

Mapping the Common Ground - notes for the perplexed

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1. PURPOSE OF THE PAPER

This paper is a series of jottings - it is one man's attempt to explore how he might "make a difference"; or at least feel that what he is doing is improving the human condition rather than compounding its problems. For I am at the enviable point in my life where I don't need to work full-time and can choose what I do with my time and life.

The first half of the paper still has the form and content it had when it was originally written¹ (in Tashkent) in 1999 some 10 years after I had left political life in Scotland and started the nomadic life of a consultant in countries which were assumed to be in some sort of transition from a form of communism to capitalism.

How - was my question - should I use my energies and resources (time, skills, knowledge and money) in the future to best public (rather than private) advantage?

My 2001 paper was structured around 5 questions -

- why I was pessimistic about the future and so unhappy with the activities of the programmes and organisations with whom I dealt - and with what the French have called La Pensee Unique, the post 1989 "Washington consensus"
- who were the organisations and people I admired
- what they were achieving - and what not
- how these gaps could be reduced
- how with my resources I could help that process

It was some 15 years ago that I began to feel the deep unease about the direction societies with which I was familiar seemed to be taking - increasing privilege; systemic corruption; centralization; ecological destruction; "consumerism"; poverty; privatization; and a failure of European vision were the things I listed in a paper I circulated to friends in an effort to clarify where I should be putting the energies and resources left to me. I itemized the people and organisations whose work I admired; regretted the lack of impact they were having; and then explored what channels we seemed to have for making more of an impact.

A decade later - after the bursting of the bubble - I returned to the subject and beefed up the paper - the results of which can be found on my old website [Draft Guide for the Perplexed](#)

With the global meltdown confirming the grip of neo-liberal theft, I readily confessed not only that I still didn't have an answer to the five questions the paper posed - and (in section 6) that I had whittered away some of my allotted

¹ in 2001 - when it had the title "Window of Opportunity for Ordinary people". I have kept the original text - and added some footnotes and a new second half which runs from section 6

time...With more time on my hands, I returned to the paper and began to update it - in fitful bursts of energy.

I turned first to the increasing disillusionment of Brits with their political and government systems - and the surprising absence of books which gave a satisfactory treatment to the apparent collapse of the once highly-respected British machinery of government.

After long thought, I could produce only four analyses which might be read with benefit by the concerned and perplexed in that country. Two were 10 years old - the other two 5 years old....We have, of course, countless academic studies of the operation of the British Parliament, of political parties, of voting systems, of local government, of devolved arrangements, of the civil service, of public management (whether Ministries, core executive, agencies), of the Prime Minister's Office, of the European dimension etc - and a fair number of these are reasonably up-to-date.

But most of it is written for undergraduates - or for other academic specialists who focus on one small part of the complex jigsaw. There is so very little which actually tries to integrate all this and give a convincing answer to the increasing number of citizens who feel that there is no longer any point in voting; that politicians are either corrupt or hopelessly boxed in by global finance and corporate interests. **Sections 8 and 9 give an overview of that literature - as it stood a few years ago.**

The four studies I picked out were by a journalist (George Monbiot), a consultant/academic (Chris Foster) and two commissioned by a charitable foundation (Rowntree Trust) - although 2 real academics (Colin Leys and Allyson Pollock) did get honourable mentions.

The question today is whether the last four years has seen any significant additions to our understanding of power in Britain - let alone Europe - and how it might best be challenged. These years have seen the various "Occupy" movements but have they seen a clear agenda for change emerge?

My main concern, however, in the last few years has been to try to identify some common ground amongst the thousands of people writing about the need for economic and financial reform.

So many thousands of books (in the English language) about the global financial crisis and the deeper malaise it revealed - but most writers focus on diagnosis and are reluctant to put their name to detailed prescriptions. With the exception, perhaps, of the banking crisis where the many and divergent diagnoses (Howard Davies counted 39) did generally lead to detailed prescriptions - few of which, however, have been implemented.

One further lack, for me, is any serious effort to create a typology which might help create a shared agenda for change. Rather, various kinds of expert give us their particular view - matching their prejudices or those of their putative readers. Section 10 offers a rather crude typology - and section 11 annotated notes on relevant books I've read recently.

2. WHAT'S WRONG?

2.1 One man's picture in 2001

Despite the apparent victory in 1989 of the "Western world" over its enemy of the Twentieth Century, a growing feeling of unease and doom has been gathering - as the collapse of communism and the removal of its threat from the agenda opened ethnic conflicts and allowed more open discussion of such things as the scale of global misery and environmental disaster.

Perhaps this explains the sense of helplessness that many people were feeling at the end of the millennium

Certainly the picture I portrayed in that paper was pessimistic -

One man's perception of things in 2001

- Consumerism is killing the planet - and making people miserable².
- The poor are getting poorer³
- The British political culture was always too centralised and has got worse (notwithstanding Scottish devolution). New labour has enforced "la pensee unique", repressed dissident thinking and is slowly selling the state to corporate interests⁴.
- It's too easy to scapegoat Blair (the UK PM) - it's in the nature of modern politics⁵
- Despite the extensive coverage of political corruption in Italy, Belgium, Germany, France and even Britain nothing really changes. Indeed it gets worse.
- The EU is selfish and lacks vision⁶
- Development organisations have hierarchical structures and remuneration packages which create self-serving behaviour⁷ (World Bank staffers travel business class)

² since I wrote that, there have been many books on the theme eg [Affluenza](#) by Oliver James

³ this needs some nuancing - clearly urban Chinese have been growing richer and some figures I saw in 2011 suggested that, globally, the poor are now in the "developed" rather than "developing" world. Two key books on this are [The Spirit Level - why inequality is better for everyone](#) (Wilkinson and Pickett 2009) and [Injustice](#) by Daniel Dorling (2010)

⁴ George Monbiot's [The Captive State - the corporate takeover of Britain](#) (1999)

⁵ Colin Leys is one of the few academics to map this

⁶ it pays its senior staff incredible and indefensible salaries

⁷ a lot of critiques about the World Bank - eg Mallaby's [The World's Banker](#) (2008)

Clearly the picture has got worse - particularly since the global financial meltdown of 2007!

2.2 Tower of Babel

For those like myself trying to identify where to place their energies, a big problem, I felt then (and even more now), was the sheer richness of analyses, writings and organisations - all dealing with part of what is a systemic problem. Those struggling valiantly with local initiatives often don't have the time or patience to make sense of what they often see as over-shrill or theoretical writings; and those dealing academically with the large picture can sometimes be impatient with what they perhaps see as the naivety of the practitioner.

2.3 Where you stand depends on where you sit

Between 1975 and 1990, I was a young politician on Strathclyde Regional Council⁸ - trying to change the bureaucratic system which was then local government⁹ and responsible for the development of what became Britain's first strategy for social inclusion and of community structures and enterprise¹⁰.

The work I have been doing since 1990 in public administration reform in transition countries confronts many of the same issues - but on a much larger national and global scale and with the added dimension of the more visible signs of poverty and environmental disaster in places such as Romania and the Aral Sea.

I have lived in 11 countries during these 2 decades - for an average of almost two years apiece - in the meantime keeping up (not least through the internet) with socio-political developments and writing in Britain and Europe. *The role of a consultant certainly helped me develop a "distance" which leadership of a large organisation makes difficult.*

It forced me to seek explanations for events at a more sophisticated level than scapegoating, for example.

And drafting briefing notes about various aspects of European systems for my beneficiaries certainly improved the quality and focus of my writing¹¹.

However I became critical of the "best practice" approach of foreign consultancies. The recent string of policy disasters in the British health and education fields¹² are part of a much more systemic problem for our government systems.

⁸ a state body which, due to its responsibilities for education, social work, police etc, employed 100,000 public officials. I had a leading role for its first 16 years of life.

⁹ In 1978 I wrote a small book around the questions the citizen activists I was working with were asking me about the reorganised system of local government in Scotland - *The Search for Democracy* (1978)

¹⁰ this is described and analysed in detail in a paper "[From Multiple Deprivation to Social Exclusion](#)" on my website

¹¹ My old [website goes back to 2007](#)

If, after hundreds of years, the British system can't achieve a healthy policy system, how realistic are the exhortations and conditionalities imposed by the global community on transition countries?

Unrealistic expectations have been developed in many transition countries about the contribution which full-scale privatisation can make to the improvement of services such as water, railways, health and education¹³. This comes from the hypnotic effect which the possibility of foreign investment brings to capital-starved nations and too many western consultants peddling, for whatever reasons, a simplistic model.

2.4 Global crisis of 2007- 2011

I don't have the patience to try to wade through (let alone make sense of) the huge literature there is on this. Let me simply refer the more patient of my readers to some who have made the effort - and lived to tell the tale! Howard Davies identified 38 different explanations (!) in his [The Financial Crisis - Who is to blame?](#) and an economist explored the lessons of 21 recent books in [Reading about the Financial Crisis - 21 books](#)

¹² I don't know now (2011) exactly what this referred to – but can quote [more recent examples](#) and this bibliography from the recent book [Blunders in Government](#) by Ivor Crewe

¹³ see the excellent series on the various experiences produced by the [Public Services International Research Unit](#)

3. THOSE WHO GAVE ME HOPE in 2001

It's interesting to see which people and organisations figured in my list!

3.1 Standard Bearers - who were actively proselytising to demand change

- David Korten (author of When Corporations Rule the World¹⁴ (1995))
- Susan George (author of the satiric The Lugano Report - on preserving capitalism in the twenty-first Century¹⁵ (1999))
- George Monbiot¹⁶
- Noem Chomsky
- Oskar Lafontaine
- George Soros
- Ralph Nader
- Riccardo Petrella - with whom I worked in the 80s in the R.O.M.E. programme when he was a senior European official; who then became one of the leading critics of "La Pensee Unique"; and was an early activist also on water issues
- Tony Gibson's work and writings were also inspirational for community activists on housing¹⁷

3.2 Inspirers whose writings help extend understanding of the processes of change

- Charles Handy
- Timothy Garton Ash¹⁸
- Eric Hobsbawm¹⁹
- Marlynn Fergusson²⁰
- Richard Douthwaite²¹
- Theodor Zeldin²²
- Colin Leys²³
- The Stephen Covey and Peter Senge bunch (at the level of personal behaviour)

¹⁴ His [site is here](#)

¹⁵ her Lugano 2 report was issued at the end of 2013 - <http://www.redpepper.org.uk/the-class-war/>

¹⁶ The Captive State

¹⁷ The Power in our hands (1995)

¹⁸ the historian who was in clandestine contact in the 1980s with the dissidents in communist countries and published his reflections about the transition process in the 1990s in the pages of journals such as the New York Review of Books.

¹⁹ The Marxist historian

²⁰ The Aquarian Conspiracy (

²¹ who is one of the clearest writers about the growth fixation and a second book on the practical alternatives is [Short Circuit](#)

²² The Intimate History of Humanity (1995)

²³ a British academic whose distance in Africa seems to have given him a rare perspective – see his [Market-Driven Politics](#) (2003)

3.3 Organisations

- The NGO global network
- Green Peace
- UN Programme for Human Development - and other programmes which put country performance in league tables in order to shame leaders

British organisations are either too insular - or still affected by "soft" imperialism. But at least two Foundations are worthwhile - the Foundation for Social Initiative and the New Economics Foundation)

3.4 Journals/Yearbooks

- New Internationalist
- Third World Resurgence
- The Ecologist
- New Left review (and all the French journals like le Monde Diplomatique)
- Socialist Register
- [Znet](#)
- [Yes](#) (David Korten's Online Journal)
- [Social Criticism](#)
- [New Economics Foundation](#)

Progressive Websites?

www.pcdf.org

www.developments.org

www.oneworld.org

www.tradewatch.org

www.globenet.net

4. WHAT DID ALL THIS SEEM TO BE ACHIEVING IN 2001?

4.1 **Global warming** is worse than we thought

4.2 **the life of the 25% of the poor in developed countries** has not improved

4.3 **western political systems** have bought the neo-liberal doctrine that they are powerless - and glad to be so.

4.4 **media expression is more and more constrained by corporate interests**

4.5 **accountability of power remains a ritual.** Everyone preaches transparency for government. The global network for sustainable development is transparent. The Davos Forum is, however, the only transparent part of the dense network which ensures that corporate power marches on. The Tripartite Leadership Forum (?) has for a long time coordinated the global development of la pensee unique - and funded seminars to cultivate the significant younger western politicians. The European Roundtable of Industrialists is a network of the 46 Chief Executives of the largest companies in Europe and has had an agenda for Europe which they discuss monthly with EU political leaders.

5. WHERE TO PUT ONE'S ENERGIES?

In 2001, I offered the following -

5.1 **The political system?**

Some politicians have insights²⁴ and goodwill - but unfortunately it is a mistake to look there for any help. It was all said so clearly in the early part of the last century by Robert Michels (in 1911) that once you have become a full-time politician you have to cut your cloth to hang on to your salary. And in 1945 Schumpeter²⁵ clearly spelled out that the function of elections and the political system is simply to allow us to choose between competing elites. Nowadays you listen to your party boss - and what the focus groups tell you about the marginal voter.

Perhaps we need a system more like the Swiss - trouble is that the *German Greens* had this policy and had to give it up. And the *American Republicans* soon reneged on their policy of 2 terms only.

²⁴ the best writing in the UK has been by mavericks such as Chris Mullin, Tony Benn and Tony Wright

²⁵ Capitalism, Socialism and Democracy

5.2 Pressure Groups?

The larger NGOs are now substantial bureaucracies and are attracting some criticism - about accountability and the problems they have in cooperating (since they need high and distinctive public profiles if they are to continue to attract funds). And if they are too coherent their analysis of the sources of the problems, they run the risk of being labelled political and left-wing.

But their critique now needs to move beyond specific institutions to the financial interests which sustain the new global (dis)order.

5.3 Progressive Capitalists?

Too few - although "green investment" is beginning to gather force

5.4 Individual Action?

A noticeable phenomenon is that, when some politicians retire and no longer have the competitive pressures on them, they become more critical about the domestic and global systems they accepted when they were in office. The same is true of many officials. There must be a great potential amongst those who have

- Time (now retired)
- money
- Education (higher than any previous generation) and potential understanding (because of the impact of the NGO critique)
- An interest (satisfaction in making a contribution)
- Conscience ("I've taken - now I should give a little back")
- A greater chance of persuasion by virtue of their patent lack of vested interest - and being late converts
- networks

Surely a significant number of retired officials, academics and consultants in UK and ?? can be encouraged to come together; learn from one another - and develop ways of communicating and acting to make their concerns about national and global systems more influential? Transparency International is a good recent example of such an initiative.

