both scholars described the perception of mutual benefit created. In practical terms, the benefits of power to the dominated reduces to the guarantee of political and economic stability. Yet, for all the interdependence of obligation between dominant and dominated, hegemony remains perditious and, in the final reckoning, is founded upon the power of unquestionable coercion and perceived benevolence.

Gramsci too, extended Marx's somewhat limited False Consciousness beyond the bounds of capitalist dependency between economy and the proletariat class. Hegemony crossed classes and entered the breadth of social life, giving psychological depth to the definition of hegemony. Gramsci saw in hegemony, an exploitative power that was perceived as benevolent by society. Though exploitation could be dismantled by reactionary pressure from below, such action could only be achieved through a protracted oppositional War of Position, itself suppressed by the very perdition counter-hegemonic forces sought to over-turn.

After World War II, domestic American hegemony depended on a society-wide cognitive shift in political-economic ideology. Ideology had to move from a prewar isolationist worldview to one of an interventionist, internationally dominant power. Interpreting Gramsci, the shift reflected the emergence of American hegemony in international affairs across the global institutions that represented the military, economic and political treaties.

Yet, while a broader hegemonic base is the platform upon which I suggest the hegemony of the American military–industrial–government elite stood, Michael Burawoy suggests that the foundation of Gramsci's evolution of ideological shift, leading to hegemony, is limited.[224] I disagree and a closer rebuttal of Burawoy's position strengthens the Gramscian argument I favour. My exception to Burawoy is founded on the rather limited construct of False Consciousnesses he uses, in contrast to the more universal model of Ideological Perdition I am presenting in this work.

[224] Burawoy 2012 p.189 -198.

For Burawoy, elite power emanating from political-economic ideology evolves from *fixed* social, economic and political relationships. In this context, elite exploitation forms the basis of Marx's notion of False Consciousness. The power of hegemony, writes Burawoy, rests in something approaching Marx's Mystification - being the reification of society's ideological support for exploitative elite power in the political-economy, a point, Burawoy says Gramsci fails to expound. However, Gramsci looked to class as defining social hierarchy, not limiting the power of hegemony to unify cross-class ideology as a basis for counter-hegemony. The rewards of one's labour are its wage; to the owners of capital, it is Surplus Value. The reason why labour seeks only to be rewarded to the extent of their wages is that labour uses this wage to survive and prosper, though not to a similar extent as the owners of capital. Mysticism is thus exploitation known, but accepted by labour; for without exploitation, labour would starve. Mysticism therefore exists, writes Burawoy, within the context of the productive space of the political-economic. When one exists as a productive member of society, the social political-economic ideology comes with membership.

Burawoy's interpretation of Gramsci may be a little dis-ingenious. While the end-point may be the same, that is, exploitation, the common thread running through Gramsci's notion of hegemonic power by an elite is that hegemony exists across the *entirety* of the political-economy, the consequence of a *shift* in ideology. For ideological shift, power must alter the entire social basis of the political-economy, that is, popular cognition. Altering cognition necessitates manipulating the Levers which form the Habitus. A shift in the power held by sectional interests cannot evolve from a stable political-economy, it must be triggered by a change, most often brought about by a cataclysmic event - one that sees society demand a re-formation of the ideological foundation of the political-economy. Such notions go well beyond Marx's False Consciousnesses and discredit the rather ill-defined scope of Mystification that Burawoy presents as the whole picture of exploitation. Yet, Burawoy does raise a valid point: Gramsci's limitation in explaining how is it that society accepts its own exploitation. Here, I believe the answer rests in Ideological Perdition and this is where Pierre Bourdieu offers great strength.

Bourdieu's association between the exploited's Misrecognition of hegemonic power and the Levers that enable an elite to create a perditious ideology, extends Gramsci analysis of hegemony in society. He depicts an elite seeking to entrench their hegemony in the longer-term and proffers the means to legitimate their authority in the eyes of society. By the active manipulation of the Levers that form political-economic ideology, Bourdieu distances an elite's

Misrecognised hegemonic power from Mysticism's reliance on entrenched social/ class relationships. Hegemony is a dynamic relationship between pervasive power and the Habitus, not one either fixed by social history nor rigid class lines, as Burawoy describes.

Ideological Perdition is a general model and thus, the reduction of the effect of an elite's perditious use of power over political-economic ideology can accommodate the broader Misrepresentation (Bourdieu) and narrower Mysticism (Marx via Burawoy). Whereas Mysticism may well treat exploitation as problematic, eventually giving rise to social discontent and popular rise against the elite, this simply reflects a view of the end-game being played out in revolt from below. Misrepresentation may end up at the same point, but without a trigger event - it is the more reasonable description of the journey along the road to Ideological Perdition.

Gramsci does not posit that exploitation is universally visible. The hegemony created in the political-economy through elite control of civil society plays to Bourdieu's Levers influencing the Habitus. Gramsci did not delve specifically into the process by which elite power can alter social cognition. He saw power enacted by elite control of civil society, thus ideological change arising and the suppression of descent being accomplished. However, his assertion was that hegemony is at the center of elite power and that this principle enables one to describe the actions of the elite to shift political-economic ideology in society. Ideological Perdition exists at the very core of elite power, distorting the political-economy for its own longevity and the process by which it shifts social ideology to accept this distortion as reasonable.

While distortion of the political-economy does not assist our understanding of the persistent accumulation of power through ever increasing control over the resources of a nation, Misrecognition does. Bourdieu's Misrecognition is an essential element in the ongoing entrenchment of elite hegemonic power over time, even as the characteristics of a nation's political-economy changes.

Thus, Bourdieu's sense of power is manifestly political and straddles the bounds of time. Misrecognition reflects exploitation as present in the political-economy but, as it is clouded by extraneous benefits perceived by society (by manipulation of ideology represented by the Habitus), exploitation will continue to exist, being legitimised and re-legitimised over time.

Therefore, a perditious ideology, imposed on the political-economy, does distort power; but this power must be legitimised to be sustainable, posits Bourdieu. Initially, social history can create a position of elite hegemony just as the power of the elite causes a shift in the ideology represented by the Habitus.

Therefore, Ideological Perdition in prewar Germany was instigated by a distortion of its civil society and thus political-economic ideology based upon the elite's raising of nationalistic heroism, which only the elite could provide the nation. The Nazi Party's authoritarian ideology was known and popularly legitimised. Postwar United States' perdition was largely affected by elite power over the Habitus through the pervasive political-economic position of the military, government and weapons industries. While maintaining United States global military supremacy was made a very public goal, its exploitation of the American people was hidden in the most part, that is, Misrecognised. Each example demonstrates the nation's experience with Ideological Perdition and, in both cases, the allocation of resources distorted through an ideological shift in the Habitus.

8.3 Manipulating political-economic ideology

If the legitimisation of elite hegemonic exploitation was the objective of the military–industrial–government elite, then securing a position of power and procuring a shift of social cognition was the process by which legitimisation could be achieved. It is, of course, a distorting ideology necessitating the use of Bourdieu's Levers to manipulate the Habitus. That is, Levers are used to influence cognition of the economy, society and culture. These are explored below.

8.3.1 The economy

Bourdieu approaches the economic dimension of Habitus from a political perspective. He believes in the antithesis of Economic Man. Rather, he sees: *'economics about how people make choices, [whereas] sociology is about how they don't have any choice at all."*[225]

Bourdieu posits that society's economic decisions are based on its collective entrenchment in a particular set of Fields, that is, the particular contexts in which the society's political-

[225] Bourdieu 2001 p. 347.

economic environment depends. These Fields may be workplaces, educational institutions, interactions with friends or social media. Individuals cross many Fields and society exists of numerous Fields and a multitude of their cross-associations.

However, the cognitive processes represented by social action in these Fields is distorted by hegemonic power, suggests Bourdieu. Rather than freedom to make economic decisions - the 'Doxa' - being those rules of behaviour that society takes as natural or self-evident - determines the economic dimension of socially acceptable Fields. It is society's Doxa and its influence over individuals' cognition as they associate with various Fields, that form the ideological nature of the Habitus.

The Doxa is entirely dependent upon political force from those able to exert influence over Fields. In the United States, in the postwar period, this force was the military–industrial–government complex. Following Gramsci, I suggest that the power of the military–industrial–government was applied through control over the institutions of civil society, so limiting dissent, on the one hand and, on the other, directing social ideology. This is true enough. However, using Bourdieu's extension of Gramsci, I add that the power of the military–industrial–government complex was so enveloping of the many Fields that make up the American political-economy, that the elite's perversion of social cognition determined the Doxa and so obviated any dissent. It, therefore, negated any notion of economic rationality.

Neatly, Bourdieu reduces Gramsci's hegemonic power, exerted through civil society, to one where an elite entrenches itself in societal consciousness through enmeshment of its perditious power in the Doxa. This was the context represented by the political-economic ideology of Cold War America and the power of the military–industrial–government elite. Bourdieu jettisons liberal notions of the free-thinking Economic Man for his reality of political-economic choice dominated by elite power – that is, there is no choice! Bourdieu's conception of power is seminal in our understanding of the hegemony of the military–industrial–government elite during the Cold War.

Robert Higgs continues along a different, though supportive, tack. He describes the economic impact of American government spending during the Cold War as across the breadth of society. Compared to wartime expenditure, peak Cold War spending was some three times higher than that of 1940. Overall, Cold War expenditure accounted for six trillion dollars and amounted to spending up to 7.5% of Gross National Product (GNP) annually. Whilst this is

significant, it is not, on the face of it, disproportionate compared to other nations.[226] However, the perditious nature of such a resource allocation went deeper into the ideological centre of the nation's political-economy.

As there is little competition in the defence marketplace, Higgs writes, analysis of the opportunity cost of defence spending is the cost of a real threat which is un-responded. Following Simon Kuznets, Higgs suggests that defence is '*necessarily regrettable, [however] not a source of utility for anyone'*. He writes that the direct economic measurement of spending fails basic economic tests of the provision of social utility where existential fear has replaced real geo-strategic threat as the basis for national resource allocation. The military–industrial–government elite had engineered its hegemony upon the manufacture of fear in society, gaining great reward for doing so.

However, the quantum of any actual danger was much less in reality, in the first instance, and, in the second, tit-for-tat military build-up only exacerbated the unjustified resource transfer to the elite, over time. The main impact on the American economy of such a resource distribution was the effectiveness of the manipulation of social ideology - toward blind acquiescence of budgetary distortion, suggests Higgs.[227] By extension, he questioned the scope of the threat posed by external actors to the nation's interests and suggests this reality was well understood by the elite at the time. As such, if there were no real threat (the 'fact'), then defence spending could be reduced substantially, with no one the worse. There must be a deliberate practice of resource allocation distortion to the military–industrial–government elite. There must be Ideological Perdition!

To continue to allocate significant levels of resources to defence, broader societal approval had to be garnered by the military–industrial–government elite. This approval went well beyond those directly benefiting from defence employment. There had to be an ideological foundation for the distortions favouring defence budgetary expenditure to be socially justifiable. Ideological Perdition in the political-economy promoted the notion that military spending achieves a peace, albeit an uneasy one. This was a notion that was fundamentally flawed.

[226] Higgs 1994 p. 21.
[227] Higgs 2008 p. 11.

Higgs suggests military spending made little contribution to national security where its efficacy was unchallenged by society and the civil institutions within.[228] This is not to say military spending was fruitless, simply that in postwar United States, its justification was more political than anything else.

So, justification is the acceptance of a perceived reality (truth), which had more to do with society's political-economic ideology than any substantive Soviet threat. As such, social ideology had to be manipulated to ensure continuing support for military expenditure. The key ingredient for achieving this, was fear. The threat of Soviet annihilation of the American way of life, on the one hand, drove public support for ever increased defence spending. On the other hand, fear had to be an ever-present element in the Habitus; for without fear, the elite could not justify the ongoing resource allocation it demanded. Fear was the fundamental driver of defence spending, rather than any realistic assessment of threat. At this point, one must return to Bourdieu.

8.3.2 Society

Ideology, Bourdieu suggests, is also affected by the associations between members of society and the institutions of civil society. Social/ civil relationships are inherently political in that institutions are affected by the power impost upon these relationships and, through these institutions, the rest of society.

Recall that the exercise of power is to achieve hegemony, for hegemony is the only path to long-lived legitimacy. The military–industrial–government complex's object was to shift ideology in the favour of its exploitative behaviours. Postwar communist extension in Vietnam (1947), Greece and Turkey (1948), China (1949) and war on the Korean peninsula starting in 1950, put the image of fear firmly at the centre of American national consciousness. Socially, interactions within a Field, and between Fields, are a representation of the cognitive assessment individuals make of the embedded fear that prevails in society. Fear, constructed within the Habitus, was the ever-present undercurrent in all political-economic relationships during the Cold War period. Fear supported the hegemony of the military–industrial–government elite.

Domestically, the image of the United States in global geo-politics was that of its military superiority and, by inference, the superiority of its particular form of economic, social and

[228] Higgs 1994 p. 12.

cultural Habitus. This was an image reflecting the binary logic of false association raised by Bourdieu and instrumental in legitimisation of the hegemony of military–industrial–government elite power. The image of military superiority served the elite well, both in the necessity to maintain resource allocation to reduce the fear of looming threat and, conversely, to increase the allocation should the Soviet Union display any military advancement over that of the United States. This situation was about to change, however.

The need for public display, or at least perception, of superiority was dealt a blow with the Soviet detonation of a nuclear weapon (1949) and its successful orbit of Sputnik 1 in 1957. The hegemony of the military–industrial–government elite came from the belief that its existence assured American political and economic stability in a context of a perceived Soviet threat. When American superiority in a military (and, as we will see, in the social and economic sense as well) was questioned by society, the hegemonic power of the elite necessarily diminished.

Fear is an ideological weapon to demand further resource allocation; it also acts as ideological stimuli for ever-greater support of the military–industrial–government elite. If public fear was at the centre of the elite's hegemonic control, then social perception of superior military power was the only way to reduce fear. This required resources to be disproportionately directed to the military–industrial–government elite. More so, it necessitated unquestioning public support of budgetary spending in this area. This is a society travelling the road to Ideological Perdition.

The social norms and mores guiding political-economic ideology (that is, the Doxa) are centred on the primary economic, social and cultural position which the military held in the political-economy. Thus, the perdition reflected by postwar political-economic ideology can be described, first, in terms of cognitive shifts that entered society through perversion of civil society's role in voicing opposing views and, second, by the tenor and breath of the construction of a perditious, exploitative Doxa.

Bourdieu digs deep into the relationship between Doxa and ideology. Breaking from the limitations of Marx's delineation by class, Bourdieu suggests that one's position in society is determined not by one's class - for class is fixed and therefore not reactive to shifts in ideology

- but one's relative *distance* from the dominant sociological organisation.[229] Such a notion is associated with his discussion of Fields with which those in a society identify.

In terms of the Cold War political-economy, the individual's membership of a particular Field is of no great interest. Rather, my interest is in how the hegemonic amalgam that is the military-industrial-government complex, straddles over society's various Fields, shaping national political-economic ideology.

Bourdieu argued that Fields are manifestations of national symbolism and are thus encompassed by the ambit of elite hegemonic power. Fear, as symbolism, is primary in the blurring of class divides. Worker, boss, retiree, student, one who may be rich or on welfare, may associate with a different mix of Fields; but in Cold War America, these people were united in their fear of Soviet expansionism. This unity was reflected in the Doxa that was brought to the fore by the symbols of nationhood, capitalism and so-called freedoms.

Bourdieu posited that the unity of Doxa was, because in the reality of the social world, boundaries between classes were no longer clear-cut.[230] Where a perditious nature of the military–industrial–government elite existed, a fear existed across the entirety of the political-economy. If classes exist only as they are relative to peoples' association to Field, and groups and individuals associate with many Fields, then these associations *must* cut across relative class boundaries. Where the symbols of fear permeate the Doxa, then the (second order) differences of class are not, in any way, dominant enough to shift a reigning perditious political-ideology in the nation. So why is this important in terms of elite hegemonic power? Because, as power is affected upon civil society by an elite, its hegemony speaks to all of society, not one or other class. Nor does it speak to classes exclusively. It relays the same message of fear to all.

During the Cold War, the power of the military–industrial–government elite rested on the fear it engendered hegemonically, across the entirety of civil society institutions, across all members, Fields and the Doxa constituting the national political-economy. As classes merged and divisions melted, the necessity to pinpoint the message of fear to one or other class was obviated and a broadcasted hegemony across all of society became the effective tool of the military–industrial–government cabal. Fear linked class to the hegemony of the elite and the fallacy of *homo-economicus* separated the masses from self-determinism. These two

[229] Bourdieu 2001 pp. 145-153.
[230] Bourdieu 2001 p. 147.

elements of Bourdieu's Habitus depend on social culture to entrench hegemonic exploitation, that is. Ideological Perdition.

8.3.3 Culture

Bourdieu denotes culture as those characteristics learned over time from family, initially, and as one develops a sense of self-identity, that is, from the Fields in which one moves. Culture represents the position that education, language, art, religion and so on, have in developing and reproducing national political-economic ideology from one generation to the next.

Why, then, is culture important in a discussion of the social distortion emanating from hegemonic power? The nature of society's culture is most attuned to the Doxa, that is, a society's interpretation of the social and economic mores of Habitus and the fissures into society-wide culture that can be manipulated by the military–industrial–government elite. The elite seeks to shift ideology through the conduits the Doxa enables the elite to access the Habitus. Gramsci described culture in terms of the role played by academics in positing a firm platform for political dissent. However, Bourdieu's scope is wider. He describes the importance for hegemonic control, thus perdition, in the massaging of all aspects of national culture toward the legitimisation of elite power. We might see similar platforms of Bourdieu's messaging in out society in the 21st century through claims of 'fake news', social media and aspects of political correctness masquerading as censorship.

Bourdieu focusses on education, particularly higher education, as the most influential aspect of culture in determining relative class. Education facilitates the reproduction of power intergenerationally and the entrenchment of social and economic position. Education, he writes, fashions the mind's eye to the interpretation of the political and social events around one, that is, social ideological cognition. He values education's emphasis on critical thinking and decision-making. A valuable education brings with it an awareness of one's own bias and, as such, critical assessment of one's nation's own consciousness. He terms this: Reflexivity.[231] Where social cognition is distorted by the military–industrial–government elite's influence over education in civil society, such thinking promotes Ideological Perdition.

Bourdieu writes that across the many Fields making the political-economy, there is a positive advantage to the individual by his or her conforming to the popular mindset in society - of accepting what is proffered, as truth. The Reflexivity of education is diminished. A broad

[231] Bourdieu 2001 p. 349.

similarity of mindset is a positive advantage to social and economic advancement; in contrast, questioning the *status quo*, is seldom rewarded. Reflexive thinking, as a point of academic strength, may correct the uniformity of pedagogy - a uniformity designed by the elite to lead the educated to a similar reflection of the issues of the day and guide a society travelling the road to Ideological Perdition.

Reflexivity, as a counterintuitive or contrarian thought, might be considered the nascent bud eroding social Misrepresentation, but it commonly brings upon the individual the cost of unemployment.[232] Control education and an elite can constrain society's cognitive thought processes. If education requires public funding, then deviation from the entrenched ideological philosophy is a costly luxury to the individual both in terms of economic and social capital - as it is costly to the institution providing a reflexive education. Over the course of time, in a reproductive sense, Bourdieu suggests that education provides the social and economic foundation for future generations. As such, it would be difficult not to see the importance that some degree of educational indoctrination would yield an elite's ongoing hegemonic legitimisation.

Gramsci posited that, with the sway that civil institutions have in determining political-economic ideology and, I suggest, Bourdieu's blurring of class distinctions by field associations, one might suppose that most cultural symbolic elements opportune for perversion also reinforce elite hegemony. The statue in Arlington Virginia of marines raising the flag at Iwo Jima (1954), movies of conquest in war, postwar consumerism and superiority in space and nuclear weaponry are all symbols of power that gained purchase in the cultural capital of political-economic ideology during the Cold War. Bourdieu argues that symbols of elite power are Structuring Structures in that they proffer a uniform interpretation, creating a popularly considered 'right-thinking' social knowledge. These images, and many others from the homespun truths ventured from in '*Leave it to Beaver*' to 'Santa sipping on a Coke', are a semiotic framework for American culture of the time. They instilled respect for authority, acceptable art or religion and raised the elite establishment to heroic myth. Symbols of nationhood and national power were the trigger for deep-seated cognitive justification for military–industrial–government perdition. During the Cold War, these meanings were shared by all of society, regardless of class, religion, domicile or political affiliation. Bourdieu had suggested that the symbols served as the visual instruments of domination. The military–

[232] Bourdieu 2001 p. 349.

industrial–government complex was, thus, objectified by society and defined the nation's economic and social international position.

The Levers affecting the Habitus represent social ideology in the political-economy. They are manipulated by the cognitive lens through which the symbols of military–industrial–government elite behaviour can be assessed by society. In Bourdieu's world, the focus of the lens is controlled by an elite exercising its hegemonic power. Their objective is popular legitimisation of an elite's position of power. Legitimisation allows their distortion of the political-economy.

Put simply, for the military–industrial–government elite's power to be sustained, the place of the elite in the political-economy must be legitimised by the very society being exploited; and such an exploitation is Misrecognised by society as 'right and proper'. Gramsci saw similar forms of exploitation as a consequence of an elite power exercising hegemony over the institutions of civil society. Together, a framework for effective exploitation of society, supported by civil institutions, is uncovered - and it thrived during the Cold War period in the United States.

8.4 Conclusion

My goal in this chapter has been to strengthen my general model of Ideological Perdition by associating the writings of Antonio Gramsci and Pierre Bourdieu to ideological change that positioned the military–industrial–government elite in the political-economy of postwar United States. To do this, one must see Gramsci's work on elite hegemonic power through control of the institutions of civil society. One must also turn to Bourdieu's work on legitimacy of hegemonic power in society.

On the one hand, power is affected through the Structures of society, on the other hand, the Levers required to shift social cognition. The action of both meant that society accepted the hegemony of the military–industrial–government complex. Both hands are required to understand the purchase of Ideological Perdition in the political-economy at the time – and both factors led to societal exploitation. While these scholars may differ in the *way* they visualise exploitation by an elite, they were in agreement that *application* of elite power necessitates cognitive shift in society to the way it interprets the political-economy.

The amalgam of Gramsci and Bourdieu is used to describe the rise of the military–industrial–government elite in the United States after World War II. However, the discussion of the rise of Ideological Perdition cannot end here. The intent and action taken by the military–industrial–government cabal to reinforce its legitimacy, must be explored.

Madeline Albright fears the power of exploitation giving rise to the type of political-economic control she witnessed as a young teenager in wartime Czechoslovakia. In this chapter, the mechanisms for social manipulation have been given a theoretical foundation, contextualised by the military–industrial–government elite. In the next chapter, the behaviours of the military–industrial–government elite in the United States are examined in fuller detail.

Chapter 9

The rise of elite hegemony in the United States

'Our government has kept us in a perpetual state of fear - kept us in a continuous stampede of patriotic fervour - with the cry of grave national emergency. Always there has been some terrible evil at home or some monstrous foreign power that was going to gobble us up if we did not blindly rally behind it by furnishing the exorbitant funds demanded. Yet, in retrospect, these disasters seem never to have happened, seem never to have been quite real'

Douglas MacArthur'[233]

In this chapter, I relate Bourdieu's Habitus and Gramsci's hegemony to the American society's journey along the road to Ideological Perdition. However, I suggest the addition of the element of fear helps us to better understand the rise of a perditious hegemony. I argue that American capitalism was defined beyond economic values, principally embodying the illusion of capitalism's protection of individual and societal freedoms and this assisted the nation's path to Ideological Perdition. The chapter is as follows:

- an overview of perdition in the American political-economy;
- the perversion of political-economic ideology during the Cold War;
- scientific research and the rise of industrial power;
- government and the rise of elite power;
- fear and hegemonic power; and
- manipulating political-economic ideology.

[233] MacArthur and Whan 1965 recounted in Higgs 1994 p. 283.

9.1 An overview of perdition in the American political-economy

Many scholars have documented the breadth and depth of military power during the Cold War years, often concentrating on the money-cost of arms build-up. However, the implications of military expenses go much further than money. To better understand perdition, one must examine the military's role in the fundamental distortion of political-economic ideology.

In 1962, Sidney Lens investigated military spending in the context of its influence over the entirety of the American political-economy. He found that the military had contracts with private industry in 363 congressional districts (out of a total 435) and directly employed 10% of the civilian workforce. Yet, military largesse was extremely narrowly focused - just one hundred corporations received two thirds of all military procurement contracts.[234]

Robert Reich argued similarly.[235] He writes that given spending priorities, it was not surprising private military industries exerted significant influence over government, such was was the presence of the military's permeation across the entirety of the nation's infrastructure and consciousness. Indeed, the extent of military expenditure represented some $247 for each American citizen in 1961.

Taking a global humanitarian, as well as an economic view, John Kenneth Galbraith commented:

> *'There is something intrinsically obscene in the combination of ill-fed people and well-fed armies deploying the most modern equipment (against the poor of the world)*.'[236]

[234] Lens 1970 p. 44.
[235] Lens 1970 p.2.
[236] UK House of Commons member, Michael Foot, referencing the quote from Galbraith 1966

Galbraith adeptly illustrated what he described as the immorality of the distortion to American social wellbeing, particularly as life-saving human necessities went wanting. Illustrating this, Lens provided three military aircraft programs which, together, cost more than $30 billion (over ten years) and noted that these funds could have been made elsewhere, such as:

- doubling primary and secondary education spending; or
- doubling job training for the unemployed; or
- tripling food aid; or
- multiplying by twenty-fold the funding of public transport.[237]

Spending exceeded any practical threat was one problem, but of greater importance was the lack of any public audit process justifying it.

Reich argues that military spending added little in the way of government assistance to areas of greatest need in the economy. Rather, spending exacerbated private sector manufacturing waste and profligacy; representing a very blunt example of Keynesian pump-priming. With few performance or quality benchmarks, spending failed to generate anything but sectional wealth.[238] As far as ideological perversion was concerned, misallocation of national resources toward the military, inefficient and ineffective as it may have been, was necessary to hoodwink an American public, suspicious of government spending on such a large scale.

Recently, James Ledbetter described the military–industrial–government elite's emerging hold during President Eisenhower's term.[239] The elite's absolute impact on American democracy, he wrote, meant increased spending was reflected in an American ideological interpretation of capitalism. It was well beyond the purely economic; legitimising the global spread of American-styled social and politico-cultural ideology. Ledbetter went on to suggest the military–industrial–government complex grew in power by embedding in political-economic ideology a social acceptance of exploitation at home, necessary to support the American military abroad.

The power of the military–industrial–government complex over political-economic ideology seemed inviolate by the early 1950s. In fact, it was set to expand exponentially. The onset of the Korean War (in the mid-1950s) primed the military's ever-increasing calls on the congressional budget. A war so soon after the horrors of the Second World War, in a place

[237] Lens 1970 p. 2.
[238] Reich 1972 p. 299.
[239] Ledbetter 2011 p. 100.

few knew and smaller than the state of Minnesota, had to be considered by the American people as an ideological battle that *must* be fought and won, for the protection of the American way of life. Here, the power of fear can be seen.

Fear shifted political-economic ideology and became the primary tool of exploitation by the elite. Fear instilled in the American people's mindset the belief that Korea was just the next of an ongoing series of dominos to topple to communist dictatorship. This fear legitimised successive increases to the military's budget from (in real terms) $60 billion annually in the period 1947-50 to some $168 billion in 1953. Thereafter, the military budget never fell below $148 billion.[240] This pattern of expenditure signaled social exploitation, embedded and Misrecognised, in the political-economy.

However, it was the war-economy footing, with the United States as the prime source of Western European security, that was the most significant change in American domestic political-economic ideology from that of prewar years. American military power overseas was entrenched and unable to be dislodged. While Eisenhower sought to wind back the $10 billion annual budget deficit the nation was incurring (due largely to military spending), he was unsuccessful in offering a sense of security to the nation in the absence of such spending taking place! He attacked the hegemony of the military–industrial–government elite by seeking to link military supremacy with the nation's fiscal solvency. However, the public perceived the two as mutually exclusive. Even Eisenhower's warning that military spending and the Federal Budget were: '…*mutually dependent and that permanent maintenance of a crushing weight of military power would eventually create dictatorship'* failed to shift national fear of Soviet attack on the American political-economic ideology and thus the spending to fund it.[241]

The warnings were muted, deafened by the power of the elite's hegemonic power. Military power had become strongly linked to the protection of American values which, in turn, were purported as freedom. Eisenhower's efforts failed to gain much traction among the public, fearful their way of life was being threatened by a hostile Soviet Union whose power matched, if not exceeded, their own nation's military capabilities. To the American public, their political-economic ideology rested firmly in the perception of the nation's military superiority.

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[240] Higgs 1994 p. 4.
[241] Eisenhower 1961

By playing on the taxpayers' fiscal rectitude, the Administration believed a simple cost-effective counter position could be argued: nuclear weaponry was cheaper than a vast armed force. To Eisenhower and his successor Kennedy, nuclear weaponry was the way forward with fiscal responsibility.[242] However, shifting social ideology from the perception of American superiority by limiting the military budget was a counter-hegemonic position that could never work. American geo-strategic might, derived from nuclear weaponry, as opposed to the vehicles delivering the warheads and the troops at the front of conflict, was not a policy shift that society wanted or wished to grasp.

