

The New Feudalism: Globalization, the Market, and the Great Chain of Consumption*

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Abstract *Drawing on a substantive connection between liberalism and feudalism, I argue that in spite of a nominal commitment to democracy, the American political system is not substantively democratic. On the contrary, the increasing commitment to neoliberal ideology over the past 30 years is having the effect of establishing a private government, one that is strikingly similar to feudalism, where the few rule the many in the interests of the few and status arrives via consumption and market connections. Furthermore, the internationalization of the American politico-economic model, largely via transnational corporations, promises the extension of this New Feudalism throughout the world. Despite the claims that "liberal democracy" promises the end to history, in other words, the future of democracy looks particularly bleak.*

Introduction

In the wake of September 11, 2001, President George W. Bush has taken to repeating his claim that the United States is the world's greatest democracy. This is by no means an unusual sentiment to be heard in the media and around town among typical Americans. Indeed, democracy is a term that is both widely used and frequently abused. Democracy is understood to be the best political system going and it is the best system going because it allows for political participation by citizens of the state. In fact, we often see democracy identified with freedom and equality, but we do not often see an honest accounting of the existence of freedom and equality in democracies. Instead, through simply repeating the mantra of democracy equals freedom plus equality, we are compelled to accept democracy as the good thing we are told it is. In fact, some have been arguing recently that American democracy (often creatively referred to as "liberal democracy") has been vindicated by the collapse (or "defeat") of Communism.¹

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¹ See Thomas Friedman, *The Lexus and the Olive Tree* (New York: Anchor Books, 2000), Francis Fukuyama, *The Great Disruption: Human Nature and the Reconstitution of Social Order*

Fukuyama even goes so far as to say that liberal democracy represents the culmination of human history. Finally, we have progressed through inferior socio-political formations and have arrived at the end of history.

My contention in this paper is that we have done no such thing. In fact, when we take an honest look at the contemporary form of “democracy” in the United States, a form that is indeed being exported in the name of free markets everywhere, we find continuing connections to and continuations of feudal socio-political forms. Democracy, in its current incarnation, does not mean what its ancient Greek roots would lead us to believe it means. We tend to believe that democracy means rule by the people and that it encourages popular participation. As many thinkers have noted, this is very far from the truth.² Ellen Meiksins Wood has even pointed out that democracy has been redefined as liberalism, where liberalism refers “to a body of commonly related principles having to do with ‘limited’ government, civil liberties, toleration, the protection of a sphere of privacy against intrusion by the state, together with an emphasis on individuality, diversity and pluralism.”³

It is certainly no secret that the Framers of the United States Constitution viewed democracy, understood as rule by the people, as a wicked form of government, largely because the people were poor and would threaten the property holdings of the wealthy minority. Even the current United States House of Representatives recently made it a point to reaffirm the fact that the American system is not a democracy.⁴ Why they decided to do this is unclear, especially in light of the fact that democracy no longer is considered an evil system; a fact attributable to its subtle redefinition. No longer is democracy understood to mean rule by the people, though the proponents of democracy (such as George W. Bush) certainly want to continue to play on that notion. Because elected officials are dependent on the mass vote for election to office, they must cultivate the democratic charade even as they routinely ignore mass political interests. “The reconceptualization of democracy belongs,” as Ellen Meiksins Wood puts it, “to the new climate of political hypocrisy and duplicity.”⁵

Proponents of American democracy want to retain a nominal commitment to the ancient roots of the word democracy while at the same time maintaining the

(Footnote continued)

(New York: Simon and Schuster, 2000), and Francis Fukuyama, *The End of History and the Last Man* (New York: Avon Books, 1993).

² See Pierre Bourdieu, *Acts of Resistance: Against the Tyranny of the Market*, trans. Richard Nice (New York: The New Press, 1998), Alex Carey, *Taking the Risk Out of Democracy: Corporate Propaganda versus Freedom and Liberty* (Urbana and Chicago: University of Illinois Press, 1995), Noam Chomsky, *Media Control: The Spectacular Achievements of Propaganda* (New York: Seven Stories Press, 2002), Takis Fotopoulos, *Toward an Inclusive Democracy: The Crisis of the Growth Economy and the Need for a New Liberatory Project* (London: Cassell, 1997), Robert W. McChesney, *Rich Media, Poor Democracy: Communication Politics in Dubious Times* (New York: The New Press, 1999), R. Jeffrey Lustig, *Corporate Liberalism: The Origins of Modern American Political Theory, 1890–1920* (Berkeley, Los Angeles and London: University of California Press, 1982), and Ellen Meiksins Wood, *Democracy Against Capitalism: Renewing Historical Materialism* (Cambridge: Cambridge University Press, 2000).