5.5 an initial response

I shared all the above with Keith Yates who had been the principal support (as a senior Regional official) for the political efforts I had made between 1975-90 in Strathclyde Regional Council to encourage community enterprise and who had since then become Chief Executive of Stirling District Council in Scotland. His response was to spell out the potential of the internet -

We should realise that the processes we have wrestled with for much of our working lives are fundamentally flawed because they are designed around the self-perpetuating interests of organisations, be they governments, the EU, or corporate business. The oligarchies that

inevitably develop in all these bodies are kept together by dubious affiliation to a club. This may be a political party or a profession; a religion or an interest group; an ethnic group or an old boy club. They may have common objectives but these are perhaps subservient to the maintenance of the power structure.

It has been very difficult to challenge these silos of power because it is assumed that only those with inside knowledge have the credentials to raise justified objections. By their very nature they circle the wagons any time the fundamental nature or assured nature of their power base is threatened. This is the history of most political parties and professional organisations. They were allowed to continue in this way because of information confidentiality. So long as things were kept on closed files only capable of careful investigation by legal processes and lengthy scrutiny most closed shop practices were allowed to continue within whatever ethical code pertained to that organisation.

*Recently this has begun to change- not because of freedom of information, which is still a sham in most organisations, but because information is now capable of being classified and scrutinised by the Internet search engine. **This is the new revolution for citizens across the globe.** We have a tool that breaks all the protocols of hierarchy, professional domains and codes of social intercourse. However we also know that many writers are assuming that globalisation will be the outcome. Small local businesses will be wiped out by the cartels of global e businesses. But is that true or is there a far more powerful outcome from the use of the internet which will see a paradigm shift in power putting it back with the citizen who will have the right to choose and demand their rights as the boundaries come tumbling down.*

*The internet could be the ultimate extension of the franchise of citizens. Providing a dynamic and continuous sharing of good practice across the world. This could be for water purification, the monitoring of climate change or, and **this is the project with the greatest promise**, the classification of companies, government (local and national) according to a kite mark of sustainability, accountability or whatever the democratic idealists want. Is it back to the ideals of John Stuart Mill- the greatest happiness for the greatest number? As he said responsibility for the survival of society must remain with the individual. The evidence from the last century is that government, whether democratic or not, has not been very good at managing the survival of people or the planet. We need a mechanism supported by the people, which creates **the rights of world citizens.***

Let me give a couple of examples about how apparent globalisation through the internet could be most powerful for the local state, not corporate business and their governments. Procurement - the command and control freaks that run government in Britain believe that we should create buying consortia across all public services where we can negotiate the best discounts for books, computers, office furniture etc. The effect, as we have seen when this has operated in local government, is that we get monopoly providers, the closing down of local suppliers and the eventual increase in costs by the winning contractor. We have an electronic purchase card system, which allows all our managers to identify the cost from different suppliers, including local ones who usually have the fastest delivery times, using the Internet and achieve sustainable savings. It is after all their delegated budget. We are achieving local solutions and local savings. It also allows diversity and the protection of indigenous skills. Nevertheless we are been backed into the corner by big brother to join

the new national scheme. Secondly there is a real disassembling of the medical fraternity who have hidden behind oaths and colleges forever. It is the ability to recognise patterns of treatment and for patients to test diagnoses on the Internet that has led to a number of successful challenges against the medical profession that had previously been covered up. None of us want to undermine the respect of the profession but there is now the chance to avoid the closed shop of investigation in the future.

Well where does this lead? I suppose I am saying that democracy can at last be given the legs to get beyond the episodic election cycle and party machine and infiltrate the operation of all our public and private institutions. It would have to start with a specific number of performance measures. Ones that are essential for global advancement but require to be measured, monitored and progressed locally. So is there a project around this?

And, indeed, indices of good governance and corporate responsibility have developed apace since then²⁶ - accompanied by a fascinating debate as to whether the internet can live up to its initial democratic promise²⁷. I shall return to this issue later in the paper.

6. Some soul-searching

These, then, were some of my reflections 10 years ago.

Now the blunt question - what have I done since then to live a less selfish life?

It was Charles Handy who introduced us all to the notion of a "life portfolio" - so how, if at all, have I changed my life and work portfolio to better reflect the concerns I was feeling about the world?

The bursting of the financial bubble shortly after I wrote all this dashed my expectations of being able to retire early and live off the proceeds of my savings. I continued to take full-time assignments (in Azerbaijan, Kyrgyzstan, Bulgaria, Romania and China) but, in early 2009, became disgusted with the senselessness of it all and found myself unable to take any more. I resigned from a couple of projects and stopped looking seriously for new ones.

By then I had [started a website](#) to put some of my papers and concerns about public administration reform into the public domain.

In 2006 (and 2008) I delivered a critique of the sort of consultancy I was seeing in transition countries to the Annual Conference of NISPAcee²⁸.

²⁶ http://en.wikipedia.org/wiki/Worldwide_Governance_Indicators

²⁷ <http://www.opendemocracy.net/guy-aitchison/how-capitalism-is-turning-internet-against-democracy-and-how-to-turn-it-back> and <http://www.economist.com/debate/days/view/662>

²⁸ <http://publicadminreform.webs.com/key%20papers/The%20Long%20Game%20-%20not%20the%20logframe.pdf>

When administering the Belbin Team test to some of my staff in the same year, I discovered that I was a "resource person" - in other words with a passion for sharing information and working networks. This certainly is how I had worked in Strathclyde Regional Council from 1974-90 - using my position as Secretary of the ruling Labour Group to bring people together across professional, social, academic and political boundaries and working in some European networks. And I have always had this strange urge to write critical reflections on the projects for which I was responsible²⁹ - trying also to link up to the wider social science literature which I continued to consume avidly.

So clearly the proportion of my time being taken up with writing has increased - the mountain retreat I acquired in 2001 giving me latterly the solitude and atmosphere which reflection needs³⁰.

But I readily confess that I am not working the networks! I just throw my thoughts into the ether and wait for people to come to me!

But perhaps that is indeed my role? I straddle worlds that few people do; have read more widely than most other practitioners; do not pretend to have original thoughts; enjoy summarising books and articles and sharing that with others. Of course

I thoroughly enjoyed the heady "buzz" that went with the political-bureaucratic action I had from 1968-90; and also the lecturing I did. And I do miss the seminars I did with middle-level officials in places like Uzbekistan and Azerbaijan.

But perhaps my role is to help and challenge the younger people who are now doing all this - not least by gentle scepticism³¹ about "the new" - particularly when they dare to challenge the prevailing wisdoms and actually take direct action?

²⁹ I would produce papers with titles which often echoed Lenin's plaintive "What is to be done"?. One nickname I had amongst some Regional colleagues was "paperback writer"!

³⁰ and the internet keeping me in constant touch with the world outside

³¹ A recent paper of mine on the website celebrates scepticism -

<http://publicadminreform.webs.com/key%20papers/Just%20words%20-%20jan%2013.pdf>

7. Four questions

Some years ago I suggested on my blog that [any convincing argument for systemic reform need to tackle four questions](#) -

- Why do we need major change in our systems?
- Who or what is the culprit?
- What programme might start a significant change process?
- What mechanisms (process or institutions) do we need to implement such programmes?

Most books in this field focus more on the first two questions - and are much lighter on the last two questions. The first two questions require pretty demanding analytical skills - of an interdisciplinary sort which, as I've argued, the very structure of universities actively discourages. Hence the limited choice of authors - perhaps the two best known being [Immanuel Wallerstein](#) and [Manuel Castells](#). Both offer complex systemic views and, given the nature of their study, the writing style is not very accessible. [Susan Strange](#), on the other hand, wrote very clearly made a great contribution to our practical understanding of *Casino Capitalism* as she called it - until her very sad death a decade ago.

Sadly, two other well-known names with a much more accessible writing style - Noam Chomsky and Naomi Klein - tend to focus a lot of their energy on rogue states such as the USA.

Will Hutton's [The World We're In](#) (2002) was as powerful and accessible of the limitations of the Anglo-saxon model as you will ever read - and, with his stakeholder concept, carried with it a more optimistic view of the possibilities of reform. He is one of the people with the wide inter-disciplinary reading necessary for anyone to have anything useful to say to us about how we might edge societies away from the abyss we all seem to be heading toward.

I've used the verb "edge" because the calls for revolution which come from the old leftists are unrealistic (if not self-indulgent) but mainly because, historically, significant change has rarely come from deliberate social interventions. It has come from a more chaotic process.

More and more disciplines are applying chaos theory in recognition of this - [even management](#) (less a discipline than a parasite!) So the call these days is for paradigm shift to help us in the direction of the systemic change the world needs to make in its move away from neo-liberalism.

[David Korten's various books](#) also offer good analysis - although his focus on the American corporation does not easily carry to Europe (See William Davies' recent

[Reinventing the Firm](#) for a recent attempt). You can read *Korten's review of a Soros book* [here](#). Archdruid offers a *contrary view* [here](#) - although I'm not quite sure what to make of this particular blog - archdruid indeed!!

Most commentary on the recent global financial crisis has identified banks as the culprit - and those governments who made the move in recent decades to free banks from the regulation to which they have been subject. Marxists such as David Harvey have reminded us that government and banking behaviour is simply a reflection of a deeper issue - of surplus capital.

8. Anger and impotence in the body politic - a case study in understanding why and how?

Conventional politics appears to have become irretrievably part of the malaise rather than offering any hope for a cure. But political activity outside the mainstream is stifled by a bought media. British democracy has lost its meaning. The political and economic system has come to serve the interests of a tiny elite, vastly wealthier than the run of the population, operating through corporate control. The state itself exists to serve the interests of these corporations, guided by a political class largely devoid of ideological belief and preoccupied with building their own careers and securing their own finances. A bloated state sector is abused and milked by a new class of massively overpaid public sector managers in every area of public provision - university, school and hospital administration, all executive branches of local government, housing associations and other arms length bodies. All provide high six figure salaries to those at the top of a bloated bureaucratic establishment. The "left", insofar as it exists, represents only these state sector vested interests. These people decide where the cuts fall, and they will not fall where they should - on them. They will fall largely on the services ordinary people need.

Craig Murray³²

8.1 Much sound and fury - and so little light!

Everyone, of course, is an expert on this! British³³ government is one of the most studied in the world. For a relatively small country, its combination of history, empire, flexible constitution, liberal politics and (global) language has given its outpourings about the nature and effects of its various political and administrative structures and processes a global impact.

And yet I am struck with the absence of realistic and critical studies of the efficacy of the British governance arrangements at this point in the 21st Century - although most Brits (or rather English) accept that their political system is in a dreadful state. I have thought long and hard - and can produce only four analyses which might be read with benefit by the concerned and perplexed in that country. Two are 10 years old - the other two 5 years old.

³² http://www.craigmurray.org.uk/archives/2010/11/the_stew_of_cor/

³³ It is now becoming more respectable and truthful to talk of "English" government - although, despite the resumption (after almost three centuries of a Scottish parliament, the levers of power still remain at a British level

To these four I award my special accolade and recommendation!

8.2 Why is it important to have a systematic, up-to-date and plausible statement about how (well) our governance arrangements (or architecture) work?

First as a check (or benchmark) for the myriad initiatives which governments have inflicted at large cost on an increasingly confused public and public servants. This is widely accepted as a major problem - the new Prime Minister, for example, had promised not to inflict any more changes on the health service - and yet, within a few weeks, he was making plans to introduce one of the biggest organisational upheavals ever seen.

But a second, even more powerful reason why a critical study is needed is that the British public no longer feels that it is worth engaging in democratic politics. "They are all the same - promising one thing, doing another - looking after themselves". In the 1970s some academics helped pave the way for the neo-liberal revolution by demonstrating in addition (in the new field of implementation studies³⁴) that the machinery of bureaucracy made it very difficult to implement political decisions; the popular phrase was "the overloaded state". Margaret Thatcher completed the hollowing out of democracy by her infamous slogan - There is no alternative (TINA)

Consistent with the post-modernist mood, Gerry Stoker places the problem firmly within our own minds -

A propensity to disappoint is an inherent feature of governance even in democratic societies. I think that a substantial part of the discontent with politics is because the discourse and practice of collective decision-making sits very uncomfortably alongside the discourse and practice of individual choice, self-expression and market-based fulfilment of needs and wants. As a result too many citizens fail appreciate these inherent characteristics of the political process in democratic settings.

Making decisions through markets relies on individuals choosing what suits them. The political processes that are essential to steer government struggle to deliver against the lionization of individual choice in our societies. Democracy means that you can be involved in the decision but what the decision is not necessarily your choice yet you are expected to accept the decision. As a form of collective decision-making politics is, even in a democracy, a centralized form of decision-making compared to market-based alternatives.

8.3 The academic contribution - why so minimal?

We have, of course, countless academic studies of the operation of the British Parliament, of political parties, of voting systems, of local government, of devolved arrangements, of the civil service, of public management (whether Ministries, core executive, agencies), of the Prime Minister's Office, of the European dimension etc - and a fair number of these are reasonably up-to-date. But most of it is written

³⁴ <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC3686664/>

for undergraduates - or for other academic specialists who focus on one small part of the complex jigsaw. **There is so very little which actually tries to integrate all this and give a convincing answer to the increasing number of citizens who feel (like Craig Murray) that there is no longer any point in voting; that politicians are either corrupt or hopelessly boxed in by global finance and corporate interests.**

I used the epithet "realistic" above in order to distinguish the older studies which painted a rather ideal picture of the formalities of the system (what the 19th century Walter Bagehot called the "dignified" parts) from the more rounded studies of the "hidden" (as Bagehot called it) or informal processes of government. This focus on the informal was encouraged by the seminal 1970s book about the British budget process - *The Private government of public money* by the outsiders Heclo and Wildavsky.

A "Critical" study or analysis is a more complex term - since the word can mean "carping" to the man in the street or textual deconstruction to an academic. When I use the phrase critical study (as Humpty Dumpty might have said) I mean one which tries not only to describe a system but to assess how well it works (begging the obvious question - For whom?!)

"I don't know what you mean by 'glory,' " Alice said. Humpty Dumpty smiled contemptuously. "Of course you don't—till I tell you. I meant 'there's a nice knock-down argument for you!' "
"But 'glory' doesn't mean 'a nice knock-down argument'," Alice objected.
"When I use a word," Humpty Dumpty said, in a rather a scornful tone, "it means just what I choose it to mean — neither more nor less."
"The question is," said Alice, "whether you can make words mean so many different things."
"The question is," said Humpty Dumpty, "which is to be master, that's all."
Alice was too much puzzled to say anything, so after a minute Humpty Dumpty began again. "They've a temper, some of them—particularly verbs, they're the proudest—adjectives you can do anything with, but not verbs—however, I can manage the whole lot! Impenetrability! That's what I say!"

Despite the knowledge which academics in political science, sociology or public management can bring to the subject, *several major factors seem to conspire to prevent social scientists from making any critical contribution to our understanding of the health of the governance system.* First is the *strength of academic specialisation* - which has discouraged and continues to discourage the sort of inter-disciplinary approach needed to explore the question of the capacity of a governance system. Then there is the *aloofness of the academic tradition* which makes it difficult for specialists to engage in critiques which might be seen as too political. Not, however, that this prevented people like Peter Self from lambasting the nonsenses of market thinking in government in the 1980s.