The elite's hegemony was derived from the public's perception that their fear could only be eased with American military superiority in what was seen as a belligerent global political-economy. The Soviets were developing a space presence in addition to conventional and nuclear capability. The American public's fear was easily stoked and, the elite warned, any reduction to American military development would expose the nation to increased threat.

Both the Eisenhower and Kennedy Administrations' fiscal policies could not breach the core ideological promise of the military–industrial–government elite which was that military supremacy creates political-economic stability for the United States. As such, Cold War ideology extended beyond mere government expenditure. Truman's policy of containment of the Soviet Union through the positioning of his nation as Western hegemon, initiated a Cold War arms contest that diverted national resources from broader economic development across American society.

Though Mutually Assured Destruction was some way off, the influence of nuclear technology was inviolate. The Bomb was sanctified in national symbolic ideology and, as a retaliatory threat, it was demonstrably effective. Eisenhower had threatened nuclear retaliation against North Korea and China in a move argued to have forced all combatants to the conclude the Korean conflict at the 38th parallel. So, too, was the threat implied against China, as it poised to march toward the Nationalist Party's territory of Formosa (as Taiwan was known then).[243] Across the globe, ideologically became measured by military supremacy.

Scientific research, carried out in large by private industry under government contracts, drove an unrequited quest for military supremacy. Military research output, according to Reich, had ill-defined measurement criteria of performance, long lead times and frequent enhancements

[242] Swanson 2013 p. 151.
[243] Swanson 2013 p. 139.

necessitating expensive re-tooling.[244] This meant that the military–industrial–government elite enjoyed substantial profitability - with very little public scrutiny. The nature of military research effectively shifted development risk to the social purse whilst permitting profitability to remain in the hands of private corporations. This was easily justified, as industry's function was to ensure the military of its supremacy; and only supremacy could deliver national security. The justification of political-economic exploitation was similarly substantiated by increasing calls by the military on the nation's resources. The elite's ongoing perversion of American political-economic ideology appeared unstoppable.[245]

9.2 Scientific research and the rise of industrial power

Rather than falling into the trap of historical exactitude, I would suggest Cold War ideology had many parents: the Truman Doctrine (1947); Churchill's 'Iron Curtain' speech (1946); the Potsdam Conference (1945); and/ or Roosevelt's elevation of nuclear science (1941). Each event built the political and economic environment that facilitated the growth of the military-industrial-government's perdition in the United States. Of all these events, Lens' description of 'big science' suggests the most interesting as the start-point.

Prior to the Second World War, scientific endevours were largely funded by private research institutes and universities. However, even before the onset of hostilities, significant government resources were being diverted to corporate military research projects. This broadening direction of government funded research is instructive as it suggests an emerging military elite extending to the civil sector from an early stage.

Government funding of military science fuelled elite power in three ways. It integrated private research science into the military apparatus, that is, it extended the dependency of the industrial sector on the military and the federal government politicians who voted to fund industry research. Secondly, by using taxpayer funds, research funding legitimised the redistribution of national resources to the military–industrial–government elite. Finally, it

[244] Reich 1972 p. 299.
[245] Alperovitz 1985 pp. 328-338.

created a community of scientists who, as with most communities, took on a unified political voice in support of the elite who were paying their salaries.[246]

Scientific research was the conduit between private industries that manufactured armaments and the people's demand for military supremacy. Ideologically, military scientific research was socially perceived as not only the pinnacle of industrial achievement, but also reflected the power of American capitalism over the economic, social and politico-cultural ideologies of nations not aligned to the United States.

Science put a luster on technology and, by association, on American capitalism. Its scope ranged from communication, psychology, radio detection and ranging systems (radar), microwave, intelligence gathering techniques and, of course, to nuclear technology.[247] Capitalism in the war-economy, writes Lens, necessitated that government coordinated civil institutions to the meet military's resource demands.[248] Popularly, the productive output of big science was visual and monumental: the physical embodiment of a patriotism shared by the entirety of the nation. It exemplified, with a few exceptions, that capitalism was synonymous with American might.

Nuclear research, particularly, was the physical manifestation of an ideology premised on military supremacy. This research promised an era of advancement – the unfettered harness of unlimited power for industry and society alike. Nuclear technology was perceived to keep America, and Americans, safe.

Nuclear weaponry was primal. It came from the very core of nature - the atom – and to the American people in the immediate postwar years, it was the ultimate protection of their way of life. Continuing military supremacy required the legitimisation of a political-economic ideology which unashamedly expropriated national resources. This was American capitalism, morphed by Misrecognition, embodying a sense of freedom and believed as the only ideological form which could protect the nation.

The achievements of scientific research connected national pride with military armament and added to the perception of the supremacy of the nation's ideological form. Federal politicians basked in the reflected light of these achievements, doing little to limit the military's budgetary

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[246] Lens 1970 p. 15.
[247] Although radar is the currently used term, RADAR is, in fact, an acronym for Radio Detection And Ranging. It was developed by the British and kept from its war-time allies for some time. However, United States research developed improvements both during the Second World War and after.
[248] Lens 1970 p. 59.

demands. Government, as director of financial largesse to the compliant institutions of society (including universities training future researchers, with shades of Bourdieu's reservations, mentioned above) was the agent for the military's association with private industry. The government of the people was the conduit for society's journey along the road to Ideological Perdition.

9.3 Government and the rise of elite power

As lawmaker, the congressional *House Committee on Un-American Activities* was designed to subsume national defeatism; though it appeared more to promote conspiracies of government overthrow. Bellicose in the least and socially subversive at worst, such conspiracy hunting might well be seen as distorting facts to engineer a false perception of truth, offering credence to what Bourdieu termed Misrecognition, through the fallacy of bipolar logic.

Lens took it further, suggesting that the military's keen interest in the Committee's proceedings supported its need to equate capitalism with military supremacy in the mindset of the American public. Military preparedness, with its vast and increasing expense, had to weld patriotism to the popular image of national security. Thus, patriotism was, in the bipolarity of hegemonic logic, American ideology - and American ideology was American capitalism in all its economic, social and politico-cultural associations.[249] Questioning this was, therefore, perceived as un-American, communist and derisive.

Galbraith writes of the notion of government/ military conspiracy, describing it as a slovenly interpretation of the power of the military, armaments industries and the government during the Cold War period.[250] Yet, conspiracy is a misreading of the power held by the elite. It is too simplistic an explanation of the connections embedded over time in the national government. Conspiracy, alone, does not represent the damage the military–industrial–government complex caused the political-economy. Rather, military officers became congressmen who then became industrial consultants. Workers and local communities welcomed military industry in their states and saw lobbying as a necessary part of industrial/ government behaviour. The rise of military influence was pervasive across the entirety of political-economic ideology; particularly in government which allocated national resources to one state

[249] Lens 1970 p. 60.
[250] Galbraith 1969 pp. 19-21.

or another, or one sector of the economy or another. The significance of military preparedness against the threat of external forces was reflected in government budgetary provisioning of the American foreign policy and the integration of armaments into the national supply-chain of domestic production.

The power of the military–industrial–government elite was coercive; perceived as domestically benevolent and giving protection against the forces of the Soviet bloc. Its power was formed out of fear in the very belly of the nation's people.

9.4 Fear and hegemonic power

The well-documented evils that the Soviet dictatorship wreaked upon its own peoples cannot be excused by the Ideological Perdition exercised by the military–industrial–government elite in the United States. Yet, what is being described here is how public fear was very much the *modus operandi* of elite perdition in the United States. The military–industrial–government complex enveloped political-economic ideology with an ongoing sense of fear of impending threat. It was a fear of forfeiture of the perceived freedoms which the people saw to be protected by military supremacy. Thus, as long as the military remained all-powerful, it would mitigate society's fear of losing its way of life. However, for military supremacy to be maintained, society had to legitimise, and Misrecognise, its own exploitation by the elite.

Power depended on the belief of a threat that was '*never to have been quite real*', to use Macarthur's words (recounted at the top of the chapter). Yet, reality has little to do with fear. The military-industrial-government elite's hegemony grew as fear of impending threat to national political-economic ideology became increasingly embedded into each element of the Habitus.

Mary Wrenn has explored fear in the political-economy from a hypothetical point of view. She divides it into two distinct forces affecting societal cognition:

- fear as ontological, where fear is of the moment; or
- fear as existential, where fear is an ever-present sense that pervades social behaviours.[251]

Ontological fear could be likened to rapid political or economic change, such as financial chaos, the influx of political refugees or the uncertain duration of a severe drought. During the Cold War, ontological fear might be associated with immanent military action. This is not the *perception* of attack, but real military action. For the Americans on home soil, ontological fear never occurred!

The perception of military conquest was an existential fear. During the Cold War, existential fear was embedded in political-economic ideology as a future, imagined risk. Wrenn argues that this fear can be more pervasive in society. During the Cold War, it was a fear of the possibility, if not probability, of something in the future that will challenge the very nature of society as it was known. Bourdieu might have seen this as the collision of irreconcilable opposites: the ideologies of United States against those of the USSR. Whilst existential fear was subsumed by the grit of daily life, I suggest that fear nonetheless underpinned the American political-economic ideology, securing the hegemony of the military–industrial–government elite. I suggest that existential fear was the greatest determinant of the military-industrial-government's power in the political-economy.

With the postwar world in political flux, the American people's belief in their postwar military superiority may have allayed, but did not remove, fear from the national psyche. It merely shifted the nature of fear from ontological (impending conflict) toward the more pervasive existential fear (possibility of threat).

The interests of the elite relied on an ongoing existential fear in society. Put simply, the mitigation of fear could never be removed completely. If there were no existential fear in the community, the power attributed to fear could not be used by the elite to buttress its power.

[251] Wrenn 2014 p. 339.

The elite's power depended upon *continued* military superiority and this required society's approval of continued allocations of national resources. Such a diversion of natural resources was, of course, consistent with political-economic ideology, that is, consistent with the elements of the Habitus that the nation's citizenry demanded of the military's superiority.

Bourdieu argued that historical and cultural antecedents shape political-economic ideology, especially when society is confronted with uncertainty of the future. Thus, global and domestic political-economic experiences during the first half-century, devastating and unpredictable as they were, could be said to have shaped the American Habitus during the subsequent Cold War period. In postwar United States, the existential fear was of economic, socio-political and cultural change. This was the nature of the fear which pervaded the entire political-economy and shaped the Habitus into an image depending on military and economic power.

Recall that Ideological Perdition is a construct of popular perceptions of the elite as protector of an existing political-economic ideology. In a stable society, the Habitus is unchallenged by existential fear. A stable political-economy incrementally alters as new knowledge and technology are integrated into the Elements of the Habitus. In contrast, where an elite can rely on the presence of existential fear being resonated through the institutions of civil society, distortion of political-economic ideology is assured.

A stable political-economic framework, even one which is exploitative and based on existential fear, can be all that is required to satisfy social demands. This was the notion of stability presented to the American political-economy, and what the military–industrial–government complex offered. However, whilst fear *enabled* ideological shift, *how* the military–industrial–government elite embedded fear in the political-economy is of interest.

9.5 Manipulating political-economic ideology

Pierre Bourdieu related the Elements of the Habitus to ideology in the political-economy. He argued that social ideology was a duality. Departing from others, he believed that social ideology is not the sum of beliefs of its individual members; rather, ideology is shaped by fundamental elements driving society - its economy, politics and culture. During the Cold War,

an existential fear was embedded in the relationships individuals had with each other and with the nation as a whole. By necessity to retain the elite's hegemonic power, fear was enmeshed within the Habitus.

What sets a nation apart from other nations is not the disassociated behaviours of its citizens, but the particular nature of their social interactions. Bourdieu called this a nation's Social Dispositions. A nation's political-economic ideology shapes the cognitive responses of the nation's people in their Social Dispositions, directing the form of government policies. These behaviours are derived by the principles embedded within the Elements that inform the Habitus. Thus, Cold War America differed from other nations due to the particular characteristics of their Habitus, its Fields and Social Dispositions. As such, perdition at the ideological level, needs hegemonic control over society's cognition of how economy, society and politico-culture must operate.

9.5.1 Economy

Bourdieu wrote that to properly understand how economics is integrated within a national ideology, one must:

> '*Construct a realist definition of economic reason as an encounter between Dispositions which are socially constructed (by Field interactions) and the Structures … of those Fields.*'[252]

He criticised others for seeing economics being 'the market', solely represented by the exchange of goods and services. Rather than simple reductionism, where singular self-interest determines the economic form of greater society, Bourdieu believed a nation's *particular* political-economic ideology determined the form of economic relationships. Indeed, economics without its social context, represented no society at all. During the Cold War, the economy reflected the specific American ideology of the times; it could not have been otherwise. Economic Man, an idealised human who acts in a rational, self-interested manner, free of external determinants, must therefore be discredited. To Bourdieu, this is just not the way power interacts with people in the political-economy.[253]

Bourdieu suggested that economic exchange is shaped by the Fields in which society's participants belong. During the Cold War, the United States' resource allocation was guided

[252] Swedberg 2011 p. 73, citing Bourdieu.
[253] Swedberg 2011 p. 74.

by social Fields; Social Dispositions within these Fields; and the nature of their interaction between the Elements of the Habitus.

Economic Fields were distorted by elite power so as to reflect quite narrowly defined elite interests. To be sure, prices were determined by supply and demand, but elite influence over the political-economy distorted both supply and demand! Such was wholly consistent with Cold War ideology and reflected the shift in the parameters of Fields (within the Habitus) that determined both supply and demand, in the first instance, and, in the second, the nature of the negotiation needed to arrive at an exchange. By centering on the dynamics of different economic Fields within society, Bourdieu makes it possible to argue that legitimacy of societal exploitation during the Cold War was gained by elite hegemonic power over the Habitus.

Lens illustrated the role of the economic Field during federal budget negotiations. Accounting for one third of government spending, the military's position on the negotiation table was assured. Fear, therefore, worked to reinforce the elite in key negotiated budgetary priorities. Lens suggested that, by having the single greatest share of the federal government's budget, the military could presume the right to influence government spending in order to reiterate the position of the war-economy in the political-economy.

The war-footing had to remain in place indefinitely and deemed a right of the elite, thus coalescing with the military's position in the reigning political-economic ideology. As such, the Pentagon's policy line, Lens writes, was of undeclared emergency. The United States military must be vital and of increasing importance in national economic discussions to secure the nation's security against Soviet invasion.[254] Fear was the wedge that gave ideological credence to the claim of the military–industrial–government elite over national resource allocation.

[254] Lens 1970 p. 18.

In the late 1940s and early the next decade, there was some justification for the role of military spending in economic growth. Keynes wrote some time before, that:

> *'It is, it seems, politically impossible for a capitalistic democracy to organise expenditure on the scale necessary to make the grand experiment which would prove my case – except in war conditions.'*[255]

It appears Keynes had described the conditions precedent for postwar military power. He raised the implication that military spending for a war, albeit an undeclared war, was separable from social constraints otherwise imposed by democratic power. Extending this a little, the social resentment that may have been expected over the military's direction of citizen's taxes, was limited by fact of the changes emerging in social ideology. Military spending reduced social fear of perceived external threat to American ideological values, whereas a new school or hospital did not. In comparison to welfare expenditure, military spending reflected the postwar ideological position that excessive social spending was a threat to capitalist values – capitalism being at the core of American ideology.[256]

Further, military spending garnered a significant constituency of support of those whose livelihood depended upon continued government largesse. This value was presented as self-evident – prosperity for all. Indeed, the supposed prosperity was put to American society as ongoing, so long as its military might was superior than all else on the face of the globe.

Given the long-term nature of scientific research and thence production, some high-end technology contracts endured for several years. With funding assured, surety of employment secured the place of the military in economic Fields and thus the Habitus. It was Senator J. William Fulbright's congressional testimony that described:

> *'Millions of Americans whose interest is in making a decent living, have acquired a vested interest in an economy geared to war. Those benefits obtained, are not easily parted with. Every new weapons system or military establishment soon acquires a constituency.'*[257]

[255] Reich 1972 p. 296.
[256] Reich 1972 p. 301.
[257] Lens 1970 p. 46.

As early as Eisenhower's' *Change for Peace* speech (1953), the intractability of military spending from the American economic model, was raised.[258] Postwar military Keynesianism drove much of the nation's growth of National Income, whereas WW II expenditure had only been temporary. Mobilisation for a war that never eventuated created years of civil employment, despite the return of de-mobbed service personnel after World War II and the Korean conflict. Prosperity followed, albeit sectional, and not without cost.

Eisenhower, in a preliminary train of thought to his January 1962 Farewell Address to the nation, saw danger in the hold of the military over the national budget. He railed against what he termed urgent-seeming fads that diverting resources from the construction of highways, hydro-electric power, hospitals and the funding of education.[259] These projects, he believed, were more beneficial to the nation. By the end of his tenure, he saw military expenditure serving little social purpose, and was well beyond the immediate needs of either priming the economy or protecting the nation. Unable to temper the elite's hegemony, Eisenhower's was a warning to the nation of its Misrecognition. Military build-up in the latter years of his Administration's term was, Eisenhower believed, a dangerous and inefficient substitute for the longer-term investment in national infrastructure.

Eisenhower's resistance to the leviathan that was government's military spending raises an interesting point – was not the president the head of the elite? I suggest the answer was: No. The military-government-industrial elite gained its power to distort the expense of the nation's resources because it had hegemonic power delivered from across the length and depth of the United States. The road to Ideological Perdition taken by postwar America society was fuelled by the near universal acceptance of a military supremacy ideology which pervaded all aspects of its Habitus. To apomorphise the military-government-industrial complex by designating a human head, misses the point. Power to shape US public policy was derived from the ideology spread in American society. As president, Eisenhower had the power to detonate the nation's arsenal of nuclear weapons, but he remained in power because he was beholden to the ideological construct of the nation's citizens. That construct saw the American way of life threatened and only a superior military presence could avert that existential threat.

[258] Ledbetter 2011 p. 82.
[259] Ledbetter 2011 p. 104.

A war-economy, warned Eisenhower, was '*A life of perpetual fear and tension; a burden of arms draining the wealth and labour of all peoples.*'[260] It was characterised by an irrevocable intertwine of industry and military such that the distinction between military and civil needs were blurred. Though Eisenhower was an architect of the association between industrial science and military build-up in the early 1950s, in the early 1960s he warned of the '*unwarranted influence'* posed by the close military and government liaison on the institution of American democracy.[261]

This liaison was at the very core of Field relationships and thus, American political-economic ideology. The elite's economic hegemony was reflected in the control it had over public policy, the federal budget particularly. Further, this relationship was premised on the fear posed by an external threat to American capitalistic values, that never really existed.

9.5.2 Society

Project Candor commenced in 1953. It was designed by the Eisenhower Administration to reinforce the position of the military, in both federal budgetary terms and in the eye of the general public, by embedding the military hierarchy within a complex consisting of the armaments industry and government. Pervading all civil institutions, Project Candor helped to shift political-economic ideology and legitimise elite power. As Bourdieu might have put it, society Misrecognised its own exploitation; giving up a large part of its democratic power in exchange for perceived economic stability.

In a series of presidential addresses, advertising, blood drives and the building of fall-out shelters; Americans were led to believe they were living in an age of prolonged peril. Fear was embedded at the base of Social Dispositions and thus, ideology. The preservation of military supremacy was presented by the elite as the panacea. The point made here is that each Disposition is informed by, and therefore informs, the behaviour of a particular society. In the United States, military supremacy was a Social Disposition and proffered as the singular cure of existential fear.

American values and social behaviours were presented in stark contrast to those of the Soviet Union, and of communism in general. Such manipulation played effectively to underlying distrust between the nations' respective economic, social and politico-cultural Elements. The

[260] Ledbetter 2011 p. 68.
[261] Eisenhower 1961

distinction between the two ideologies supported the military–industrial–government complex's increasing command of power in the American political-economy. As these Social Dispositions represented a fundamental character of the social element of the Habitus, society's reaction to fear was entirely rational, albeit based on perverted foundations. They represented:

- American Social Dispositions directly opposite to those of the Soviet Union;
- the consequences of not maintaining military superiority were terrifying; and
- a public policy which emphasised a primal demand for national stability through American military supremacy.

Eisenhower's Administration was the first to be framed by the Cold War. The Soviet's 1953 detonation of the Hydrogen Bomb and the perception of attack from space as Sputnik bleeped its signal to the globe in 1957, dominated White House strategic decision-making. Soviet technical advancement galvanised popular fear across America. The risk of ideological challenge from a perceived Soviet threat was amplified by fear of being subsumed by a foreign ideology where individualism was persecuted. It was the stuff of Winston Smith's miserable life in George Orwell's dystopian novel, *Nineteen Eight Four* (first published in 1949).[262]

Cold War communications interposed fear into American Social Dispositions by identifying particular national societal values and behaviours under threat. These found fertile soil in a distorted social mindset. Interestingly, Eisenhower's chief speechwriter worried about the increasing use of psychological manipulation in political campaigning through mass-media; those pioneered in the campaigns of the day. Orwell might have called this '*thinkspeak'.*

Writing in 1956, C. Wright Mills highlighted the communicative power of fear the elite proffered to society.[263] Fear was enveloped in every-day social life. It came from business, political masters, the government and civil institutions. It pervaded civil institutions from the Boy Scouts to court made law. It was represented in books, newspapers, films, television and educational curricula. It indicated a growing schism between the military–industrial–government elite and democratic power in society.

[262] Orwell 1949
[263] Mills 1956 p. 43.

Extrapolating Bourdieu, the power of fear framed Social Dispositions such that it distorted the Field relationships constituting the social thinking as represented by the Habitus, that is, political-economic ideology. It was perditious in that this ideology removed power from society, placed this power in the hands of the elite, distorted national wellbeing, was Misrecognised as necessary for political-economic stability and legitimised as the singularly correct order of social functioning.

9.5.3 Politico-culture

Ideologically, capitalism took on a broader political-economic meaning during the Cold War. Its possible loss in a war with the Soviets was at the centre of the American people's fear, ultimately reinforcing society's exploitation by a military–industrial–government elite which promised protection – if only ever-increasing national resources were diverted in its direction.

Capitalism is interpreted by Bourdieu as an accumulation of social standing that is made from economic and politico-cultural power. He acknowledged that whilst money-wealth often follows power, it is social standing which more accurately represented the power of capital. This broader notion of capital was demonstrated in the power derived from an elite's accumulation of the beneficial networks of Field interactions.

In this greater conception of capital, Bourdieu put a value on the attributes of power attained by wealth. Capital provides the elite greater employment opportunity, better education and healthcare and access to others with power. It affords the elite an appreciation for the finer things of national culture, such as art and literature. Interpreting capital, and capitalism in this way, enables a more realistic understanding of the power exerted upon the American Habitus by the military–industrial–government elite.

For the elite, capitalism raises privilege and separation from broader society. These attributes of capital contribute to the enhancement of an elite's politico-cultural position, which confers power. Where money-wealth enables the elite the ability to purchase goods and services others could not hope to buy, it is the associations across Fields that gives the elite the power to exploit. The accumulation of politico-cultural capital, beyond simply money-wealth, is characteristic of the hegemonic power used by the elite to exploit those whose hold on capital is less secure. Gramsci's discussion of hegemonic power, Lukes' Third Dimension of power and the thoughts of Bourdieu all describe exploitation in terms of elite control over Field

interactions within the political-economy, termed more broadly as 'capital'. They do not describe the singular possession of money-wealth as power.

The political-economy of a nation with a war-economy is a more social, cultural/ economic integration and cross-relational description of the capitalist framework than one with a stable and secure political-economy. Yet, since the end of the Second World War (indeed, from Kenan's 'Long Telegram' before war's end) the ideal of American capitalism was presented as a heightened alert of possible war with the Soviet Union. For Bourdieu, such a war-footing had to interpret capitalism as a part of the complex construction of the Habitus. In the United States, capitalism was seen by society as the singular, morally correct, legitimised construction of the American Habitus. Increasing American military spending was the practical consequence of its Habitus, that is, American anti-communist ideological globalisation.

In one step, Bourdieu reduced the postwar political-economy with all its complexity, to the legitimisation of a distribution of national resources towards an elite through the image of capitalism as political and cultural, as well as economic, ideology. In the United States, capitalism gave power to the elite across all Elements of the Habitus, legitimised elite exploitation of society and discredited all other public policy options that might be raised. Its antithesis, that is, any government inspired budgetary lessening of national resource transfer to the elite, only increased the popular belief that only ongoing military superiority could protect national ideological values.

Regarding the Soviet threat as the decade approached its end, the then presidential candidate, Richard Nixon, said (in 1968) that the Unites states was:

> *'a power whose goal is only peace. We are not attempting to dominate any part of the world; we are merely trying to assure the right of freedom of choice for other nations.'*[264]

Nixon was demonstrating the importance of capitalism as embodying the very identity of American nationhood. He represented the train of thought that had existed since the Truman Doctrine codified American foreign policy: capitalism *is* freedom. Without capitalism reflected in national (any nation's) ideology, there can be no freedom. More so, anything but the

[264] Lens 1970 p. 16.

presence of American styled capitalism across the globe was a threat to American national security - to American freedom.

Nixon's *right of freedom of choice* furthered this notion. *Rights* reflected the moral and behavioral aspects of politico-cultural association, that is, American values. The use of the word *choice* was seen as the diversity offered by capitalism and *freedom*, the term of greatest resonance, linked the American nation to its own need for military superiority.

The broader definition of capitalism evoked the ideological justification of perverse Field relationships, such as those coming from employment and profitability, write Boltanski and Chiapello.[265] Any austerity, indeed exploitation, associated to the moral high-ground that American capitalism represented, simply justified the gallant sacrifices made by the nation's people. It demonstrated society foregoing public infrastructure for the perceived greater good which, during the Cold War, was American national security. A noble sacrifice, indeed!

In a generation previous to Nixon, President Truman (in 1947) said that:

> *'World peace could only be assured through the world-wide prevalence of free enterprise. Freedom of enterprise, speech, worship, assembly could not exist in regimented economies.'*[266]

The two presidents' statements clearly tie the notion of freedom with an American definition of capitalism. One meant the other and without one, the other could never exist. The association of capitalism to freedom ensured the military, the government who funded the military and private industry who supplied the military, hegemonic power – as long as the nation's military was perceived as supreme by the American people. Capitalism *was* freedom and any dissention was not merely anti-capitalist, it was undemocratic and against the core of national ideology. That is, capitalism was the foundation of the nation's innate sense of its own freedom. Both presidential statements positioned the global expansion of American values firmly into the political-economic ideology of the American people. If his statement, above, was not clear enough to those listening at the time, Truman, in the same speech, warned that '*The capitalist system could survive in America only if it [capitalism] became a world system.'*

[265] Boltanski and Chiapello 2005 p. 152.
[266] Lens 1970 pp. 22 -23

It is not a jump too far to imagine the military–industrial–government complex perceived as the protector of capitalism, nor that capitalism was the protector of the elite power. As capitalism was consequential to elite power, exploitation (albeit Misrecognised) was similarly legitimised.[267]

The notion of capitalism as an ideology justified (if not obligated) its defence, both at home and abroad. It was morally superior to the alternative (communism in the extreme and any level of socialised control practiced by Western social democracies) and created a capitalist bloc to further protect American way of life.

This bloc was facilitated by carrot-and-stick in the form of US government largesse and military coercion.[268] Gunboat diplomacy may not have been as obvious as British protection of its imperial rule via its surrogate, the East India Company oversea franchises, but the use and/ or threat of military action was used very effectively across the globe to sure-up American capitalist interests.

Marx posited that capitalism exploited labour in the form of Surplus Value at each point of production. Bourdieu went further. He argued that exploitation was not limited to the working class; exploitation was strengthened at each point by an elite hegemony raising the symbolism of capitalism across Social Dispositions and the Fields that make up the politico-cultural Element of social ideology (Habitus). As the fruits of political-economic stability led to greater consumerism, so could the ideology of capitalism become capable of depicting the even greater threat to the nation that fear of its loss could produce.[269]

9.6 Conclusion

In the United States, the rise of elite power during the Cold War years was based on the nation's fear that its way of life was threatened. The reality of the threat was questioned by some, both at the time and in the years after. However, the fact or fiction of Soviet threat is not under review here. What *was* the defining characteristic of the Cold War was that popular perceptions of external threat to the nation's existing political-economic ideology were engineered to enable exploitation by an elite consisting of the military acting with the behest of

[267] Boltanski and Chiapello 2005 p. 158.
[268] Streeck 2017 p. 144.
[269] Boltanski and Chiapello 2005 p. 156.

government and supplied by the armaments industry. This power was hegemonic, crossing the entirety of the political-economy, distorting the economy, society and the politico-cultural identity of the nation.

Ideological Perdition is a circular process. Perdition is more often than not, insatiable. Power needs to grow, depriving society of ever-greater resources. Cold War perdition extended itself to the point of fuelling the collapse of the very ideology that supported it. As the decade turned to the 1970s, fractures became evident in the military as its economic, political and military superiority were questioned.

Society's journey along the road to Ideological Perdition was nearing political-economic chaos. This is the genesis of a political-economic shift toward neoliberalism and is the subject of the next part of the dissertation.