³ Wood, *Democracy and Capitalism*, pp. 227–228, note 21.

⁴ H. Con. Res. 48, 107th Congress, “Expressing the Sense of the Congress in Reaffirming the United States of America as a Republic.”

⁵ Wood, *op. cit.*, p. 227.

substance of classically liberal politics. What George W. Bush refers to as American democracy, then, is really simply a mask for what is essentially a liberal political system. And liberalism has its roots in feudalism. In Wood's words, "the constitutive concept of ancient democracy" is citizenship while the "founding principle of [liberal democracy] is ... lordship."⁶ The Magna Carta, after all, was a charter between masters of men, as barons sought to assert their freedom from the Crown and from the masses (i.e. to protect feudal privileges). The Glorious Revolution, in turn, was an attempt by propertied men to freely "dispose of their property and servants at will."⁷ This is where the modern notion of popular sovereignty originated and "yet the people in question was not the *demos* but a privileged stratum constituting an exclusive political nation situated in a public realm between the monarch and the multitude."⁸ We need not take a very large conceptual leap to understand, first, that the American political philosophy as encapsulated by the Declaration of the Independence and the Constitution strongly adheres to this view of popular sovereignty and that, second, little has changed in the intervening 226 years to encourage us to see any major differences between who occupied the public realm and who occupies it now. The New Feudalism, it turns out, is much like the Old Feudalism. We call it "liberalism" now, we think of it as "democracy," but it is really what it always was: the freedom of the economic elite to dispose of their property at will.

However, because contemporary American society no longer orients social order toward God, the New Feudalism must differ from the Old Feudalism in its process of legitimacy. The Old Feudalism could rely on God's will to convince the multitude that the social order was just and right via the "Great Chain of Being." But the development of industrial capitalism and now post-industrial capitalism focused "democracy" toward "the passive enjoyment of constitutional and procedural safeguards and rights, and away from the collective power of subordinate classes to the privacy and isolation of the individual citizen."⁹ Along the way, and not surprisingly, God and religion fell by the wayside as isolated individuals "gained" the freedom to view the world in their own terms, which left no orienting point for social order or at least no orienting point apart from the individual. The consuming individual, via the Great Chain of Consumption, provides this point. But we must question, it seems to me, the "order" this engenders, which is the goal of this paper.

Collapsing States and the Great Chain of Consumption

The collapse of the Roman Empire created a socio-political vacuum, a vacuum that was eventually filled by the community of believers represented by Christianity. This community was tied together through the idea of the "Great Chain of Being." The Great Chain of Being placed God at the apex of one grand hierarchy extending from God to clerics to princes to lords to peasants. This organizing principle tied all people together and legitimated structures of dependency and interdependency, as well as structures of dominance and

⁶ *Ibid.*, p. 204.

⁷ *Ibid.*, pp. 204–205.

⁸ *Ibid.*, p. 205.

⁹ *Ibid.*, p. 227.

subjugation. Eventually these structures were embodied in the Holy Roman Empire. During this time the enduring social feature was (old) feudalism, which was organized by blood (i.e. kinship) ties and, when that was not feasible, by oaths of fealty. In every case, Christianity operated in the background providing the justification for feudal social ties. One pledged fealty to one's lord in part out of respect for the lord's position in the Great Chain of Being. Indeed, the vassal's lord could simply be understood as the local representative of the Lord of all Creation. All aspects of the social system, then, were ultimately legitimated by God, understood as the Christian God in the Western tradition.