Colin Leys' Market-driven Politics (2003) and Alysson Pollok's in *NHS plc* (2004) are powerful critiques of the effect of commodification on some public services and get high recommendation from me - but they are partial analyses of the system.

Rod Rhodes is a more typical example - a leading public administration academic who invented the phrase "hollowed-out executive" to describe the loss of government functions in the last 30 years - but who chose to keep his critique incestuous both in the language and outlets he used. He played a major role in developing the "network" understanding of government - but then allowed anthropological and phenomenological assumptions to overwhelm him.

The blandishments of consultancy are a potential counter pressure to this tradition - which gets a small minority of academics, however, too engaged with peripheral issues of the sort which so excite the limited time-span of civil servants and Ministers.

A final factor explaining the lack of academic contribution to the understanding of the nature of our current democratic system is the contempt in which academics who write for (and become popular with) the wider public are held in the academic community - and the damage which is therefore done to one's academic career if one chooses that path. I remember how the charismatic historian AJP Taylor was treated. And it's interesting that Zygmunt Baumann began to write his books only after he retired from academia.

Major developments in public management have, of course, encouraged academics like Norman Flynn to present and assess them for a wider public. And the same has happened in the field of constitutional theory - eg Anthony King's The British Constitution (2007).

But the first is a bit long on descriptions and the second on historical figures. And both are very partial pictures of the governance system.

Colin Hay and Gerry Stokes are perhaps the two academics who have tried best to deal with the British public's alienation in recent years from the political process - with [this paper of Stoker's](#) being one of the few still freely available on the internet -.

8.4 The journalists' contribution

Some Journalists have made an honourable effort over the decades to give the wider public some critical overviews - starting with Anthony Sampson who famously tried to track the operations of the system over 4 decades finishing his last, angriest version only months before his death in 2004.

Andrew Marr had a book in the mid 1990s - *Ruling Britannia* - on the failure and future of British democracy. So did Simon Jenkins (*Accountable to None* - 1996).

But it was a campaigning (rather than mainstream) journalist who produced in 2001 the most revealing and critical study *Captive State - the corporate takeover of Britain* which gave us the real detail, for example, behind Gordon Brown's horrendous Private Financial Initiative (PFI) and it is therefore Monbiot's book which is **my first nomination** - despite being now 10 years old and concentrating its attention on only part of the picture (the political-business interface). Part of the critique, of course, of our governance arrangements is how the corporate ownership of the media has muzzled the critical journalistic voice. Will Hutton is very eloquent about that in his latest book.

Some politicians, of course, do produce books which advance our understanding of the whole process. I speak not of Tony Blair - and that whole self-justifying political autobiographical genre - but of the writings of people such as RHS Crossman (on whose notes on Bagehot I grew up); John McIntosh (who was my tutor); Leo Abse (whose book *Private Member* was a marvellous psychological study of politicians); David Marquand; and, of course, the monumental diaries of Tony Benn. And New Labour had some honourable people in its ranks - who accepted that their critical or maverick approach denied them office. Chris Mullin was one - and has given us 2 wry reflections of politics and government in action. But, over 50 years, not a single title which deserves the epithet "critical".

Tony Wright is an academic who for more than a decade operated quietly as Chairman of the prestigious Select Committee on Public Administration and helped produce a raft of critical reports on various aspects of governance operations. How retired from parliament, he has become a Professor (of Politics) and I look to him for some of the missing critique. Pity he can't get together with George Monbiot to produce an expanded and updated version of the GB book!!

Some months ago I said that noone seemed to be celebrating the anniversary of Robert Michels' *Political Parties* which appeared a hundred years ago and which was one of the seminal books of my university years - suggesting that trade unions and social democratic parties were inevitably destined to betrayal from their leaders through the "iron law of oligarchy". Peter Osborne's [The Triumph of the Political Class](#) appeared in 2007 - but is a worthy successor to Michels - and offers important perspectives to the [various posts I've made](#) about the collapse of our democracy

*"Lewis Namier (1888-1960) argued in his masterwork *The Structure of Politics at the Accession of George III* that talk of great battles of principle between the Whigs and Tories of Hanoverian England was nonsense. Ministers were in politics for the money and to*

advance the interests of their cliques. MPs who boasted of their independence were forever seeking favours from the public purse. Ideology mattered so little that 'the political life of the period could be fully described without ever using a party denomination'. You can do the same today, argues Peter Osborne in this thought-provoking polemic. Members of the 21st-century 'political class' are as isolated and self-interested as their Georgian predecessors. The political class is very different from the old establishment. It despises the values of traditional institutions that once acted as restraints on the power of the state - the independence of the judiciary, the neutrality of the Civil Service and the accountability of ministers to the Commons.

If you are young and ambitious and want to join, Osborne sketches out a career path. First, you must set yourself apart from your contemporaries at university by taking an interest in politics. You must join a think-tank or become researcher to an upwardly mobile MP on graduation. Before getting to the top, you will have eaten with, drunk with and slept with people exactly like you, not only in politics but in the media, PR and advertising, trades the old establishment despised, but you admire for their ability to manipulate the masses. You will talk a language the vast majority of your fellow citizens can't understand and be obsessed with the marketing of politics rather than its content. You will notice that once in power, you can get away with behaviour that would have stunned your predecessors. You can use your position to profit from lecture tours and negotiate discounts, as the wife of PM Tony Blair uniquely did. Politics will be your career. You will have no experience of other trades and, paradoxically, be a worse politician for it. Because you've never managed a budget or a large institution or served in the armed forces, the likelihood is that you will waste vast amounts of public money and send British troops into battle unprepared".

8.5 The shadowy world of Advisers and Think-Tankers

So far I've discussed academics, journalists and politicians. But what about the shadowy world of political advisers, Think Tanks and NGOs? As we might expect from such a concentration of putative brainpower, three of my 4 recommendations come from this stable. *Political Power and democratic control - the democratic audit of the United Kingdom* was commissioned by the Rowntree Trust and produced in 1999 - by Stuart Weir and David Beetham. Weir followed it up in 2009 with a short spoof constitution of the UK. These focus very much on the centralisation of power.

My third nominee for useful study of government capacity is ubiquitous (advisor) Chris Foster's *British Government in Crisis* (2005) which extends the analysis to the administrative aspects which Flynn describes but which (as befits someone who was a senior Price Waterhouse employee) fails to mention the interstices with the business world.

My final nomination is another product of a British Foundation - Rowntree again. *Power to the People* (2006) was the result of an independent inquiry (which in true British tradition invited evidence and organised dialogues) and can therefore

reasonably be seen as a mainstream diagnosis and set of prescriptions. I would fault it only because of its basic assumption that, if the system is made more transparent, representative, decentralised and accountable, everything will be OK

8.6 Conclusion?

Mass democracies face a potential crisis because of the scale of discontent surrounding the political process. Discontent comes in two main forms: disengagement from politics and frustrated activism. If the twentieth century saw the establishment of mass democracy the scale of discontent surrounding the political process in these democracies runs the risk of making these systems unsustainable in the twenty first century.

Gerry Stoker

After all this scribbling, then we are left with a central question - is the British problem one of political centralisation? of government overreach? A failure of the political class? Adversarial politics? Civil service incompetence? Corporate takeover? Or, as Stoker argues, misunderstanding? At one or time or another in the past 5 decades each has been proposed as the key problem - and led to frenetic initiatives. Little wonder that I am sympathetic to systems approaches or to constraints on government initiatives! So far, so parochial! A key question I would like some help on is the extent to which this concern is a British/Anglo-saxon phenomenon - or a wider European issue.

9. Democracy? It must be Stopped!

Perhaps the best critique of what has happened is a short satirical essay by Anthony Jay (the man who brought us Yes Minister) - [Democracy, Bernard, it must be stopped](#) which I've taken the liberty of reproducing on my website. It takes the form of the advice given by Sir Humphrey (the retiring Head of the Civil Service) to his replacement. It beautifully captures the mechanisms which have been used over the past 50 years to corrupt the political class. Here is the first section (the final section will follow)

The first two rules for neutralising democracy are:

1. Centralise revenue. The governing class cannot fulfil its responsibilities without money. We, therefore, have to collect as much money as we can in the centre. In fact, we have done this with increasing effect over the years, with three happy results. The first is that we can ensure that money is not spent irresponsibly by local communities. By taking 80 or 90 per cent of the money they need in central taxes, we can then return it to them for purposes of which we approve. If they kept it for themselves, heaven knows what they might spend it on. The second happy result is that the larger the sum, the harder it is to scrutinise. The £6,000 or so spent by a rural parish council is transparent and intelligible, and subjected to analysis in distressing detail. By contrast, the three or four hundred billion of central government revenue is pleasantly incomprehensible, and leaves agreeably large sums for purposes which the common people would not approve if it were left to them. It also means that a saving of £1 million can be

dismissed as 0-0000003 of annual expenditure and not worth bothering with, whereas it can make a lot of difference to the budget of Fidelio at Covent Garden. The third result is that the more the government spends, the more people and organisations are dependent on its bounty, and the less likely they are to make trouble.

*2. **Centralise authority.** It goes without saying that if Britain is to remain a country of civilised values, the masses cannot be trusted with many decisions of importance. Local government must be allowed to take decisions, but we have to ensure that they are trivial. Meanwhile, we must increase the volume of laws made centrally. We have an enviable record of legislation growth, with hardly any laws being repealed, which it is now your duty to extend. If you are under pressure to provide statistics showing your zeal in deregulation, you will find many laws concerning jute processing and similar extinct industries which can be repealed without too much harm. We also ensure that, where local government has authority to act independently, there is an appropriate structure of scrutiny, review and appeal to control its excesses. I am sure you will want to protect this. You will also want to ensure that every Bill contains wide enabling powers, so that unpopular provisions can be brought in later as statutory instruments which MPs rarely read and virtually never debate. You should be able to achieve three or four thousand of these in a good year.*

The rest of the rules flow from the first two

- capture the Prime Minister
- Insulate the Cabinet
- Enlarge constituencies
- Overpay MPs
- Appoint rather than elect
- Permanent officials - rotating Ministers
- Appoint more staff
- secrecy

*3. **Harness the Prime Minister.** this is the most important of them. Happily, it presents no problem. Governments today are even more hostile to democracy than we are, though for a different reason. They come to power on a tide of promises and expectations which are never capable of realisation, but which have secured for them the exquisite luxuries of office, fame and power which they are desperate to retain. It is not hard to convince the Prime Minister that, to fulfil the expectations, he needs to acquire more revenues and more powers.*

*4. **Insulate the Cabinet.** This involves more than just our standard technique of keeping ministers too busy to make a nuisance of themselves. They must be kept, as far as possible, well away from any contact with the sweaty multitude. This means avoiding public transport by use of private cars, avoiding the National Health Service by private health care, avoiding sink schools by living in affluent suburbs or by private education, travelling business class or in private planes, staying in first class hotels, and always having security staff to usher them through crowded concourses. Of course, they will affect to resist this at first, but when we point out the security risk, the tragic loss that their departure would entail, the enormous value of the time of people so important, and the possible political embarrassment of being caught on camera in confrontation with protesters, they acquiesce with gratifying rapidity.*

I've read a hell of a lot about democracy during this period. You might indeed say that its been my bread and butter since, between 1970 and 1990, I got my cash variously from state

coffers - a combination of Polytechnic and local government sources - operating as a local government politician and writing about the various efforts to improve its practice. My (much better) fees since then have come overtly from commercial sources - but all of the companies I have worked for since 1991 have been under contract to the European Commission. And the focus of my work in the last 20 years has been the building of the capacity of local and central government systems in central Europe and Central Asia.....It's ironic that the democratic models we held up to those "transitional systems" for emulation proved to be disintegrating even as we spoke.....Talk about hubris!

I find it curious, first, that I seem to have been the first to upload Anthony Jay's piece - and therefore to subject it to analysis. The academics who write about democracy (and there are thousands!) clearly view the satire as beneath their dignity.... But Jay score 8 out of 10 in my reckoning for his analysis - I would fault only his points about staffing. Civil servant contracts have actually become highly contractual - and also the subject of fairly severe cutbacks. But the fact still remains that it is the senior (rather than junior) staff who have been laughing all the way to the bank.....with inflated salaries and pensions.

The question remains, however, whether his points (however satirically meant) actually capture the true reasons for the collapse of political legitimacy? One point, for example, commonly made in discussions is that the political class has now become younger and very incestuous - moving quickly from academia into think-tanks and positions as aides to politicians before themselves becoming politicians. In short, they accumulate favours and networks which make them highly dependent and malleable.... And they use a managerial language which not only alienates but reflects a consensual ideology about the limits of state action enshrined in "neo-liberalism".

Peter Osborne is a British journalist who wrote a critical book on this subject in 2008 called [The Triumph of the Political Class](#). A month ago he enthused about a new academic book about the "[hollowing of democracy](#)" and it is to his views I want to devote the rest of this post. The basic question about the reasons for the degeneration of politics will be continued in future posts.

*Every so often one comes across a book, a poem or a work of art that is so original, perfectly crafted, accurate and true that you can't get it out of your head. You have to read or look at it many times to place it in context and understand what it means. In the course of two decades as a political reporter my most powerful experience of this kind came when a friend drew my attention to a 20-page article in an obscure academic journal. Written by the political scientists Richard Katz and Peter Mair, and called "The Emergence of a Cartel Party", it immediately explained almost everything that had perplexed me as a lobby correspondent: the unhealthy similarity between supposedly rival parties; the corruption and graft that has become endemic in modern politics; the emergence of a political elite filled with scorn and hostility towards ordinary voters. My book, *The Triumph of the Political Class* was in certain respects an attempt to popularise that Katz and Mair essay.*

Several months ago I was shocked and saddened to learn that Peter Mair (whom I never met) had died suddenly, while on holiday with his family in his native Ireland, aged just 60. However, his

friend Francis Mulhern has skilfully piloted into print the book he was working on at the time of his death. It is called [Ruling the Void: The Hollowing of Western Democracy](#), and published by Verso. In my view it is every bit as brilliant as the earlier essay. The opening paragraph is bold, powerful, and sets out the thesis beautifully: "The age of party democracy has passed. Although the parties themselves remain, they have become so disconnected from the wider society, and pursue a form of competition that is so lacking in meaning, that they no longer seem capable of sustaining democracy in its present form."

The first half of Mair's new book concentrates on this crisis in party democracy. He tracks the sharp fall in turn-out at elections, the collapse of party membership (the Tories down from three million in the Fifties to scarcely 100,000 today, a drop of 97 per cent) and the decay of civic participation. Mair shows that this is a European trend. All over the continent parties have turned against their members. Political leaders no longer represent ordinary people, but are becoming, in effect, emissaries from central government. All of this is of exceptional importance, and central to the urgent contemporary debate about voter disenchantment.