Part IV
The road to Ideological Perdition in the current period

'In the hopes that they will inherit a world and a country that are less divided.'

Joseph Stiglitz[270]

The rise of a neoliberal political-economic ideology had its genesis in the chaos following the collapse of the American dollar and the fourfold increase in global oil prices, in the early 1970s. These events might have been the trigger for the chaos, however pressures had been building over the decade which, I suggest, were destined to lead the globe into chaos.

Stiglitz wished a better world for the future generation. This wish, however, would be no easy feat to accomplish. Stiglitz describes the present era as gripped by an ideological structure where the inequality of national resource allocation, opportunity and hope are not only commonplace, but this inequity seen by many as 'right and proper'. The current-day political-economic ideology is bequeathed to the future a society, without urgent change, will lead it to the end of road to Ideological Perdition.

Writing *The Price of Inequality* in 2012, Stiglitz witnesses the birth of popular protests in Tunisia, Libya and Egypt. The people of these nations were protesting against the gap between how their political masters were describing their nation's economic wealth and the destitution the majority of the nation was experiencing. Stiglitz also saw the riots on Wall Street in New York and the protests on the streets of Seattle, voicing similar discontent.

However, after the book's publication, across much of Northern Africa, the Arab Spring dissolved into rabble, seeing the rise of a new elite committing some of the ills of the past. Social and economic development fractured even further. Across the Atlantic, in the United States, the Occupy protests faded. The American nation returned to its entrenched ideology of neoliberalism, separating those with power/ and those benefitting from elite largess from those without any power or opportunity at all. I argue that neoliberal ideology has become

[270] Stiglitz 2012. In a dedication he makes to his children, appearing in the front of the book.

entrenched further and has brought society closer to the end of the road to Ideological Perdition.

In this part of the dissertation, I illustrate the thesis by describing the collapse of political-economic ideology and the rise of a new formation since the chaos of the 1970s. I document neoliberalism as a re-formation of cultural, political and economic roots in Western society. This re-formation shifted social make-up both in the stratum of society and accepted norms, to legitimise an evolving, perditious neoliberal ideology. The ideology was exploitative, hidden in its impact of democratic voice and, as the Century turned, has exponentially separated the greater part of nation's peoples from the basic tenets of their human/ social condition.

Where Ideological Perdition was represented in the past by identifiable regimes in a nation (a political regime in Germany) or a social-political-economic construct (the military-industrial-government cabal), in the current period, neoliberalism is denoted by no pinpointable regime and is pervasive across all society and most nations. The neoliberal political-economic ideology has seen inequality entrenched and society appears determined to follow a path to perdition.

The evolution of neoliberal Ideological Perdition follows as:

- Chapter 10 — a description of the metamorphosis of Cold War capitalism as it moved toward political-economic chaos;
- Chapter 11 — global neoliberal capitalism is placed at the centre of political-economic disorder; and
- Chapter 12 — a trajectory which appears intractable and leading toward political-economic chaos in the future.

Chapter 10
The metamorphosis of Cold War capitalism

The conflict in South Vietnam is only a minor example of the military/ government/ industrial complex's instinct for disaster.

John Kenneth Galbraith [271]

Capitalism has often cycled; re-establishing itself in the political-economy at the centre of an ideological belief-set, often (though not necessarily destined) to extend its exploitation once again. Slavoj Žižek cautions us from interpreting capitalism's metamorphosis after crisis as necessarily leading to a better, more equitable power structure.[272] Whereas capitalism's reinvention will entail a different political-economy interacting with different social mores, beliefs and parameters, Žižek argues capitalism generally develops into a form which is one equally exploitative, if not more so.

Marx, Polanyi and Gramsci plotted capitalism's natural tendency toward crisis as it exploited an ever-greater proportion of those in society. The evolutionary nature of capitalism's crisis, leading to a workers'-based class struggle from within the system of capitalist exploitation, is not proffered here. Rather, the trajectory argued is for the elite to extend exploitation and, from that, ongoing crises as the capitalist system staggers on indefinitely – until political-economic ideology shifts.

Capitalism, moreover, is controllable through the twin elements of democracy and a vibrant civil society to ensure democracy is robust. The political-economic triptych of the Bretton Woods monetary agreement, the International Monetary Fund/ International Bank for Reconstruction and Development and the United Nations were such a foundation, sketched-out as the war ended, to meet these twin objectives in the postwar world.

However, this foundation was soon undermined by the postwar geo-political positioning of the war's victors. The rise of elite exploitation which, in postwar America took on the guise of capitalism, was neither tempered by democracy nor by civil society. Rather, elite power emerged to usurp the power which should have been vested in these institutions. This

[271] Galbraith 1969 p. 20.
[272] Žižek 2012

process was facilitated through the vehicle of ideological shift. The road to Ideological Perdition is one travelled by the individuals who make up society when they abrogate their democratic power, albeit unknowingly, for the illusion of political and economic stability.

In this chapter, I suggest our understanding of Ideological Perdition can be extended by focusing on systemic failings of an elite to maintain its hegemony over society. It is political-economic crisis arising from a perverted ideology, rather than crisis premised on capitalism's inherent contradictions, which represents a people's journey along the road to Ideological Perdition. Bourdieu and Gramsci help us understand this.

At the core of their writings is the notion that capitalism cannot properly be defined by the narrow economic parameters in which combatants are limited to class divisions in the workplace. To the foundation provided by the two scholars, above, I introduce Marxist economist, Ernest Mendel, to assist interpretation of the crisis facing Cold War American capitalism in the 1970s.

The chapter progresses as:

- emerging fractures in American capitalism;
- the nexus between power and Late Capitalism in the Habitus; and
- political-cultural effects.

10.1 Emerging fractures in American capitalism

If we understand the connection between American capitalism and the position of elite hegemonic power in the political-economy, a fuller explanation of the ensuing crisis as the 1970s progressed can be described. The progress of American capitalism toward crisis represents the emerging fractures in the structure of elite hegemonic power characterised by:

- labour's (thus consumers') incomes were high in terms of their share of profit;
- government maintained full employment through expansionary policies; and
- the military could extract national resources by keeping the system safe.

10.1.1 Labour costs

Mandel's theory of Late Capitalism suggests that capitalism follows long term cycles, up to fifty years in amplitude. Capitalist accumulation of wealth would mature and, thus, labour becomes more embedded in the capitalist system, waxing and waning due to Marx's theory of the Falling Tendency in the Rate of Profit. Marx's term derives from the nature of capitalism's exploitation of labour and the propensity of capitalists to substitute labour-saving technology into the production process.

However, Mandel argues that the endogenous changes referred to by Marx are, alone, unable to explain the shift in the American political-economy during the 1970s. Mandel broke with Marx, suggesting exogenous factors in the sociopolitical environment provide a better explanation.[273] His litmus test for the inevitability of capitalism's crisis is identified by a fall in the ratio of profit to invested capital, leading to future investment decisions being put on hold. It is here attention must shift to the work of John Kenneth Galbraith.

By challenging the causal association between consumer's income, their demand, the prices attained for goods and services in the marketplace and the level of industrial production a nation creates, Galbraith argued that American late capitalism reflected what he termed a Techno-structure.[274] He posited that household income could be split between expenditures on life's necessities, termed Physiological Sustenance and for Cultural Subsistence, being items such as holidays, latest model cars, dishwashers, entertainment, dinning out and so on.

Galbraith described American industry engineering a heightened consumerism for Cultural Subsistence goods and services. Whilst there has always been a tug-o-war between capital and labour at the firm level, following Kalecki, Galbraith reasoned that the driver of national economic growth in the 20th century's middle age was from the capacity of industry to meet the demands of Cultural Subsistence.

Galbraith railed against price as the singular mechanism to clear the market, either goods and services or the pool of labour. He believed that, in a maturing capitalist political-economy, industrial production would rise or fall according to consumer demand, whilst prices and wages were relatively fixed in real terms. As such, corporate earnings would feel the brunt of boom and bust in the volatility of *consumer demand*, not employment or incomes. Mandel

[273] Mandel 1981 pp. 333-336.
[274] Canterbery 1984 p. 84.

similarly argued that, as it is from retained earnings that new investment is made, economic growth would be created, or not, as a consequence of consumer demand volatility.

Mandel's Long Wave was the linking mechanism between economic activity and capitalist collapse. As capitalist accumulation expands (retained earnings), owners of capital seek to extend their substitution of labour with labour-saving investment in an attempt to increase labour productivity, firstly, and, secondly, limit the power of labour as a class in the political-economy.

As new technology reduced the unit cost of production (through the reduction of human labour), the Organic Wage cost, that is, the cost of human labour as a part of profits earned, must become more expensive, so heightening industry's calls for relief through an increase in the pool of unemployed (thus reducing labour power in the political-economy). The nexus of perdition, thus, rests in the objective of an elite to limit the power it may face from other sections of the society, namely, labour.

Mandel assumed diminishing returns from capital expenditure. This necessitated increasing funds re-invested from retained earnings. Importantly, this led to the ratio of Organic Cost to profit to rise over time and made it more important that the elite sought further real wage contraction by ensuring unemployment/ underemployment would systemically rise. It was the *ratio* of profit to Organic Wage Cost falling, which gave rise to the stagnation exhibited by Cold War capitalist America evident from 1966.[275] Yet, a 'crisis of capitalism' this does not make!

Rather, Galbraith saw crisis being sourced, in part, by the *political* inability of either prices or wages to adjust to rise in an environment of Organic Wage cost pressures. He argued that, after World War II, the bargaining power of labour to maintain wage levels had firmed due to the inclusion of organised labour into the capitalist system as a working partner; government's reluctance to hinder consumer demand as a driver of Gross National Product; and the implied 'Social Contract' of full employment that democratic government had to maintain in order to placate its electorate.

However, these elements also represented the potential for fissures to emerge in the elite's power in the political-economy. As these stresses emerged, and over which capitalism could not adjust, the exploitation of those in society *had* to become greater.

10.1.2 Full employment

[275] Hodgson 1977 pp. 300-301.

As the desire for goods to satisfy Cultural Subsistence rose (because of consumerism's engineering by industry), political-economic ideology evolved to see both consumerism and full employment embedded within the Habitus. Bourdieu would reduce this to an aspect of elite hegemonic power in the politico-cultural element of the Habitus.

Streeck writes that postwar capitalism functioned extraordinarily well until the mid-1960s (in some aspects until the early 1970s), so well that '*the period characterises our ideals of what capitalism is and should achieve'*.[276] The association between state and citizen, embedded as consumerism and full employment, meant organised labour had to operate within a state guided capitalist system. It was full employment, rather than democratic voice, that was key to a rising standard of living and, by inference continuing elite power. However, cracks were emerging in the coalition of elite power which were needed to support these twin ideals.

As early as 1962, Joan Robinson, described postwar Keynesian prosperity based solely on full employment as insufficient, particularly as capitalism matured. She wrote that:

> *'… full employment, [and that] market demand must expand as fast as potential output; merely to prevent it from falling is not adequate*.'[277]

Robinson reiterated this point fifteen years later, recounting Michal Kalecki's Political Trade Cycle.[278] She posited the strains on capitalism in 1977 as the full employment policies of the 1950s and 1960s were eased to create a reserve of unemployment, designed to keep wage increases lower than the rate of price inflation. Kalecki, she wrote, had foretold of a government's ability to maintain full employment, but their unwillingness to do so. The association between the two ideals - employment and consumer consumption - in a capitalist context would always favour corporate investment (through retained earnings), rather than the support of consumption.[279] Full employment, the factor holding government's position in the cabal of elite power, both financially and electorally, would be strained by its alliance to the industrial sector, which would always be demanding lower Organic Wage costs. The influence of industry would prevail, cutting government spending to sure up employment, with a slump to follow.

As the 1960s ended, the American government's commitment to full employment and the welfare objectives of President Johnson's Great Society program, retreated. Economic growth

[276] Streeck 2011 pp. 5-7.
[277] Robinson 1962b pp. 38-40.
[278] Robinson 1962b p. 39.
[279] Robinson 1977 p. 16.

slowed and fractures in political-economic ideology became more evident. Streeck describes the period as the beginning of observable risks to the military-industrial-government's power, particularly in face of rising unemployment and the pursuit of an inflationary accommodative monetary policy.[280] With the Federal Reserve System's easy monetary policy stance, coupled with Congress' push for banking deregulation, consumer credit became the driving force funding a Keynesian expansion, rather than government spending or corporate investment. Growing private debt set the scene for external shock to ignite inflationary pressures. The shock was, in part, the four-fold rise in OPEC oil prices.

Important as this was, Paul Samuelson points also at failed grain harvests across the globe, the collapse of Bretton Woods system of monetary stability and negligible capital investment, as not insignificant influences in the political-economy of the time.[281] Protecting the military–industrial–government elite's hegemony through an accommodative monetary policy in an effort to buttress consumer demand, whilst buffeted by external stresses, could not continue indefinitely.

Transforming future productive wealth into current consumption under the banner of full employment had to fracture the nexus of power between government and industry. Without continued economic growth, the calls of the military for increased funds would have to go unheard.

10.1.3 Military

Both the direction and amount of military spending since the Second World War had stimulated economic growth to an extent that Keynesian fiscal spending in the civil economy would find it difficult to match. Military spending included a mx of quick, unmeasurable, profligate, socially accepted expenditures in the perceived defence of the nation. Yet, whilst economic pressures were putting pressure on elite power in terms of the maintenance of full employment and corporate profits, the wind-down of the war in Vietnam seemed only to raise the military's appetite for armaments, and the demands for the budgetary allocation to pay for them.

A so-called 'peace dividend' might have been expected as President Nixon pulled troops from the Vietnamese theatre – but it never eventuated. Galbraith estimated the end of this conflict

[280] Streeck 2011 p. 10.
[281] Samuelson 1981 p. 39.

would generate some $6 to 7 billion reduction (about 10%) in the military's budgetary needs.[282] However, this saving depended upon the Pentagon's resistance to new spending - and this was never to be. Indeed, after the Vietnam War, new contracts were awarded for naval destroyers, new aircraft and a re-invigorated Anti-Ballistic Missile System. The position of the military as defender of American capitalism against the scourge of European, South American and Asian-styled communism replaced any anticipated peace dividend. The public perception of military power remained fixed fast at the centre of political-economic ideology. The reasons why military power had a resilience greater than that of the civil elite is that it served the elite complex to do so.

President Nixon well understood the political power of a strong military in electoral terms – and association with its aggrandisement clearly 'rubbed-off' onto his popularity. Paradoxically, his withdrawal from Vietnam could also be seen as extricating the military from an unwinnable situation of public dislike, only to reinvigorate the perception of American military supremacy. Further armaments spending, especially expenditure on big, visible, employment generating projects, could only support the political base of elite power.

The political process of executive direction of the Federal Budget toward the military, its congressional acceptance and industry's willing approval, appeared to prove the electoral process was both working and, more importantly, was sound in its perceived ideological righteousness. Whereas there may be fractures emerging in other parts of the military-government-industrial power complex, the military was certainly holding its end up!

[282] Galbraith 1969 pp. 5-12.

Galbraith noted a number of unique characteristics which limited the military's fracture:

- the military was firmly located in an inflexible bureaucratic structure;
- it had the benefit of communist expansion since the end of World War II;
- secrecy was the by-word for the military's actions and this was respected by the public;
- fear was key to its power and this was well executed in social ideology;
- military spending had priority over social spending in ideological terms; and
- both Republican and Democratic governments enjoyed electoral success by associating themselves with the military.[283]

American governments of all hues were not the gate-keeper to the excesses of the military elite, but part of the elite itself. As military power was the locus around which elite power was formed, the position of democracy appeared little more than irrelevant window-dressing; legitimising Misrecognised elite power. As national security operations were couched in secrecy, secrecy itself became a weapon to ensure the military's actions - both in a military sense and as the role of the military extended into civil areas of the political-economy.

There remained in society's eye an ongoing military challenge against American power from communist extension in Asia and, of course the USSR. This translated to the necessity to support the military's duty to protect capitalism, even though calls for cessation of the nation's participation in southeast Asia spread. The military held its position of power largely similar to that of the war years – continuing to present an ideological barrier to a silent communist threat. Unseen, without war casualties and secretly proffered, the post-Vietnam War power of the military could well be argued to have increased.[284]

However, some degree of popular electoral power emerged as the conflict between declining profitability and politically guaranteed full employment was challenged by continuing stagflation in the 1970s. In this period, Streeck writes that political-economic ideology swung further to the protection of the elite structure, not '*social, economic justice'*.[285] He asserts that social welfare public policy made way for policy to recapitalise industry. This occurred principally through the benefits gained by the elite as industries were granted self-regulatory powers and employment was progressively deunionised. Whilst not directly in Streeck's field

[283] Galbraith 1969 pp. 36-39.
[284] Lens 1970 p. 60.
[285] Streeck 2011 pp. 23-24.

of view, the military imperative seemed never to have waned, continuing to proffer reflected 'strong-man' status on political leaders who did the military's bidding.

Ernest Mandel's description of long-term capitalist cycles moves us from review of mono-causal declining rates of profit, as Marx described, to asymmetric economic, sociological and politico-cultural shocks, as the impetus to crisis. The emerging fissures in power during the 1960s and 1970s, saw the ideological foundation of elite power become increasingly perditious.

This adds weight to Mandel's description of the period as 'Late Capitalism'. As Cold War Ideological Perdition extended into the 1970s, I suggest that intrinsic flaws in the very foundation of an American capitalist Habitus were at the core of inevitable breakdown of power - not capitalism's internal inconsistencies.

10.2 The nexus between power and Late Capitalism on the Habitus

Pierre Bourdieu saw the economy, society and politico-culture as collective in defining social ideology. Each affected the influence the elite had over political-economic ideology and each deserve greater discussion.

10.2.1 Economy

In 1944, a permanent remedy to the chaos of the interwar period was behind monetary discussions in the small New Hampshire town of Bretton Woods. For two decades after WW II, the strength of American capitalism relied on its relative superiority to the productive capacity of rest of the world. It created nothing less than capitalism's re-invigoration. More so, its radical redesign into a globally cooperative rules-based economic order heralded a period of economic growth unprecedented in world history.

The quarter century after the war appeared to have eliminated the booms and troughs of the economic cycle, giving full employment to all and access to consumer goods previously only available to the wealthy. By the early 1960s, the Bretton Woods Agreement had largely met its goals. As the decade turned to the 1970s however, seeds sown deep within the Bretton Woods Agreement were beginning to germinate, ultimately fracturing the military–industrial–government elite.

In 1944, American negotiator Harry Dexter White, bargaining from a significantly stronger political and economic position, largely secured American demands, putting in place its burgeoning global hegemony. Most significant was the discount of Keynes' international settlement vehicle, Bancor, in favour of the dollar as the settlement unit for international trade, itself backed by gold. This was the seed of the military–industrial–government elite's failure.

As early as 1947, economist Robert Triffin argued the destructive dichotomy the gold exchange system engineered if the American dollar was used as a global reserve currency. With the United States as supplier of currency for world trade and its Bretton Woods obligation to convert these dollars into gold at a fixed price of $35 an ounce, the mechanism would bring the system, and the American economy, to the point of collapse.[286]

Triffin correctly identified the economic (rather than political) inconsistency of the American position at Bretton Woods, particularly as capitalism developed and matured. A maturing global economy meant that reconstructed economies would increase their external trade capabilities, lessening America's trade dominance, and so too, its trade surpluses. As such, America's inability to address its external economic balance *had* to erode the nation's political hegemony over its satellites and, as a consequence, the power of the military–industrial–government cabal.

The key to Triffin's dilemma was that the rest of the trading world *could* adjust their domestic economies to changing circumstances by way of devaluation/ appreciation of their currency *vis-à-vis* the dollar. However, America was stuck in the mire of a gold exchange standard which saw its ability to adjust its own economy through devaluation, hindered. Whilst other nations could devalue against the U.S. dollar to sure up their international trade (without the need to induce domestic demand contraction via the tool of increased unemployment), the dollar's fixed parity with gold prevented dollar devaluation as a means of domestic political or economic restructure. Any remediation to American trade deficits had to occur within the context of significantly lower domestic growth, that is, increasing unemployment.

As the 1960s progressed, European and Japanese production began to out-pace that of the United States, both in quantity traded and productivity. Samuelson noted that in the early 1950s, the American share of global GNP was in the order of 40%. By the 1960s, its production was 30% and by 1981, about 25%. The American people totaled just six percent of global population (in the 1970s), which still made their output quite remarkable. All other

[286] Eichengreen 2011a p. 52.

things being equal, one might reasonably expect a decline in American economic hegemony. Indeed, American economic power would fall, *eventually*. However, American global economic power reflected more the position of the dollar as the unit of global business, rather than its strength in the real economy. The United States was running a structural deficit on traded goods and services. American deficits were increasingly funded by dollar inflow, not from trade, but from foreign nations buying American federal government debt to account for their ballooning dollar-based trade balances. Increased American debt, as a consequence, coupled with the strains of its fixed gold convertibility, saw the dollar as the globe's only reserve currency as both a blessing and a curse.

As blessing, the dollar's reserve currency status ensured continuing Capital Account inflow as all trade was denoted in the American currency. French Finance Minister, Valery Giscard d'Estaing, termed this the dollar's Exorbitant Privilege. Barry Eichengreen describes the dollar's privilege as the rest of the world subsidising American living standards through an asymmetric financial system, premised on the dollar's reserve currency status, returning to the American domicile in the form of foreign indebtedness.[287]

Not that this fact led to any real change to dollar supremacy in the Bretton Woods system. In economics as in politics, the mere quantum of dollar transactions, even in the early 1960s, saw the system just too big to alter. As far as the elite was impacted, American industry could (initially) maintain their profit ratios without great need for technical modification to match foreign productivity, relying on continued domestic consumer demand, supported by debt and, of course, military expenditure. Incumbency of the dollar in international economic relationships, or its Network Externality, where all actors use the same practice, Eichengreen continued, legitimised elite power in and of itself.

The curse of Exorbitant Privilege was that, as American export production waned, its reliance on capital inflow to support elite hegemony in the American political-economy, rose. The inherent inflexibility in dollar manipulation bequeathed by Bretton Woods so many years before, hindered American ability to adjust its domestic economy to its profligate international military, government and industrial largesse of the 1950s and 1960s. Domestic policies had built-in the dollar's Exorbitant Privilege, thus buttressing the connections of power within the military–industrial–government elite's capitalist political-economic ideology. Yet, the policies supporting the elite power complex merely sublimated the need for domestic economic

[287] Eichengreen 2011b p. 2.

restructure. Public policy served only to prompt inflation, on the one hand, and economic stagnation, on the other.

Had Keynes' Bancor been available, the dollar could have been devalued to represent America's declining fundamentals in global economic power. As it was, dollar balances held offshore rose as global trade grew, though not representing American exports of goods and services. Facilitating this increase in money supply (though with little in the way of product made and exported) were banking instruments that extended dollar denominated trade loans, offered financial risk hedging and facilitated currency speculation – all exterior to the control of the American Federal Reserve System. As trade grew, so re-insurance and forward foreign exchange contracts came to dominate an emerging trade derivatives marketplace. However, the basic problem remained - as the dollar could be exchanged for gold (upon demand), American gold reserves increasingly fell far short of global dollar balances.[288] If the basis of postwar trade rested in national comparative advantage, as it did, and economic operations respond solely to prices paid, which they do not, then the American political-economic structure of power was to be in for a shock!

Firstly, economic growth after the war was not homogenic across all Western nations. Secondly, price alone in the era of Cold War geo-strategic power did not universally characterise state objectives. Rather, state objectives were toward national security, reconstruction and export market penetration. These all had a significant part to play in national economic decision-making. Simply put, whatever the political and economic power the American military-government-industrial elite derived from a 40% share of GNP in the early 1950s, the effective impact of the United States in the global economy of its declining share of trade in the final quarter century of the millennium, meant that its power had to be re-evaluated.

Whereas Europe and Japan reconstruction aid were no longer functional in ensuring United States hegemony, American expenditures for global military deployment remained important for achieving American aims.[289] Domestic political-economic ideology necessarily had also to remain supportive of the nation's military position. As such, the American public expected economic, social and political costs to ensure the notion of their nation's protection. This had been a constant force behind national ideology and, of course, the power of the elite.

[288] Eichengreen 2011a p. 7.
[289] Block 1977 p. 142.

Reaffirming this was Secretary of state, George Marshall's testimony before Congress. He unequivocally saw domestic sacrifice as a small expense for the rebuilding of Western Europe and that reconstruction was for the singular purpose of keeping Europe and Japan in the American capitalist camp; and against any Soviet expansion that might be a detriment to American security.

This remained the position of the elite a decade later. Albeit the nation's declining dominance in world trade, the trade decline had to be off-set by the preservation of global American military power.[290] As the Cold War economy took on the characteristics of a nation in Late Capitalism, this position was increasingly costly in both money spent and politically.

Attempts to reign-in military expenditures met with limited success and where they did achieve reductions, they were offset by project cost over-runs. Yet, the fundamental issue remained unresolved: a global military presence was deemed essential succor to the domestic ideological framework. It held the military–industrial–government power in place albeit the nation was unable to meet new economic pressures because of its Bretton Woods obligations to maintain gold parity.

In the late 1960s, President Nixon attempted the integration of rising currency insecurity with its foreign policy by putting political pressure on American allies to hold dollars rather than shifting these reserves to gold. The bargain was in return for America's ongoing and strengthened European military presence. Gallant though it may have been, the plan failed to allay the financial fears of the nation's creditors. As far as many were concerned - the French particularly mimicking their behaviour during the 1930s - the dollar's international value was at risk and the possession of gold, not dollars, was their only real protection. All faith and confidence in a fiat currency damaged by a failing economy signaled only one thing - a steadily mounting flow of specie out of American holdings.[291] As far as the elite was concerned, its ongoing power was based in American international hegemony. Its military commitment to capitalism had to remain firm, first and foremost. Secondly, its currency had to be secured to gold convertibility.

Nixon's second term saw:

- rising inflation as dollars continued to flood the Capital Account;
- ongoing costs of overseas military operations spiraling higher; and

[290] Eichengreen 2011a p. 48.
[291] Eichengreen 2011a p. 59.

- production and full employment becoming harder to achieve.

In terms of military–industrial–government elite hegemony, Paul Samuelson suggested that one could hardly see the United States' power in the same light as the past, when its global production was proportionally much greater.[292] This strained the ligatures that had held elite power together.

The overriding principle of Ideological Perdition is that power over-extends and becomes brittle to external pressures. The relationship between the military, government and industry had to come under strain as the American economy slowed, without the ability to devalue its currency in order to achieve remediation. Conversely, any wavering in currency/ gold convertibility might be perceived as enabling the Soviet Union; by exploiting the profound crisis this would come about in the capitalist system and, by inference, American geo-strategic power. As the American military presence had to remain dominant, the dollar's Exorbitant Privilege led to ever-further indebtedness to the rest of the world as the nation's economic production tumbled. The military–industrial–government complex was strained.

America's superiority in its geo-political position necessarily flowed to the hegemonic power the elite could exercise over the domestic political-economy. In economic terms, American capitalism was premised upon domestic economic growth to keep industrial profits high and the military well supplied, and this depended on a Balance of Payments 'balanced' between Capital and Trade Accounts. Yet, American superiority as a global power, trading in goods the world's consumers wanted, was declining. Asymmetry between the two Accounts for too long would send the political-economy into a tail-spin, risking the ideological basis upon which elite power was founded. The economy had slipped from an immediate postwar producer of tradable goods, to global banker and borrower of the dollars earned by others in world trade. Where the United States *could* act as hegemon, ensuring political stability through its military presence, its economic power rested singularly in the fact of its currency being the unit of global trade. As the decade progressed, American economic growth was being increasingly funded by fiscal deficit, by foreign borrowing and private credit based Keynesian stimulus. This could not last without domestic growth falling.

As domestic demand evaporated, industry looked elsewhere to maintain rates of profitability. Marxists have always stressed that the export of capital is one of the decisive characteristics of capitalist imperialism and American domiciled firms rapidly divested their production to Asia

[292] Samuelson 1981 pp. 36-37.

and Europe. Internationalisation shifted American based corporation's reliance on their government to support domestic growth; further fracturing military–industrial–government power. As American debt grew, the dollar was seen as a form of stateless imperialism, it being held by creditors across the globe. The United States simply could not hold the trust of its political periphery as their holdings of dollar denominated assets fell in value.

The realities of a Late Capitalist fall in the rate of profit occurred not because of any inherent flaw in capitalism. Rather, the military–industrial–government cabal fractured because the monetary system was failing under the weight of increasing economic need. Without a change at the very core of the power relationship, that is to American adherence to the dollar's fixed parity to gold, the nexus of military–industrial–government power could neither reinvigorate the economy nor maintain its own hold over the political-economy.

The impact of decline had a range far beyond economic elements of the Habitus. The power of the elite to distort resource allocation and influence government, over the interests of the citizenry, was derived from a political-economic ideology that related social wellbeing to a buoyant economy and national security. The ideological premise was that only the existing elite could deliver these twin objectives. Whilst Robert Triffin had correctly seen the dichotomy between the dollar's privilege and subsequent strains on gold convertibility, the political responses to this asymmetric shock on the broader ideological basis of American capitalism, was just as significant. In terms of the Habitus, social change represented a further fracturing which a rigid elite complex could not accommodate.