During the period of the Renaissance and the corresponding emergence of the nation-state, God's role as a legitimator for social and political structures began to fade from view. This is not to say that God ceased to be an important legitimator, though. Clearly, we can see vestiges of God's legitimating role even today. But God only seems to play this role in public forums during times of crisis, as, for example, when a country is attacked by terrorists. During other times, God plays a more private role. My argument in this paper, though, is that even today we seek mystical justification for (at least some of) our social and political actions and structures. There is a difference, though, and it can be found in what provides our mystical justification. In the contemporary Western world, the "free market" plays the role that God played in (old) feudalism. The New Feudalism revolves around what Harvey Cox has called "the market as God."¹⁰

Cox sees in free marketology "a grand narrative about the inner meaning of human history, why things had gone wrong, and how to put them right. Theologians call these myths of origin, legends of the fall, and doctrines of sin and redemption."¹¹ From the perspective of free marketology, the dominant sin can be found in the "seductive temptations of statism," while salvation can be found in the "advent of free markets."¹² Indeed, as I will demonstrate below, the free marketologists claim that the free market provides the solution to all of our problems and the resolution of all of our fears. At the same time, however, the "free market" also fosters new relations of dependency and subjugation. This can be seen in my image of the "Great Chain of Consumption."

The Great Chain of Consumption fabricates mystical connections between consumers and the purveyors of consumer "goods," who are usually transnational corporations. These connections are invoked whenever purveyors of "goods" seek out consumer markets. When Coca Cola tells us that "Life Tastes Good," for example, it catches us up in these mystical connections. When Reebok tells us that this is "my planet" it does the same thing. When Goodyear tells us that its tires provide us with "serious freedom" it does the same thing. And we can find many other examples as well. The point is that such marketing ploys provide a seamless web. They tie us to the worldview of the purveyors, complete with a language of its own. Often, in fact, this language co-opts ordinary language. To be radical in this Great Chain, for example, one need not cultivate any sort of revolutionary ethos or learn any relevant concepts. On the contrary, one need only purchase a Volvo. After all, when one purchases a Volvo one enters the "Revolvolution." In this way, we are slowly being tied, perhaps

¹⁰ Harvey Cox, "The Market as God: Living in the New Dispensation," *The Atlantic Monthly*, Vol. 283, No. 3, March 1999, pp. 18-23.

¹¹ *Ibid.*

¹² *Ibid.*

irrevocably, to the horizons provided by those with more or less complete access to the public mind—transnational corporations. In the Great Chain of Consumption, then, the sustaining structures of meaning are increasingly provided by corporate entities seeking greater return on their investments.¹³ This contrasts markedly with the Great Chain of Being, where God provided the sustaining structures of meaning. But then, corporate entities are beholden to a new God—the “free market.”

This raises an interesting issue. If we look at the “development” of the legitimacy of authority over time, we can see how the idea of “representation” has changed over time. Under the Great Chain of Being, government was legitimated by God and it was therefore the representative of God. During the heyday of the “nation-state,” government was legitimated by the people and it was therefore the representative of the people.¹⁴ Now, government is legitimated by the market (as God) and it is therefore the representative of the market. It seems that we have come full circle—from Great Chain of Being through Social Contract to Great Chain of Consumption. The latter is comparable to the Great Chain of Being, but it has a different support. Religion is replaced by free marketology and the public interest (broadly construed) continues to be lost in the mix.

Free Marketology

Thomas Frank has recently written about free marketology or, as he calls it, market populism.¹⁵ Frank chronicles what amounts to a war for the public mind, a war that is currently being won with amazing ease by the adherents to market populism. Frank interprets the past 100 years or so of American history in light of the attempts by various people to stake the populist ground, and he argues that market populists have been able to successfully occupy the populist position through creative use of the media, public relations, and management theory. Frank sees the last 30 years or so of American history as the most relevant because it was during that time that New Deal politics has been scaled back, undermined, and ultimately decimated. The attack against the New Deal begins, in his telling, with the “backlash populism” of George Wallace and Richard Nixon.

¹³ The “irrational rationality” of this phenomenon is expressed well in the opening pages of George Ritzer’s *The McDonaldization of Society: An Investigation into the Changing Character of Contemporary Social Life* (Thousand Oaks, London and New Delhi: Pine Forge Press, 1996). Ritzer argues that contemporary social life is characterized by an adoption of the business approach of McDonald’s, writ large. We see this well when we notice how convinced so many of us are that the interests of business are the interests of the masses. But we also see it when we note the tremendous value we place on efficiency, calculability, predictability, and control (see pp. 9–11 of Ritzer).