However, I want to concentrate on the second half of Mair's book, because here the professor turns to the role played by the European Union in undermining and bypassing national democracy. He starts with a historical paradox. The collapse of the Soviet Union in 1990 was in theory the finest moment for Western democracy. But it was also the moment when it started to fail. Mair argues that political elites have turned Europe into "a protected sphere, safe from the demands of voters and their representatives". This European political directorate has taken decision-making away from national parliaments. On virtually everything that matters, from the economy to immigration, decisions are made elsewhere. Professor Mair argues that many politicians encouraged this tendency because they wanted to "divest themselves of responsibility for potentially unpopular policy decisions and so cushion themselves against possible voter discontent". This means that decisions which viscerally affect the lives of voters are now taken by anonymous, unaccountable bureaucrats rather than politicians responsible to their voters.

Though the motive has been understandable, the effect has been malign, making politicians look impotent or cowardly, and bringing politics itself into contempt. The prime ministers of Greece, Portugal and Spain are now effectively branch managers for the European Central Bank and Goldman Sachs. By a hideous paradox the European Union, set up as a way of avoiding a return to fascism in the post-war epoch, has since mutated into a way of avoiding democracy itself. In a devastating analogy, Mair conjures up Alexis de Tocqueville, the 19th-century French thinker who is often regarded as the greatest modern theorist about democracy. Tocqueville noted that the pre-revolutionary French aristocracy fell into contempt because they claimed privileges on the basis of functions that they could no longer fulfil. The 21st-century European political class, says Mair, is in the identical position. To sum up, the European elites have come very close to the abolition of what we have been brought up to regard as politics, and have replaced it with rule by bureaucrats, bankers, and various kinds of unelected expert. So far they have got away with this.

This May's elections for the European Parliament will provide a fascinating test of whether they can continue to do so. The European Union claims to be untroubled by these elections. A report last month from two members of the Jacques Delors Institute concluded that "the numerical increase of populist forces will not notably affect the functioning of the [European Parliament], which will remain largely based on the compromises built between the dominant political groups. This reflects the position of the overwhelming majority of EU citizens". I wonder.

In France, polls suggest that the anti-semitic Front National, which equates illegal immigrants with "organised gangs of criminals", will gain more votes than the mainstream parties. The Front National has joined forces with the virulently anti-Islamic Geert Wilders in Holland, who promises to claim back "how we control our borders, our money, our economy, our currency".

Anti-European parties are on the rise in Denmark, Austria, Greece and Poland. These anti-EU parties tend to be on the Right, and often the far-Right. For reasons that are hard to understand, the Left continues enthusiastically to back the EU, even though it is pursuing policies that drive down living standards and destroy employment, businesses and indeed (in the case of Greece and Spain) entire economies. In Britain, for example, Ed Miliband is an ardent supporter of the European project and refuses even to countenance the idea of a referendum.

Like Miliband, Peter Mair comes from the Left. He was an Irishman who spent the majority of his professional life working in European universities in Italy, the Netherlands or Ireland. And yet he has written what is by far and away the most powerful, learned and persuasive anti-EU treatise I have come across. It proves that it is impossible to be a democrat and support the continued existence of the European Union.

His posthumous masterpiece deserves to become a foundation text for Eurosceptics not just in Britain, but right across the continent. It is important that it should do so. The battle to reclaim parliamentary democracy should not just belong to the Right-wing (and sometimes fascist) political parties. The Left and Right can disagree - honourably so - on many great issues. But surely both sides of the ideological divide can accept that democracy is still worth fighting for, and that the common enemy has become the European Union.

The hollowing out of Democracy

Re-reading Denis Healey's memoirs brings home to me how puny and spineless ("hollowed out" is perhaps the appropriate phrase) our current politicians now seem - compared with the generation of Healey and his friend [Helmut Schmidt](#) (who celebrated his 95th birthday just before Christmas). How has such degeneration happened? It was that question which prompted me to look again at Anthony Jay's essay "Democracy, Bernard? It must be stopped!" and to reproduce parts of it yesterday.

I was also prompted (by Healey's mention of "politics as a vocation") to look again at Max Weber's classic talk on "[Politics as Vocation](#)" delivered in the heat of revolutionary Germany of 1919 - and to discover that [a major talk on this subject](#) was given just a week or so by the Head of a British Think Tank. For the moment, however, let me finish with the excerpts from [the satirical piece from the Head of the Civil Service about the tactics for castrating the political process](#)

5. Enlarge constituencies. *Our present electoral system derives from the 1832 Reform Act. It was a very dangerous system. The average number of voters in a constituency was only about 1,200, which meant that an MP could personally know virtually all of them. This meant that, if he was liked and respected locally, he would be re-elected, even if he disobeyed the whips and voted in accordance with the demands of his constituents and his conscience rather than the instructions of his party. This severely weakened the Prime Minister's control on which the system depends. But, since then, we have contrived, in the name of democracy, to increase constituency sizes to 50,000 or 60,000, so that no MP can be elected on voters' personal knowledge of him. They vote for the party, and if the party does not endorse him, he will not be elected. His job, therefore, depends on the Prime Minister's approval and not on the respect of his constituents; a splendid aid to discipline. Equally, we have increased the typical urban constituency ward to about 25,000, with some four councillors. Since one councillor to 6,000 people might have led to an undesirable independence of thought and action, we have arranged matters so that a group of four councillors jointly represent the whole ward, so that householders are unlikely even to know the name of their democratic representative. They,*

therefore, vote (the few who take the trouble) according to their party preferences, thus reinforcing the hold of the national parties on local government.

6. Overpay MPs. Even when MPs depend on the party machine for re-selection and re-election, some are occasionally tempted to step out of line. This risk can be significantly reduced if rebellion means not only loss of party support but also significant loss of income. Few will risk forfeiting the now generous emoluments and allowances of an MP and reverting to the humble salary of a school teacher, social worker or minor trade union official simply on a point of democratic principle. It is, therefore, our duty to encourage all increases in MPs' pay

7. Appointments, not elections. Parliament, of course, has to be elected, but, as we have seen, this causes little problem so long as the government maintains its firm central control of the MPs. The system, however, is deeply flawed: it can substitute craven capitulation to the ignorant and irresponsible mob for sensible control by a cultivated and experienced elite. It is our duty to resist this with all our strength. The preservation of civilised values in a country of some 60 million people cannot be entirely discharged by a few of us in Whitehall: much of the task has to be delegated to people such as BBC governors, the ITC, the Arts Council, the Commission for Ancient Monuments, National Heritage, the Fine Arts Commission, magistrates, the Bank of England and a host of authorities, commissions, councils, tribunals, regulatory bodies, agencies, working parties, advisory committees and quangos of every description. The only sensible way to fill all these posts is by government appointment, so that proper care can be exercised in their selection and so that the incumbents, when chosen, will know to whom they owe their new eminence, while those hoping for such posts (as with honours and peerages) can be trusted to behave responsibly in the hope of favours to come.

8. Permanent officials, rotating ministers. The task of preserving a cultured and enlightened nation requires continuity. That continuity must rest with those of us who know what we are fighting for and fighting against. It cannot possibly be entrusted to politicians. We have, therefore, built an excellent system of a few transient amateur ministers who are coached, informed, guided and supported by a large department of permanent, experienced officials who enable them to take the correct decisions. You have now served our department for 30 years; your present minister has held his job for 10 weeks and cannot, on average, expect to be there for more than another 12 or 18 months if he has any ability. If not, there is no problem. You will, therefore, I am sure, be able to prevent him making any foolish popular decisions before the music stops and he scrambles desperately for an empty chair. Furthermore, our electoral system ensures that when the populace becomes dissatisfied with the system, they can be deluded into thinking they are changing it by replacing one lot of inexperienced amateurs with another, leaving the professionals to continue uninterrupted, and relieved of the burden of the few ministers who were starting to understand their job. The new arrivals can quickly be helped to realise that the purpose of government is not to carry out the will of the electorate, but simply to secure its consent to the measures proposed by its betters.

9. Increase the number of public employees. "Public ignorance is our ally". Any government must employ staff, if only in the Armed Services, the police, the judiciary, the Diplomatic Service and the Exchequer. But those basic functions on their own cannot justify the level of taxation and degree of control that we need to fulfil our historic function. We, therefore, need to increase the number of public employees whenever the opportunity presents itself. There are three reasons for this: it increases the volume of government revenue, it extends the area of government control, and it enlarges the pool of voters who have an interest in preserving the system that employs them.

10. Secrecy. One of our greatest allies is public ignorance. It is, therefore, imperative that the minimum amount of information be disclosed to the press, parliament and the public. Our success is based on the principle that no information should be disclosed unless there is a good reason why it should be. From time to time, opposition parties press for a freedom of information Act, but oppositions become governments and it does not take long for a government to discover that real freedom of information would make their job impossible. It is, however, a good idea to pass the odd freedom of information Act, so long as its provisions do not actually free up any important sensitive information. It is significant that the only party that has consistently argued for real freedom of information has not held office since 1915.

Beyond this, I can only point you towards the breathtaking achievements of our colleagues in Brussels. To be frank, I do not see any prospect of our rivalling them. Their commissioners, like our permanent secretaries, do not have to endure the ignominy of grubbing votes from the plebs, and, unlike us, do not have to pretend to be subservient to a political master.

Being answerable to 15 ministers from different countries, most of whom are hostile to each other, and would be even more hostile if they could understand each other's languages, gives them almost complete independence of action. They have also ensured that only the Commission can bring forward legislation, thus avoiding the tedious, irritating and ill-informed ministerial scrutiny we have to endure drafting Bills.

And since the European electorate speaks so many different languages, it is impossible for genuine European political parties to form, thereby making any serious danger of democracy quite inconceivable.

Obviously, success on that scale is out of our reach, but we can look on Brussels as a guiding star which we must follow, even if we know we cannot land on it.

The managerial revolution

Denis Healey's Memoirs (Time of my Life) may be almost 25 years old but have not lost their power to inspire with age - 4 posts so far from me this week trying to identify exactly why our political class no longer seems "fit for purpose" or able, at any rate, to "hold a candle to" [the 97 year-old Healey](#) (He's a lot thinner now than this 2006 video shows).

It is some three years since I addressed myself seriously to the issue of the "impotence of our democratic process" - some of [the relevant posts are here](#).

My concern then was the failure of most of the books to analyse seriously the [efficacy or capacity of the "governance process"](#) as a whole

We have, of course, countless academic studies of the operation of the political parties, of voting systems, of the British Parliament, of the Executive or Cabinet, of local government, of devolved arrangements, of the civil service, of public management (whether Ministries, core executive, agencies), of the Prime Minister's Office, of the European dimension etc - and a fair number of these are reasonably up-to-date. But most of it is written for undergraduates - or for other academic specialists who focus on one small part of the complex jigsaw. There is so very little which actually tries to integrate all this and give a convincing answer to the increasing number of citizens who feel that there is no longer any point in voting; that politicians are either corrupt or hopelessly boxed in by global finance and corporate interests.

The recently published [Blunders of our Governments](#) seems to offer such a larger picture but is little more than a rather breathless tour of policy disasters by two political scientists - with results which show up the basic shortcomings of such a specialised academic approach

We are left with a central question - is the British problem one of political centralisation? of government overreach? A failure of the political class? Adversarial politics? Civil service incompetence? Corporate takeover? Or is it, as post-modernist academics tend to argue, one of unrealistic expectations and misunderstanding?

We have certainly become more demanding citizens in Europe as a whole....showing none of the deference which senior politicians could expect in the immediate post-war period. We view politicians such as Denis Healey as giants now, I suspect, simply because, in the 1960s they were giants - with an experience and education few could then challenge, certainly not those slaving in industrial plants. It was the 1964 Labour government which started the opening up of university experience from about 5% of the population in my day to its present figure of almost 50% - many of them imbued with a highly rationalistic belief in "modernisation" - becoming "experts" in various social sciences designed to change the world for the better.

I should know because I was one of them - and well remember the sentiments I had then of being one of a select band with a mission to clear out the dead wood.

Management and Social science has become the new religion with its nuspak language - not only from politicians (who now have little experience beyond that of politics) but in the new battalions of banks, communications and services (private and public) - and yet has become the real reason for the dissatisfaction we all have these days. We just don't seem able to accept that the complexity of the modern world (and sophistication of the multifarious discourses) make it impossible to "solve" most of the "problems" we experience.

The French used to talk of *La Pensee Unique* - to describe the uniformity of thinking and discourse about the market used by the powerful on both sides of the Atlantic. In many ways it was a better phrase than "[The Washington Consensus](#)" or "Neo-liberalism" since it identified the propagandist nature and poverty of what passes for thinking of our global elites.

We thought that the global collapse spelled the end of neo-liberalism. Instead a new form has become entrenched - not least amongst the new "insecuritat" which forms the bulk of working people in Europe...

postscript: I have to confess I struggled with this post, having a feeling that there was an important insight approaching but not quite able to grasp it... That, it should be said, is generally a good sign - of something contradictory or original trying to get out.....

10. THE SEARCH FOR A BETTER WAY

One of the questions which has nagged away at me for years is why "progressives" don't spend more time trying to seek a consensus agenda which can halt the downward spiral into which our societies have plunged since the 1970s.

Since the global crisis, it has been obvious (to most) that the economy (if not society) was broken - trouble is that people could not agree what the causes were. Energies (and time) were wasted in parading "the usual scapegoats".

But there was too ready an assumption that those responsible would be contrite and change their behavior; and/or that governments would enact strong measures (in the style of the Roosevelt New Deal of the 30s).

Only slowly did it seem to dawn on people that, far from slamming the brakes on, corporate power and the political class were driving relentlessly on - imbued, it appears, with an ideological fervor for what, rightly or wrongly, we call neo-liberalism. Colin Crouch dealt with this question in 2011 in his [The Strange Non-Death of Neo-Liberalism](#) - although the book is a bit theoretical.

Philip Morowski gives a more trenchant (and political) explanation for the survival of the neo-liberal dogma in his [Never Let a Serious Crisis Go to Waste](#) (2013) - arguing that progressives have failed to understand that the neo-liberal rhetoric about the market cloaks a continued build-up of state power (bolstering corporate interests).

The economists have had at least six years to publish their analyses of the process of collapse; to identify the reasons and to suggest measures - both rectifying and preventive. Most serious accounts look at least 15 causes....and the guy who chaired the British Financial Regulatory body [actually produced 39!](#)

But, as Morowski argues, the vast bulk of economists adhere to a fallacious doctrine and are incapable of producing relevant prescriptions.

Immediately someone puts his or head above the parapet and suggests concrete actions, they are labelled and dismissed - whether by those in power or, more discouragingly, by other progressives. This presumably is one reason why such voices are rare.