10.2.2 Culture

For almost a quarter century, the United States maintained what Walter Lippmann called a comfortable surplus of power in the global political-economy, that is, American influence far exceeded its ability to fulfil its global commitments. However, from the late 1960s, a Lippmann Deficit emerged pervading most corners of American social awareness. Ernest Mandel wrote that a Late Capitalist society saw concrete examples where the military-government-industrial elite had failed to deliver on its political-economic obligations.[293] Three sources for elite failure can be identified:

- social implications of economic change;

[293] I caution the understanding of the term 'Late capitalism' as its latter-day usage stretches from Werner Sombart's pre-World War I application to its New York Times' reference to the 'Me Too' movement and fancy lettuce! Here, however, I devolve to Mandel, referring to the 1960s and 1970s failure of capitalism to deal with the political-economic pressures then evolving.

- changing geo-political friendships; and
- a confusion between nuclear and conventional.

Social implications of economic change

The economic most always spawns social externalities. This is fundamental to the understanding of Heterodox economics and central to the general nature of the model of Ideological Perdition. Gramsci described any political-economic power which existed in isolation of society's social institutions, runs the decided risk of being little more than transitory. The military–industrial–government elite was locked into a complex of capitalist associations and behaviours that shaped its manipulation of the Habitus. Yet, as capitalism matured, social interaction within the constituent elements which saw the elite a force of hegemony in society grew increasingly more functional, devoid of representation in either the workplace or with government. Society, as a construct of human individuals sharing a unified culture and history, became subordinate to market forces devoid of reference to individual aspirations.

Mandel described this shift, seen in the late 1960s, as a period of 'neo-fatalism'; and it was a unique characteristic of a decline in social order.[294] He interpreted this fatalistic malaise as the beginnings of society's disassociation with a political-economic form which was failing in its obligation to bring stability to the American people.

As industrial profits fell, the evidences of broad-based wealth in society also declined. Government's tacit commitment to full employment had shifted to a commitment to maintain the rate of profit for the firm. In a social context, the profit priority of the elite was incompatible with full employment as long as American international economic prospects declined – as they were as the 1960s came to a close. The American people's expectations of capitalism's protective powers had changed. Americans were reacting against the emerging limitations placed on society posed by Late Capitalism.

By the late 1960s, confidence in the elite was being undermined by the emerging breakdown in the nation's economic, social and military standing, internationally. The elite's whole purpose, as presented to the citizenry since 1945, was of national protection, full employment and confidence in capitalism to provide for continuing wellbeing. These were the constituent ingredients of political-economic stability demanded by the people. But if stability was in

[294] Mandel 1975 pp. 500-502.

jeopardy, then the elements supporting national Habitus would shift. At that point, the power over ideology the elite had held, must weaken.

Geoffrey Pilling describes what he saw as a crisis in Keynesianism. He posited that for thirty years, the American public believed that, by active direction of fiscal and monetary parameters, government would eradicate recession and inflation whilst simultaneously ensuring employment for all.[295] Inflation and unemployment were simply impossible! Of course, as the 1960s progressed both inflation and unemployment were becoming a hard reality. It is from this point that the elite's ideological hold in the political-economy started to fracture.

Whilst Pilling correctly described the fault-lines developing in social confidence, his allegation that it was Keynesianism that was holding the smoking gun, is misguided. Keynesian economic policy was, however, used as a convenient scapegoat to explain the failing of the political-economy. However, the crisis was not from Keynes. Rather, the crisis existed because of the limitations placed on the American economy to adjust to the nation's international obligations within the construct of its fixed gold parity. Its Lippmann Deficit had emerged because of American military and economic expansionism across the globe; and its deficit due to its inability to adjust domestically.

Samuel Huntington suggested that the Lippmann Deficit was not derived from inherent fractures in capitalism. It was derived from the forces of the economic, social and politico-culture. These were external to the nation and at a quantum the ideology of American capitalism that could not overcome.[296] Political-economic disintegration was from the impact on elite power, ant this was caused by the collapsing social legitimisation of the elite's political-economic ideology. Keynesianism was not the cause of the problems in the United States. As Joan Robinson succinctly wrote, the problem was: '*whatever bastardised Keynesianism policy was in place to protect American capitalism*.'[297]

There was a further event to challenge the social Habitus. Energy security had emerged as pre-eminent in social fears and the military–industrial–government elite was unable to provide a counter position to reinforce its hegemony.

Changing geo-political friendships

[295] Pilling 1986 p. 2.
[296] Huntington 1988 p. 454.
[297] Recounted in Pilling 1986 p. 12.

As the importance of oil actors rose in global strategic positioning, the American people's social Habitus had to contend with embedding previously alien religious and cultural relationships, into their Fields and Doxa. During the early Cold War, propaganda portrayed Axis powers were led by 'mad men', individuals who bent the social ideologies of their peoples. Their nations were now defeated, and their leaders removed (Germany and Italy) or made impotent (Japan). These former foes now embraced capitalism in the postwar world and *that* made them friends. However, new strategic alliances had to be made, with oil-rich Arab nations – this required a significant shift in ideology.

These new associations were confusing to traditional ideological notions of capitalism verses communism. Society was confronted with an octopus-like ideological permutation of national relationships. On one arm, some Arab nations were friendly to American interests, some even had pro-Western governments installed. On another arm, Arab nations were mostly vehement in their opposition to the state of Israel, a key electoral and social constituent in the American political-economy. On still further arms, there were religious separations between Islam and the West and between the sects of the Islamic religions. Yet another arm brought the confliction of predatory oil embargoes in retaliation for Western support of Israel during the Yom Kippur conflict, in two waves, wreaking havoc on American consumers, industry and military, alike. Finally, society witnessed acts of great terrorism by non-state actors espousing extremist anti-West demands, even from nations supposedly friendly to American interests.

The point being made is that social attitudes - those formed by twenty years of ideological embedment with the Western capitalist order, led by American global expansionism - were being challenged by new associations with seemingly alien cultures and those appearing to attack the very fabric of America, Americans and the ideology of the United States. What is more to the point, the hegemony of military–industrial–government elite appeared unable to address the protections from such global changes that society demanded. The core element of stability in the political-economy had been brought asunder in a matter of a few years.

Huntington suggests a number of geo-strategic failures demonstrated by the elite during this time; each as the nation's Lippman Deficit grew and each adding to social ideological breakdown.[298] He listed:

- impotence of diplomacy; ineffective assistance by allies;
- reducing efficacy of military expenditure; and

[298] Huntington 1988 pp. 456-461.

- failure to adjust energy sources.

Foreign policy, Huntington argued, was fragmented, unarticulated and poorly funded. He suggested President Nixon's redefined foreign policy (continued by both Presidents Ford and Carter) had focused on recuperating some of its military expenses from allies and concentrating on select powers (such as Saudi Arabia and Iran) to provide the bulk of regional stability. In this, Nixon was following his generally successful Chinese re-engagement policy which seemed to resonate well in American society. However, by offering military backing to Arab national regimes, American interests were disconnected with those of local Arabic religious and political insurgencies which dominated the region (rather than the relatively cohesive Peoples' Republic of China). Socially, these Arab advances failed to gain great domestic (American) purchase, partly due to the social, political and economic position of America's Jewish diaspora and partly because of sectional terrorist attacks against American citizens. If 'America is Back', as Nixon proclaimed in an attempt to reassert the social perception of military, government and industrial strength, its successes on the Arab peninsular saw the electorate largely unconvinced.

A confusion of protection

The position of technology, Mandel suggests, failed to hold the aurora in society it once had. Nuclear dominance was impotent as a weapon of aggression. The vast capacity of the American arsenal (and those of the growing Nuclear Club) may once have tipped the balance in international relationships, though it now proved ineffectual against guerilla insurgence in South East Asia and sectorial terrorism against American citizens across the globe.

Mandel noted that whilst the state may hold unrivalled nuclear power, it was people demonstrating at the barricades that appeared to have superior power.[299] This power was fully demonstrated during the French riots of 1968, the 1967 12th Street race riots in Detroit or the massacre of Israeli athletes at the 1972 Munich Olympics. Mandel was not suggesting that nuclear power could or should have been used, simply that despite the possession of weapons that could destroy all life on earth, social discontent could not be quelled by the reigning elite threatening the weaponry at its disposal. Mandel saw these social reactions not as pseudo-revolutionary voices, more so indications of a very real breakdown in elite power to manage its perditious ideology.

[299] Mandel 1975 pp. 506 - 510.

With political-economic ideology straining under the pressure of social disenchantment, the inability of the elite to limit social discontent heralded the coming terminus of its power over ideology. Elite power had grown on the ideological platform of providing stability to American society. The perdition of the elite, across all aspects of social life, legitimised through the ideology of hegemony, had failed to hold power – it was disintegrating from within.

10.3 Politico-cultural effects

Bourdieu never prophesised the imminent demise of capitalism. Rather, his understanding of capitalism rested in an elite's engagement with national Habitus which would allow capitalism to flourish in a perditious form in society.[300] Bourdieu's capitalism encompassed a perditious allocation of national resources extending into non-contractual dimensions of the collective consciousness. As the elite's exploitation grew, its ability to manage the disproportionate resource allocation it required to maintain its political-economic hegemony would diminish – then, the political-economy would progress toward chaos.

Marx's conception of the separation of classes sets a people to have closer relationships to those in other nations of the same class, rather than to other classes in their own nation. However, Bourdieu's work in France and in 1960s pre-independence Algeria, suggests national ties across class form the basic building block for elite hegemonic power. Social identity, be it associated to race, language, religion or flag, was the singular unifying element of the Habitus. A unifying characteristic was the cultural-political element which defined the Habitus.

Bourdieu described the growing alignment of disparate cultures, ethnicities, classes under the banner of American citizenship, was affected through the natural expansion of capitalism in a politico-cultural context.[301] As the 1970s progressed, the elite failed to exert continuing command over the politico-cultural parameters necessary to hold power. Huntington adds that, as the immediacy of Cold War threats receded, the '*American capitalist creed'* which aligned the nation in fear, gave way to an ideology unable to define a unifying cultural-

[300] Kemple 2007 pp. 148-149.
[301] Kemple 2007 p. 156.

politically path through the shifting demographic, social, political and intellectual landscape that characterised Late Capitalist society.[302]

President Reagan continued the Carter Administration's positioning of the nation away from nuclear threat; he affirmed that '*nuclear war can never be won and [therefore] must never be fought'.* In that vein, Reagan continued his predecessors' engagement with China, bringing that nation to the table of Western capitalism - or at least inviting it to dine.

In social terms, as the 1970s progressed, the ideology posed by the military–industrial–government elite possessed no enemy from whom it would or could protect the nation. As Harry Angstrom, John Updike's hapless character in '*Rabbit, Run'* preempted: '*Without the Cold War, what's the point in being American?*'[303] If social ideology was centred about perceptions of liberty, private property and democracy then, without an enemy, the power of the elite must necessarily be questioned!

The *New York Times* published (in 1971) Robert McNamara's assessment of America's dismal chance of success in Southeast Asian conflicts - the so called 'Pentagon Papers' - societal fears of government acting as a partner in the elite's perversion of democracy, compounded. When lies circulate as facts and where there are insufficient institutions to make redress, wrote journalist, Arnold Beichman, on the eve of *The New York Times'* exposé, national culture cannot long remain stable — its trajectory must rapidly move to chaos.[304] Beichman reflected what many were beginning to believe. Those in power were selectively censoring Vietnamese War information to buttress systemic mis-information, secrecy with 'made-up' words and phrases, in order to deceive society. By doing so, the political-cultural element of the American Habitus had shifted in its core beliefs in liberty, democracy and freedom.

It may be a little naïve to suppose complete honesty in political system, but what was being realised by social ideology was that the institutions which traditionally limited political-economic distortions had been largely brought under the umbrella of elite control. Gramsci would have been unsurprised. What further *Times'* articles were to come over the next months detailed decades of American military, political and economic futility in Vietnam - known by the military, government and industry alike, yet deliberately withheld from society to protect the disproportionate resource allocation the elite had enjoyed.

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[302] Huntington 1997 p. 29.
[303] Updike 1960
[304] Beichman 1971

The failing elite control over the politico-cultural element of Cold War ideology had given rise to a shift in popular demands of those in power. The people's desire was not solely a demand for a return to American international presence and domestic economic and social wellbeing – although it was certainly that – but their hope was for a cultural ideology that would insure their self-survival as a society.

10.4 Conclusion

For twenty years, the geo-strategic position of the United States reinforced the power of an elite consisting of the military, government and industry, whose influence provided wealth, consumer products, security and social opportunity. Though, as the old postwar Cold War political and economic order shifted, American power was challenged.

In the postwar period, American ideology had, as its foundation, the intersection of a number of defining principles:

- liberty, derived from its history;
- capitalism, a response to its global power and the ills of the Depression; and
- a fear its ideological principles could be threatened by alien beliefs.

As American capitalism matured, fractures began to emerge in the military-industrial-government's command over political-economic ideology. Specifically, the elements of the Habitus were being challenged by asymmetric pressures outside elite control. Yet, as the elite sought to extend its power, it fell to the intractability of the elite's very purpose for being. The elite:

- failed to provide liberty as the elite distorted democracy;
- its capitalist system became increasingly indebted to the rest of the world;
- domestic growth fell into recession;
- could not protect its citizens against rising Arab oil powers and southeast Asian insurgencies; and
- was still fighting a declining foe in communism.

As these external forces grew, the elite was incapable of adjusting to Late Capitalist economic, social and politico-cultural shifts. The ideology proffered by the military–industrial–government complex became inappropriate for changing social needs. As the 1970s turned to

the following decade, political-economic ideology shifted away from the failed promises of elite protection.

However, the shift was not to socialism, as Gramsci might have it, nor to a Keynesian type of embedded capitalism; but to the ‘primacy of individualism’ which was an ideological illusion created by yet another elite and would set the globe along the road to ideological Perdition.

Chapter 11
Disorder of global neoliberal capitalism

'There's nothing we're doing right!
Everything I thought was right, I'm told is wrong! Everything I believed was wrong, I'm told is right – and I'm beginning to think so too!
Look at the news – how can you sleep. If you can sleep, you are clearly a criminal and involved somehow in everything that's gone wrong.
Everybody wants to stay in bed, but we get up and carry on with this farce because if we don't, the internet will have nothing to squawk about.
There's no work anymore. If you have a job, it becomes an app on Thursday!'

Dylan Moran[305]

Moran is frustrated with the popular indifference he sees in the face of the hopelessness of modern life in his home, Britain. He sees democratic government as the best able to create a broad, social wellbeing; however today, he believes democracy just isn't working.

In this chapter, I describe Ideological Perdition as a consequence of a failing democratic system. I argue the political-economic ideology encompassed by the term neoliberalism is beholden to no state borders and has, itself, risen as the nexus of power. Neoliberalism has eroded democratic vigor. It has caused the rise of cultural identity as the shaper of political differentiation and led to misinformation masquerading as fact.

In this chapter, I approach the problem by raising these questions:

- democracy, capitalism and neoliberalism in harmony or contest;
- the rise of neoliberal ideology as a power;
- Post-democracy as a description of a distorted democracy; and
- the illusion of democratic power.

11.1 Democracy, capitalism and neoliberalism in harmony or contest

[305] Edinburgh Fringe Festival, 2018, BBC Radio 5 Live, Aug 17, 2018.

In the past fifty years, the political-economy has been characterised by increasingly frequent slumps of greater depth and longer duration than those of the past. There has been a procession of crises: from the Savings & Loans crisis under President Reagan; the Net-Com Bubble under President Clinton; Britain's Baring Brothers crisis under Prime Minister Blair; and the Great Recession under the stewardship of Presidents Bush Jr and Obama, each crisis illustrating the cycle of euphoric boom (perceived as never-to-end) and recession. Each crisis was followed by public calls for ever-greater regulation of marketplaces, especially control of financial actors. However, every time these calls are made, the governance of marketplaces increasingly reverts to self-regulation by the very institutions embroiled in crisis. Government appears unwilling to impose any social intervention, whatsoever. Reference to social wellbeing, through democratic control of the excesses of capitalism, has been replaced by the ideology of neoliberalism. This typifies society being led, complacently along the road to Ideological Perdition.

Financial sector bail-outs, as we have seen many times in the recent past, bear most heavily on low and mid-income tax-payers, with little moral hazard being incurred by the actors at the locus of a cotangent financial crisis. In the neoliberal political-economy, social obligation might better to be described as a 'free option', and the costs of economic rescue are borne by a society protecting a system 'too big to fail'. This is the dichotomy in question: where society endures the cost of recurrent busts, yet systemic repair is rejected by that very same social voice.

Similarly, Joseph Stiglitz has written that public bail-outs of troubled industries are proffered to society as '*required to limit any contagion to the broader economy*'. This is no doubt true.[306] However, the more cerebral task of designing ongoing regulation to limit free market actors' recidivism, has fallen by the wayside. Indeed, those same voices who suffered real asset value declines, unemployment and social dislocation as a consequence of loose regulatory control, are vocal in defence of the existing *status quo*. One is forced to side with Krugman, Stiglitz and Galbraith asking: where are the voices demanding change?

[306] Stiglitz 2012 pp. 77-78.

The answer is not a simple one. Democracy, made effective by offering the public a considered choice between legitimate alternative policies, is nowhere seen in the political discourse bounded by neoliberal ideology – and broad-based political-economic wellbeing has suffered. The key lies in the electorate-wide popularisation of a perverted ideology, that is, neoliberalism. Illustrating the broad stroke of political-economic acquiescence to neoliberal ideology - left and right, American Republicans and Democrats, British Labour and Conservative and the Australian Labor and Liberal - have failed to proffer any other democratic choice to society than the singular option of minimal societal control over capitalism. I suggest that economic busts, and the lack of any substantive redemptive policy, are the consequence of a neoliberal ideology which has reduced effective democratic involvement in the political-economy. This is society travelling the road to Ideological Perdition.

Streeck argues this is a pattern of political-economic behaviour which can only be understood when seen as a stage in the ongoing conflictual nature of Democratic Capitalism.[307] He argues capitalism is inconsistent with democracy. Capitalism is derivative from capital/ labour class division, the consequence of a political-economy based upon the reaping of rewards from others' labours. These divisions may be hidden while the economy is buoyant, but they must, and do, resurge. Streeck's argument derives from Marx's description of inherent class conflict building a platform for revolt, as capitalist excesses drive the system toward collapse.

Marx described the pressures building for proletariat revolt coming from increasing and more obvious exploitation of labour as:

> '*What the bourgeoisie, therefore, produces, above all, is its own grave-diggers. Its fall and the victory of the proletariat are equally inevitable.*'[308]

However, it might be a more accurate reflection of Ideological Perdition in current times to argue that it is not solely the bourgeoisie who dig the graves as neoliberalism expunges social wellbeing, but the proletariat as well, as labour becomes more enmeshed with the entirety of society's journey along the road to Ideological Perdition. It is the advance of an integrated capitalist system encompassing labour, their production and the distribution of earnings which develops a working-class tangled by identity and culture to embrace neoliberal political-

[307] Streeck 2011 pp. 24-26.
[308] Vidal 2018 p. 2.

economic ideology as self-evident natural laws. Labour, in the age of neoliberalism, is solely dependent on un-hindered capital excess.

Looking back in time, Keynesian stimulus of Aggregate Demand gave government the tools to promote economic growth within a broader context of political stability. Initially, economic growth was made possible by the need for European reconstruction. As the failings of the 'beggar-thy-neighbour' trade restrictions of the 1930s became better understood, rules-based trade between nations were instilled into global trading behaviour. Under this arrangement, global economic development flourished. Yet, one might also posit that another arm of growth was the demand for social involvement in the political-economy as distinct from the minimalist policies so destructive before the war. As such, the regulatory controls brought about by robust democratic institutions limited capitalist excess and saw economic growth spread widely in the immediate postwar years. Thus, to see the failings of the current political-economy, one must look to the factors that have diminished society's power to control capitalism. The reason, I suggest, rests in the political-economic ideology to which we currently appear beholden, that is, to neoliberalism.

Streeck continues this line of thought. He suggests that, once growth began to taper off in the 1970s (as discussed in the previous chapter), the days of the social contract between government, industry, worker and society were numbered.[309] I agree with Streeck as he perceives a capitalist class regaining power in the decades subsequent. However, I see something deeper, more sinister that Democratic capitalism.

Streeck's argument is founded upon two platforms:

- class divisions repeat in history on the basis of economic wealth; and
- classes exist as a power above political-economic ideology.

The premise behind my discussion is that Ideological Perdition in the present (as distinguished from the past) is a hegemony that succeeds not because it is based on capital/ labour class distinction. Rather, hegemonic power is based on culture, firstly, and, secondly, that that culture is derived from the dominance of ideology over the individuals, however wealthy they may be.

As the new Millennium moves into its third decade, the warnings of Polanyi's capitalist utopia ring louder. However, this time they ring with the very real possibility of society witnessing the

[309] Streeck 2014 pp. 263-266.

commodification of the un-commodifiable - something Polanyi argued a counter-hegemonic Double Movement would prevent. I suggest that the 'bells will toll for thee' but are unheard by society's people – and so there is no counter-hegemonic movement emerging to prevent utopia.[310]

This is not to say society will collapse, the human animal is a social beast. Rather, a breakdown in the existing political-economic structure will occur, necessitating the re-formation of social structures to address the new political-economic environment of chaos.

Whilst Streeck identifies the conflict between democracy and capitalism deftly, his description of capitalism's inner conflict with democracy, as the cause of the decline in social wellbeing, does not completely examine the power represented by ideology. Nor, disappointingly, does he offer any view of the consequent form of the political-economy after the neoliberal collapse he says is approaching.

To take a step back and discount the internal conflict Streeck raises; capitalism and social democracy *have* acted in concert in the past. Rather than an oddity, one could suggest that where democratic action was robust, various forms of capitalism have benefited the broader political-economy. Streeck might give weight to the fractures inherent in the Bretton Woods global monetary system as the instigator of political-economic crisis in the 1970s; though, until that time, democratic institutions of all types were generally well balanced. It was the systemic flaws in Bretton Woods which failed to mitigate the effects of military expenditure in the United States which ultimately signaled a collapse in the postwar environment and brought forth a shift in political-economic ideology.

The ideological shift was represented by the strong hands of British Prime Minister, Thatcher and American President, Reagan. Each began to re-engineer their national political-economic ideologies toward the Hayekian notion of social gain sourced only from the insular action of markets for goods and services. Theirs was a political-economic framework which sought to deliver economic growth to a constituency which excluded those in society who were unable to offer economic value to the nation. It was the beginnings of a changed ideology which saw wellbeing represented by contribution to the factors driving supply and demand for goods and services - neoliberalism. This was an ideological form devoid of social context and sought to segregate those in society acquiescent to the newly developing Habitus, and those not. The latter would be excluded from the benefits of national wealth. Their numbers would increase

[310] I return to Streeck's work in the concluding chapter as I discuss this very prospect.

and would be progressively disadvantaged to feed the wellbeing of those advantaged by the neoliberal ideology as capitalism unregulated replaced democratic power.

The neoliberal framework of Thatcher and Reagan can be related to the fears expressed in Polanyi's capitalist drive toward utopia. Capitalism, uncontrolled by civil society, would seek to accumulate wealth through the separation of the individual and their communal obligation. In the 1970s, political and economic connectivity to the individual and the society he/ she belonged had fueled wellbeing in the past; now, it was posited that this association was at the core of economic crisis.

Whereas Polanyi's capitalist utopia was an idealised impossibility because of the automacy of a counter-hegemonic Double Movement, neoliberal political-economic ideology has separated individuals from their historic and cultural obligation to society. Neoliberalism has achieved this segregation in the economic context and more broadly across all aspects which made-up social life.

At one level, neoliberalism saw Arendt's The Public lose much of the individual's obligation to society. At another level, a different identity supplanted the individual's association to class or nation. Neoliberal ideology segregated individuals into their association to one's race or religion, to worker/ manager/ educated or welfare recipient. Segregation away from the culture and history which defined the society of the past, toward sectional association, diminished the democratic power of the individual to assess nationwide issues. This gave justification to the individual to forsake any other not from one's own 'tribe'.

This is the political-economy Streeck described as Democratic Capitalism. It describes the incompatible marriage between neoliberalism and democracy, where the latter was changing to manifest cultural identity within the sameness of one's sectional association (tribe), rather than policy that would bring all in the nation, a better wellbeing.

Workers, managers and the owners of capital, as one cultural identity, would associate with neoliberal principles. There is nothing strange about this. However, Democratic Capitalism disassociated this cultural identity from the poor, the non-taxpayer and those on welfare. Neoliberal ideology would, importantly, discriminate against the group deemed as 'non-contributors' to the benefit of those who were perceived as economically invested in the neoliberal ideology. Democratic Capitalism, if deconstructed to its basic building blocks, describes the separation of society into two teams playing the same game, but a game in

which the same team always loses! This is neoliberalism and, if seen as a political-economic ideology, explains society's journey along the road to Ideological Perdition.

Neoliberal ideology permeates the political-economy perditiously - with chaos as its ultimate conclusion. It is an ideology which rejects any balance of the social objectives of full employment, equity, community, culture or social justice. Neoliberal ideology excludes universal social objectives from any political intervention; singularly representing its cultural association. In other words, neoliberal ideology must alter what democratic power is present in the political-economy, to solely represent its own objectives and those of its cultural association or tribe.

Polanyi's capitalist utopia is presumed as an unattainable evolution from markets free of social control; striving to commodify the elements which define human interaction with their national culture. It would be convenient to label this commodification as the goal of capitalism. However, focusing on capitalism as a simple linear evolution of greater and more extensive exploitation of class fails to comprehend the scope and depth of neoliberalism's ideological base throughout the political-economy. Similarly, neoliberalism must be attributed a scope of ills far beyond our understanding of the term as simply representing markets free of social distortion. If Pierre Bourdieu was correct to extend the term capitalism to the political, social and cultural, which I have argued he was, then Hannah Arendt deserves credit when she described, many years before, global neoliberalism as a:

> *'politics [that] amounts to little more than [actors] acting against others … rather than properly taking place among political equals who act with each other for the sake of the common [good].'*[311]

Arendt superimposed her discussion of individual's obligation to others, The Social. The Social was the contest of personal freedoms and democratic rights against the tyranny of elites. It broadened the limitations of Marx's determination that wealth accumulation solely determines exploitation. For Arendt, the failure of one's obligations embodied in The Social caused political-economic exploitation. Neoliberalism, to Arendt, diminished the connection individuals have to The Social and, in so doing, removed freedoms (and democratic power) from society. This train of thought is well beyond the narrow focus of Marx on money-wealth as the determinant of political power.

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[311] Hannah Arendt. Recounted in Hayden 2009, p. 93.

The Social was of a realm beyond private life. Arendt argued that where human society flourished, The Social was characterised by active participation in the diversity of social existence. This was the measure of an effective democracy. For Arendt, equality across classes would *not* be the natural consequence of flattening property ownership, as argued by Marx. Rather, whilst neoliberalism *does* represent a form of capitalist excess, accumulation must be more broadly seen within the context of the ideological control of the political-economy. In its ideological context, neoliberalism's perversion of political-economic wellbeing reaches across the entirety of social existence; across income class, education and culture. As such, neoliberalism's ideological base must be centred on its limits to freedoms associated with the public realm, not just in the accumulation of wealth in the hands of the capitalist. The curse of neoliberalism was not in its wealth creation at the cost of the working-class exploited, but its perversion of political-economic ideology to instill an exploitation which is, nonetheless, seen by most all as universally 'right and proper'.

Neoliberalism diminishes political differentiation within a nation, rendering The Social impotent. So too does it neuter effective democracy. Neoliberalism, when related to the current political-economy, could be more accurately seen as an ideological mechanism locking out The Social from the political-economy. It is an ideology beyond the mere economic - beyond Marxist interpretations of capitalism. Neoliberalism is pervasive across society, nullifying Arendt's individual's obligation to The Social and reducing political-economic wellbeing in society. Neoliberalism should, therefore, be considered a derivative of capitalism, maybe following the unfettered trajectory of capitalist evolution, though not pre-ordained to do so. To break in this trajectory, a peaceful and profitable co-existence between capitalism and democracy must exist. This entails a robust, pluralist democracy - something that does not exist in the current political-economy and cannot exist within the frame of neoliberalism.

Post-Bretton Woods, from the ashes of a disenchanted democratic polity, rose neoliberalism. Following Polanyi, Arendt and Streeck, neoliberalism has diminished the power of democratic action to act as a buffer against the extremes of capitalism. It has limited the power of a nation's people to follow a developmental path that best responds to their own political-economic environment. Neoliberalism has taken on the position of power unto itself and has set the parameters that bound the political-economy in the current era. It is, I suggest, the embodiment of Ideological Perdition.

11.2 The rise of neoliberal ideology as a power

In examples given in previous chapters, Ideological Perdition was presented as the distortion of political, economic and cultural forms in society. It was formed in the cycle of an elite power emerging from political-economic breakdown; where sectional hegemonic power permeated national civil institutions, lessening social wellbeing and, eventually, leading to chaos as elite power became over-extended. Power, perdition, ideology and exploitation were delineated by *national* political-economy. The society represented the nation and the nation was defined by a unique social Habitus. The road to Ideological Perdition was one trod by a nation's people, exploited by an elite who had manipulated national ideology to support their hegemony.