¹⁴ Of course, we must understand that the notion of the “people” was very narrowly construed. Indeed, even when we refer to the “people” today, it is difficult to demonstrate that governments concern themselves in any direct way with the public interest. Rather, the “people” still appear to be elites, most notably corporate entities. See Stanley A. Deetz, *Democracy in an Age of Corporate Colonization: Developments in Communication and the Politics of Everyday Life* (Albany: State University of New York Press, 1992), p. ix.

¹⁵ Thomas Frank, *One Market Under God: Extreme Capitalism, Market Populism, and the End of Economic Democracy* (New York: Doubleday, 2000).

Backlash populism sought to stake the populist ground by creating a “new” class of intellectuals who were systematically undermining the cherished religious and cultural values of ordinary, everyday Americans. In this way, we can see a straight line of backlash populist ideology from George Wallace through the Christian Coalition to Newt Gingrich. As Frank says, “starting with the Nixon campaign in 1968 and continuing up through the Gingrich years, the American right paid the bills by handing out favors to business, but it won elections by provoking, organizing, and riding a massive populist backlash against the social and cultural changes of the 1960s.”¹⁶ This, while different in important ways from market populism, actually paved the way for the emergence of the market populism of today. Both backlash populism and market populism share a pro-corporate agenda and they also share an aversion to “elitism,” though elitism is defined differently by each.¹⁷

Gone are the days when populists identified the elite with “the owners and managers of industry,” as the original populists (the Farmers’ Alliance, the CIO) did.¹⁸ Backlash populism turned the tables on this sort of class warfare. For backlash populists, “the patriotic, blue-collar ‘silent majority’ (along with their employers) faced off against a new elite, the ‘liberal establishment’ and its spoiled, flag-burning children.”¹⁹ Workers, in other words, were identified *with* industry rather than against it and together this cultural “underclass” was fighting against liberal journalists, liberal academics, liberal politicians, and Hollywood, all of whom meant to ply their own advantage against the cultural underclass and ruin democracy, abolish religion, undermine “family values,” and so on. Elites, in other words, were no longer the wealthy, the millionaires, the owners of industry. Rather, elites “were those sneering kids who dodged the draft, along with their liberal parents and the various minorities and criminals those parents seemed so determined to pamper.”²⁰

Underlying this, of course, are always the interests of capital. Backlash populism seems to have been a way for the old elites to very subtly attack the New Deal, de-legitimize government, and in so doing, re-institute the protection of the market from unwise bureaucratic meddling. At the same time, by appropriating the populist terrain they could do this even as they appealed to the masses and to the values we hold so dear. That is, backlash populism was

¹⁶ *Ibid.*, p. 25.

¹⁷ Clearly the colonization of the populist terrain by backlash populists and then by market populists ushers in redefinitions of representation. I agree with Takis Fotopoulos’ (1997) idea that representative government is mostly a tool for elite control, but these new definitions of representation further hide that fact while deepening it at the same time. The backlash populist position, for example, merely taps into the divide and conquer tactics of effective elite control, redefining the “elite” as those who are very unlikely to exert any effective political control whatsoever and then pitting the “people” against that “elite.” The “people’s” energies, then, are wasted and elite dominance operates behind yet another barrier. Market populism is even more creative in this regard since society is made up of a multiplicity of subjectivities each of whom finds “satisfaction” and “representation” in the “free” market. Here, the “people” are every individual, which means that the “people” ceases to exist. Citizenship suffers a similar fate. And the whole idea of representation disappears without actually ever being abandoned.

¹⁸ Frank, *op. cit.*, p. 25.

¹⁹ *Ibid.*, p. 26.

²⁰ *Ibid.*

able to claim that the old elites actually had the interests of democracy and of the people more in mind than did the liberal populists of old. Those old liberal populists were the problem as they sought to attack democracy with their highbrow, elitist cultural values.