But there must be other reasons which discourage the mass of discontented people from uniting under a common banner.

Most people are confused; some are just skeptical if not fatalistic; but a significant number of highly educated people are infected, I suspect, by the social disease of individualism which lies, I feel, at the heart of our malaise.

We simply no longer believe in the possibility of effective collective action. And too many of the big names who write the tracts about the global crisis present their analyses and prescriptions with insufficient reference to the efforts of others. They have to market their books - and themselves - and, by that very act, alienate others who could be their comrades in arms. David Harvey's latest book - [Seventeen Contradictions and the End of Capitalism](#) is a typical example.

That's why I suggested that Henry Mintzberg was one of the few people who seemed able to help create such a consensus - a set of minimum requirements. He is a management guru from whom one does not readily expect to hear the message that the world has gone mad. More usually management theorists celebrate the bosses. But Mintzberg (like the discipline's founder, Peter Drucker) know enough about the real world of business to know when things have got out of hand.

There must be tens of thousands of books (in the English language) about the global financial crisis and the deeper malaise it revealed but most writers focus on diagnosis and are reluctant to put their name to detailed prescriptions. With the exception, perhaps, of the banking crisis where the many and divergent diagnoses (Howard Davies counted 39) did generally lead to detailed prescriptions - few of which, however, have been implemented.

One further lack, for me, is any serious effort to create a typology which might help create a shared agenda for change. Rather, various kinds of expert give us their particular view - matching their prejudices or those of their putative readers. For example -

- In the UK, Will Hutton has been giving us a powerful systemic critique of the coherence of neo-liberal thinking and policies since *he State We're In* (1995) although his latest - [Them and Us](#) (2010) - was weaker on alternatives and fails to mention a lot of relevant work.
- Since [When Corporations Rule the World](#) (1995) David Korten has, in the US, been critiquing the operation of companies and setting out alternatives - using both books and [a website](#). One of his latest books is *Agenda for a new economy* - much of which can be accessed at Google Scholar.
- And Paul Kingsnorth's [One No - many Yeses; a journey to the heart of the global resistance movement](#) gives a marvellous sense of the energy a lot of people are spending fighting global capitalism in a variety of very different ways.

The [Guide for the Perplexed](#) offers a rather crude initial typology modelled on that of the approach of the capacity development literature which is interested in how to make organisations more "effective" and recognises three levels of work - the individual (micro); the organisation (meso); and the wider system (macro).

Decisions about organisational improvement are taken by those with power in organisations who are reluctant to identify those at the top as the cause of poor performance - so it's generally the foot-soldiers at the micro level who are to blame and "skill development" and "better training" which is identified as the solution. But more systemic change for organisations (the meso level) as part of the cut and thrust of competition did become the norm in anglo-saxon countries in the last 50 years, bolstered by the theories of management gurus.

As someone who has spent the last 20 years in contracts to improve the performance of state organisations (local and national) in ex-communist countries, I slowly realised that the key lever for change (at least in such countries) was at the macro level and governed not only by the legal framework establishing the various institutions but by to the informal processes in (and interactions between) political, commercial and legal systems. I've [written quite a bit about this eg here](#)

The challenge of the global crisis is to mobilise civic power with a coherent agenda which forces appropriate changes in the (national and global) legal frameworks. Political, financial and leaders will, of course, resist such changes. The question is how to put the various pieces together.

What is the sequencing? A unifying agenda? Mobilisation?

What I want to do here is to use the framework of the Draft Guide for the Perplexed paper to -

- remind us of the sort of texts which have been urging change over the past 15-20 years

- see if and how such writers have changed their diagnosis, prescriptions and tactics in the light of the crisis of the past five years.

11. A first attempt at a Typology

"The past thirty years have witnessed the systematic disassembly of the institutions of social democracy in most countries. And the consequences are predictable: more inequality, more deprivation, more severe disparities of life outcomes for different social groups. What is truly surprising is that there has been so little continuing exploration of alternatives in the intervening two decades. Democratic theorists have explored alternative institutions in the category of deliberative democracy ([link](#)), but there hasn't been much visioning of alternative economic institutions for a modern society. We don't talk much anymore about "economic justice," and the case for social democracy has more or less disappeared from public debate. But surely it's time to reopen that public debate."³⁵

Perhaps it might be more precise to say that what work there is receives little exposure? I borrowed recently a 2004 paperback [Spiritual Capital - wealth we can live](#) by Danah Zohar and Ian Marshall on the basis of its promising opening pages. The author's 5 year old son wanted to know *why we had a life* - and that brought home to the author the pointlessness (if not poison) of so much modern living - and how the selfishness of modern capitalism might be modified. The book itself disappointed - not least for the reasons I have criticised so many books for - failure to mention other relevant texts. Although the book mentions "stewardship", it completely fails to mention the writings of [Robert Greenleaf](#) nor, despite its subtitle, Paul Elkan's [Natural Capitalism](#) (2000) - let alone such green texts as Richard Douthwaite's)³⁶

As befits a psychologist, Zohar focuses on motivations - and has indeed some very interesting stuff on that. For the last few years I've been struggling with this subject (neglected I feel in the literature on public management) and had identified 7 different motives in [table 1 on page 15 of this paper](#). Zohar has 16!

It is good for political scientists and Institution Builders like myself to be reminded that all change comes from individuals. And there is a huge literature encouraging people to improve themselves³⁷, with the frequently implicit assumption that this is the way to happiness and a better world.

But, as the literature on capacity development recognises, behavioural and social change operates at two other levels as well - the *organisational* (which is shaped by a combination of corporate governance and management systems); and *societal*.

What follows is a short literature review of those who have diagnosed various malaises of contemporary capitalism and are trying to set out ideas for dealing with them. Who is writing about this - and what change visions and processes do they

³⁵ a March 2011 post in Daniel Little's excellent blog [Understanding Society](http://understandingsociety.blogspot.com/)- <http://understandingsociety.blogspot.com/>

³⁶ for more detail see next section

³⁷ Jennifer Hecht has an amusing overview

suggest? What commonalities are there? What gaps? These ideas focus variously on economics and political systems - and less on individual psychology.

The next section tries simply to identify relevant writing about how the economic aspects of the present neo-liberal system might be adjusted. Analysis and synthesis is a future task

Is it people who change systems? Or systems which change people? Answers tend to run on ideological grounds - individualists tend to say the former; social democrats the latter. And both are right! Change begins with a single step, an inspiring story, a champion. But, unless the actions "resonate" with society, they will be dismissed as mavericks, "ahead of their time".

11.1 Meso Change - working within the system

Peter Barnes published in 2006 a thoughtful critique and alternative vision [Capitalism 3.0](#) based on his entrepreneurial experience. All 200 pages can be downloaded from the internet

At a more technical level, Paul Hawken published in 2000 an important book [Natural Capitalism](#) which showed what [could be done within existing frameworks](#). And Ernst von Weizsaecker has long been an eloquent spokesman for this approach see the 2009 *Factor Five* report for the Club of Rome.

In the UK, Will Hutton has been giving us a powerful systemic critique of the coherence of neo-liberal thinking and policies since *The State We're In* (1995) although his latest - *Them and Us* (2010) - is weaker on alternatives and fails to mention a lot of relevant work as [I spelled out in my review](#). William Davies published a useful booklet *Reinventing the Firm* (Demos 2009) which suggests some adjustments to corporate legislation on similar lines to Hutton.

11.2 community enterprise and social innovation

Perhaps the most readable material, however, comes from an Irish economist Richard Douthwaite whose 2003 book [Short Circuit - strengthening local economies for security in an unstable world](#) is a marvellous combination of analysis and case-studies of successful community initiatives. This is from the preface to the book -

As individuals, we face increasing insecurity in our working lives, on our streets and even within our homes. As societies, we face a ruthlessly competitive global economy, the threat of armed conflict, and a biosphere stressed to the point of collapse. In the face of all this, governments and businesses offer us, at best, a tattered, decaying safety net. Short Circuit's encouraging message is that the security we need can be found in our own communities by developing our local economies.

But why are communities and families fragmenting?

Why are thousands of species disappearing and the world's climate becoming ever more unstable?

Why is democracy slipping away, and ethnic conflict, poverty, crime and unemployment growing day by day?

The root cause of all these problems often evades even the most intelligent and well-intentioned examination. The world economic system has become so complex, and the attitudes that it has given rise to so all-pervasive, that we now find it is extremely difficult to gain a clear perspective.

However, there is a common thread running through these seemingly disparate crises: namely, a system of production and distribution that depends for its survival on endless expansion. This continuous growth has led to economic globalization, which essentially means the amalgamation of every local, regional and national economy into a single world system. Economic globalization is not the result of superior economic efficiency. It is coming about because governments have been subsidizing international and long-distance trade for nearly two hundred years without stopping to assess the impact on society and nature.

It is only through tax breaks, cheap fuel, and massive investments in the underlying transport and information infrastructure that apples from New Zealand displace French apples in the markets of Paris, European dairy products destroy local production in milk-rich Mongolia, and Dutch butter costs less than Kenyan butter in the shops of Nairobi. Even a child might ask, 'Why must food be transported thousands of miles, when it can be produced right here?' This is not efficiency but economics gone mad.

Globalization has also led to the growth of huge multinational corporations that have replaced the hundreds of thousands of small businesses, shopkeepers and farmers that traditionally generated most economic activity and employment. And since big firms, unlike small ones, can threaten to move their operations to countries where the fiscal environment is easier, almost every government's ability to raise an adequate amount in tax has been reduced. Consequently, by blindly subsidizing the process of globalization, the nation-state has promoted its own demise.

Moreover, by inducing people everywhere to rely on the same narrow range of industrial resources, the global economic system has greatly increased competition at every level. As a result, unemployment in the industrialized world has soared while, in the cities of the South, populations are exploding because millions of rural families are being drawn away from local self-reliance by the promises of the consumer society - only to be plunged into urban squalor and hunger. Meanwhile, wilderness areas and biodiversity are under increasing pressure as the demand for industrial resources grows.

The system that has emerged suits nobody: in the long run, there are no winners. Even at the highest levels of society, the quality of life is declining. The threat of mergers leaves even senior managers in permanent fear of losing their jobs. As for the burgeoning list of billionaires, try though they might to fence themselves off from the collapsing social order, they cannot hide from the collapsing biosphere.

It is therefore in everyone's interest that the process of globalization be reversed. The most effective way of doing this would be for governments to get together to curb the powers of the multinationals by negotiating new trade and investment treaties that would remove the subsidies powering globalization and give local production a chance.

For example, if the hidden subsidies for fossil fuel use were removed, local and national economies would become much stronger. But such international measures would not in themselves restore health to economics and communities: long-term solutions require a range of small local initiatives that are as diverse as the cultures and the environments in which they take place.

Unfortunately, many people are opposed to the creation of stronger local economics for all manner of reasons. Some, for example, imagine that the aim of economic localization is complete self-sufficiency at the village level.

In fact, localization does not mean everything being produced locally, nor does it mean an end to trade. It simply means creating a better balance between local, regional, national and international markets. It also means that large corporations should have less control, and communities more, over what is produced, where, when and how, and that trading should be fair and to the benefit of both parties.

It is also sometimes feared that localization will lead to repression and intolerance. On closer examination, however, it is clear that the opposite is true: the global economy is itself nothing less than a system of structural exploitation that creates hidden slaves on the other side of the world and forces people to give up their rights to their own resources. Localization is not about isolating communities from other cultures, but about creating a new, sustainable and equitable basis on which they can interact. In the North, being responsible for our own needs means allowing the South to produce for itself, rather than for us.

All over the world, campaigns against globalization are growing in strength as people see how it affects their lives, their high streets, and their neighbourhoods - and as they become more aware that there are alternatives. The significance of Richard Douthwaite's book is that he shows that globalization can be contained by using these alternatives in a coherent way. He also shows we can start to build alternative systems today without waiting for politicians to give us their blessing or for the world to burn.

*When community initiatives work (and *Short Circuit* describes both successes and failures) they release the imagination of those involved and enable them to take further steps towards economic revitalization, stronger communities, and a healthier environment. But so far, as Richard Douthwaite points out, no community anywhere has implemented more than a few of the many techniques described in this book, so the potential for revitalization is dramatic.*

See also Bill McKibben's writings - eg [Deep Economy: Economics as if the World Mattered](#))

11.3 The system changers

And then there are the indefatigable writers on the left who are stronger on description than prescription - although David Harvey's latest book *The Enigma of Capital* does try to sketch out a few alternatives.

Since *When Corporations Rule the World* (1995) David Korten has been critiquing the operation of companies and setting out alternatives - using both books and a

website³⁸ He has just published a new book - *Agenda for a new economy* - much of which can be accessed at Google Scholar.

And Paul Kingsnorth's *One No - many Yeses; a journey to the heart of the global resistance movement* gives a marvellous sense of the energy a lot of people are spending fighting global capitalism in a variety of very different ways.

Olin Wright's Envisioning Real Utopias which instances the amazing Mondragon cooperatives but is otherwise an incestuous academic scribble.

People at the Centre for the advancement of the steady state economy³⁹ are doing a good job - as is evident from their latest publication *Enough is enough*⁴⁰ (CASSE 2010).

10.4 Comment

The pity is that there is not enough cross-referencing by the authors to allow us to extract the commonalities and identify the gaps. Each writer, it seems, has to forge a distinctive slant. Douthwaite is one exception. I've just started to read the latest Korten book on google and his intro establishes the basic need - *Leadership for transformation must come, as it always does, from outside the institutions of power. This requires building a powerful social movement based on a shared understanding of the roots of the problem and a shared vision of the path to its resolution.*

This definition contains three of the crucial ingredients for the social change on the scale we need -

- External pressure
- Shared understanding of causes of problem
- Shared vision

But there are others, one of which has to be an understanding and development of the leadership qualities the task requires. The Zohar book is one of the few which explores this - and also the Robert Quinn book I keep plugging away at.

Most of the literature about social change is written from one of the three perspectives I have mentioned (micro; macro or meso) - Robert Quinn is one of the few who has looked at the area between two of them. His [Change the World](#) is an excellent antidote for those who are still fixated on the expert model of change - those who imagine it can be achieved by "telling", "forcing" or by participation. Quinn exposes the last for what it normally is (despite the best intentions of those in power) - a form of manipulation - and effectively encourages us, through examples, to have more faith in people. As the blurb says - "the idea

³⁸ <http://livingeconomiesforum.org>

³⁹ www.steadystate.org

⁴⁰ http://steadystate.org/wp-content/uploads/EnoughIsEnough_FullReport.pdf

that inner change makes outer change possible has always been part of spiritual and psychological teachings. But not an idea that's generally addressed in leadership and management training. Quinn looks at how leaders such as Gandhi and Luther King mobilised people for major change and derives certain principles for "change agents" to enable them to help ordinary people achieve transformative change.