Yet, to describe Ideological Perdition in the post-Bretton Woods period, particularly its evolution over the first decades of the second Millennium, suggests power might be better seen from the vantage-point of the ideology of neoliberalism, itself. In the current era, I posit that neoliberalism, rather than any identifiable human elite, has united society, albeit in a dysfunctional push toward political-economic chaos. I posit that neoliberalism has achieved hegemony across national borders. I suggest that neoliberalism has made the nation state largely irrelevant. Further, neoliberal ideology limits the opportunity for citizens to instigate a counter-hegemonic Double Movement based on the exploitation of Fictitious Commodities as defined by nations' histories and cultures.

So, what are the implications of viewing neoliberal ideology as a power in and of itself, rather than the vehicle of an elite cabal? The answer is threefold:

- all actors in society, even those in perceived opposition, become constituent parts of the perditious operation of the ideology, be they considered left or right, liberal or conservative, poor or rich;
- the ideology becomes intertwined with popular interpretation of national history such that it becomes extremely difficult to dislodge. Gramsci's notion of the War of Position has nothing upon which a counter-hegemony could grab onto to define a position of political opposition. There is no human element identifiable to judge against a moral code, particularly where what 'moral code' there might be is defined by the collective social interpretation of the neoliberal ideology, itself; and
- society is presented no alternative political-economic model as none can emerge from under the weight of the power of the neoliberal ideology.

Whilst there are certainly wealthy and powerful, power rests in an ideology where, whomever might be considered the elite act in harmonious unison with salaried workers, left and right orientated political parties, workers' associations, social groups, civil and legal regulatory bodies. All these groups associate as constituent elements of the neoliberal ideological elite; supporting the belief systems hard-wired into the political-economy.

The ideological construct of neoliberalism has engulfed society, I suggest. It has breached national borders, unified left and right and, by so doing, reduced democratic discourse and any action which could permit society to regain control over the political-economy – and thus society's destiny.

A society derives its collective Doxa from its national history and culture. However, neoliberalism has no such foundation – its power in the political-economy rests in its segregation of society through the promotion of the individual and their 'tribe'. Neoliberalism can exert hegemonic power across borders simply because it is an ideology which has no basis in national social structure. Thus, to suggest any particular elite has power superior to the ideology itself, runs the risk of misunderstanding the degree to which neoliberal ideological power is entrenched in current society. Rather, than power being derivative of national history and culture (and here I am describing Lukes' Third Dimension of Power), neoliberal ideological power is not formed in association with society, but to the individual and their quest to benefit

their own tribe, indifferent to any wider social obligation. Neoliberalism is characterised by the expungement of the rights of those not of one's tribe, no matter the context of national society.

Similar to previous descriptions of elite power, neoliberal ideology exhibits its primacy in political-economic power by excluding non-conformist states. To follow a political-economic policy structure that does not embrace the principles and parameters of neoliberal capitalism, is to be excluded from trade, communications, technology, political participation, banking or aid in an otherwise globally integrated world – a world under the auspices of neoliberal ideology. If national development necessitates interaction with larger, more economically wealthy societies, access to trade and development aid is conditional upon following neoliberal political, economic and social parameters. Smaller states not only take the position of peripheral satellites, they also mortgage their political-economic sovereignty to the power of internationalism of neoliberal ideology. To be brief, It is compliance or nothing!

Whereas, the postwar years bore differentiation of capitalist democratic models across unique national political and economic structures, the current period has seen homogenisation of these frameworks toward the ideological reign of neoliberalism. Nationally defined political and economic structures have no place in a neoliberal ideological globalised world. For a nation not to embrace neoliberal ideology is a very deliberate and high price to pay for national independence. Economic development is only proffered by membership of the global 'neoliberal club'!

I suggest that neoliberalism's power has arisen from the suppression of intellectual alternatives. Its power is, above all, a matter of domination by ideas, a doctrine or an ideology, in and of itself. Colin Crouch goes further.[312] Troubled by voter indifference to exercise their rights for change, he describes Western political-economy as Post-democracy. This describes a social structure that represents something of greater perversion than a simplistic economic definition of neoliberalism. Rather, he suggests, neoliberal ideology has narrowed capital/ labour class differentiation to the point where the legitimate voice of dissent has been expunged from political representation - from both left and right alike.

Neoliberal ideology has created a hegemony, conceptualised as a narrowing of consensus among social forces, classes, institutions, political elites and capitalism, free from the binds of the state. Extending this line of reasoning, Robert Gilpin notes the changing hegemonic position of the United States in the context of the post-Bretton Woods transformation of the

[312] Crouch 2012

global economy.[313] World order, he argues, is reliant upon political and economic structures dominated by a hegemonic power. This power ensured an open and, more particularly, stable world economy formed with underlying but controlled capitalist foundations. In the post-democratic world, no such controls exist.

Sheri Berman, whose insight helped form my analysis of the impact of Ideological Perdition on political-economy during the interwar period, has lent her weight more recently to the decline of democratic power as the Millennium turned.[314] Postwar capitalist development saw national history largely the determinant of a variety of social/ capitalist/ democratic mixes which guided the greatest period of economic growth the globe has ever seen. However, she continues, this economic strength has somewhat perversely raised a political-economic environment of centralist, if not homogenous, politics.

Gilpin, too, argues that whilst there may be vague peripheral signs of a *transnational* Historic Bloc in opposition to neoliberal ideology, these signs a muted and been short-lived in face of the power of neoliberal ideology. A Historic Bloc is derivative of sections of a national society excluded from the wealth of the nation. Yet, neoliberalism represents the segregation of those very people across the globe. Nationally formed allegiances fail to contend with the wealth and power generated by an international (neoliberal) hegemony - a power which is not beholden to any protests based on locally Habitus.

One may think of the Arab Spring, Occupy Movement or even Me Too, as examples of furtive opposition. Gilpin is sceptical that such a global counter-hegemony can deliver unique, nationally-based political-economic ideologies sufficiently able to give political weight to a local oppositional movement. Without counter-hegemonic power, these movements may be but a flash-in-the pan with little wider social purchase. In each of the above, protest has been largely subsumed by the necessity to comply with an international neoliberal political-economic ideology. After the hype of protest, socially exploitative structures of power have been re-installed.

Within the context of Ideological Perdition, fractious and leader-less oppositional positions have more often than not been unable to produce a strong enough platform against reigning political structures. Berman argues that, despite the entrenched ideological capitalist

[313] Gilpin 1981 p. 211.
[314] Berman 2012 p. 7.

excesses of neoliberalism now seeming commonplace, when compared to the emergence of Historic Blocs, neoliberal excess is generally accepted as the norm.

Indeed, where postwar democratic vigor once limited unbridled capitalism, focusing individualism toward lifting society as a whole, what appears as democracy now, is popular malaise resigned as social defeatism.[315] In the international context of neoliberalism, without a *globally* viable counter-hegemonic force leading an ideological framework against that of neoliberalism (which has been suggested is unlikely), any emerging Historic Bloc is more than likely to represent only a temporary deviation. The linchpin locking neoliberal ideological power in the existing political-economy, limiting any opposition, could be said to be that most all in society are inextricably linked to the ideology, unable to exist 'off-line'. What opposition to neoliberal ideology there is, appears to be constructed by the parameters of neoliberalism itself! Where opposition is seen, it is premised on sectionalism across society – exactly the same principles underlying neoliberalism.

Paraphrasing Margaret Thatcher, it could be said that: There Is No Alternative (TINA as the statement became known) to the place of neoliberalism in Western political-economies; not in the form of an elite, institution, culture, religion, nation which is not coincident with neoliberalism. Simply looking at economic or political models is insufficient. Neoliberal ideology is not a reductionist conception of power, more so, it permeates across all aspects of society, all obligations of The Public. Its dominance is based on material means, certainly, but its position is bolstered in the normative dimension of power, that is, of its command over political-economic ideas, discourses and norms.

By acting across national borders, neoliberal ideology is immune to a state-centric nationalist critique in which state-based actors may seek to exhibit some counter-hegemonic power. Neoliberal ideology is tenaciously intertwined within the structural operation of the international system: in trade, politics, communication, entertainment, money, investment, insurance, crime and so on. The international system, because it is constituted by an ideological premise beyond the control of any one state and its Habitus, therefore imposes its principles on the actions of those states' democratic institutions, indifferent to their unique Habituses.

National elites or local opposition have little avenue to express countervailing actions - they gain no benefit in operating outside the parameters of neoliberalism at all. The ideology does not pit one against another, as such, but one cultural identity (global neoliberalism) against

[315] Berman 2016 p. 75.

those deemed by it as not contributing to the neoliberal ideological form. They are outsiders, non-citizens; not seen as contributing to nor deserving anything from society.

Neoliberalism is recognised by employment and the struggle for individual (and tribal) wealth. It is not recognised by other pursuits nor is it recognised by economic failure. At the Occupy Movement in Chicago, Jenny Pianko (pictured at the beginning of this dissertation), was a university student. She must still pay her education debts, buy food and gain shelter. She may advocate for the disenfranchised, but without being able to articulate an alternative ideological proposal to just being (rightly) angry, she is also part of the ideological problem.

One must be cognisant of the warnings of Polanyi's capitalist utopia. If there is little societal purchase of alternative public policy positions because current perdition is derivative of an ideology not based on social foundations, then the current political-economy is tracking toward the commodification of the un-commodifiable. In short, the ideology of neoliberalism has shifted national political-economies away from the historic identity individuals to the nation and all within. Assault against national identity was the basis of Polanyi's counter-position or Gramsci's War of Position.

11.3 Post-democracy as a description of a distorted democracy

For the peripheral nation state, its interests are derived by its presence in a global rules-based system, that this, by complying with 'the rules'. By so complying, a nation is afforded economic and political stability. Following this argument, Hegemonic Stability theorists assert that a government's postwar role was to shift the relationship among states, markets and society - distinct from the competitive model of the Great Depression.[316] By conforming to a rules-based system did not mean accepting a uniform model of capitalism, just that certain limits were agreed in the transactions one nation had with another. A national society's model of capitalism and social democracy would be in concert with the nation's historic nature and cultural context – and this model might very well be different to that of other nations. State-control of its economic system thus limited capitalist excesses across the globe; these excesses still in the memory of those who lived through the early part of the century. Similarly, states were members of international institutions which oversaw economic growth. These institutions remained beholden to society via the auspice of a robust democracy. This

[316] Berman 2016 pp. 69-70.

was, of course, an extension into the social sphere of John Ruggie's seminal work on Embedded Liberalism.

Yet, although the broad-based distribution of national economic resources led to greater financial and political stability, twin undercurrents of political-economic stress were in play:

- international economic stresses fractured the Bretton Woods monetary system; and
- democratic activism fell to greater complacency as political discourse moved toward the centre.

With the oil crisis of 1970s and debt crisis of 1980s, the hegemonic position of the military–industrial–government elite waned, and the international monetary system began to structurally transform. The 1980s signalled a period of hegemonic transition in which American dominance gave way to the ideological parameters of neoliberalism - and it did so globally. The collapse of Bretton Woods was a time-bomb set in 1944 and triggered by American Cold War spending, an unpopular Vietnamese War and Presidents Kennedy and Johnson's Great Society spending. These events set the scene for stagflation to sweep across the globe and, consequently, the economic basis for political-economic ideology shifted.

Sheri Berman looks to European integration as an example of lessened vigor in the voice of mainstream national discourse.[317] Trade barriers were removed, and capital was free to move to eager governments. Wages for workers with lower-skilled and working conditions fell to the benchmark of the standards of the cheapest global producer. In Europe, monetary authority was divested of its democratic representation, to a central authority (the European Central Bank); by the turn of the Millennium, the Maastricht Treaty effectively removed fiscal policy from sovereign control. Similar excision of public policy from democratic control was carried out by many Western governments under the guise of 'central bank independence', in the most part to align financial markets to neoliberal principles.

Berman argues that, whilst the years since 1980 have seen greater numbers of democratic governments installed, illiberal democracy has increased.[318] Rather than a crisis of capitalism, neoliberalism (as a political-economic ideology) has created illiberal democracy across much of the globe where individual national rights have been expunged for the 'greater

[317] Berman 2012 pp. 12-13.
[318] Berman 2017 p. 30.

good' of neoliberal ideology. The ideals and institutions of robust democracy, she writes, have floundered, being too slow in response to global competition between unequal labour and welfare systems. Democracy has been left wanting from the vicissitudes of market forces.

Colin Crouch also focusses on the failing democratic platform in many Western nations.[319] Pointing to the rise of the corporation unfettered by national borders, worker opposition to capitalist exploitation has become less virile in its protection of robust democracy. Both Berman's and Crouch's observations of waning democracy can be tied to a current global political-economy boasting the greatest number of democratic political systems ever. Of course, what they correctly describe is the rise of undemocratic realities in political-economic structures, where popular choice is obscured by the mechanisms of democracy, but ultimately made impotent by the political convergence of neoliberalism.

Democracy, Crouch says, has itself to blame. It was greater, more widespread wealth experienced as a result of Embedded Liberalism that led to voter complacency. These thoughts are well-founded, but do not go far enough to account for the impact neoliberal ideology has had on the democratic process. If one separates Crouch's thoughts on class convergence from the need to identify a particular human or corporate elite as the locus of power, our understanding of neoliberal ideological power can better account for current day democratic complacency. This complacency is the danger threatening political-economic wellbeing. The ideology of neoliberalism has pushed the political process toward majoritarianism.

Madeline Albright, whose own childhood was framed by German fascism, fears its implications. She reminisces of a time past where the greater part of the nation accepted political-economic stability at the cost of rejecting the chaos of a young though ill-fitting German democracy. She sees similar, today.[320]

11.4 The illusion of democratic power

I query the fundamental premise that the political-economic structure existing in Western nations is, in fact, democratic. Of course, this goes to the core of the discussion of Ideological Perdition. In past chapters, I have argued that the policy directions of representational

[319] Crouch 2012 p. 78.
[320] Albright and Woodward 2018 pp. 5-7.

government have given way to elite power, diminishing democratic power. In this section, I go further. Post Democracy may describe the loss of power experienced as the foundations of pluralism become diluted with class convergence. However, what has risen the current era can be represented in three ways:

- narrowing of political-economic diversity;
- the mirage of democratic mechanisms; and
- a clash of cultural identities.

So what is the scope of the belittling of democracy? Arendt wrote that the loss of a moral world standard represented by The Social, would be catastrophic. Currently, one may imagine democratic power diminished by global neoliberal ideology which is indifferent to national cultural and historic antecedents. One might add to Arendt's 'catastrophe' a citizenry having lost its political-economic control, hoodwinked to believe it continues to have a say in political-economic determination of the nation, albeit locked to the very ideological framework that diminishes its power.

For Arendt and Crouch, the loss of democracy *was* the catastrophe – I would suggest the greater catastrophe is that society has failed to *realise* its loss. The distinction is important as the latter diminishes the possibility for society to mount a sustainable counter-hegemonic movement against exploitation. The society holding up a mirror to its political-economic structure and seeing not even the shadow of an alternative public policy route, is destined to travel the roads of the past toward chaos.

Neoliberal ideology has alienated people from their ability to make political-economic decision-making. Yet, it adeptly engineers a democratic illusion where real power rests not with the people, as they believe, but with the unassailability of a neoliberal political-economic ideology. For Crouch's diminished class power and Arendt's collapse of The Social, *illusory* democracy is the consequence of the political-economy treading the road to Ideological Perdition. This is, indeed, catastrophe.

11.4.1 Narrowing of political-economic diversity

Arendt implied that if the faculty of social judgment was distorted by an arbitrary setting up of new values and standards, society would be unable to judge its own behaviours nor remedy its faults. Ideological Perdition describes a society unable to acknowledge and, thence resolve its own political-economic decline.

Global neoliberal ideology has created precisely such a shift in political-economic values and standards. Neoliberal ideology has flourished as it separated society and broad-based democratic power from national foundations. It has replaced national historical and cultural elements of the Habitus with the universalism of unfettered capitalist power. Differences may appear on the margin, but politics might be better seen as akin to product differentiation, focused on the personality of leaders, at best. Rival party's core political-economic policy is largely indistinguishable, no matter the campaign rhetoric. What differences there are, seem to be represented more by 'team colours' than by any substantive political or economic policy differences. Political parties and, more broadly, civil institutions, are all playing the same game - neoliberalism.

The reason for this undifferentiation is that left and right policy alternatives are mostly representative of individual's differing associational identity hues. Parties target similar voters and, whilst colouring policies to attract those with a like-minded sectional association, the policies of left or right offer very little substantive difference. It appears that all voices are moving to the centre of political debate - few proffering the option of a profound shift away from the neoliberal path. Although one might take issue with the particular middle-point of current political discourse on the spectrum of political views, it is difficult to see sizable differentiation between major political parties. They all appear in lock-step with neoliberal political-economic principles.

Crouch develops the long-view to defend his reasons for class convergence. Typified by neoliberal ideology in the political-economy. The deindustrialisation that commenced with postwar globalisation of production was further advanced as communication and shipping technology reduced transactional costs. It has blossomed as government deregulation brought the objectives of capital and labour closer. For Crouch, Post-democracy is bonded with post-industrialism. The worker is tied to corporate profits, particularly as mature political-economies develop greater tertiary sectors. Yet, rather than re-establishing class differentiation, declining wellbeing has manifested in a retreat to individualism and the

protection of one's cultural kin.[321] Cultural identification has given rise to the social disenfranchisement of those perceived by the ideological tenet of neoliberalism as not contributing. There are obvious shades of Malthus' social segregation and abandonment, emerging here. As an interesting corollary, Krugman has written of American conservatives attenuating their policy platform of welfare reduction (supposedly giving the poor aspiration to lift themselves from poverty) to the expungement of the disenfranchised altogether from American society and thence any government obligation. He suggests this element of *schadenfreude* is becoming more common in the rhetoric of political discourse, indicative of deep-set social division.[322]

Where human endevour was once represented by a labour class or managerial middle-class, cultural identity has now fragmented a nation's people into welfare recipients, labourer, lower management, upper management, tertiary employee, full-time or part-time worker, on-shore or off-shore labour, retiree or taxpayer. Yet, capital has suffered none of this disintegration.

Capital is basal, it is indivisible. With neoliberal tenet of banking deregulation and open capital controls, money can move to anywhere on the globe; whereas labour is fixed by citizenship, language, culture and family. With this dichotomy, the merging of corporate and worker interests under the veil of an associational identity (tribe) has been an ideological movement favouring further segregation in the political-economy.[323]

Chantelle Mouffe suggests the elimination of fundamental policy differences between actors is at the core of neoliberal ideological pervasion.[324] She argues that neoliberalism is a perversion that violently rejects alternative public policies though the illusion of democratic mechanisms providing choice when, in reality, there are none.

11.4.2 The mirage of democratic mechanisms

Mouffe suggests mechanisms of a robust, sustainable democracy depend on a division of opinion; where policy alternatives are raised and assessed within the context of a rational, rules-based *political* decision-making framework. Indeed, she defines 'politics' as precisely that – the process of arriving at a decision through the voicing of legitimate but conflicting opinion, generally representing different ideological positions. In other words, pluralism.

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[321] Crouch 1999 p. 390.
[322] Krugman 2019a
[323] Crouch 1999 pp 423-425.
[324] Mouffe 2014 pp. 153-154.

Mouffe criticises the works of early political philosophers such as Kant, Nietzsche and, in the 20th century, John Rawls, for implying that, for political liberalism to exist, the mechanisms of democratic actions must also exist. Mouffe argues that democratic mechanisms may very well exist, but where conflicting opinion is suppressed, these mechanisms exist in name only. What characterises democratic structures, today, is that dissent conforms to the parameters of neoliberal ideology. This is not pluralism - it is the banality of homogeneity.

Without pluralism, what instruments of democracy that may exist, are broken, existing merely as a superficial perception of social democratic power. Neoliberal ideology has created a political environment in which democracy exists as illusion; builds a discourse founded on denial, polarisation and violence, Mouffe continues.[325] Democracy within a neoliberal ideological political-economy is a politics beyond a rational critique of alternative policy positions, where 'fact' supported by evidence, analysis and contemplation is replaced by the 'authenticity' of lies proffered, with vigor and without compromise, as 'truth'. Political vigor, rather than manifest in policy comparison, is demonstrated by political and economic antagonism. It is indicative of the end-game of Ideological Perdition.

Reminding us of Arendt's collective obligation embodied in The Social, Mouffe describes a robust democracy as an agonistic model of constructive disagreement. This model is differentiated from a neoliberal antagonistic model, where one political team plays another for electoral victory, but policy differences exist only on the surface of debate.

The agonistic model engages democratic power with pluralism. Agonism weighs counter-views across the breadth of society. It is, I suggest, a political-economic model which is designed to curtail exploitative capitalism. Agonistic democracy could be said to be bolted to the historical and cultural framework upon which national political-economic identity was built, that is, the Habitus. It forces compromise between ideological positions and, as such, must buffer capitalist extremes.

In the same vein, Crouch referred to Polanyi's social reversion to its historic base principles through the emergence of a Double Movement.[326] Crouch likened today's cross-globe, automated currency trading, triggered by elaborate computer price volatility models divorced from the real economy, to Polanyi's non-commodifiable notion of money. He is right to question whether money has become the 21st century's first element of Polanyi's capitalist

[325] Mouffe 2009 p. 550.
[326] Crouch and Streeck 1998 p. 11.

utopia - one aspect of democratic pluralism in rapid decline. For Mouffe, agonism is not possible without the existence of diverse views in society being considered within the framework of political-economic decision-making. Effective democracy is agonistic and is incompatible with the global hegemony proffered by neoliberalism.

What defines Western political-economy, today, is Mouffe's antagonistic Model. Consensus at the lowest level of debate is the characteristic of neoliberal ideological power. Moreover, consensus has become the function of all political-economic actors. Society, worker, student and protestor are all beholden to the hegemony of neoliberal ideology. Margaret Thatcher's cry that 'There Is No Alternative' (TINA) to Hayekian deregulation of social controls over capitalist excess, represented an ideologically motivated suppression of legitimate alternatives. TINA was not an option presented to her nation - it was an edict.

Streeck and Crouch write there were plenty of alternative courses that could have been taken, though all were discounted in favour of the singular ideology of neoliberalism. More poignantly, the discussion of alternatives could have been undertaken within an existing social, economic framework - Streeck and Crouch cynically called such a platform: democracy.[327] Describing the near complete perversion of political-economic discourse in the decades following Thatcher, Berman argues the political centre-left's embrace of British Labor's Third Way was a rear-guard repackaging of essentially neoliberal ideology, leaving many wondering why they should bother voting at all![328]

For Mouffe, the loss of a pluralistic society means there can be no alternative path taken by society. The only path is toward antagonistic democracy, born of neoliberal ideology and gaining power in aggressive opposition to any counter policy view.[329] One must remember that Ideological Perdition is a journey as much as a conclusion. Thatcher's (Reagan's and, similarly, so many of the subsequent Western political-economic leaders) were steps that limited democratic differentiation by blinkering society to the one path posed as forward.

Looking at American Democratic Party history, Thomas Frank credits the decline of middle-American voter power, this is, the industrial worker and service industry sales-person, to President Clinton. It was Clinton's assessment of the convergence of much of the working-class toward capitalist dependence that saw his Party end lower income voters' traditional association with the mechanisms established with Roosevelt's New Deal policies. Clinton

[327] Crouch and Streeck 1998 pp. 1-3.
[328] Berman 2016 p. 73.
[329] Mouffe 2009 p. 550.

believed, in any effect, the lower income classes had nowhere else to turn to but the Democratic Party, anyway. Where 'new' Democrat votes were to come from were those of middle to moderately high-income earners who lived in the populous east coast and California. They were post-school educated, demanded social and environmental reform and they were aspirational, being those who benefitted by cultural association to neoliberal ideology. They were the ones of electoral value to the Party, and they still are.

Under the reimagined Democratic Party, tertiary industry was favoured in trade negotiations; policies limiting the power of organised labour were introduced and pro-financial deregulation instigated with the repeal of the 1933 Glass-Steagall Act.[330] On the other side of the globe, Britain's New Labour added to Margaret Thatcher's neoliberal beginnings. They deregulated public supervision of private health, education and environmental industries; relaxed banking and finance controls and demanded public services provide benefits on a narrowly defined corporatised (rather than social) basis.

Similar events were occurring across Europe and in Australia. Though more nuanced than the changes of Thatcher and Reagan, their 'Third Way' of centre-left policy leanings was simply more of the same. It was internationalism of neoliberal ideology masquerading as democracy. It was the replacement of democratic control of capitalism with corporate self-regulation, open Capital Accounts and permeable trade borders. Berman cynically (and rhetorically) asks whether global bond markets had a greater say over national political-economic destiny than elected governments?[331] It is no surprise there is a growing democratic apathy and extremism across the globe.

With democracy becoming increasingly an illusionary mechanism proffered by neoliberal ideology, association to one's cultural identity has risen as a counter to broader obligations the individual has to The Social. This shift has played exactly to the core philosophy of neoliberal ideology. The hegemonic power of neoliberal ideology is derived by pitting one cultural identity against another, within the same ideological framework.

[330] Frank 2004 p. 118.
[331] Berman 2012 p. 13.

11.4.3 A clash of cultures

Whether culture is embodied in status, religion or profession, the very power of neoliberalism rested in its promotion of 'The Self' (being one's own tribe), supplanting obligations due to wider society. Berman suggests that, as neoliberalism's economic characteristics transferred to a broader political-economic ideology, the individual's cultural identification to their like-minded kin developed greater resonance. As culture became the defining characteristic of social differentiation, it dislodged one's reward gained from being part of a wider national society and the benefits of a more equitable resource redistribution, therein.[332] The final piece to the puzzle is Ideological Perdition, where democracy is supplanted by introspection; where cultural identification appears the only politically effective voice remaining after pluralism fails.

Thomas Frank tried to make sense of the political-economy in his home, the manufacturing and agricultural mid-west American state of Kansas. For decades, the state's economy declined, manufacturing enterprises were relocated off-shore, incomes fell, unemployment and job casualisation rose. Yet, in election after election, his fellow Kansans would vote for the very politicians who would cut funds for welfare, health-care and education; reduce work condition protections and see manufacturing relocate off-shore and agricultural enterprises diminish. Frank asks: *What's the matter with Kansas?* -both the title and subject of his book.[333] The answer was neither that Kansans were disinterested in democratic politics nor hoodwinked. Frank's discovery was much more disturbing.

Frank argued that Kansans had become so completely disillusioned that they believed democracy gave them little voice to demand change. They believed representative democracy was deaf to their cultural identity. Theirs was not Crouch's declining democratic vigour of class difference! What Frank saw was voter passion and voiced loudly. However, it was introspective, focussing on those cultural characteristics that define Kansan's individually and that of their kin. In Kansas, where its peoples felt the democratic process no longer represented the people's wants and needs, there was but one place to go - identification with one's culture.

In more specific terms, that meant identification with church, conservative social values, the sanctity of the family and the myth of American pioneer individualism. In the bi-polarity that is neoliberal segregation, it also meant antagonism toward the educated, liberal and tertiary

[332] Berman 2016 p. 75.
[333] Frank 2004

employed. Kansans appeared unified against the people the north-east and federal government in Washington D.C. They were perceived as the recipients of national wealth and the distortion that democracy had become. In Kansas, there was little to demonstrate one can influence the greater economic future of the nation or influence its impact on their state, town or community. Where Crouch develops his thoughts on democratic decline in the context of merging of worker and capital interests, Frank develops his thought in the context of neoliberal antagonism between differing cultural identifications.

Modifying Tocqueville's Dilemma, where democracy is distorted by tyranny of the majority, one might see neoliberal ideology proffered a tyranny polarised by cultural/ associational difference. Rather than passion diminished, Frank discovered passion exaggerated; albeit toward those cultural elements of his fellow Kansan's cultural identity. For the long-disenfranchised Kansan, those successfully gaining high office would do so by reflecting voters' cultural identities. To this end, Democrat Party leaders, assuming the automatic votes of the culturally ignored, have been blindsided by this constituency moving to the right in their tens of thousands.

Relating this to Arendt, who may never have visited America's mid-west, her concerns were not of a failing democracy. Rather her concerns were to democracy's troubles as a consequence of the perversion of underlying political-economic ideology which replaced individual's social obligation with their association to cultural identity. What she described was an illiberal democracy, founded on a political-economy of discordant cultures - that is, society treading the road to Ideological Perdition.

In Kansas, the political-economy was both culturally reductive and antagonistic. It was local to the cultural identity of the town, community and state; it was unified by its hostility against those who were perceived as attempting to diminish Kansan's association to the identity they held. Frank quotes a state senator saying:

> *'Joe Six-pack doesn't understand why the world and his culture are changing and is offended by the arrogant impositions of the [liberal] upper class, making him do likewise.'*[334]

Pierre Bourdieu's identification of political-economy as cultural rather than simply the contest between labour and capital is quite clear in Frank's home state.