In the 1990s, the real focus of Frank's book, backlash populism easily gave way to market populism, or free marketology. Market populism drops the talk of values and attaches itself to economics. Now, the elites are not arrogant "in matters of values but in matters [of] economics."²¹ Those identified as elitists (often the same people backlash populism identified, such as Marcuse, Adorno, etc.) still "thought they were better than the people, but now their arrogance was revealed by their passion to raise the minimum wage, to regulate, oversee, redistribute, and tax."²² Of course, market populists cannot simply ignore the issues of unemployment, falling wages, and so on. So, they contend that governments actually interfere with these mass interests through regulation, taxation, and other arrogant meddling in market forces.²³ Market populists contend that the market, left unfettered and alone, will equitably redistribute wealth and resources, provide jobs and social services, and regulate its own practices with far better success than any government ever can, especially given the complexities of the "New Economy."

Along the way, market populism jettisoned the backlash populist belief in God, values, and other "square" concerns and attached itself to the "hip" new generations of youths who simply did not (or perhaps could not) believe in such things. They could, however, easily believe that the market would solve all problems, economic, social, and cultural. The market would enable "justice" and it would finally bring about real "democracy." Market populism, in other words, kills God and substitutes the market as the omniscient, omnipotent, and increasingly omnipresent power that will help us to realize our chiliastic hopes.

Here we see an obvious connection to Francis Fukuyama, whom Frank credits with having ignited the "world-historical infallibility" of the market populist position,²⁴ and a not so obvious connection to Daniel Bell. Market populism seeks to generate a "market consensus." As such, much of what it does is to attack anyone who refuses to believe in the deified Market as a "cynic" or perhaps even a heretic. Anyone who is willing simply to go along with the free market position is an "optimist" or a "dynamist" in that he or she

²¹ *Ibid.*, p. 32.

²² *Ibid.*

²³ This perspective comes out very clearly in Thomas Friedman's book, *The Lexus and the Olive Tree: Understanding Globalization* (New York: Anchor Books, 2000). There, he argues that anti-globalization forces actually hurt the poor more than the globalization forces do. Indeed, globalization promises new horizons of wealth for all. Friedman made very similar pronouncements in his *New York Times* opinion column during the WTO protests in Seattle (1999) and during the protests at the Summit of the Americas (2001). During these latter protests, Paul Krugman (2001) staked this ground as well. Interestingly, Krugman seems to have abandoned this position since the September 11 attacks. His columns on the Enron scandals, the Bush Administration's manipulations, and the rise of plutocracy appear to run markedly counter to the positions he took on the Summit of the Americas. See Paul Krugman's "Hearts and Heads," *New York Times*, Reckonings Column, April 22, 2001, Op-Ed page; and "The End of Middle-Class America (and the Triumph of the Plutocrats)," *New York Times Magazine*, October 20, 2002.

²⁴ Frank, *op. cit.*, pp. 396–397.

simply accepts the “inevitability” of the dominance of market relations. This smacks of Daniel Bell’s position in *The End of Ideology*. Bell contends there that we must work with what is. For example, to deal with exploitation we need not completely upend the capitalist system in Marxist or Leninist fashion. Instead, we should use technology to our benefit and seek to redefine work, workplaces, etc. within the contexts supplied by the capitalist system.²⁵

For Bell, ideology can no longer be a road to action. Instead, it leads to a dead-end at which nothing can be accomplished. The end of ideology witnesses the death of “God” in politics: “Now there is only this life, and the assertion of self becomes possible—for some even necessary—in the domination over others.”²⁶ In this way, the death of ideology is both destructive and creative (to paraphrase Bakunin). It is destructive insofar as it undermines the old ideologies built upon the (moral) ideals of social equality and freedom. It is creative insofar as it creates new ideologies of economic development and national power.²⁷ Bell ultimately argued, in the 1950s, that we were witnessing the end to our chiliastic hopes. This is a position that carried over rather well to backlash populism since it was more of a critique than it was a solution. But market populism re-institutes chiliastic hopes and it is the market (along with its “liberal democratic” accompaniment) that, according to Fukuyama and those following him, delivers them.²⁸

It only makes sense, then, that Newt Gingrich would disappear from the national political scene (representing as he did the backlash populist position of critique, cynicism, and attack) and be replaced by Bill Clinton and, then, George W. Bush. The latter, given his business degree and pedigree, was easily able to adapt to the management style that now characterizes “political leadership” in the free market context. After all, “according to market populism the political is a realm of hopeless and unavoidable corruption. The corporate world is where the people’s work is done, where the real power resides, and so it seems only natural that the new idea’s greatest theorists arose from business rather than politics.”²⁹ As such, anyone who looks to the market for solutions to the problems of education, unemployment, unfair wages, and so on is rewarded with legitimacy. Anyone who criticizes the intrusion of the market into education, employee/employer negotiations (i.e. “cannibalism”), and so on becomes a cynic, an elitist, a foe of democracy and therefore of the “people.”³⁰