These principles are

- Envisage the productive community
- Look within
- Embrace the hypocritical self
- Transcend fear
- Embody a vision of the common good
- Disturb the system
- Surrender to the emergent system
- Entice through moral power

Alaister Mant's *Leaders we deserve* is another neglected masterpiece.

Too many good ideas are killed by the personalities of the leaders. Which neatly brings us back to Daniel Little's reference to "deliberative democracy". Clearly the Anglo-Saxon adversarial system of politics affects the way we talk about public issues.

But too little of this particular literature (eg William Isaacs' *Dialogue* currently lying on my desk with *The Appreciative Inquiry Handbook*) refers to European practices - which are nearer their ideal. It was, after all, the German Greens who tried to deal with the problematic issue of leadership.

And let me notice in passing that too many British writers echo contemporary debates in America simply out of laziness (language). Despite the command I have of French and German, I am as guilty as the rest - as is evident from my library and bibliographies. (Although I did buy a short Jacques Attali book in 2010 on the crisis). And there was a time when people like Colin Crouch⁴¹ drew our attention to the different types of capitalism - but this (and the deliberative democracy theme) seems to have disappeared. Are our attention spans so short? Or is this down to the media need for fashions?

Basically I am trying to suggest that there is a lot of thinking going on - but it is not easily shared and stored. What can be done about this?

We are all inspired by [Stephane Hessel](#) who, in his nineties, produced the short book ("Indignez-vous!") about the global crisis and inequality which touched millions. But I hadn't heard of [Grace Lee Boggs](#) who is apparently still campaigning in America at the age of 99. A journal devoted to art and politics called *Guernica* has a [fascinating interview](#) with this

⁴¹ http://books.google.com/books?id=ueYfdeUcLuUC&printsec=frontcover&source=gbs_ge_summary_r&cad=0#v=onepage&q&f=false

Chinese-American philosopher who has been refusing to stand still for nearly a century, mobilizing alongside various freedom struggles from civil rights to climate change campaigns. The opening chapter of her book - [The next American Revolution: sustainable activism for the 21st Century](#) - has echoes, for me, of Robert Quinn's hugely underrated [Change the World](#)

Most of us operate with an "instrumental" or "agency" view of social change. We assume that "a" causes "z" and that socio-economic ills can therefore be dealt with by specific measures. But a couple of decades ago, an approach - variously called "chaos" or "complexity" theory - started to undermine such assumptions. Writers such as Margaret Wheatley and Quinn have shown the implications for management practice - but few activists have.

Lee Boggs puts it as follows

I think it's really important that we get rid of the idea that protest will create change. The idea of protest organizing, as summarized by [community organizer] Saul Alinsky, is that if we put enough pressure on the government, it will do things to help people. We don't realize that that kind of organizing worked only when the government was very strong, when the West ruled the world, relatively speaking. But with globalization and the weakening of the nation-state, that kind of organizing doesn't work. We need to do what I call visionary organizing. Recognize that in every crisis, people do not respond like a school of fish. Some people become immobilized. Some people become very angry, some commit suicide, and other people begin to find solutions. And visionary organizers look at those people, recognize them and encourage them, and they become leaders of the future.

[Quinn's book](#) was produced in 1996 and is an excellent antidote for those who are still fixated on the expert model of change - those who imagine it can be achieved by "telling", "forcing" or by participation. Quinn exposes the last for what it normally is (despite the best intentions of those in power) - a form of manipulation - and effectively encourages us, through examples, to have more faith in people.

As the blurb says - "the idea that inner change makes outer change possible has always been part of spiritual and psychological teachings. But not an idea that's generally addressed in leadership and management training.

Quinn looks at how leaders such as Gandhi and Luther King mobilised people for major change and derives certain principles for "change agents" to enable them to help ordinary people achieve transformative change. These principles include recognizing our own hypocrisy and fears; "going with the flow" and "enticing through moral power"

12. Some reflections on the intervening 3 years

In the summer of 2011 I was invited to write an article for a special issue of a Romanian journal which was devoted to the world a decade after 09/11. My piece was entitled "[The Dog that didn't Bark](#)" and focussed on the general failure of radicals to capitalise on the global crisis - and, more specifically, the apparent failure of the World Social Forum which had been so active until 2005.

An article by [Geoffrey Pleyers](#) about the World Social Forum suggested two reasons for this failure - first that the Forum has been a victim of its own success (with many politicians now using their rhetoric); and, second, that the movement has now fragmented around three distinct trends -

12.1 A Focus on the Local Level

Rather than getting involved in a global movement and international forums, a wide "cultural trend" of the alter-globalization movement considers that social change may only occur by implementing participatory, convivial and sustainable values in daily practices, personal life and local spaces. In many Italian social centres, critical consumption and local movements have often taken the space previously occupied by the alter-globalization movement. Local "collective purchase groups" have grown and multiplied in Western Europe and North America. Most of them gather a dozen activists who organize collective purchases from local and often organic food producers. Their goal is to make quality food affordable, to bring an alternative to the "anonymous supermarket" and to promote local social relations. The movement for a "convivial degrowth" belongs to a similar tendency and aims to implement a lifestyle that is less of a strain on natural resources and reduces waste.

12.2 Citizens' and Experts' Advocacy Networks

Rather than massive assemblies and demonstrations, another component of the movement believes that concrete outcomes may be achieved through efficient single-issue networks able to develop coherent arguments and efficient advocacy. Issues like food sovereignty, Third World debt and financial transactions are considered both as specific targets and as an introduction to broader questions. Through the protection of water, activists raise for instance the issue of global public goods, oppose global corporations and promote the idea of "the long-term efficiency of the public sector" ("Water network assembly", European Social Forum 2008). After several years of intense exchanges among citizens and experts focusing on the same issue, the quality of the arguments has considerably increased. In recent years, they have become the core of social forums' dynamic. Although they get little media attention, these networks have proved efficient in many cases. During the fall of 2008, the European Water Network contributed to the decision by the City of Paris to re-municipalize its water distribution, which had been managed previously by private corporations. Debt cancellation arguments have been adopted by Ecuadorian political commissions, and some alter-globalization experts have joined national delegations in major international meetings, including the 2008 WTO negotiations in Geneva.

12.3 Supporting Progressive Regimes

A third component of the movement believes that a broad social change will occur through progressive public policies implemented by state leaders and institutions. Alter-globalization activists have struggled to strengthen state agency in social, environmental and economic matters. Now that state intervention has regained legitimacy, this more "political" component of the movement believes that time has come to join progressive political leaders' efforts. It has notably been the case around President Hugo Chavez of Venezuela as well as President Evo Morales in Bolivia. New regional projects and institutions have been launched on this basis, like the "Bank of the South" that has adopted the main tasks of the IMF in the region. For historical reasons and their political cultures, Latin American and Indian activists are used to proximity with political parties and leaders.

13. Notes on Unfinished Reading

Books about the global crisis I need to get into eg

- [Austerity - the history of an idea](#); Mark Blyth [lecture](#)
- [European Spring - why our Economies and Politics are in a Mess - and how to put them right](#); Philippe Legrain
- [Crisis without End - the unravelling of western prosperity](#); Andrew Gamble
- [17 Contradictions and the end of capitalism](#) ; David Harvey
- [Buying Time - the delayed crisis of democratic capitalism](#) ; Wolfgang Streeck
- Capitalism and its alternatives; Chris Rogers
- [Utopia or Bust - a guide to the present crisis](#) ; Ben Kunkel
- [The End of the Experiment?](#) by Andrew Bowan which has an accompanying blogsite- [Manchester Capitalism](#) - which helpfully offers explanations of the key parts of the book

But let me again raise the question I posed in my review last month of Phillip Mirowski's [Never Let a Serious Crisis Go to Waste - how neo-liberalism survived the financial meltdown](#);

Where, please, is there a proper assessment of the global crisis whose effects are now shaping a generation – if not a civilisation??? And can anyone offer a reason for this absence??

Mirowski's book has a 41 page list of books and posed these questions -

- *What were the key causes of the crisis?*
- *Have economists of any stripe managed to produce a coherent and plausible narrative of the crisis, at least so far? And what role have heterodox economists played in the dispute?*

- *What are the major political weaknesses of the contemporary neoliberal movement?*
- *What lessons should the left learn from the neoliberals, and which should they abjure?*
- *What would a counter-narrative to that of the neoliberals look like?*

But the book only really touches (and briefly) on the second of these questions - the others he suggests "demand lavishly documented advocacy and lengthy disputations" and maybe an alternative left project. His book, he concludes with surprising modesty for such a pyrotechnic writer, simply "dispels some commonplace notions that have gotten in the way of such a project". Neoliberals have triumphed in the global economic crisis, he suggests, because -

- *Contrary evidence didn't dent their world view*
- *They "redoubled their efforts to influence and capture the economics profession"*

This conclusion, frankly, left me feeling a bit let down - after I had devoted a couple of days to wading through his verbiage.....surely a guy with his experience and reading can do better??? What we need are comparisons and classifications of this reading.....

The titles of the books on my little list are significant - and three of them seem to promise a bit more -Wolfgang Streeck of Koln; David Harvey of New York; and Andrew Gamble of Sheffield - so let me just share some of the reviews before I actually get into them

You can get a sense of Wolfgang Streeck's writing from [this article from New Left Review](#). He writes in his latest book - [Buying Time - the delayed crisis of democratic capitalism](#) -

Previous crisis resolution instruments are not available anymore. The traditional toolbox containing inflation, increasing sovereign debt levels or making cheap credit available to private households and corporates has exhausted itself. At different junctures of post-World War II development these policy instruments served as short-term fixes - or capital injections - to support redistributive objectives. The original twist in Streeck's line of argument is that such objectives and the means to achieve them chiefly served to benefit those market actors who needed them the least.

When focusing on Greece Streeck's ire is not only reserved to the troika's activities and misjudgements. He has a keen eye for the domestic origins of the fiscal crisis in Athens. Streeck emphasises that this crisis is primarily the result of a state that is forced to turn to sovereign indebtedness as a mechanism to replace taxes, which the authorities fail to collect from its better off citizens. Streeck highlights the extensive

capital flight beginning in 2009 and the privileged tax status that shipowners, farmers, various liberal professions and the Orthodox Church continue to enjoy in Greece.

But the flight crew sitting in the ECB tower in Frankfurt fundamentally lacks the key ingredient of democratic legitimacy for their costly and risk-prone interventions. While these operations allows decision makers to again buy some time, Streeck does not consider this arrangement to be more than a short-term form of financial doping. And the cost for the ECB's reputation is considerable as evidenced by various resignations of German members from its governing council during the past three years and the challenges it faces from the Federal Constitutional Court in Germany.

Therefore, it does not come as a surprise that Streeck's book has unleashed a fierce debate, predominantly so far in Germany. His domestic critics, including the philosopher Jürgen Habermas, the former SPD Chancellor Helmut Schmidt and Joschka Fischer from the Greens, have either accused him of nostalgia for national currencies, being naïve about the merits of currency devaluations or lacking a workable alternative scenario outside the cornerstones of EU integration and euro area membership. The polemical reactions of many of his critics only serve to confirm that Streeck appears to have hit a raw nerve among many in Germany. He emphatically rejects the national consensus demanded by the political and economic establishment in Germany and its prominent academics, who equate Europe with the EU and consider the single currency as a fait accompli of TINA politics, i.e. 'There Is No Alternative'.

Indeed, the policy alternatives that Streeck offers are controversial. That is their purpose and they merit a thoughtful debate. He wants the euro to become an anchor currency parallel to the reintroduction of national denominations. Streeck is in favour of giving back to national governments the option to devalue their currency and thus creating leverage for discretionary policy intervention. A return to an orderly and flexible currency exchange system is equally part of his recommendations as are capital controls to stem recurring capital flight and tax dodging in the euro area. But his underlying argument about policy alternatives is that contemporary capitalist societies in Europe urgently need an infusion of democratic oxygen, citizens' involvement and a public willing to articulate different options. How this can be voiced is anybody's guess, not least Streeck's. Given that numerous democratic institutions have been reduced to mere bystanders in the course of the past crisis management years, Streeck formulates a rather pessimistic, but entirely reasonable alternative. He pointedly asks why should only markets be allowed to panic and follow herd instincts? What happens when civil society threatens to do the same? Streeck argues that democratic mobilization and civic engagement should be the orders of the day. The protests may be desperate, loud, display a makeshift air and be highly disorganized but they are absolutely necessary. The "αγανακτισμένοι" in Greece or the "indignados" in Spain are examples of a growing constituency across Europe who feel they are being treated with contempt and that their dignity has been hurt.

David Harvey, although a geographer, is the world's best-known exponent of Marx. His *Origins of Neo-Liberalism* can be read online. His latest book is a small one

which tries to compress his extensive work into [17 Contradictions and the end of capitalism](#)

Drawing on his previous commentaries on Karl Marx's Capital, David Harvey's latest book is a brave attempt to translate that monumental work into the simplified language of the 21st century. It is beautifully written, persuasively argued and - in these dismal times - refreshingly optimistic about the socialist future awaiting us all.

The author begins by drawing "a clear distinction between capitalism and capital". "This book", Harvey explains, "focuses on capital and not on capitalism." More accurately, the topic is the hidden engine that drives capitalism, not the rickety vehicle as it trundles along bumpy roads. Harvey is not only interested in finding out how the engine works and why it sometimes fails. "I also want to show", he adds, "why this economic engine should be replaced and with what". No shortage of ambition, then.

Although it might seem force, I can see why this distinction is necessary. To write a short book - or indeed to do any kind of science - you have to simplify, abstracting away from reality in all its complexity. "How does the engine work" is, I suppose, a different question from "Where are we going?" or "Will we ever arrive?"

Focusing simply on the engine, Harvey's 17 contradictions are exclusively internal ones - tensions intrinsic to the hidden mechanisms driving the circulation and accumulation of capital. It's a convenient strategy that allows him to set aside such "external" factors as, say, changing gender relations, epidemics or warfare. But I couldn't quite understand the basis on which some topics were excluded and others discussed at length.

Harvey's 16th contradiction - entitled "Capital's Relation to Nature" - includes the looming prospect of catastrophic climate change. It's an excellent, scientifically well-informed chapter and one of the highlights of the book. Harvey claims it as an "internal" contradiction on the basis that capital is a working and evolving ecological system embracing both nature and capital. I agree with that. But in accepting that point, aren't we including the bumpy road as part of the engine? If climate change counts as "internal", what justification is there for excluding race and gender? Harvey explains: "I exclude them because although they are omnipresent within capitalism they are not specific to...capitalism". Well, no, but then neither is environmental degradation. The consequences might be more terrifying today, but humans have been triggering extinctions since the beginning of farming and probably before. Mammoths once roamed across Europe...

My other criticism is that while Marx wrote quite a lot about revolution, Harvey goes strangely silent on the topic. As a result, the book's final pages remind me of going to the wishing well and asking for 17 nice things that ought to happen - solidarity everywhere, no alienating work, everyone creative and fulfilled. It's an inspiring list. But it does little to help us think about how to get there or if it would really work. Marxists need to do more if we are to sound convincing.