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[334] Frank 2004 pp. 254-255.

Similarly, Mouffe's antagonistic political structure describes the dominance of culture as a natural result of voter disenfranchisement with the political process in the Post Democratic era. She suggests that antagonistic behaviours across most all of social interactions appear founded upon cultural differentiation. More so, this is the *'natural order, the result of sedimented hegemonic practices, not ever the manifestation of deeper objectivity'* of political policy.[335] Rather than the presentation of alternative ideas, an antagonistic political-economic democracy (in which conservative values have a legitimate place) is exemplified by neoliberalism's ideological perversion.

Further, neoliberalism's ideological power is cruelly manifest in cultural scapegoating of those who are perceived as not contributing to the neoliberal form of society. These are citizens of a different and 'lower' culture.[336] Fred Block's graphic description of those poor and destitute inner-city residents left stranded inside the Louisiana Stadium after Hurricane Katrina (commented upon in earlier chapters) fits neatly with a citizenship based on cultural differentiation.[337]

That individuals have moved away from The Public toward the insularity of culture, has been entirely rational. Institutions of democracy progressively failed the individual's trust in The Public to lift (to even maintain) their wellbeing. The corruption of social wellbeing appears to be a consequence of antagonism between different cultural identifications in the community. In neoliberalism's zero-sum game, the necessity for the segregated cultural group to strive for security, given the democratic process no longer does so, necessarily displaces cultural kin's obligations to the broader society, making cultural introspection more rational. As segregation is a constituent part of neoliberalism's hegemonic power, the rise of cultural/ associational identity succors the perdition inherent in neoliberal ideology.

Where Crouch might suggest a nation's citizenry has lost their passion for democracy, if one accepts Mouffe's argument, only one side of the coin. A passion that differentiates society on culture remains loudly voiced and acted upon as violently as any discord that had existed between labour and capital. Kansas appears the case-study, but Frank, Bourdieu, Mouffe and Berman all point to the broader, global failure of democracy to reflect social wants.

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[335] Mouffe 2009 p. 549.
[336] Berman 2016 p. 73.
[337] Block and Somers 2014 p. 1.

Arendt was first to lay the blame at the altar of neoliberal ideology. Across the planet we see the machinations of illiberal democracy being voiced to extreme levels, often representing cultural identification as self-protection, relaxed fire-arms controls, greater religious affiliation and the return to family values. So too, culturally inspired democratic limitations, often represented as border control, racism, anti-gay rights and anti-abortion legislation, has become common threads of cultural identification in political discourse. It is embedded in the very core of peoples' endevours to protect the culture that defines them. This, then, is the hegemonic power of the neoliberal ideology. It is the recipe for Ideological Perdition

11.5 Conclusion

Dylan Moran rages how Western political leaders appear to be using democracy against the nation's own people. He wonders why social norms can be replaced by a democratic nothingness in which one has little power, but in which all are complicit by their disillusionment. His is a comment on a democracy broken; where national wellbeing has retreated to an expletive based, irrational, violent, self-absorbed, social media fueled clash of cultures and to which 'tribe' one identifies and dismisses another. Any faith in democracy achieving social advancement, Moran laments, is jettisoned in the name of international competitiveness, whatever that term really means.

Neoliberal ideology is not capitalism – certainly not as it was constructed by the architects at Bretton Woods, New Hampshire. Neoliberalism is an ideology that is defined by the pretense of the free market; permeating the social, economic and political identity of the nation. It is an ideology which has ensnared proponents and protestors alike as it seeks to polarise the cultural foundations of the political-economy.

Arendt described politics as preoccupied with the common and mutual being of different citizens in society. Democracy is created in society and acts to establish a connectedness, where freedom exists only in the authentic interspace of effective pluralist political discourse. When one wishes to speak about politics, she said, start with the historic political-economic situation and then examine where we have ended up. If the end situation is one in which we do not know how to improve society, then democracy has failed. I have argued that where we have ended up, is well along the road to Ideological Perdition.

Chapter 12

The intractable trajectory to Ideological Perdition

The Washington Post

Democracy Dies in Darkness

The newspaper's masthead [338]

It may have been coincidental that *The Washington Post's* new masthead was announced on the same day as President Donald Trump described the media as the enemy of the American people. Yet, describing the new masthead, *The Post's* publisher, multi-billionaire Amazon founder, Jeff Bezos, saw the masthead not as an attack against *the man*, but a clarion call to the nation. He said the masthead put the position of the newspaper that, without free, fair and available knowledge, democracy would wither in the darkness of misinformation and deceit. Defeated Democrat party nominee for the 2016 presidential election, Bernie Sanders, would subsequently describe Bezos as one of the 0.1% who owned 90% of the nation's wealth, who earnt USD250 million each day but paid many of his employees so little that they needed government issued food stamps to live![339]

In this chapter, I argue the ideological hold of global neoliberalism has trumped the power of democratic protest; instigating significant and detrimental shift in the political-economy. Democracy may well die in darkness, yet where the power of Polanyi's Double Movement is 'turned off' by global neoliberalism, what exists is a society whose members are travelling the road to Ideological Perdition, with catastrophe the only possible consequence.

[338] The masthead of The Washington Post and its slogan as it has appeared since 2017. The slogan seems a good quote from which to discuss the power of democracy as society travels the road to Ideological Perdition. The quote originated during a pre-Watergate Appeals Court judgement written by Justice Keith, D.J., who ruled that the United States government could not tap the telephone calls of individuals without a warrant. He was extending American citizens rights by interpreting the Constitution's First Amendment, by doing so.
[339] Bernie Sanders on democratic socialist ideas as mainstream, in an interview on *The Late Show with Stephen Colbert,* August 15, 2018.

The chapter follows as:

- punctuated disequilibrium;
- the road to the commodification of Money;
- the road to the commodification of Nature; and
- the road to the commodification of Labour.

12.1 Punctuated disequilibrium

Polanyi wrote that the social history of the 19th century was in constant flux. As capitalist excess grew, so did counter-hegemonic action in the form of a Double Movement. It was a social revolt that threatened, and in some instances achieved, a power against the ravages of unfettered capitalism benefitted. For Polanyi, the Double Movement is a naturally evolving tool, punctuating the hegemony of the elite. It brings political-economic stability to an otherwise exploitative capitalist pathway toward Fictitious Commodification.

Polanyi sought the point of inversion where society will reject further progress toward the commodification of those elements of human and social existence, born of national culture and history, beyond which a society of individuals could not exist. A counter-hegemonic movement would emerge as individuals within the political-economy demand a shift of power back to society and call for ideology to adjust. Social power brings on punctuation in the political-economy!

Capitalism, to Marx and many heterodox scholars, is set on a course of ultimate de-stabilisation, with the end result being chaos and collapse. As snake devouring its own tail, capitalism, by its very being, will over-extend, consuming the resources it has created, needing more, until it must stop and go a different direction, sickens or dies. The tendency of capitalism to consume itself identifies it as a process built of increasingly destabilising tendencies. Though, Polanyi accepted the redistributive role of market forces in capitalism as generally beneficial to society, he also described political-economic stability necessitating capitalism's excesses controlled by society so as to facilitate equity in that redistribution. He saw capitalist power not merely destabilising, it was also inequitable and, ultimately, unsustainable. Counter-hegemonic presence will emerge as society reaches back into its

history in opposition, that is, an emerging Double Movement representing social counter-hegemony.[340]

However, to reach such a point is, Gramsci noted, a protracted War of Position against the perdition of ideology embedded in civil society. Polanyi believed utopia is never possible. Rather, counter-hegemonic action will stop capitalism's segregation of humans from the core commodities representing what a society is – money, nature and labour.

Gramsci may well have suggested (he died before Polanyi's *The Great Transformation* was written) that an ultimately effective Double Movement may have many false starts and defeats along the way before an ideological punctuation of the norm of capitalist disequilibrium occurs - if at all. Where such punctuation has been achieved (where society has gained some control and, also, achieved stability), the political-economy has reached a healthy democracy. This is a democracy characterised by agonism.

Though, without social control, such as in today's neoliberal capitalist political-economy, the Double Movement might be seen as a crack in the retaining wall of a dam. The crack opens slowly to the excesses of neoliberalism until, ultimately, the dam will burst. Until then, however, all believe (somewhat perversely) the cracks are there to *strengthen* the dam wall and any who say otherwise are deemed economic charlatans.

In the political-economy of the current era, there appears little purchase of the warnings of these charlatans. I suggest that counter-hegemony is almost fully denatured; impotent in effect in much the same way as Mouffe described neoliberal political antagonism.[341]

Looking to the hold of neoliberal political-economic ideology, Streeck goes further. He sees the future unable to raise a counter-hegemonic position to interpose the power of neoliberal ideology - certainly not before capitalism's ultimate decline into chaos, taking society with it. Indeed, he cannot see that a Double Movement would eventuate peacefully as neoliberalism wallows in near-death zombieism, post-crisis.[342]

Gramsci warned of the intransigence of civil society to shift, even as society's power was being belittled. Streeck draws a predictive line from Gramsci's very point. He argues where there is little or no effective opposition to the current political-economic neoliberal ideology, capitalism will progress toward its own over-extension and subsequent chaotic collapse.

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[340] Lloyd and Ramsay 2017 p. 134.
[341] Crouch, et al. 2016 p. 500-501.
[342] Streeck 2011 p. 26.

Neoliberal ideological power rests in its separation of society from fundamental human necessities, that is, the Fictitious Commodities. It is incompatible with punctuation, for punctuation requires an effective political system in which the Double Movement can evolve. Without such a political system, Gramsci's Morbid Phenomena, in which vacillating laissez-faire capitalist, fascist and communist ideologies compete, evolves into a prolonged chaos. It is to Morbid Phenomena that Streeck's zombie imaginings are related.

Krugman has often used the imagery of the half-dead to describe the economics of inequality, trickle-down distortion in wealth creation, the Laffer Curve and tax cuts to industry and the rich as the Zombie Economics.[343] Particularly describing the lunacy (my word) entrenchment of balanced budgets into state legislative, Krugman sees the madness of *'50 Herbert Hovers'* cutting government spending right at the time it is most needed.[344] Whilst not describing the end-point of capitalism, as is Streeck, Krugman's description is of failed economic theory has given society and continues to give great inequality. This is economics that is progressively causing societal detriment and should be dead-and-buried, but still walk the streets of universities, Wall Street and government.

John Quiggin has written likewise. His light-hearted review of the failed theories of the Efficient Market's Hypothesis, The Great Moderation, Non-inflationary Rate of Unemployment theory and other plainly observable causes to the recession of 2008, still are presented as solutions for today. Quiggin argues that the fundamental deception pervaded by the 'zombies of neoliberal economics' is that political-economic risk can be managed through financial markets alone – which will '*outperform governments' intervention to stabilize aggregate outcomes and mitigate individual risk*.'[345]

Where, asks Streeck rhetorically, are the forces for punctuation going to come? Neoliberal ideology is so entrenched that, for Streeck, any emerging counter-hegemonic movement prior to capitalist collapse is not possible and, even more pessimistically, is unlikely to evolve in the mire of capitalist chaos after it eventuates. The future of capitalism is, to Streeck, void of any pre-emptive Double Movement. The political-economy will be a zombie-like half-death, awaiting social exploitation from some different direction; unable to break free of the distortion to civil institutions created by neoliberalism. This is Streeck's view of the future. It is where consumer excess distorts the limiting force of household, domestic and international debt. It is

[343] I refer the reader to the many Opinion columns written by Paul Krugman in *The New York Times* since 2008 on this topic.
[344] Krugman 2007 pp.25-28.
[345] Quiggin 2010 pp. 21-33 and pp. 241-242.

where capital accumulation is insufficient to maintain productive growth and the Keynesian jump-start that was represented by private debt at the turn of the century, cannot be sustained by falling real asset values.

Lloyd and Ramsay voice, with hope peppered with some dismay, that '*surely that cannot be an end state*.'[346] Streeck's dismal linearity of capitalist progression can be - must be - branched off to something better for society. The road to Ideological Perdition needs to be diverted, they write, from which a new, less socially exploitative political-economic ideology can emerge. The branch, of course, is a Double Movement, punctuating neoliberal ideological disequilibrium. They suggest a Double Movement as a convenient and relatively angst-free reset to political-economic ideology, embodying better social wellbeing. Yet, the evolution of counter-hegemony, reflecting upon Gramsci, might better represent a bramble, where nascent opposition emerges, some with broader political-economic purchase and some not.

Streeck argues the War of Position will never bring fruit to Polanyi's Double Movement; Lloyd and Ramsay say there is hope. Either way, the trajectory of Ideological Perdition is always *toward* chaos and, as the mire of potential chaos becomes more and more apparent to society, a new political-economic ideology is formed from the buds of the Double Movement. However, it might be too late for salvation!

The core debate about Polanyi's work, suggests Fred Block, has been how new technologies in information, communication and transport have made global integration of a uniform neoliberal ideology perceived as desirable to governments and societies alike.[347] Yet, the reduction of Polanyi's Fictitious Commodities has fuelled capitalist excess and societal exploitation without the evolution of a sustainable Double Movement. Indeed, punctuation in the form of counter-hegemonic protest has been more widely perceived as the product of fringe society and broadly discounted.

Block considers Polanyi remains relevant. However, the rise of counter-hegemony as the current century matures, must be discussed in light of *neoliberal* capitalist ideology, rather than in the context of 1940s capitalism, when *The Great Transformation* was written. As such, whilst nascent movements voice opposition to present-day neoliberalist capitalism, on the basis of religion, ethics, resource distribution or the demand for the end of authoritarian government, the model of neoliberalism steadfastly progresses toward utopia. Yet, at the very

[346] Lloyd and Ramsay 2017 p.134.
[347] Block and Somers 2014 p. xix.

core of the political-economy a dichotomy between capitalism's innate accumulative volatility and society's want for stability, remains. Social acceptance of any ideological form is in that ideology's ability to provide the perception of political and economic stability. It is stability, above wealth or democracy, that is a fundamental societal value. Stability, in the heterodox context is represented by Karl Polanyi' Fictitious Commodities:

- Money – where ones individual and national wealth is interpreted as having consequences on human existence;
- Nature - the natural environment to make known the risks of settlement, sustenance, life and reproduction; and
- Labour – where there is a right to sell one's own time and skill in return for a reward that is sufficient to sustain the core elements of humanity, that is, family and society.

The neoliberal path has been signposted by many opportunities for society to demand a punctuation in direction. Since 2000, opportunities have been afforded by governments' response to the Great Recession; the European crisis; tax cuts for the rich; the collapse of social-democratic politics; the erosion of the middle-class and approaching environmental disaster; though little change in the path along the road to Ideological Perdition has been made. To answer why this is so, one must examine the power of neoliberal ideology to 'commodify the uncommodifiable'.

12.2 The road to the commodification of money

By global adherence to Gold Standard principles, money during the 19th and early 20th centuries, be it specie or fiat, was no more than a medium of exchange, exactly as David Ricardo described it. Polanyi differed. Money, he wrote, could not be separated from the society using it. Money told of a nation's history and culture, the trust foreign traders had in the stability of the nation and the productivity of its peoples. Money, Polanyi argued, was *political!* It was a direct conduit into both the fiscal and social behaviours of national peoples. Belief that money was separate from these facts was an attempt at commodification that was not possible and would induce swift opposition.[348] The monetary stability created by the break from Gold in the 1930s and the Bretton Woods system, represented views that money was

[348] Polanyi 2001 (1944) pp. 206-207.

inseparable from electoral politics. In essence, the stability of the national currency was a litmus test to the surety of the political party in government.

In the neoliberal era of global ideological uniformity, money is no less a measure of national wealth. Yet, it has approached commodification. A free to slightly soiled-floating currency exchange market sets price with very little political representation and zero social recognition. The value of a currency still represents international trust in a nation, however, that 'trust' is not a reflection of national political-economic identity. Rather, it is a representation of the degree to which national society has surrendered its political sovereignty to the demands of neoliberal ideology. In turn, the adherence to austerity, fiscal destitutism, cripplingly low inflation and fragile employment structures determines inbound capital movements - little related to national trade. Indeed, money flows are not necessarily even in 'real' currency as we understand it; capital flows being non-physical financial instruments, collateralised by ill-defined productive resources, determined by speculation, position hedging and the need to transact business in a reserve currency. If adherence to the Gold Standard represented 19th century attempts to isolate money from its social, political and cultural role; then neoliberal money exchange is an economic de-basement, fuelled by non-money instruments, speculation and the flight to reserve currencies.

Jürgen Habermas suggests that Streeck's dismal outlook for society ignores 'political universalism', in which the advance of monetary dis-embedment from society can be limited by pan-European political power.[349] His proposition is akin to a world-view in that, as nations come closer in their political-economic identity, greater hegemonic power can be attracted to positions opposing neoliberalist moves to further disenfranchise democratic action. Yanis Varoufakis disagrees and has done so with anger.[350] As Greek Finance Minister, he witnessed European Union impost of crippling monetary austerity that could never return the Greek economy to prosperity. It was a market driven policy, devoid of any social reference, designed to sure-up German financial elites and German political supremacy in the European Union, he argues. He described this pan-Europeanisation as a Ponzi austerity policy, conflating national destitution exponentially, with not a little moral punishment included for good measure. Monetary commodification was clearly the plan for Greek society. The Greek people had willingly embraced the Euro some years before, however, in so doing, were now

[349] The Habermas/ Streeck dispute in Tooze 2017 pp. 3-8.
[350] Varoufakis 2016 pp. 32-34.

realising they had forfeited their currency's link to Greek society, as well of their control of it the economy.

More broadly, oppositional positions have been made against the near complete commodification of money, in the form of trade protectionism. These calls are politically tactile in the popularisation of neoliberal ideology. Protectionism plays particularly as a popularist solution to the dislocation of those in subordinated socio-cultural-economic areas. Yet, protectionism clearly raises issues of tit-for-tat economic decline, especially given the uniquely globalised production chain that goods and services have and the integrated financial platforms upon which they are paid for. The political-economy's journey along the road to Ideological Perdition might not be for ever, though a Double Movement against the commodification of money is an unlikely source of counter-hegemony at the present time.

12.3 The road to the commodification of nature

Within thirty years, the Pacific Ocean nation of Kiribati will no longer exist, inundated by a rising sea, its peoples dispersed to nations that will accept them. The government of Kiribati's singular task is to apply its national resources to skill its peoples to be useful to other nations, other societies. No action on the natural environment save the nation from its fate. For Kiribati, nature has been commodified, if simply because the time for protesting man-made climate warming, has run out.

Polanyi described progressive steps taken by capitalist elites to separate a nation's peoples from their land as '*perhaps the weirdest of all undertakings'*.[351] The commodification of nature destroys the very basis of the human condition - that upon which capitalism must have in order to thrive. Capitalism continues to exploit, which is not surprising, but social opposition appears disjoint, failing to gain much hegemonic breadth and largely futile. For humanity, the counter-hegemonic movement to protect nature faces an entrenched steadfastness, making any deviation from the road to Ideological Perdition unlikely. One hopes that ideological shift before environmental chaos is of sufficient alarm for political-economic action to take place. One also hopes that this action will not be too late, as has been for the people of Kiribati.

Against the process of nature's commodification, the counter-hegemonic Double Movement raises:

[351] Polanyi 2001 (1944) p. 187.

- politicisation of nature; and
- the surrender of sovereignty.

12.3.1 Politicisation of Nature

Joseph Schumpeter described capitalism as an ever-changing force whose longer-term evolution depends upon a process of technological advancement consistent with, among other elements, the shifting demands placed on the natural environment. Importantly, however, capitalism *cannot* address environmental risk through the automatic action of market-place.[352] Schumpeter saw capitalism as somewhat blind to the protracted and incremental destruction of nature it causes. Neoliberalism is unable to reconcile the immediacy of price determination with the ideological evolution necessary to prevent nature's destruction and, by logical extension, its own fall. Nature has no agency in the short-term context of market driven democracy whereas environmental regulation, albeit required for future capitalist growth, is to be avoided.

In the present time, the hegemonic power of neoliberal ideology has stymied most all effective opposition that has been presented in the form of a Double Movement. Nature, to a large extent, has been commodified, separated from society and any protest labelled incompatible with neoliberal political-economic ideology. It is of the political fringe. The vehicle for commodification has been political – an entrenched position taken to limit the power of any competing ideology to neoliberalism. Polanyi argued that nature gave society stability from which human existence, including capitalist forms, will flow. So it is curious that pseudo-science has been used to challenge climate change that will limit future agricultural production surety?

However, with some further investigation, the answer is not curious at all. De-legitimation of dissent is central to sustaining neoliberalism's ideological hegemony. The Double Movement, represented by academics, environmental institutions, constituents and grass-roots organisations, routinely see their opposition delegitimised as 'un-provable', of the 'socialist fringe' or economically destabilising by somewhat militaristic and fortress-like barrage of outright denial, ridicule and pseudo-science. Cries of 'We must do something to stop climate change!' are easily discounted by political parties keen to label opposition as a rabble of fringe-dwellers – demands for specific public spending on desalination, reservoirs, waste water recycling and wind turbines rise the ire of internal left division and 'prove' the right

[352] Schumpeter. Recounted in Low 2002 pp. 53-54.

correct. If Polanyi's *The Great Transformation* described the emergence of the market economy from agrarianism, then it is equally prescient to describe deep-seated ideological opposition to the transformation of un-encumbered markets into ecologically sustainable market-places in the era of post capitalism.

The proclamations of long-term emissions targets at the 1995 Rio de Janeiro Earth Summit and the 2015 Paris Accord were heralded as examples of global cooperative breakthroughs. Yet, these agreements have suffered recent reductive revision.[353] Neoliberal ideology has enlisted political polarisation to discredit nascent counter-hegemonic action protesting the disassociation of human-kind's future with nature. As such, targets agreed have been wound back in the quest for greater electoral advantage.

Environmental action, needed now but with a pay-back period commencing well into the future, has been separated from the perceived needs of society in the present by climate change's politicisation in neoliberal ideology. Nature has approached commodification, its protection being branded as anti-choice, anti-employment and socially destructive; irrelevant of the facts surrounding nature's degradation. School children may march on national parliaments protesting against the environmental damage they will inherit; however, their audience are the income earners, already stretched by stagnant wages growth and reduced public services and whose beliefs are embedded in current neoliberal ideology. To them, environmental protests are framed as an attack based on cultural divide, unsubstantiated and economically destabilising. Better the schoolchildren are told to return to class and learn of the ills of socialism!

A Double Movement gaining a counter-hegemonic presence in society is, thus, unlikely. The costs of nature's destruction are borne by those other than consumers and profiteers. They are borne across all of society, at a future time and not necessarily of one's own nation. Neoliberalism separates society from the nature it depends on for survival. For Western nations, nature's commodification will bring society to an end as we know it, possibly replaced with some social structure based upon belligerent food/ water security – for the rest of the world devastation might be the future. Indeed, the people of Kiribati understand the separation of cause and effect very well!

12.3.2 The surrender of sovereignty

[353] Low 2002 p. 43.

Polanyi argued that, without nature, human society had nothing to anchor its reason for existence. Ethnic and religious diaspora certainly exist, even described as 'a nation'. Yet, without historic homeland, people cannot form sovereign ties - there is no society. Individuals become stripped of any sovereign power when nature approaches commodification. Polanyi illustrated this by describing European colonisation having twin *economic* purposes: providing raw material inputs to the Motherland; and, the opening new markets. Yet, he saw a deeper impact also manifest.

Imperialism, by bringing foreign lands within international trading circles, introduced extractive specialisation of production which subverted colonial society's connection to their natural environment. As this process extended, sovereign power was progressively lost and nature, representing a peoples' connection to their land, was being commoditised.

If a national society has little connection to nature, then the nation has little sovereign power in contest global neoliberal ideological power. Neoliberal ideology, as distinct from the embedded capitalism of the postwar years, is fundamentally inconsistent with sovereign action to implement market regulation. Indeed, the entire framework of global neoliberalism is to separate national society from nature for this very purpose. It supplants a global political-economic ideological template, forcing what national sovereignty exists to rest solely within the parameters of neoliberalism. An evolution of a Double Movement, with the goal of regulating environmentally exploitative domestic markets, can only occur if national society has the power to confront the power of international neoliberalism. I suggest it cannot.

An effective Double Movement represents counter-hegemonic purchase in society, eventually shifting political-economic ideology. This has simply not happened. The reason is due to the impotence of sovereign power in the face of globalisation of the supply-chain. Legislative protection of nature can only come from a domestic jurisdiction. Thus, there can be little political power re-taken by national society in the defence of nature if the shift of sovereign power to global neoliberal ideology continues unabated. Such an extractive political-economy, beholden to globalised neoliberal political-economic ideology, is one in which society has mortgaged its sovereignty to the commodification of its nature - environmentally, sustainably and dependent on the ideology, itself.

I suggest the herald of a Double Movement is illusion. Whatever terminology national administrations might use to placate their polity: 'Development with Local Characteristics', 'Global Connectedness' or 'Looking Toward the Future', neoliberalism is a global template

with which national development policies are hand-cuffed. As perdition, the ideology is entrenched in government, civil institutions, labour, law, societal expectations and obligations. It succours the consumptive demands of the society it has created, embedded in civil intuitions, economic growth, employment, trade and political position upon which its global on political-economic framework, is formed. Divesting power to sovereign control over the global market-place, even to protect the very environment people need to live, would represent an unacceptable challenge to the extractive industries that support the power of neoliberalism. Embedding societal separation into political-economic ideology, as does neoliberalism, the road to Ideological Perdition becomes more like a freeway than a bush track.

Continuing the analogy, deviation in the form of a Double Movement is difficult without a horrendous crash. This is the chaos to which we are all headed, lest some type of intervention occurs, cites Streeck.[354] Once nature and its use as a globally productive resource are hypostasised, any counter-hegemonic power a Double Movement might try to garner, is expunged.

Yet sovereignty, Polanyi wrote, is a purely political term; its power coming from national society.[355] Where society is fixed to a global neoliberal ideological template, one that separates social connections with nature, sovereign power is severely diminished. Whilst power might be perceived, domestic policy-making only truly exists in accord with the weight of globalist neoliberal ideological forms. That is, nature tracks toward commodification.

Polanyi developed the notion of global capitalist intervention progressively commodifying nature under the veil of freedom. Yet, freedom, today is a representation of rights constrained by the parameters of neoliberal ideology. It is somewhat inconsistent to suggest that where a political-economic ideology has been overlayed by international neoliberal principles, that the nation's belief in its own sovereignty offers any effective freedom. The reader is asked to recall the Jazz/ Blues singer, Janis Joplin's Me and Bobby McGee line: 'F*reedom is just another word for nothing left to lose'.*[356] Indeed, freedom, represented by a distorted sovereignty, could well be interpreted as a veil covering deeper exploitations.

This illusion may be visible by a great range of products on supermarket shelves, though its counter-side, that of limiting such freedom to the wealthier sections of the nation, is cruelly promoted as providing aspirational goals to the disadvantaged. Where domestic inequality

[354] Streeck 2014 p. 10.
[355] Polanyi 2001 (1944) p. 226.
[356] Kristofferson and Foster 1969, recorded by J. Joplin and released posthumously on Pearl, 1970

has widened (as governments align their societies to the segregation promoted by international neoliberal ideology), can one legitimately say that society's sovereignty remains intact? Again, we return to Ideological Perdition. Where freedom is an oxymoron, global inequity vent by neoliberal perdition, has been widened a little more. These thoughts are particularly pertinent to the ongoing destruction of nature.

To confuse the Double Movement with protest devalues the difficulty to illicit ideological change; particularly where sovereignty over nature has been severely neutralised by neoliberal political-economic ideology. Recently, protest has been designated as a threat to the global economy - to freedom. It is, of course, nothing of the sort. Neither is counter-hegemony a return to government by the Commons, or a call for isolationism. Global interaction has distributed the technological advances in food production, health, education and social/ political rights. Development has changed national needs beyond those of the past, not the least due to social complexity, urbanisation and population. There are few isolationist nations on the face of the globe that have advanced politically, socially and economically - maybe excepting the tiny kingdom of Bhutan.

Indeed, designating protest as destructive of economic development makes feeble any notion of an oppositional Reflexive Modernity. Ulrich Beck's multi-disciplinary term linking political-economy, environmental science, sociology, and a dash of futurism, describes a vision of international popular protest shifting neoliberal exploitation of nature. It supposes the rise of globalised cultural action as a counter to neoliberalism's economic globalisation.

To be sure, Reflexive Modernity is a framework for an emerging international voice which could act as the Double Movement. However, Reflexive Modernity is unrealistically focussed on the dissolution of traditional, local neoliberal institutions and the promotion of transnational forces of solidarity in the face of human-made natural dangers. In reality, international counter-hegemonic protest may be noisy, but they have been of little effect. The defence of nature can only come from sovereign national policy, enforced by national law and national policing. Where national development depends upon the market-place of global neoliberal ideology, there cannot emerge significant sovereign resistance. If an internationalism of action against the erosion of nature had any real power, where was Reflexive Modernity fifty years ago to save Kiribati?

Today, few know of Kiribati, fewer could pronounce its name and but a handful know of its impending fate. As our children and grandchildren make their lives in the second half of this

century, the island nation of Kiribati will be just a submerged shipping danger. It will not be the last instance of catastrophic environmental change. To change political-economic ideology to lessen the damage awaiting our ancestors in fifty years we need a Double Movement to start, now … and how likely is that?