The main problem with free marketology is that it seeks to exclude government from any and all market relations (except where such intervention will benefit corporate interests), which have increasingly come to dominate all aspects of life. As such, in spite of claims that the market is the true voice of the

²⁵ Daniel Bell, *The End of Ideology: On the Exhaustion of Political Ideas in the Fifties* (Cambridge and London: Harvard University Press, 2000), pp. 390–392.

²⁶ *Ibid.*, p. 401.

²⁷ *Ibid.*, p. 403.

²⁸ Friedman, 2000, *op. cit.*, and Fukuyama, 1993, *op. cit.*

²⁹ Frank, *op. cit.*, p. 50. Nowhere has this point been more obvious than in the 2001 New York City Mayoral campaign. Mike Bloomberg, the eventual winner, actually ran television ads in which ordinary, everyday New Yorkers could be seen (with no coaching, presumably) endorsing Bloomberg’s campaign because as a businessman he could be better trusted to carry out the (political) tasks of the Mayor’s Office than a politician could!

³⁰ This point reiterates the point on representation made above in note 17.

people, the people end up losing their voice altogether because civil society loses its voice as a result of market dominance. The people, in other words, lose the real vehicle of popular voice (civil society) when the market steps in to colonize it. The market speaks for the wealthy, corporate elite. Free marketology identifies this elite as (potentially) all of us if only we will allow the market to work its magic, but the fact is that throughout the 1990s the wealthy took a bigger piece of the pie while the people it supposedly speaks for began to receive smaller and fewer pieces.³¹ The free marketologist, then, becomes the real cynic insofar as he or she claims to do one thing (serve the interests of democracy, the people, justice, etc.) even as he or she does another (serves his or her own self-interest in accumulating ever vast holdings of wealth and, therefore, power). This is one of the ways in which we are very creatively tied into the Great Chain of Consumption. As Frank puts it, we “do not go off to our jobs checking telephone lines or making cold calls or driving a forklift every morning because that is what we want to do; we do it because *we have to, because it is the only way we can afford food, shelter, and medicine*. The logic of business is coercion, monopoly, and the destruction of the weak, not ‘choice’ or ‘service’ or universal affluence.”³²

The new ideology, that of free marketology, ensures our domination by promising us freedom, by establishing the *belief* that the deified Market has only our best interests in mind provided that we follow its dictates. And, in fact, all sorts of beliefs are wrapped up in this ideology. What was the best way for ordinary Americans to help out in the wake of the September 11 terrorist attacks? Go shopping! Consume! Indeed, there were even reports of people buying collagen injections or body wraps or cosmetic surgery as a way to recover from the depression the attacks wrought for so many. So, not only does consumption promise liberty and justice for all, but it also helps us heal from emotional trauma, it helps us feel better about ourselves as we pamper ourselves. But all of these promises come at a political price.

Free marketology’s villain is “the federal government, with its senseless ‘Depression-era’ bank regulations, now transformed through the magic of market populism from thorn-in-the-side of the big banks to intolerable restraint on the ceaseless efforts of the ‘middle class’ to get their just percentage. [Joseph] Nocera’s celebration of the ‘money revolution,’ published at about the same time the ‘Republican Revolution’ swept the Gingrich Congress into power, encapsulated the ideological tenor of the decade: Smash the unions and deregulate everywhere—but do it in the name of the People.”³³ For Frank, the political ramification of the sweeping tide of market populism has been its repeal of the “social contract” hammered out during the New Deal, which had instituted “the middle-class republic itself.”³⁴ I think this is an overstatement since it simplifies the New Deal in some rather naive ways. His statement on p. 106 is similarly

³¹ Edward Luttwak, *Turbo Capitalism: Winners and Losers in the Global Economy* (New York: HarperPerennial, 1999), pp. 1–3. Also see Paul Krugman’s “The End of Middle-Class America (and the Triumph of the Plutocrats),” *op. cit.*

³² Frank, *op. cit.*, pp. 86–87, emphasis added.