But the book I am most looking forward to is Andrew Gamble's [Crisis without End - the unravelling of western prosperity](#)

This is not a book on the financial crisis per se, but one that uses the crisis as a point of departure to consider how our world has been ordered over the past century, along the way displaying in-depth understanding of the events leading up to the crash and the actions taken to respond to it.

Before analysing the consequences of the crisis for neoliberalism, Gamble lays out his notion of a neoliberal economic order and details how the current international economic system was set in place after the Second World War. This section is extremely valuable, as most scholars connected to post-structuralist or post-Marxist schools of thought are content to use neoliberalism as a kind of bogeyman-placeholder for all that is wrong with the predominant political and economic system in the West without ever defining the notion.

While one does not have to agree with the anti-neoliberalism rhetoric, Gamble's introduction ably sets the pace for what follows by showing that while the crisis wounded the neoliberal order, five years on it seems remarkably unscathed. He then embarks on answering his main question: Why has the neoliberal order proved so resilient, and can it renew itself in the face of the challenges to its effectiveness, sustainability and legitimacy that the crisis revealed?

Gamble lays out three hypotheses - thesis, antithesis and synthesis - about why we haven't seen much change in the aftermath of the recent global financial crisis.

1) The crisis was just a blip. Although it seemed serious, it has no long-term significance for the functioning of the present economic system because it is not structural.

2) The 2008 crash revealed not just a serious malfunctioning of the financial system but deeper underlying problems that need fixing before recovery is possible.

3) And most plausibly, in Gamble's view: the crisis has revealed an impasse. The fundamentals governing the international economic order have changed, but since the immediate crisis was contained, incumbent policymakers could stave off radical change. However, the neoliberal order has become highly unstable and postponing change will lead to further breakdown or deadlock. Hence the "crisis without end".

A compelling line of argument appears in Gamble's second step, where he discusses the three fundamental conflicts underlying the functioning of the neoliberal economic order that the crisis has not only revealed but intensified. He compares the current crisis' characteristics to those of the two major crises in the 20th century in light of the dilemmas that he sees as inherent in the international neoliberal order: governance, growth and fiscal trade-offs.

- *The governance dilemma lies in the tension between a unified international market order and a fragmented state system, between international connectedness and national sovereignty, in which the emergence of new powers poses severe challenges to the existing order.*
- *The growth trade-off manifests itself in the tension between the incentives needed for maximising private gains and the social conditions necessary to facilitate private*

- accumulation. The question of how sustainable growth can be achieved in the face of prolonged stagflation and environmental risks is at the heart of this dilemma.*
- *Finally, the fiscal dilemma concerns the legitimacy of markets, as uncontrolled competition undermines social cohesion and solidarity, especially with increasing debt and falling living standards.*

Gamble paints his picture in broad strokes, and in arguably overly gloomy shades. The welfare state may be more resilient than he might admit, especially its continental and Scandinavian versions, because different primary mechanisms of redistribution were originally put into place. While the Anglo-Saxon variety relies mainly on redistribution through taxation, the continental version is contribution-based. Since the fiscal dilemma implies difficulties of raising revenues from taxes, inequality is more of a problem in the tax-based redistributive systems prevalent in liberal market economies. The fundamental dilemmas underlying neoliberalism raise the question of what has to change before a new era of prosperity in the West can be established, and Gamble considers four scenarios.

The first is the default, where nothing much changes and rising internationalisation leads to further shocks and a perpetual crisis.

The other three scenarios move away from a unipolar economic order; in scenario 2, to a bipolar situation in which US-Chinese competition over resources and markets spurs protectionism and a decline in trade with renewed fiscal and monetary problems. Scenarios 3 and 4 involve multipolar situations, with either multilateral cooperation including emerging powers leading to a more diversified new market order (scenario 3), or with conflictive and bloc-building tendencies bringing more fragmentation and decline in international flows (scenario 4).

Evidently, scenario 3 is most likely to restore confidence and build conditions for sustainable growth.

Alas, Gamble leaves the question of how to achieve scenario 3 unanswered, and concludes that the future is likely to include aspects of all four. Like me, the reader may be left wishing he had taken a few more risks in identifying conditions that make different outcomes more likely.

This is clearly not a book that crunches numbers and draws conclusions based on well-identified empirical evidence, but Gamble gives his own account of the general feeling that there is something wrong and lethargic about the way the West is dealing with the aftermath of the financial crash, and that only more radical change can lead us back to sustainable growth and prosperity.

Like Thomas Piketty in [Capital in the Twenty-First Century](#), Gamble shows that the global financial crash and its effects are not just manifestations of the normal capitalist cycle, but extraordinary, and will affect the world and the international economy for decades to come. Although he analyses the crisis through the lens of a critique of neoliberalism, this does not distract from his insights into the challenges for economic and political systems at both transnational and domestic levels.

Where Piketty's book convinces with myriad historical data and empirically derived evidence, Gamble's gripping narrative persuades via insight and anecdotal evidence.

My personal quibble with Gamble's approach is that we must have faith in his analytical brilliance and persuasive argumentation, because none of us knows the counterfactual - what type of social and/or economic system would generate better societal outcomes, and better from what perspective? Arguably, more rigorous empirical identification and quantitative evidence would have helped the momentum and credibility of some of his arguments.

14. NOTES ON Never Let a Serious Crisis go to Waste - how neoliberalism survived the financial meltdown

The book's opening pages annoyed me no end. Most (of the considerable number of) reviews have been very positive but one caught my feelings exactly -

Mirowski's aggressive yet obtuse writing style seems designed to alienate casual readers, cuts off discussions of potential alternatives out of the current morass, and ironically paints too positive a picture of where orthodoxy stands at the current moment.

But I will have to persevere since, like most people, I have been too casual in my use of the term and do need to understand why social democrats are so powerless in face of this phenomenon. Three years ago I wrote an article on this - called The Dog that Didn't Bark which appeared in a special issue of Revista 22 (a Romanian journal) which was commemorating 09/11

At that time, Colin Crouch was one of the few people who had devoted a book to the question (The Strange Non-Death of Neo-Liberalism)

Three years on, a lot more people have written about it and Philip Mirowski (the author of the latest) reviewed some of them in the journal I referred to recently.

Mirowski has helpfully put online one of the key sections of his book - the thirteen commandments of neo-liberalism - which allows you, reader, to see for yourself what I mean about the convoluted style. He can also be heard on some ipod interviews here, here and here

And Colin Crouch himself has returned to the charge in a (free) article Putting Neoliberalism in its place in the current issue of Political Quarterly.

Never Let a Serious Crisis Go To Waste - part 2

Reader - while you have been busy this last 24 hours or so, I have been sweating blood on your behalf! A few minutes ago, I reached (with a great sigh of relief) the last page of Philip Mirowski's *Never Let a Serious Crisis Go To Waste* and its pages will forever bear witness to my reactions and interactions - with savagely pencilled circles and slashes on almost every page.

The subject of this book could not be more important - **the process whereby a doctrine (neoliberalism), assumed in 2008 to have been totally discredited, has managed not only to survive but to become the only game in town...**

On your behalf I have (carefully) read 358 pages of text; glanced at 52 pages of notes; and noted with interest a 41 page bibliography. And I have also turned up at least a score of fairly long reviews - indeed even one special issue of a journal devoted to the book (available at the hyperlink of the book's title) which, usefully, contains [an author's reply](#).

The book's (mercifully short) conclusion poses these questions-

- *What were the key causes of the crisis?*
- *Have economists of any stripe managed to produce a coherent and plausible narrative of the crisis, at least so far? And what role have heterodox economists played in the dispute?*
- *What are the major political weaknesses of the contemporary neoliberal movement?*
- *What is the current topography of the Neoliberal Thought Collective?*
- *What lessons should the left learn from the neoliberals, and which should they abjure?*
- *What would a vital counternarrative to the epistemological commitments of the neoliberals look like?*

But the book touches (and briefly at that) only on the second and fourth of these questions - the others he suggests "*demand lavishly documented advocacy and lengthy disputations*" and maybe an alternative left project.

His book, he concludes with surprising modesty for such a pyrotechnic writer, simply "*dispels some commonplace notions that have gotten in the way of such a project*".

He then goes on to a final one-page summary of the 6 reasons why "neoliberals have triumphed in the global economic crisis" -

- *Contrary evidence didn't dent their world view*
- *They "redoubled their efforts to influence and capture the economics profession"*

- "everyday neoliberalism" which had "taken root in our culture provided a bulwark until The "Neoliberal Thought Collective" (NTC) could mount further responses"
- The NTC developed the black art of "agnotology" (see below) and -
- "coopted protest movements through a combination of top-down takeover and bottom-up commercialisation and privatisation of protest activities and recruitment"

and... finally.....wait for it.....

• "The NTC has displayed an identifiable repeating pattern of full-spectrum policy responses to really pervasive crisis which consists of short-run denialism, medium-term imposition of state-sponsored markets and long-term recruitment of entrepreneurs to explore scientific blue-sky projects to transform human relationships to nature"

GOT IT?

I really am trying to be fair to this guy - but he really does hoist himself with his own petard.

And, dear reader, you should know that I studied economics for 4 years at university - and then attempted to teach the subject to students....

Furthermore, I pride myself on my vocabulary.....but I was stumped by so many words -

Ambagious, apophenia, "all the Finnegans that is needed"; perfervid, quiddity (a favourite); astralobe, scofflaws, epigones, fogleman, lucubrations, bombinate, deliquesce, Nascar, echolalia, echoic, ukase, catallactic, hebetude, cunctuation, coadjurancy, snafus, non-ergodicity, defalcation, hazmot, political donnybrooks

He was, however, kind enough to proffer (at page 226) a definition of "agnotology" (to which an entire section is devoted) - namely *the "focused study of the intentional manufacture of doubt and uncertainty in the general populace for specific political motives"*.

And he does also explain a couple of other neologisms - "murketing" and "buycott" (both of which my automatic speller annoyingly tries to correct)

"*Dissentior*" at page 243 presumably is "dissension". You see, Reader, the efforts to which I have gone for you!

I am glad to report that I am not the only reader to be appalled at Mirowski's style - a year ago an [Economist columnist took issue with the book](#) for this reason and sparked off quite a discussion thread

The reader is still entitled to expect something better than the following (from Philip Mirowski's new book "Never Let a Serious Crisis Go to Waste"): Yet the nightmare cast its shroud in the guise of a contagion of a deer-in-the-headlights paralysis.

That is not just a mixed metaphor; it is meaningless and pretentious at the same time. One would nominate it as the world's worst-written sentence but it is only the opening clause. After a semi-colon, the author drones on for a further 32 words, from which Economist readers should be spared. Just a few pages later, Mr Mirowski produces another monstrosity: The nostrum of "regulation" drags with it a raft of unexamined impediments concerning the nature of markets and governmentality, and a muddle over intentionality, voluntarism, and spontaneity that promulgates the neoliberal creed at the subconscious level.

What happened to the editing process at Verso, which allowed this book to be published? All authors benefit from a trimming of their stylistic excesses. The odd flourish is fine and an attempt at humour in a work of financial analysis is usually welcome. But this does not consist of adding one clause after another, or piling adjective upon adjective. Such leaden prose weakens any hope that the author might have of persuading the reader to slog through his 467-page attack on neoliberalism. George Orwell's rules of writing (which introduce The Economist's [in-house style guide](#)), are always worth repeating

One of the discussants in the subsequent discussion thread suggested four reasons for verbosity:

- 1) Try selling a one-page book. This despite the fact most of what I have read on economics in recent years, and indeed ever, could comfortably fit - too many books are just one interesting insight smeared over 400 pages ("Black Swan" anyone?).*
- 2) Obscure language can hide deficient or trivial underlying thinking (think academic prose, esp. in the humanities)*
- 3) Author's pseudointellectual wankerdome, and halo effect of "clever" language intended to boost persuasive effect. This is patently counterproductive.*
- 4) Attempted argument by verbosity - while single-sentence phrasing would be just as informative, droning on about it from different angles for twenty hours of reading is intended to be more effective in helping the ideas (or lack thereof) sink in.*

[Never Let a Serious Crisis go to Waste - part III](#)

I said that Mirowski was important - the man clearly knows his stuff (see the 41 page bibliography at the back of his book). It's just that he's undisciplined in the presentation of his arguments and assumes too easily that his readers will understand the esoteric references to theoretical disputes in economics.

Never Let a Serious Crisis go to Waste rates almost as many serious reviews as Thomas Piketty's blockbuster - *Capital in the Twenty First Century* to which the London Review of Books devoted last month a [quite excellent review](#) whose opening section must qualify as one of the clearest expositions of the disputes about economic value.

Useful reviews of the Mirowski book can be found in [The Times Higher Education Supplement](#); [Jacobin Magazine](#); and [Logos Journal](#). One of the most balanced of the reviews [is this one](#)

Overall, therefore, this book may be tough going for many, but it also rewards the reading. The looseness of structure combined with the sense in which each element depends on the others means that the reader shouldn't worry too much if they didn't get it the first time. I certainly do not expect this to be everyone's cup of tea: the way Mirowski approaches neoliberalism through a combination of polemical investigation into institutional and organisational connections between finance, government, and economics, as well as his tendency to give mostly ideological and psychological explanations for political phenomena, sometimes comes uncomfortably close to 'conspiracy thinking'. I think Mirowski mostly stays just on the right side of that fine line, but then I am already an opponent of neoclassical economics - those who are more ambivalent about it will perhaps find this work too much.

For the politically more radical but less economically knowledgeable layperson, there is a wealth of insight to be gained here in the inner workings and thinking of some of the major players of the Western neoliberal order, especially in the United States, but you'll have to earn it with hard work. There are some fascinating moments in the book where Mirowski contrasts the reality of the crisis with the utter refusal on the part of the economics discipline to view it as imaginable before the fact (we were supposed to be in 'the Great Moderation') or of any theoretical significance after the fact (in striking interviews with Chicago school economists).

On the other hand, he sometimes overdoes the pervasive power of neoliberal thought: when he sees social networks as inherently neoliberal, or sees protest movements such as Occupy as hopelessly co-opted by neoliberal ways of thinking from the start, it seems a bit too much in the style of grandpa telling the kids to get off his lawn. Neoliberalism isn't, and cannot be, all-powerful - even if the opposition has to date indeed been ineffectual.

For the purposes of economic thought, the takeaway from this book should be that "the relationship between the immunity of finance and the imperviousness of change in economic ideas has been direct" (357).

For the political left, the central message is that the strategy of neoliberalism to a crisis - any crisis - can be summed up as "short-run denialism... medium-term imposition of state-sponsored markets, and long-term recruitment of entrepreneurs to explore scientific blue-sky projects to transform human relationships to nature", all of which "can only be imposed in those special moments of 'emergency' by a strong state" (357-358). These lessons, combined with Mirowski's vision of neoliberalism as contrasted with merely 'small government, free market' thinking, are important to learn.