12.4 The road to the commodification of Labour

In January of 2019, thousands of garment workers in Dhaka, the capital of Bangladesh, protested through the streets causing traffic congestion in a city already noted for its hours-long road snarls. Garment manufacturing is the largest industry in Bangladesh; the mainstay of its export economy and pivotal in the rapid economic growth the nation has experienced as part of the supply-chain of global neoliberalism. The workers protested something much greater than their meagre 70 cents per hour wage. In a city of rising rents, food and fuel prices, reward for their labour did not reflect the costs of keeping their family fed, sheltered and clothed. On the other side of the globe, middle-class Americans have been described as only $400 from bankruptcy; where wages have fallen in real terms, employers expect hours of overtime for free and government food stamps supplement workers' incomes to help feed families.[357] If Polanyi described the commodification of labour as the reduction of human endevours to the price of the market, indifferent to the needs to feed, clothe and shelter workers and their families; then is not labour very close to commodification? Has not the power of workers to influence political and economic ideology diminished to the point of irrelevancy? If it is not present at the moment, is the prospect of a Double Movement nil?

Polanyi saw capitalism's trajectory to commodify labour initiating a rise of counter-hegemonic power. Polanyi's notion of workers' power was, however, a reflection of his times. Working-class power was a linchpin in the democratic political-economy, checking capitalism's commodification of labour. Workers had organisation, diversity, breadth across the nation and, with de-mobbed military returning to civilian jobs, the numbers to alter government policy. Labour could, through its power in a democracy, initiate punctuation in the exploitative direction of capitalist self-destruction.

[357] Board of Governors of the Federal Reserve Bank System 2019 p. 2.

Lloyd and Ramsay take the position that labour can regain its power in current neoliberal political-economies.[358] They suggest a Double Movement is possible, with workers' power similar to that of early 20th century history. Contrasting Streeck, they argue that to discount the possibility of a Double Movement is to ignore historic instances of worker protest. Yet, despite labour's history of limiting the exploitative direction of capitalism in the 20th century, capitalism's fundamental contradiction remains unchanged - it must strive to limit the profit-share going to labour. As such, the Double Movement is always present in protest against the extremes of capitalist accumulation. But labour power was then, not now!

Streeck suggests, today, it is universal neoliberalism, not capitalism embedded within the context of national histories and cultures, that has destroyed any possibility of a Double Movement eventuating.[359] Whereas postwar capitalism had embedded within it the history and culture of political-economic society of national mores and beliefs, neoliberalism has no such national base. The evidence one might cite is that workers' protests appear not to have demonstrated mobilisation of broad-based social support to alter the journey to Ideological Perdition. Rather, in the exploitative market-place for labour, support for change has been spasmodic, ill-defined and temporary. Like the protests in Bangladesh, labour discontent might be rising. However, it is important that one must neither see mere protest as an emerging power of anti-neoliberalist thinking, nor, as a unity of a workers' social bloc. Neoliberal ideology is fixed firm the political-economy, causing it to be palliative to over-consumption, laden with debt, and witness to falling workers' incomes and rising unemployment. Indeed, whilst society may see labour protest, these protests are either; weak, in terms of being unable to gain broader social purchase; or framed within the parameters of neoliberalism itself (what Lloyd and Ramsay term as Labourism).[360] In either instance, the development of any counter-hegemony representing a Double Movement of any consequence would be very difficult to achieve.

The key to the rise of a Double Movement, I suggest, is a robust democracy. Where a counter-hegemonic protest can demonstrate broader social democratic influence, government policies *will* change, that is, the disequilibrium of neoliberalism can be punctuated. If workers' power cannot be realised, due to an antagonistic democratic system, then society will continue its blithe journey along the road to Ideological Perdition. As such, labour will trend toward increasing commodification. Indeed, where democratic legitimacy rests in the democracy

[358] Lloyd and Ramsay 2017 p. 133.
[359] Streeck 2014 pp. 35-40.
[360] Lloyd and Ramsay 2017 p. 131.

defined within the auspices of the market, Colin Crouch writes that the power of labour is very unlikely to initiate ideological shift, at all.[361]

More so, labour has been co-opted into the very system which has removed its power in a democracy! As such, Polanyi's counter-hegemonic movement is challenged and commodification of labour becomes a real possibility. This can be seen as:

- productivity inequity; and
- democratic disassociation.

12.4.1 Productivity inequity

Whilst productivity gains are the main ingredient of greater economic growth, where these gains are not distributed throughout the entirety of the political-economy, labour's power *must* decline. Simply, the corralling of productivity gains to the rich diminishes the financial strength of workers, thus reducing their ability to present opposition. Without power in democratic society, labour cannot progress its counter-hegemony, that is, the evolution of a Double Movement is stymied.

Labour productivity is measured by the amount of labour taken to produce a given amount of products or services. Where there is inequitable redistribution of productivity gains, employment must fall, wages (in real terms) stagnate and opportunities for replacement jobs necessarily narrows. Employment lost as productivity rises is not replaced and so the presence of labour power in democratic society must reduce. This is exactly the neoliberal political-economy that characterises employment in the current day.

As labour's representation in democracy lessens, any traditional social and class position it may have held as a consequence in the past, becomes more easily expunged by neoliberalism's fundamental separation of labour from market determination of its price (wages). This is Polanyi's trajectory toward the commodification of labour. It is this trajectory that is met with labour's counter-hegemonic defence. However, neoliberalism is a society-wide ideological form. Its power transcends the labour/ capital relationship of 20th century capitalism. Rather, neoliberal ideology goes to the very core of how democracy is manifest. Thus, to determine society's appetite for counter-hegemony, one must examine not only the labour movement, but the power that labour commands over broader social ideology, or lack of it. I suggest any hope of a resurrection of labour's counter-hegemonic power is over-rated

[361] Crouch, et al. 2016 p. 504.

and society will continue its path along the road to Ideological Perdition without labour raising a Double Movement to challenge neoliberalism.

Recently, German Chancellor, Angela Merkel described her nation's political-economy as a 'market-conforming' democracy. Similarly, Italy's Mario Monti said: '*We don't need the trust of citizens; we need the trust of the markets'*.[362] This separation of national citizen and marketplace is a vision of democracy which is entirely (and disturbingly) understandable given the realities of Europe's internal integration and the global neoliberal production chain. International neoliberalism has defined the globe as its 'factory' and therefore, both goods and services are sourced globally for the greatest cost efficiency in the production chain - indifferent to the national labour forces who create them. It is unsurprising Europe's political-economic ideology bounds both the power of labour to argue its case against commodification as well as conditioning society to labour's separate labour's connections to its history and culture from the operation of the international marketplace. This is labour commodification; and Germany and Italy are not unique.

Commodification separates labour from its familial and broader social context. Effective democratic representation is, therefore, reduced. In a neoliberal political-economy, without the employment that redistribution of the gains of productivity would generate, labour's influence over government policies cannot garner broader popular support precisely because its representation has fallen, firstly, and, secondly, as employment becomes more insecure. As such, we have seen workers' associations limited and job security jettisoned in support of the neoliberal parlance of so-called 'employment flexibility'. Yet, where one might have thought the lack of productivity redistribution (through corporate tax mechanisms) would give rise to a chorus of protest, so pervasive has been neoliberal ideology, that labour, too, has been brought within the fold of neoliberalism.

As co-option deepens, labours' reduction to global market determinism has shifted its power from historic social consciousness.[363] The democracy to which the German and Italian leaders referred has separated historic and cultural power from a dwindling base of organised labour. However, herein lies a dichotomy. If a well-paid fully employed workforce is needed to support capitalist production and its accumulation of wealth, why are government policies designed to reduce labour's participation in democracy achieving exactly the exact opposite – that is, falling employment and wages stagnation?

[362] Streeck in Crouch, et al. 2016 p. 500.
[363] Lloyd and Ramsay 2017 p. 132.

Remember, neoliberal ideology is not about wealth - it is about power. Capital has sacrificed the accumulation that full employment could bring in order to achieve the power over labour that entrenched unemployment gives. Labour has had to discount its broader social function and focus what power it has to redress the wages imbalance with respect to productivity. Yet, by so doing, Labourism, write Lloyd and Ramsay, separated traditional labour positions on social welfare, international solidarity and the environment, from core issue of wages. Labour collectivism, centred on wage bargaining carried out within the political-economic ideology of neoliberalism, was a wholesale embrace of neoliberalism. As the authors say, wage action at the enterprise level does not drive social or political counter-hegemony. It does nothing to situate a 'living wage' in social awareness and is powerless in shifting political-economic ideology.

Workers, playing 'within the game of neoliberal ideology', adopting wage bargains in the face of threat from cheaper foreign workforces, simply reinforce the central principles of labour commodification. This is a perversion of Polanyi's Double Movement. Labour has trended toward its own commodification by very nature of its own narrow adoption of bargaining the wages/ profit split, to the exclusion its broader role in social advancement. Without support to shift from a market-based democracy, labour's only avenue for defence is enterprise-by-enterprise wage negotiation. Again, this stance is entirely reasonable in the context of society-wide acceptance of neoliberal ideology. Labour's position domestically is pitted against neoliberalism's internationalism in which labour must compete with foreign low wage/ poor condition workers - a very unequal international playing field. This is Labourism and it represents an ideological manifestation of labour behaviour that has evolved to defeat any effective counter-hegemonic movement.

Collectivised labour, today, gives no power to the development of a Double Movement. Labour's action is simply neoliberal compliant. The road to Ideological Perdition cannot be deviated by an ideological position immersed within reigning ideology. Neoliberalism gains power over labour where labour is subject to the market – it represents no other social determinants. Yes, humans are collective animals in which they survive by forming mutually beneficial social groups, but neoliberal political-economic society has abrogated labour's power to a market-place where social needs are not entertained. Employment, the source of power for labour has been negated.

This is the powerlessness of labour to which concentration of productivity gains in the hands of the well-off, has led. Where the gains afforded by productivity are corralled, it is little surprise that whatever labour association remains, its power naturally drifts to the wage bargain (Labourism) rather than broader class, social and environmental wellbeing. But it is these social elements that have been part of the historic gambit of the labour movement and from which its past counter-hegemony was formed. As employment is pressured by productivity, labour is easier to contain where it is founded on individualism, separate from the needs of others wellbeing – the social construct of labour and employment is negated by neoliberalism.

I return to Pierre Bourdieu's notion of the Misrecognition of exploitation as I add to the discussion of de-natured labour protest in the post-capitalist world. Bourdieu argues that, for exploitation (and by inference labour's pacificism), the deleterious effects of corralling productivity gains must be hidden from the peoples of the nation. International capital flows favour those nations whose financial policies reflect neoliberal frameworks. Briefly, these are nations with low inflation, austere public services provisioning and balanced budget policies - all elements favouring financial asset strength in the view of the international financial marketplace. Deregulation, in other words, has separated social control from the market, and has created low inflation and low growth; falling hard on those who have not enjoyed the benefits of capital asset growth. Here, stagnant wage growth has been supported by increased household debt. The skewed distribution of productivity gains, which have led to stagnant wage growth, have been compensated by lower borrowing costs and easier access to credit by households. It is, of course, a Ponzi scheme which depends on capital growth to pay-pack the debts incurred.

In the long-term, increasing debt as the vehicle for economic growth cannot be sustained in a political-economy that has no productivity redistributive mechanism to labour.[364] As household debt rises, labour is pressured to act solely on the level of wages. Again, this is a reduction to the traditional social function of labour to which Polanyi was referring when he saw power in labour's counter-hegemonic action. Labour, restricted to the immediate and individual need to redress purchasing power, must take action within the form of the ideology of the current political-economy.

[364] Interestingly, in Kuwait, where I worked for a time, the income generated from its oil exports belonged to the emir. Every five years or so, the emir would forgive all debts of Kuwaiti nationals. This certainly redistributed productivity gains. In the West, expungement of debt also exists, but under the name of bankruptcy.

Lloyd and Ramsay argue that a change in workers' ideological parameters will transform mere wage protest into broader social action. Only then will protest rise to a Double Movement of any bearing. They are right. Though, I contest, there is nothing in the workers' protests to suggest that they are acting to break free of the neoliberal ideology entrapping them and will eventually deliver the political-economy to chaos. Without productivity redistribution, in which new product demand is created by increased wellbeing, household debt must necessarily become an increasing burden to service, locking workers into the trap of Labourism. More so, where the trend toward the commodification of labour is protested simply by demands for higher nominal wages, the traditional social and welfare issues that enhance worker's social community, workers are essentially co-opted into the framework of neoliberalism.

It should be noted that the great advances in technology, such as computerisation, containerisation and communications technology, were the consequence of cooperative endevours in a world of different political and economic systems. Capitalist, maybe, but capitalism embedded within particular national histories and cultures. Today, diverse ideas appear filtered by the interpretive sieve of reigning ideology - not science, history or any other objective measure. Identity politics layers acceptance of opinion if, and only if, the idea conforms to the dominant ideology. It could be argued that what 'economic advancement' occurring more recently has been toward management practices that reduce labour input, evolving existing technology to the same or, as Streeck laments, extending the range of like-purposed products to supplant consumerism over meaningful democratic freedoms.[365] Neoliberalism, as such, is a uniform ideological construct that is incompatible with views arguing the connectedness of society, including labour, and the wider costs of market price determinism. By commodifying labour, neoliberalism has sown its own fate, and that of society.

Increases in national income from productivity, un-redistributed, have been reflected in real asset price rises. This is what has occurred in Dhaka and is occurring elsewhere. With wages stagnant, the share of income toward accommodation costs must rise, putting pressure on other living expenses. Recall that neoliberalism is a global ideology. Its internationalism, by definition, discounts national labour history and culture, it transforms a benevolent society to one combatant against itself, that is, separation from historic cultures and histories.

[365] Streeck in Crouch, et al. 2016 p. 505.

National societal collectiveness is inappropriate for a globalised interdependent political-economy. The evidence of the segregation of labour in a national society is seen in the growing value of capital assets and the incomes of those who control workers. It is reflected in the cuts to welfare payments; to the mania to balance national budgets; and the perverse aversion to moderate single-digit inflation. It is reflected in the dramatic cuts to corporate profits taxation, the inaction on offshore shifting of corporate profits and high-income earners' tax-rates.

By comparison, the new norm of the post-industrial political-economy has made job markets insecure, casualised both manual and tertiary employment, engineered a decline in work-place protections, made acceptable high unemployment/ underemployment and widened inequality between low/ middle-income earners and the wealthy.[366] Monti and Merkel would disagree, but I see this as a democracy broken.

12.4.2 Democratic disassociation

For democracy to be effective, that is, to be an equitable decision-making form from which society can prosper, there must be civil institutions to manage capital-labour relationships. Yet, where neoliberal ideology has pervaded the entirety of the political-economy, labour has little power; there is no equity, no democratic association between labour's purpose and that of society. The story of disassociation is one of ideologically co-opted labour associations and workers who have little faith that democratic participation will yield rewards.

Labour, as an organisational participant in democracy, has had its power largely expunged by neoliberal ideology and workers, as individuals, see greater benefit separating from labour associations. Fred Block credits the rise of local issues, defence of conservative morals and behaviours in small-town America as constituent to the rise of the Tea Party and Donald Trump's election as president.[367] He terms this new democracy a 'Habitation Society'. It represents local disillusion with federal politics, of career labour leaders pursuing policy agendas with few references to local issues. The Habitation Society is concerned with its survival. The Habitation Society seeks its religious base unchallenged, family structure nuclear and social beliefs in-tact. It is neoliberal because it raises the presence of the individual and his/ her tribe above broader social wellbeing. It is conservative inasmuch as social change is avoided. The economy of Third Way parties such as Blair's Labour, Clinton's

[366] Lloyd and Ramsay 2017 p. 132.
[367] Block 2017 p. 50.

Democrats and Hawke-Keating's Australian Labor Party have promoted tertiary technology, banking and internationalisation as national growth avenues.

Yet, the benefits of growth have been unevenly spread. Local Habitation Societies have felt the brunt of unequal development, especially in rural areas (the North in Britain, Mid-West USA and the rust-belt in Australia). Block does not see labour protest arising. More so, he describes workers' associations largely complicit with the neoliberal trajectory separating labour from its power in a political-economy formed by agonistic democracy. It is Labour, rather than providing a conduit for political participation, that has surrendered what power it may have held in the postwar era, to the ideology of neoliberalism in the post capitalist era.

Labour (as an organisational form) has separated from the democratic wants of its local constituency. It has little social support as a consequence. Examples of the loss of labour power abound: during the democratisation process in South America, incoming elites sought labour restraint and the de-legitimisation of workers' institutions; and in South Korea (1997), after the Asian markets crash, a tripartite accord with labour, government and industry approved massive lay-offs and wage cuts. So-called success stories of Singapore and Slovenia saw labour market stability subsequently eroded by the needs of global neoliberalism.[368] The broader representation of social wellbeing that once saw workers' rights defended across national borders has reduced to Labourism, operating within and to the advantage of neoliberal political-economic ideology. From the disassociation of labour from the society in which it dwells, how can this constitute a base from which a Double Movement could emerge?

Neoliberalism diminishes labour by removing politics from the market and labour from politics. In the process, society is segmented into the 'haves' and 'have-nots'. Where power is removed, egalitarian politics has little impact over market-orientated democracy and, for the 'have-nots', Streeck suggests, their citizenship is put in question.[369] In neoliberal practice, citizenship is an obligation to contribute to society; society being defined as the collective of individuals who produce and consume, independent of welfare support. This is the politics of social identification to one's own clan (tribe), in which the obligations of those of means are segregated from those who do not contribute to the neoliberal ideological system.

[368] Ost 2014 p. 362.
[369] Streeck in Crouch, et al. 2016 p. 506.

Block, referring to those inner-city poor huddled in the Louisiana Stadium, waiting in vain for government help after Hurricane Katrina, were described by neoliberal political-economic ideology as 'non-citizens'. They did not contribute to the new economy of Crouch's post-capitalist corporate power or Streeck's consumerism. Workers' associations failed to account for those in the stadium, they focussed on the wages of those employed. Political parties that once counted lower income and welfare recipients as part of their constituency, have shifted to the middle and legislation increasingly disguises structural unemployment policies as the fault of the jobless, themselves. Labour has, thus, segregated itself from the wider community. It is the effective removal of citizenship, backed by social segmentation, that only reinforces the position of neoliberalism in the political-economy.

Streeck blames technology, though his comments more particularly refer to the technology of consumerisation as the template for the notion of 'freedom' as legitimating democracy. Democratic legitimacy, in the absence of labour's social stance, has been turned over to consumerism as the singular defining element of freedom. This is Libertarianism, Streeck says.[370] It is a democracy which serves the 'freedom of choice', if only on the supermarket shelves - not the fundamentals of social wellbeing. Compromise, valuing the diversity of alternative political positions, collective interests and social safety-nets are not requirements of a market-determined democracy. Crouch concurs.[371] Labour, as a power for ideological change must be seen as having democratic legitimacy in the wider political-economy - a task made difficult against the reigning neoliberal ideology, where social needs are defined narrowly by the satisfaction of consumption demands. Labour's disassociation from democracy has been supplanted by the power of consumerism as the defining element of democracy.

Block's description of citizenship loss can be applied to labour's disassociation from democracy. He suggests four aspects that can be used. Firstly, the monopoly rents afforded to giant corporations, for example in information management: Google; retail giants such as Amazon; the massive JP Morgan–Chase group in banking; and Fox as a media platform, are examples. Corporate profitability has always been a source of power in democratic politics. However, the sheer weight of profits earned by monopolisation of rents has given these and similar organisations a political position that dwarfs competitive political views. One can extend this. Some of these service firms have relatively low labour forces and so not easily

[370] Streeck in Crouch, et al. 2016 p. 506.
[371] Crouch in Crouch, et al. 2016 p. 505.

held accountable; and, their product footprint covers most all of society, industry and government.

At the beginning of last century, President Teddy Roosevelt's Sherman Anti-trust Act broke up monopolies in sugar, railroads and banking. His 'Trust-Buster' reputation was fiercely defended by labour and society, alike. His nephew, President Franklin Roosevelt, combatted private monopoly with public monopolies such as the Tennessee Valley Authority (power) and Federal National Mortgage Authority (housing/ farm loans). In communications, AT&T was broken into 'Baby Bells' during the Nixon presidency. Since then, in the United States and in Europe, corporations have bought or merged to restrict competitive trade with impunity and their monopoly rents have reduced labour power.

Secondly, as wealth is accumulated by the top-end of income earners, Block sees the democratic power of those less well-off, less educated and isolated, progressively diminish. As those characteristics fit more of Streeck's 'have-nots', Block argues this has implications in gender and race inequality and between those native-born and immigrants. Their power is forfeited as is their right to citizenry challenged under the productive/ consumerist principles of neoliberal ideology. Though not strictly referring to labour's disassociation with democracy, this point is included for completeness and that organised labour, and political representation appears to have forsaken wider social inclusiveness.

Thirdly, neoliberalism supports the individual and has little place for social spending on infrastructure, health, education or the environment. Where society has instilled in its Habitus the mania to balance/ make surplus budgets and central bank independence has commodified money, social spending to supplement low wages further separates the 'have nots' from the democratic process.

Finally, Block sees citizenship distorted in the widening gap between rural and urban areas. What social spending there is, tends to be directed to the city where most of the wealth resides. Where Polanyi defined socialism as the:

> *'tendency inherent in an industrialised civilisation to transcend the self-regulating market by consciously subordinating it to a democratic society'*,

then an ideology that disenfranchises a part of that society must surely be a characteristic of a society on the road to Ideological Perdition.[372]

The perversion of labour's position in democracy has bolstered the power of neoliberal ideology in the political-economy. In Dhaka, the garment worker's protest was met with police action; in the United States Occupy Movement protest was countered by discredit; and, in Australia, by yet another government study into the 'liveability' of welfare benefits.

Organised labour has been stripped of many of its rights to withdraw its services. But in current post capitalist society, when the army of the unemployed/ under employed is so great, labour is not that important to the generation of corporate profits/ power (certainly not for the likes of Google, Apple and so on). On the other hand, labour has little relevance to the socially segregated, the structurally unemployed or to those seeking to redress non-wage issues such as social welfare and the environment. It is labour power that Polanyi envisaged would kick-start the Double Movement; it would offer a better ideological alternative to *all* of society. Labour has achieved neither a Double Movement nor relevance to societal wellbeing. Without mobilisation around a call for ideological shift, labour protests are merely arguing the case for a greater individual share of a 'very bad tasting pie'.

Lloyd and Ramsay have ably put the case for labour to re-invigorate itself and thus, give society a robust platform to alter its ideological direction. It is true that, without counter-hegemonic power, our journey along the road to Ideological Perdition cannot be altered. Lloyd and Ramsay do note nascent shifts in political protest, dissatisfied with reigning neoliberalism and call for a return to the positioning of labour in the democratic decision-making it once had.

However, I am upset to say that I do not see the genesis of counter-hegemonic power, nor the conditions for such – certainly not enough to build a broad societal base to demand ideological shift. The entrenchment of neoliberal political-economy is just too pervasive. I fear John Stuart Mills' words that society must be in the midst of catastrophe before ideology will change. I thus, lean toward Streeck' prognosis - but think he might be too optimistic!

12.5 Conclusion

[372] Block 2017 p. 60.

Polanyi's description of the conditions precedent for political-economic ideological change offers, I suggest the best point from which to plot the trajectory of current day Ideological Perdition. Though, whilst I have argued that neoliberal ideology has damaged the very form of society, any change in political-economic ideology can only evolve from popular opposition to neoliberalism's breaching the fundamental core of society. Polanyi's counter-hegemonic action is derived from deep, underlying characteristics that define what it means to be an individual as a part of a society - what it means to be human. Thus, Polanyi argued that capitalism, uncontrolled by society's reflection of its own history and culture, would distort fundamental parameters of the political-economy - money, nature and labour - and fuel opposition to alter the course of political-economic ideology.

Polanyi's description of the form of exploitative power is instructive as one anticipates political-economic chaos as we reach the end of the road to Ideological Perdition. As such, I suggest the reduction of Polanyi's Fictitious Commodities, remains predictive in the current context. I have suggested that Polanyi's capitalist world in 1944 is not that of today. I have been cautious to describe the current political-economy as anything except neoliberal, not capitalism as Polanyi encountered it. Power is the driving force behind neoliberalism, and it is power, are not beholden to national borders or the historic/ cultural characteristics that unifies those within. Where one might see salvation in a counter-hegemonic revolt against the excesses of capitalist accumulation, what has been argued in this chapter is that, with neoliberal ideology perditious across all of national society and most all of the globe, counter-hegemonic action has a difficult path to garner the support in democracy to instigate ideological change. I fear the road to Ideological Perdition can have no 'detour signs' put in place when a Double Movement cannot emerge. I fear society, and the individuals within it are destined to chaos.

Where one locates our political-economy on the 'road', informs our ability to stop the progress of neoliberalism. Maybe one's impression of where we are on the road to Ideological Perdition is formed by hope. Yet, it is more than hope that is needed to change a perditious ideology embraced by government, worker and society alike - it is a new, clear ideological direction. It may well be, regretfully, catastrophe.

Whilst trying to proffer a possible trajectory of our political-economy, yet not a description of the future, I might suggest one more observation: *be careful of what you wish for*. Lloyd and Ramsay have identified a rise of discontent in the neoliberal political-economic model as a

possible trigger for counter-hegemony. Indeed, the majority of voters under the age of thirty say they '*approve of socialism'*.[373] However, ideological shift has been more readily demonstrated as a shift toward racist nationalist isolationism.

To date, counter-hegemony might better be described in demands for political-economic stability, in the form of illiberal democracy. It is seen in Europe as France's National Front, Britain's UKIP and Putin's Russia. In the United States, it is in President Trump's core support base and the many Democrat voters disenfranchised by Hillary Clinton's bid for the presidency.[374]

In chaos, society has nearly always favoured stability over pluralism, in which society shelters behind racial isolationism. As seen time and time again, stability always trumps democracy. Society has always favoured authoritarian protection from those challenging its traditional elements – religion, education, race and gender. Krugman adds to Lloyd and Ramsay, writing that the distorted truth pervaded by neoliberal institutions will continue to discredit popular efforts to redistribute wealth to the lower and middle-classes, with conservatives describing such public policy as attacks against the free market, that is, against 'freedom'.[375]

Little changes! Democratic action must shift political-economic ideology for darkness not to descend. Whilst democracy may well *Die in Darkness*, one must be very careful of the type of light shone for the betterment of all of society's wellbeing.

[373] Krugman 2019b citing a Gallop Poll result surveying young American voters in mid-2018.
[374] Lloyd and Ramsay 2017 p. 137.
[375] Krugman 2019b

Conclusion

'That's some catch, that Catch-22,' [Yosarian] observed.
It's the best there is,' Doc Daneeka agreed.'

Joseph Heller[376]

Joseph Heller's character, Captain John Yosarian, a bombardier in the 256th Army Air Force squadron during WW II, understood his predicament well enough; in all its spinning reasonableness, elliptical precision and perfect pairs of parts that was at once both graceful and shocking.[377]

Without ideological change, Yosarian's commanding officers would continue their fruitless pursuit of an already retreating German army across the Italian countryside - a pursuit that was, Yosarian believed, specifically designed to kill him. Similarly, those in society on the road to Ideological Perdition are destined for ever-greater exploitation and ultimate political and economic chaos unless society, too, can alter the course of its exploitation, the consequence of a perditious political-economic ideology.

However, history shows us there is a 'catch' which prevents society to change. The only way to escape an exploitative political-economy is to change social ideology, however change requires:

- those in society to break the bind ideology has over political-economy; and
- acceptance that an ideology is perditious - yet for this to occur, society must have already realised its own exploitation.

The bind which ties those in society to a journey toward the chaos wrought by Ideological Perdition is strong, simply because the bind is unbreakable without breaking the very ideology which defines society. To challenge exploitation is to challenge the construct of society itself – it is a catch which *is the best there is.*

[376] Heller 1961 p. 46.
[377] Paraphrased from the book.

Ideological Perdition can be described by the nation's citizens increasingly accepting a perditious political-economic ideology in which the perversion of resources succors the elite's objective of long-term sustained wealth and power. As misallocation of resources widens, the economic and power gap between the elite and the rest of the individuals who constitute society, widens and the ideology that enables elite power to hold its place must become ever more authoritarian.

Deviation from the reigning ideology becomes harder to orchestrate by simple fact that any opposition is ever-further separated from popular approval by the hegemony of the ideology's perdition, in the first place, and the increasingly authoritarian nature of elite control in the political-economy, in the second. As such, impending chaos at the end of the road to Ideological Perdition becomes increasingly harder to foresee - and even harder to avoid.

I posed the following thesis on Ideological Perdition in Western political-economies:

(i) *that ideology can explain the interplay between culture, economics and politics;*
(ii) *that ideology can be manipulated to gain power to further elite interests;*
(iii) *that the shifting of ideology to one which has popular acquiescence, despite its subversion of social wellbeing, is perditious and will ultimately lead to political and economic collapse; and*
(iv) *that history shows us a number of these instances.*

Yosarian's escape from the ideology controlling him was his own insane decision to walk into the Adriatic and head to Sweden! Heller's hapless anti-hero was aware of the squadron's distorted ideology which allowed his escape only if he were insane, yet to *know* one was insane was to prove sanity. He beat the shocking elliptical precision of Catch 22 in the only way possible – to demonstrate his insanity by taking the insane decision to take personal control of his future … and walk to Sweden.