Mirowski has been fairly caustic about Wikipedia - and perhaps this is why his entry there is so brief and uninformative. I managed to find [this overview and interview](#)

Certainly the book has encouraged me to pull off the shelves some so far unread items such as *the Penguin History of Economics*; *The Romantic Economist*; and Ha-Joon Chang's *Economics; the User's Guide*

A Strange Omission

I mentioned the 41 page bibliography to be found at the back of Mirowski's book - this is not as impressive as at it might seem to the casual reader. Indeed in anyone else's book, I might suspect such a list is a sign of self-doubt and a need to assert one's status.... It's pretty easy to compile a list - what is much more challenging is to summarise the key argument of each book or article and to make a judgement about how it compares in, for example, coherence with others. Even better if you can classify the various explanations and fit the books into such a classification - Howard Davies, for example, identified 39 different explanations of the financial meltdown

I've googled various phrases to try to find such an annotated bibliography of the global crisis - and cannot really find one - let alone one with a decent structure. By way of comparison, look at the annotated bibliography for "change agents" I put on my website a few years back

- Two frequently referenced articles are *Reading about the financial crisis - a 21 book review* - a 40 page note produced in 2012 by Andrew Lo which, as he puts it in the introduction, "*underscores the desperate need for the economics profession to establish a single set of facts from which more accurate inferences and narratives can be constructed*"
- And "*Getting up to speed on the causes of the financial crisis*" looks at only 16 docs between 2007-09
- A (very short) Financial Crisis reading List is offered by a blog but one which serves a very simple E-book - "Too Big Has Failed". The short annotated list offered by the Pluto Press simply advertises a few books in that particular publisher's stable.
- *Misrule of Experts* (2011) is one of a large number of papers produced by the Centre for Research on Socio-Cultural Change which offers a useful analysis but hardly a bibliography - let alone an annotated one. And the same is true of the minority report produced by the Financial Crisis Inquiry Commission in 2011
- Responsibilities, ethics and the Financial Crisis is a useful website.....part of a 3 year Arts and Humanities Research Council-funded project which brings together "philosophers, economists and social policy academics". It too has reading lists - but none of them annotated.

So where, please, is there a real annotated bibliography of the events which are now shaping a generation - if not a civilisation ??? And can anyone offer a reason for this absence??

Material not yet used

The events of the past few years have made millions of people angry with their political leaders and disillusioned with the political and economic systems in which they operate. But for anything to happen, there have to be feasible and legitimate options capable of gaining the support of a significant number of people. That's quite a challenging set of preconditions - feasibility, legitimacy and support!

A paper on my website tries to track the various analyses and reforms which have been offered in the past decade or so (excluding technical tinkering). But nothing will happen without catalysts for that change - individuals who have an understanding of the social process of the transformation process and the skills and credibility to ease change into place. No one buys blueprints (let alone manifestos) any more. And politicians in many countries have lost credibility. Process is all. So where are the catalysts who have that understanding and skill sets; and who cannot be fitted into the conventional political labels?

It was by accident that I pulled a book from my library yesterday which has been lying unread since I bought it years ago. It was Paul Hirst's *From Statism to Pluralism* produced in 1997 from various papers he had written in the previous 5 years and arguing the case for "associational democracy" in both the public and private sectors. It has a powerful beginning -

"The brutalities of actually existing socialism have fatally crippled the power of socialist ideas of any kind to motivate and inspire. The collapse of communism and the decline of wars between the major industrial states have removed the major justifications of social democracy for established elites - that it could prevent the worse evil of communism and that it could harness organized labour in the national war effort. Those elites have not just turned against social democracy, but they almost seem to have convinced significant sections of the population that a regulated economy and comprehensive social welfare are either unattainable or undesirable".

He then goes on to argue that -

- more "associational" forms of democracy and wider decision-making would help re-balance the centralisation of the state and the dominance of big business. In this view 'association' means groups of people who have similar concerns, views, and aims.
- Associationalism (it has many similarities with mutualism <http://www.mutualist.org/id7.html>) is the most neglected of the great 19th century doctrines of social organisation. It lost out to collectivism and individualism. But conditions have now changed dramatically and make it an appropriate principle of reform and renewal of Western societies.
- widely distributed methods of decision-making, (both within and between organisations and groups throughout society and the economy) would better enable effective, informed and appropriate action. It might reduce the need for complex top-down regulation, better distribute wealth and security, and offer a potential solution to mistrust and social disintegration within communities.

Sadly Hirst [died in 2003](#) but [people in Britain have recently been going back](#) to his papers [and books](#) perhaps because of the UK Prime Minister's interest in what he calls the "Big

Society" - of public services being managed by its workers (part of the mutualist approach) or by community and voluntary organizations (social enterprise). Although Cameron was talking about this before the global crisis, the concept is a bit suspect these days with such large cuts in public expenditure. However, social enterprise has a long and honourable tradition and was one I was proud to work for in the 1980s.

A [recent article set out how the Hirst agenda](#) and social enterprise fit *However the elephant in the room is the Big Corporation - and here the limits of (if not the motives for) the Cameron agenda are perhaps most exposed. And Hirst too does not say much about the economic side of things which Will Hutton was so eloquent about at the same time (stakeholder society) - beyond a few comments about the "industrial districts of Italy". Although Germany gets a brief passing remark or two, I find it astounding that the "corporatist" model of North Europe does not get proper treatment. Is that because "corporatism" got a bad name in Britain in the 1970s (it was blamed for the poor economic performance) - or because the Brits (and Americans) are so myopic about foreign activities? We should not underestimate the power of words and phrases - but I suspect the explanation is more the latter.*

I find it ironic that we seemed interested in the 1960s in what we could learn from France and other European countries about industrial policy but that we have no such interest when we are part of the European Union. Apart from the usual academic books about German politics, I know of only two general books on Germany - the idiosyncratic *Germania* by Simon Winder and Peter Watson's doorstopper *German Genius* - neither of which says anything about how Germany has managed to become such a politically and economically resilient country. The only serious article I know about the country are the [60 pages](#) in Perry Anderson's *The New Old World*. However there is [a recent academic paper](#) which explores why a "coordinated market economy" was first chosen as the appropriate model for Germany; and why it might still be the most appropriate for Germany but for other EC countries

In 1987 a book and a film appeared in America which seemed to signal a questioning of the greed culture which had received the imprint of approval from Ronald Reagan and Margaret Thatcher. The book was Tom Wolfe's *Bonfire of the Vanities* which ended with the come-uppance of one of Wall Street's "Masters of the universe". The film was *Wall Street; Money never sleeps* - starring Michael Douglas as Gordon Gekko whose signature line was "Greed, for lack of a better word, is good".

Alas, the reflective mood was momentary - indeed the broader effect seemed to have been to persuade other professions to get into the act. A decade later, a distinguished historian, Harold Perkin, published [The Third Revolution - Professional Elites in the Modern World](#) (1996). In previous books Perkin had studied the rise of professional society. In this one he looked at Twentieth Century elites in the USA, England, France, Germany, Russia and Japan - and finds their behaviour equally deficient and morally irresponsible. What all six countries, except Germany, are found to have in common are greed and corruption, from the wholesale fraud, embezzlement, and bribery practised by Soviet *apparatchiks*, through the systematic bribery of Japanese politicians by the big corporations, and the apparently general corruption in French local government contracts, to the more 'legitimate' but dubiously ethical machinations of junk bond merchants in the U. S. or take-over conmen in Britain. This is attributed to the professional elites who are 'good servants but bad

masters', and when they have power are liable to abuse it, exploit the masses, and line their own pockets. At this point one cannot help concluding that there is nothing new under the sun, that ruling elites or cliques have always been tempted to enrich themselves, and that corruption, even blatant and very large-scale corruption, is not an invention of professional society.

It is a book which should be given to each individual when (s)he makes it into their country's "Who's Who" and becomes part of the "system".

A few years earlier, a powerful but different critique of our elites had been launched by Christopher Lasch - *The Revolt of the Elites and the Betrayal of Democracy*. The book's title is a take-off on Jose Ortega y Gasset's *The Revolt of the Masses*, a reactionary work published in 1930 that ascribed the crisis of Western culture to the "political domination of the masses." Ortega believed that the rise of the masses threatened democracy by undermining the ideals of civic virtue that characterized the old ruling elites.

But in late twentieth-century America it is not the masses so much as an emerging elite of professional and managerial types who constitute the greatest threat to democracy, according to Lasch.

The new cognitive elite is made up of what Robert Reich called "symbolic analysts" — lawyers, academics, journalists, systems analysts, brokers, bankers, etc. These professionals traffic in information and manipulate words and numbers for a living. They live in an abstract world in which information and expertise are the most valuable commodities. Since the market for these assets is international, the privileged class is more concerned with the global system than with regional, national, or local communities. In fact, members of the new elite tend to be estranged from their communities and their fellow citizens. "They send their children to private schools, insure themselves against medical emergencies ... and hire private security guards to protect themselves against the mounting violence against them," Lasch writes. "In effect, they have removed themselves from the common life."

The privileged classes, which, according to Lasch's "expansive" definition, now make up roughly a fifth of the population, are heavily invested in the notion of social mobility. The new meritocracy has made professional advancement and the freedom to make money "the overriding goal of social policy." "The reign of specialized expertise," he writes, "is the antithesis of democracy as it was understood by those who saw this country as the 'last, best hope of earth'". Citizenship is grounded not in equal access to economic competition but in shared participation in a common life and a common political dialogue. The aim is not to hold out the promise of escape from the "labouring classes," Lasch contends, but to ground the values and institutions of democracy in the inventiveness, industry, self-reliance, and self-respect of working people.

The decline of democratic discourse has come about largely at the hands of the elites, or "talking classes," as Lasch refers to them. Intelligent debate about common concerns has been almost entirely supplanted by ideological quarrels, sour dogma, and name-calling. The growing insularity of what passes for public discourse today has been exacerbated, he says,

by the loss of "third places" — beyond the home and workplace — which foster the sort of free-wheeling and spontaneous conversation among citizens on which democracy thrives. Without the civic institutions — ranging from political parties to public parks and informal meeting places — that "promote general conversation across class lines," social classes increasingly "speak to themselves in a dialect of their own, inaccessible to outsiders."

Lasch proposes something else: a recovery of what he calls the "populist tradition," and a fresh understanding of democracy, not as a set of procedural or institutional arrangements but as an ethos, one that the new elites have been doing their best to undermine.

It has to be said that neither book made much impact - perhaps they were just seen as "moralizing". Contrast that with the impact made in 1958 by JK Galbraith's *The Affluent Society*.

Has any recent book, I wonder, made the same impact? Perhaps [the Spirit Level - why equality is better for everyone](#) by Richard Wilkinson and Kate Pickett (2009) comes closest.

Draft Intro to New Website

2008 was supposed to bring us to our senses - to give us the sort of focus we last saw in the immediate post-war years when social, political and commercial energies were building a better world; greed and flashiness kept then in check; and "government" was an institution for whose efforts we had some respect if not pride.

Six years on from the most recent global crisis, such hopes and expectations are in tatters... the façade of democracy has been ruthlessly exposed by the latest debt crisis in Europe... and governments seem hell-bent on creating a dystopia of privatized public facilities, repression and gross inequalities which put JK Galbraith's indictment 60 years ago of "private affluence and public squalour" in the shade.

A world of gated communities exists cheek by jowl with those inhabited by crushed spirits of millions evicted from the formal economy or in fear of that fate; politicians, politics and the media are despised as lapdogs of what an American President in 1960 presciently labelled the "military-industrial complex". Welcome to post-modernity!

This website aims to examine this condition, explore how it has developed and how it might be tamed... The website believes in the importance of what the academics have taken to calling "agency" - that is, of people coming together to try to improve socio-economic conditions. Such efforts used to be national but now tend to be a combination of local, continental and global. Some of the effort is driven by anger; some by more creative urges - but hundreds of thousands if not millions of people are involved in activities which have been charted by writers such as Paul Kingsnorth and Paul Hawkin. They include a lot of social enterprise and cooperatives of which the oldest and most inspiring is Mondragon whose various ventures now employ more than 25,000 people in a mountain area of Spain.

But all this does not seem able to inspire a common vision - let alone a coherent agenda and popular support - for a better world. The knowledge base drawn on in this site is European of an anglo-saxon variety - so we cannot (sadly) speak much about, for example, the Latin American experience of development which, patently, has a lot to teach us.

Some of the conclusions which have brought me to the point of setting up this website -

Political parties are a bust flush - All mainstream political parties in Europe have been affected by the neo-liberal virus and can no longer represent the concerns of ordinary people. And those "alternative parties" which survive the various hurdles placed in their way by the electoral process rarely survive.

The German Greens were an inspiration until they too eventually fell prey to the weaknesses of political parties identified a hundred years ago by Robert Michels.

More recently, "Pirate" parties in Scandinavia and Bepe Grillo's Italian Five Star Movement have managed, briefly, to capture public attention, occupy parliamentary benches but then sink to oblivion or fringe if not freak interest.

What the media call "populist" parties of various sorts attract bursts of electoral support in most countries but are led by labile individuals preying on public fears and prejudices and incapable of the sort of cooperative effort which serious change requires.

NGOs are no match for corporate power - The annual [World Social Forum](#) has had more staying power than the various "Occupy movements" but its very diversity means that nothing coherent emerges to challenge the power elite whose "scriptures" are delivered from the pulpits of The World Bank and [the OECD](#). There doesn't even seem a common word to describe our condition and a vision for a better future - "social change"? What's that when it's at home?

Academics are careerists - the groves of academia are still sanctuary for a few brave voices who speak out against the careless transfer by governments of hundreds of billions of dollars to corporate interestsNoam Chomsky and David Harvey are prominent examples.

- Henry Mintzberg, one of the great management gurus, has in the last decade broken ranks and now writes about the need for a profound "rebalancing" of the power structure - [Rebalancing Society - radical renewal beyond left, right and centre](#)
- Economists who challenge the conventional wisdom of that discipline are now able to use the [Real-World Economics blog](#).
- Daniel Dorling is a geographer who focuses on inequalities eg his powerful [Injustice - why social inequality persists](#).

Think Tanks play safe - and....think

Most Think-Tanks play it safe (for funding reasons) - although there are honourable exceptions. Such as -

- Susan George, a European activist and writer, who operates from the [Trans National Institute](#) and, amongst her many books, has produced two marvellous satires - Lugano I and Lugano II
- David Korton's books and [Yes Magazine](#) keep up a steady critique.
- Joseph Stiglitz, once part of the World Bank elite, writes scathingly about economic conventional wisdom
- The new Pope has the resources of the Vatican behind him; and is proving a great example in the struggle for dignity and against privilege.