This is Catch 22 and its only resolution, more often than not, is chaos. A society whose individual members accept one and only one public policy framework, is a society which is exploited, and its members sectionalised. The break-up of an ideology is the only way of

stopping the collapse of a political-economy, thence the reforming social structure anew, which characterises a political-economy at the end of the road to Ideological Perdition.

Reflecting on the thesis

In Part I, the first element of the thesis - *that ideology can explain the interplay between culture, economics and politics* – was described as an ideological interplay where, above any other characteristic, political and economic stability was at the core of societal want. The connectivity between culture, economy and politics was examined as integral, if not the constituent identification, of what defines society - and of those individuals who seek association to that society.

Schumpeter wrote that ideology represented the *'class structure of the corresponding society and the groups' minds or attitudes that form it.*'[378] I argued that a peoples' culture, economics and politics were linked so as to create society, the connectivity between these aspects being the unifying properties of political-economic ideology. I, further, constructed a bridge between the cognition of the collective (representing a society) and the existence of the individual as a separate, but coincident, member of that society.

From the first element of the thesis, the association of culture, economics and politics can help us understand ideology as a reinforcement of social cognition – that is, the role of elite power to distort cognition of public policy. Where power influences political-economic ideology to the detriment of the political-economy, [*that] ideology can be manipulated to gain power to further elite interests*. This is the second element of the thesis.

Keynes (as expressed in Chapter 1) feared that where power was held by the few for their own benefit, the control of ideas must therefore become the singular object of the powerful. It is the exercise of power over ideology which allows an elite to influence the way those in society process issues in the political-economy. Gramsci termed this this power as an elite's exercise of Cultural Hegemony.

It is the construct of a particular ideology favouring an elite, yet rejects broader societal vision of the exploitation instilled, that Lukes described as the Third Dimension of power. This is a power over society sustained through a popularly accepted political-economic ideology - a

[378] Schumpeter and Schumpeter 1954 p. 38.

consequence of the interplay between politics, economics, history and culture which, together, may create an environment of coercion.[379]

The third element of the thesis states *that the shifting of ideology to one which has popular acquiescence, despite its subversion of social wellbeing, is perditious and will ultimately lead to political and economic collapse.* Polanyi described the need for an elite (he used capitalist elites as an example) to separate those constituting society from their cultural and historic precedents - those precedents which underpin the human condition as represented by that particular society. Only by commodifying the connection to money, nature and labour could the elite feed the insatiable appetite for ever-greater national resources the elite required to ensure its survival.

Gramsci gave us insight into why such an ideological distortion was occurring: the perverse exercise of power to diminish the institutions of a civil society to offer objection to existing public policy. In this Century, Piketty describes the collapse of the 'Just Society'.[380] He writes the Just Society is one reinforced by progressive taxation, inheritance taxes and transitional property ownership yet having been distorted since the 1980s. The distortion described by Piketty can be distilled as a perversion of the political-economic ideology to accept that social segregation of the nation as the singular public policy path to wellbeing.

James Galbraith, Polanyi, Stiglitz and Krugman have written that, as the gap of inequality between the wealthy and 'everyone else' widens exponentially, individual interest in collectivising as a social group loses its adhesion. Where exploitation ceases to be Misrecognised, to use Bourdieu's terminology, the cultural, economic and political bonds which had unified the individuals making up society, breakdown. Crisis follows as the political-economy spirals in lieu of a unifying ideological base.

The cycle of Ideological Perdition has been illustrated by the three case studies in this dissertation. The fourth element of the thesis - *that history shows us a number of these instances* – may, as one trawls through the political-economic history of human existence, find other examples which can offer us the shape of future crises.

Himself looking to the future, Streeck forecasts the breakdown of current era neoliberal political-economic ideology as a decent into national zombie-like perdition; where no

[379] Lukes 2005 p. 108.
[380] Piketty 2020 p. 967.

alternative ideological form can emerge due to the complete expungement of countervailing institutions in modern society. His is a Mad Max post-apocalyptic view of the world. I disagree. What the case studies have shown is that the construct of society alters upon chaos, shifting political-economic ideology (though not always for the better). The need to form society remains. Where the forces of power are derived from the discursive distribution of the Globe's resource wealth, environmental challenge and social segregation within nations may well see political and economic forms emerge in a very different social construct than those we have seen in history.

Ideological Perdition in the political-economy

The road travelled to Ideological Perdition is one that gives the illusion of stability, however, usurps the role of individuals to make informed decisions about public policy alternatives which would guide their society toward future stability. As the road approaches its end, rather than stability, society's ideological binds make the trajectory toward chaos both more certain and difficult to alter. Social formation becomes broken - necessitating its reformation, often in an environment of political-economic chaos and often in a social form more exploitative than the last.

The three case studies presented are linked by the popular legitimisation of elite power. Exploring *why* legitimisation is important to the embedding of a perditious ideology and *how* an elite's legitimisation is orchestrated to achieve hegemony, helps us understand why a society travels the road to Ideological Perdition.

Rousseau's concept of law reflected a set of existing political and economic parameters which delineated the 'right to rule'. For an elite to have power, there must be a normative foundation to confer legitimacy and, consequently, the elite's political-economic premises in the decision-making cognition of society. Without the 'right to rule', elite power cannot achieve the hegemony of power to shift the way those in society interpret the political-economy in which they live. Pierre Bourdieu described this social cognition as Habitus. The Habitus describes the ideology behind Rousseau's notion of law; which shifts and manipulates the political-economic framework through a perditious and cognitive process in society, such that it accepts the legitimacy of elite power. This ideological construct unifies individuals into a society, having similar cognitive assessment of public policy, albeit perditious and ultimately destined to lead society to chaos.

The road to Ideological Perdition can be distinguished by Arendt's The Public. Where the individual's obligation to broader society is supplanted by allegiance to a narrow associationalism; separating others from society, limits social obligation to the objectives of one's own kind and deems all others as excluded from the wealth of the nation; society is travelling the road to Ideological Perdition.[381]

Arendt describes a society in which ideology drove a social cognition to perdition. Her examination of the trial of SS-Oberstrumbannführer Otto von Eichmann, saw him as a product of such an ideology. He was certainly guilty of his horrendous crimes, yet also a product of the perdition he promulgated. His identity was cast by the failure of the individual obligations to others, The Public, formed by a distorted political-economic ideology which pervaded the entirety of German society, The Social. This, not evil breed from his birth, was the reason for his crimes – and the reason for his guilt.[382]

Nazi power rested in its ideological pretense as the singular protector of the *Volksgemienschaft,* interpreted through the lens of fascist ideology to demand that, to be considered German, the individual must to surrender 'the self' to the state. Arendt had captured in Eichmann's testimony both the pervasion and seductive simplicity of the fascist ideology, as well as the absolute evil that it represented.

The ideology of perdition is based on popularism; the usurping of the role of civil institutions and the construction of visible enemies, to buttress elite power. In Germany, the enemy was created in the guise of the German Jew; in postwar America it was the existential fear of Soviet threat and, in this century, the poor. The separation of the individuals from their national society is illustrated by the benefits accruing to those associating with elite objectives.

After WW II, the rise of consumerism was firmly entrenched into the postwar American (and Western nations, generally) Habitus. It identified capitalism not merely as an economic vehicle for private endeavour for private gain, but representative of a cultural identification of those enmeshed within the gambit of the military-government-industrial elite. Joan Robinson had described postwar Keynesian prosperity based solely on full employment as an

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[381] Arendt 1963 p. 93.

[382] Hannah Arendt received much criticism as her reports of the Eichmann trial unfolded in the New York Times. She had said that the man on trial was not inherently evil. His evil actions were the design of a political system, fascism, not biologically built-in to his very being. Arendt's was a call for mercy – far from it. It was a warning to society that if society fails to see power used for evil purposes then evil will be created in us all. Her proposition of an evil created, is by far the more dangerous than some individuals being born evil.

insufficient explanation of the economic behaviour she witnessed as capitalism matured.[383] Similarly, John Kenneth Galbraith's late capitalist Techno-structure denoted the consumerist ideology of society being based on the capacity of industry to meet those demands above all else.[384]

Consumerism in the political-economy of late capitalism, identified the individual to the ideology of the elite. It blurred traditional capital/ labour class delineations. As the divisions between worker and factory owner shifted, individual's obligation to one's tribe grew. These associations denoted a link to an ideology which separated society into those of one's own kind (tribe), being supported by a consumerist ideological framework and excluded those unable to participate in the Technostructure. The systemic perversion of individuals' association toward only those with like identities is typical of a society travelling the road to Ideological Perdition.

Gramsci imagined the relationship between economic Structures (the impact of private ownership has on human behaviour) and Superstructures (the entrenchment of culture and history in the institutions trusted in the social mindset). In each study, an elite's power rested on the hegemony it could create by distorting the role played by civil institutions as platforms voicing individual's concerns about public policy. Perdition occurs as the relationship between the Structure and Superstructure breaks down; this happening as the hegemonic power of the elite shifts political-economic ideology toward meeting its own objectives through exploitation.

In the current era, Streeck described the increasing alignment of nations' neoliberal power as Democratic Capitalism.[385] It represents an ideological marriage between neoliberalism and democracy - but a marriage in continual conflict. Democracy is made impotent as Ideological Perdition introduces sectorial associationalism, separating the individuals of society into two broad groups:

- that group who accede to the neoliberal political-economic ideology; and
- the other, labeled irrelevant, in the least, or at worst, non-citizens who are not permitted any share of national wellbeing.

While associationalism manifests a narrowing democracy, both groups do not necessarily have opposing ideological basis. Chantelle Mouffe described an antagonistic democracy in

[383] Robinson 1962b pp. 38-40.
[384] Canterbery 1984 p. 84.
[385] Streeck 2011 pp. 24-26.

which the representatives of the electorate, its civil society and Habitus reflect a singular ideological premise, at the exclusion of any alternative. Although excluded from the benefits of the nation's wealth in Streeck's Democratic Capitalism, many 'others' accede that the neoliberal ideological framework is the only way forward – as do their political representatives and institutions of civil society. Theirs is a failed aspirationalism, though still ideologically embedded in neoliberalism.

Mouffe's antagonism democratic model has pervaded current-day democracy. It is illiberal, does not represent the people and is set against those not fitting the mould of neoliberalism. Its hegemonic power grows stronger as it promotes political and economic separatism of those in society who are not seen as contributing to neoliberal society. In the current era, antagonism is reflected in the separation of belief from evidence, perceived truth from fact and popularism from rationality, as the basis of political-economic cognition. Antagonism reinforces the elite's perdition of society – it delivers power to the elite at the cost of democracy.

Ideologically, neoliberal values are supported by the discounting of evidence, in the first place, and, secondly, perceiving those providing that evidence as the enemy of society. This plays directly to the maintenance of neoliberal political-economic distortion. The political power attained by some in the democratic political arena by denying climate change is an obvious example, but so too is the ideological basis for the separation of the poor, the immigrant or refugee from social wellbeing, the cry that benefitting the rich will create jobs for the poor, that national fiscal budgets must be balanced for prosperity, and so on.

Indeed, the malaise of democratic antagonism separatism goes further. Fred Block posits the rise of local issues further disassociates individual political action on the national stage, further shifting power to the elite. By divorcing the individual from their perception of any effective control in national democracy, the individual sees the defence of conservative morals and behaviours in small-town America as being consequent of the division of society created by neoliberal ideology.[386] Block notes the rise of a Habitation Society, representing a focussing of political-economic association of one's own voice to local issues, replacing their disillusion of their representation at the federal level. The Habitation Society is concerned with its survival as a subsection of the nation, attuned to its religious base unchallenged, family structure nuclear and social beliefs in-tact. Elite longevity depends on this. The Habitation Society

[386] Block 2017 pp. 49-52.

does not shift political-economic ideology, rather just tries to survive and psychologically separate itself from the democratic system it perceives to have failed.

The journey toward the end of the road to Ideological Perdition

I have argued that the calamity of road's end is in sight to those who think to look. History tells us the future will be bleak if society continues to abide the perversions of Ideological Perdition. I see no evidence to suggest the path taken by our current era neoliberal ideological political-economies would not also lead to chaos. History also tells us that society is not guaranteed a better future after political-economic chaos.

However, I have repeatedly stated that power and, indeed perdition, does not of itself necessitate society's hold to an ideology which is ultimately destructive. Those in a society *can* divert from the road to Ideological Perdition; though doing so is difficult and, as a perditious ideology becomes more set in the political-economy, its dislodgement becomes ever-harder. For this, structural change in democracy and civil society, a substantive shift in political-economic ideology, is required.

I characterised the increasing difficulty to shift from an exploitative ideology as having three broad characteristics:

- society becomes further removed from its historic and cultural roots;
- the elite's dependence on hegemonic control increasingly fails to reinforce its position of power and it, thence, imposes greater social controls on the political-economy; and
- any exogenous shock becomes less likely to shift an entrenched perditious ideology.

All social systems shift, evolve and re-form over time. Yet the road to Ideological Perdition necessitates a hegemony of the elite which must become more draconian, more authoritarian, such that the elite can hold on to power as national resources needed to maintain an elite's position in society extends. For hegemony to be maintained, so as to perpetuate the hegemony of the elite, a nation's resources increasingly shift away from the creation of social wellbeing. This entails a greater and often more rapid move toward the commodification of the elements of human existence. The rights of individuals to choose the direction they wish

their society to head must be curtailed. Polanyi described the attributes of human existence represented by three uncommodifiable commodities – money, nature and labour. These commodities are derived from an individual's association with his/ her national history and culture. With increased radicalisation, Polanyi expected a coincident Double Movement taking grip in defence of association with money, nature and labour – these commodities representing the human embodiment of individuals with their society. This counter-hegemonic movement would grow as these commodities were increasingly separated from the culture and history which identified the nation and the nation's people.

The theory of Ideological Perdition can be informed by Polanyi's commodification and the Double Movement. I argued that Polanyi's commodification of money, labour and nature can be applied beyond a narrow interpretation of capitalism, particularly beyond the contest between labour and capital as elements of economic production. However, Polanyi's Double Movement failed to emerge – it did not stem the intransigence built-in to the hegemony of the elite power in each of the case studies presented.

This does not discount the value of Polanyi to the development of Ideological Perdition. His description of Fictitious Commodification rests in the power of an elite to pursue a public policy which progresses toward the separation broader national society (an extension from Polanyi's work on capitalist crisis) from the aspects of human existence. The end of the road to Ideological Perdition is thus close to the near commodification of his Fictitious Commodities.

Gramsci questioned whether counter-hegemony was either equal and opposite, or automatic. The nascent Double Movement of rebellion against fascist authority during the last months of WW II were crushed by state force, the lack of any alternative ideological framework and the Allied troops entering the country. At the point of economic and political turmoil in the United States during the 1970s, it was not the rise of social movements which brought about the end of Ruggie's embedded capitalist era, but the country's over extension in its geopolitical actions and the inflexibility it had to adjust domestically if it remained within the Bretton Woods accord. In each example, the domestic extension of the elite beyond the nation's resource capability opened a crack upon which an exogenous wedge could split society apart, only to reform in a new way under a new political-economic form.

The exogenous shocks were, of course, the failure to extend and hold the initial gains of German successes beyond 1942; and the decline of military strength/ oil crisis/ terrorism and stagflation characterising the 1970s in America. In Germany, fascism was so welded to the

German political-economy that fascist ideology remained the singular ideological platform which defined the nation's people, albeit a nation crumbling around them. Indeed, during the last year of the war, the elite's power was maintained, if only because there was no alternative ideology comprehendible by society.

A Double Movement relies of the visibility of exploitation. Pierre Bourdieu argued that people's sight of their own predicament has more often than not been clouded by the perversion of exploitation of labour, nature and money by the political-economic ideology to which society has acceded. Misrecognition is the vehicle which has raised the cost to society of a perditious political and economic ideology in the present era, as it was evident during the American post WW II period and the German interwar era. The costs were twofold:

- resources were being diverted from social wellbeing and directed toward elite goals which were increasingly not being met, necessitating even greater and more draconian resource misallocation; and
- society was blind to this misallocation, continuing to accept the reigning political-economic ideology would deliver society from the chaos such a path, unbroken, would lead.

As such, Misrecognition has limited society's cognitive facility to comprehend alternative public policy positions, at a cost which has led the individuals of which society is made, to shun the ideas of change embodied in any emerging Double Movement.

For a Double Movement to be anything more than a fringe countermovement to the hegemony of a perditious political-economic ideology, it needs both a robust vehicle to voice ideas (a strong and diverse civil society), and a robust agonistic democracy capable of presenting ideas as a political-economic ideological form to which individuals in society can associate. For democracy to be effective, it must be robust enough to provide for the checks and balances which ensure an equitable decision-making platform from which society can prosper. In other words, without civil institutions, independent of an exploitative elite, which can give voice to alternative political and economic relationships individuals raise in society, the democratic process is futile.

Bourdieu theorised that all aspects of a political-economy can be shaped by the distortion of ideology. These elements are represented by the Fields with which individuals associate. During each period presented in this dissertation, national (or global in the case of the current

day) resource allocation was distorted by elite power over the Field associations within society for the sole purpose to ensure the elite's longevity.

As such, the elite was both gatekeeper against alternative views entering the forum of public discussion and architect of political-economic cognition if, in fact, alternative ideas did emerge. The key, of course, was the cognitive interpretation of public policy by society, that is political-economic ideology – and that was being shaped by the elite. Without the institutions of civil society, I argued the near-commodification of Polanyi's Fictitious Commodities has characterised the latter part of society's journey along the road to Ideological Perdition. The question which naturally arises is: what will be the shape of the political-economy to come?

The end of days?

Jenny Erpenbeck's novel, '*The End of Days*', opens with the death of a child in 1902 on the western border of the Austro-Hungarian empire and ends with the death, nine decades later, of a woman in a nursing home in a unified Berlin.[387] The child at the beginning of the book and the old woman at its end, are one-and-the-same - the author sentencing her character to one mortal impasse after another as she traces a personal impact of the devastation of Europe's history of perditious ideologies across time. The reader is left perplexed, experiencing through the book's pages, humanity's insatiable drive to follow the road to Ideological Perdition, even to the point where the appetite of those in a society is to destroy one and another, and to reject the historic and cultural principles underpinning their society in the process.

Although exploitation is generally Misrecognised by those in society, neoliberal ideology, as a sustainable political-economic platform for the future, is certainly fractured. That neoliberal ideology does not generate broad political and economic wellbeing is clear to those who choose to think about the reasons why there has been a widening of inequality and violent, increasingly deep crises exhibited across the globe.

My youth was defined by the existential threat of nuclear threat during 1970s and 80's Cold War positioning; thence terrorist attack in the 2000s; and now the impending calamity of climate change. However, the existential threat of calamity brought forth in an exogenous shock to the society in which I live, appears to have buttressed the perdition exhibited in today's political-economic ideology.

[387] Erpenbeck 2015

In the current era, neoliberal political-economic public policymaking has delivered collapses of the Latin American economies (1982); the US Savings and Loans crisis (late 1980s); Junk bond crash (1989); Asian crash (1997); Dot-com crash (2000) and the Global Financial Crisis (2007). None of these crises, however, have instigated a social movement which has even incrementally shifted current political-economic ideological thought in society.

Yanis Varoufakis (as Greek finance minister) witnessed the European Union's crippling monetary austerity imposed on his national home. It was a policy that was designed to sentence his nation's peoples to a moral punishment, solely to satisfy the demands of global investor interests. It was a punitive sentence based on a neoliberal ideological verdict which could never return the Greek economy to prosperity. It was a market driven policy, devoid of any human/ social context, designed to shape-up German financial elites, primarily, and German political supremacy in the European Union, he argues.[388]

Across the face of the planet, individuals and the societies in which they reside, appear little concerned with the nature of the political-economy, nor of the basic tenet of human life. If history tells us that an exogenous shock is more often-than-not needed for society to demand ideological shift, then, as Malcolm Bull describes, recent exogenous and asymmetric ideological assaults have failed to illicit any discernable and/ or long-lived Double Movement against elite power's hegemony.[389] One might ask if Polanyi's uncommodifiable commodities have, in fact, already been commoditised!

Further, neoliberal political-economic ideology gains power through confused social action on more the more obvious threat of climate change. Anticipated and 'not quite' exogenous, the threat to life on earth from climate change has very real evidence upon which to base our fears. Rather than an *existential* threat, climate change will bring political-economic change, though its ongoing impact is liable to be a dialectical reformation of society, more so than akin to an apocalyptic Mad Max world.

[388] Varoufakis 2016 pp. 32-34.
[389] Bull 2016 p. 33.

The threat of climate change, with its associated flood of environmental refugees, food/ water security problems and energy crisis, may well be the shock which will shift the ideological the foundation to global political-economy. One may wonder if the political-economic change wrought on society will not be an ideology of defence against those without the means of survival – defending viable land against the peoples of low-lying Africa, central America and Asia; against the poor of the Gulf of Mexico and the Mediterranean. The exogenous shock may well be the first of many climate wars whose ideological form is the need to secure food, water and energy so as to survive in an insular society, much reduced than the nation-states of today. Those ill-equipped will suffer expungement from the face of the planet.

Whilst naïvely trusting in the human race's capacity to shift from a political-economic ideology that brings about the linear extrapolation above, I suggested that the dilution of the power of society, represented by the commodification of Polanyi's Fictitious Commodities, is not an expectation of a Double Movement. I suggested that, where the power of society has been usurped so comprehensively; where national identity has been replaced by global neoliberalism; where radical nationalism has replaced social obligation; any pre-emptive Double Movement is the hopes of a Pollyanna.

Streeck (possibly wisely) shrinks from specific details of the future - he cannot see any social, ideological reformation to neoliberalism even if it results in a zombie-like half-dead capitalist political-economy.[390] That said, one might look to the behaviours of the past to inform, rather than predict, our view of the future.

Neoliberal ideology has become the dominant political-economic 'lingua-franca' in the Western world – and one idealised by many developing nation's governments as the singular ideological form to lift their peoples from poverty. Yet, the apparently near religious devotion to neoliberal ideology by government and the societies they represent, has a hidden sting in its tail. I described the unlikelihood of Polanyi's Double Movement in terms of the near if not complete commodification of his Fictitious Commodities.

[390] Streeck 2014 p. 24.

I suggested that those in the current era of neoliberal society have been largely separated from their historic and cultural ties to:

- Labour has not demonstrated a base for an emerging Double Movement. Labour, write Lloyd and Ramsay, is characterised by the divorce of traditional worker positions on social welfare, international solidarity and the environment, instead favouring a new core interest centred on wages and firm-specific profitability to pay them.[391] They pose that labour demands, today, are carried out within the context of the labour movement's wholesale embrace of neoliberalism. Whilst they hold out hope for the growth of nascent industrial action to gestate toward a society-wide counter-hegemony, to date, labour is doing little to situate a social presence in our broader awareness;
- The commodification of nature destroys the very basis of the human condition, indeed, that upon which neoliberal capitalism must have in order to thrive. I argued that Ideological Perdition leads society to continue its exploitation of nature with social actions against the ravages of neoliberalism on the natural environment being disjoint; and
- the commodification of money is argued as near complete. Money has been removed from its cultural and historic association within national society. It has been relegated to speculation beyond the fundamental natural/ human and capital resource base upon which international trade is derived. The United States dollar's global reserve status has reduced, reserve status being increasingly held by the euro and renminbi.

I cannot envisage the power of dialectical social shift, be it new ideas becoming entrenched in political-economic ideology or reversal of economic exploitation effected in global production patterns. I cannot see peaceful forces which will lead the individuals who make up Western societies to demand change. I fear there is little to suggest society will be able to take a diverting path from its progress toward the end of the road to Ideological Perdition.

Where to from here?

There remains so much more to achieve. I have sought guidance from each period of history examined to envisage the fate of society's journey along the road to Ideological Perdition. It is

[391] Lloyd and Ramsay 2014 p. 131.

to the future that greatest prescient needs arise and, as such, the following research directions might be taken:

- democracy is facing politisation of a contest between provable facts and perceived truths supporting ideological falsities. Literally, the fate of the planet rests on the contest's outcome;
- has national democracy become a casualty of individual's disassociation with the broader democratic process, such that one's wellbeing rests singularly with one's own tribe, to the detriment of national society;
- dialectically, society is a vortex of interacting materialistic necessity (the economic basis of producing the needs for human survival) and the rise of alternative ideas which locate in the mind of individuals seeking new social forms (Hegel's purposeful whirl of ideas, histories and institutional forms). I questioned Streeck's reliance on traditional capitalist differentiation between labour and capital to explain his fear that the rise of private debt will instigate economic collapse and the half-zombie-like remnant of neoliberalism, unable to restructure as a society. If individuals *will* create a new society along new ideological forms, what dystopian elements will emerge and what forces will come together to form new social systems? Will the 22nd century be one typified by small defensive city/states in a neo-feudalistic global political-economy, mega-national conglomerates or the same as present;
- democracy has been offered by many as the avenue for political-economic ideological change. However, is democracy, of and by itself, the 'silver bullet' required to shift political-economic ideology as climate change causes one social formation to shift to another; or
- the Arab Spring saw the rise of popular action against the authoritarian regimes in Egypt, Libya and Iraq whilst the Occupy Movement saw huge crowds demonstrate against Western capitalism. Yet, popularist leaders have dominated elections in the subsequent years. These leaders have brought further resource diversion and embedded sectionalism in society. Has democracy and the federated nation-state become the source of its own perdition?

Some final thoughts

I have presented in this dissertation a thesis which argues that the exercise of elite power can, but not necessarily will, evolve to exploit a nation's peoples, separating those in society from their history and culture. I have argued that such disassociation is orchestrated by the manipulation of political-economic ideology through aligning societal cognition to perceive its own exploitation is the singular public policy setting available. I have argued that this is a society on the road to Ideological Perdition and it is doomed to chaos if the path taken is not changed.

Political-economies become bound by the ideologies that emerge in society. But without actively protecting its power to question public policy, those in society forfeit their ability to ensure these ideologies will deliver wellbeing to all. This is the Catch 22 – a political-economic ideology that is perditious is, by definition, embraced by society, and the hegemonic power of such an ideology will set that society against any counter-hegemonic action which it needs to shift its path from calamity.

I cannot foretell the future. Yet, neither can I see the rise of any movement with power enough to shift our current journey from its path along the road to Ideological Perdition. I fear the path being taken will exacerbate the already evident separation of human society from the national and international obligations which identify a unified common purpose. Global political and economic power available to society which could instigate a counter hegemonic movement has narrowed. Indeed, power appears only to reinforce an ideology which puts associationalism at the core of neoliberal self-preservation.

As I offer concluding thoughts, I raise the chilling photograph of nine-year-old South Vietnamese, Pham Thị Kim Phúc, naked, flesh burning, fleeing the napalm incendiaries dropped on her village of Trăng Bàng in 1972. The photograph earned Associated Press photographer, Nick Ut, a Pulitzer prize when it was published in the New York Times in 1973. The photograph acted as a clarion call for those opposed to the Vietnam War and its futility as a representation of American global military hegemony. Pham was an innocent whose little body was feeling the full force of power – Pham was human, she was one-of-us.

Contrast the image of three-year-old Syrian, Aylan Kurdi, on a Turkish beach. His curled, lifeless body was displayed on screens across the globe in 2015. Tragic, horrible, upsetting - but Aylan, his family and his people are not from our 'tribe'. The conditions which led to his

fate, and many more since have not become better. What has changed to the human society between the two events? I offer the following answer, as profoundly sad as it is:

> *Neoliberalism must compartmentalise the human diaspora to prioritise the self and one's own against outsiders through a perditious ideology by creating a defence against those who are perceived a threat to one's ideology and sectional wellbeing. Concessions to those not of one's own tribe is deemed an economic and/ or political loss.*

News of Aylan's death lasted little more than one news-cycle! Since then, nothing has changed from his death; as nothing has changed the fate of humanity in the balance of climate change; and as nothing has changed to those who suffer from the inequality of wealth and opportunity.

A few sentences cannot sum-up shifts in the human condition caused by its journey along the road to Ideological Perdition. But, maybe the contrast in social responses demonstrated between the horrible events brought by political-economic ideology upon these two children, not two generations apart, can plant a seed for political-economic change in the collective mind in the future, before we are all doomed.

Maybe I am wrong to think ideological shift will be too little too late.

Maybe I am wrong the think that exploitation will continue to be hidden and that society will, sometime soon, 'awaken'.

Maybe I am wrong to think democracy is impotent without the institutions of civil society broken by neglect and a ground-swell of public action will take back the power it has forfeited.

Maybe - I hope so.

Hejira

The term is originally from the Arabic (c622) and used in the English language (from c1850) to represent a cathartic departure from a place of disillusionment; to take a difficult and arduous journey to the unknown but what is hoped is a better future.

As individuals, and as part of society, we must break from the perditious political-economic ideology we currently experience – and create a better future for all.

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