³³ Frank, *op. cit.*, p. 128.

³⁴ *Ibid.*, p. 357.

naive. There he claims that the populism of FDR was “enshrined as national economic common sense until it was pushed aside in the 1990s.”³⁵

I think the notions of a social contract, the middle-class republic, and the New Deal as national economic common sense (as accurate as they may be) overlook the fact that the New Deal was endorsed by corporations for reasons of self-interest. Frank even seems to recognize this since he accounts for the villainous position of big business for most of the first half of the 20th century. Unions and the generalized mass of workers were organizing powerful rebellions that threatened to undermine social, and therefore economic, stability, which ran counter to effective planning; predictability in prices, markets and supply and deployment of labor were all becoming crucial to the interests of large-scale corporations. And so, big business actually was moving in the direction of hoping for government involvement *before* the New Deal was instituted. Evidence can be seen in Supreme Court decisions, which after the regulative/planning provisions of the NIRA were deemed unconstitutional in 1935, quickly moved in the direction of *enabling* the mixed economy, unionization, and government regulation rather than preventing it. By 1937, the Supreme Court could be seen upholding the constitutionality of Washington State’s minimum wage legislation, and this was not met with economic stagnation or corporate protest.³⁶

Similarly, the Court’s recent shifts toward political devolution and the accompanying loss of governmental power *vis-à-vis* the market also serve the interests of large-scale corporations as they increasingly dominate the international social, economic, and cultural scenes. In this sense, Frank’s concern over the loss of the New Deal coalition does ring true. In spite of its faults and the benefits accorded big business, the New Deal did result in a fundamental redistribution of wealth. And despite this, big business went along with it because it knew that its economic interests were served by the political and social stability guaranteed by a growing middle class (or, to invoke Marcuse, by the taming of the struggle for existence).³⁷

But now, the way has been paved by backlash populism and free marketology for big business to reclaim a greater share of the wealth through a long project of identifying its interests with those of the masses of people. But far from leading to a great equalization of wealth, what has actually resulted has been a new redistribution of wealth from the bottom to the top. The portfolios of the new wealthy have appreciated, “but they did so only to the extent that we countenanced the reduction of millions to lives of casual employment without healthcare or the most elementary sort of workplace rights.”³⁸ The middle class is actually being squeezed by free marketology, creating a new polarization of rich and poor, which is created, of course, by the logic of capital left unrestrained by government power. In the days preceding the market consensus we at least possessed the possibility that we might be heard by government officials. But

³⁵ It probably makes more sense to argue that FDR’s populism was pushed aside during the 1970s and 1980s.

³⁶ See Fotopoulos, *op. cit.*

³⁷ Herbert Marcuse, *An Essay on Liberation* (Boston: Beacon Press, 1969).

³⁸ Frank, *op. cit.*, p. 357.

now, the market claims to play that role, a role it cannot possibly play because it works according to a different logic.

The fact is, and most of us know this, government has ceased listening to civil society (if, in fact, it has ever really done so) and has commenced listening mostly to the market. Corporations, then, become able to lay claim to the *vox populi* even as they systematically undermine it. As Frank puts it: "To the casualization of work, to the destruction of the social 'safety net,' to the massive prison roundup, the powers of commerce added the staggering claim of having done it all on our behalf."³⁹ Here is where we can see the resonance of the "New Feudalism." The political ramifications of free marketology and its increased currency in the political and the popular imagination in recent years remind one of the Old Feudalism, but without any of its positive elements. Most obviously absent is any strong notion of community.

The New Feudalism

To understand this absence, we must back up a bit and trace out the development of liberalism over time.⁴⁰ John Dewey argued persuasively in *Liberalism and Social Action* that we commit a serious blunder if we attempt to apply Lockean liberalism, for example, to 20th century American politics.⁴¹ For Dewey, truth must always be seen in context. Locke's brand of liberalism, then, must be seen in its own terms. Locke sought to wrest political authority from its moorings in tradition and blood. His purpose for doing so was to protect individuals from the arbitrary power of traditional authority. Locke's version of liberalism sets out the claim "that governments are instituted to protect the rights that belong to individuals prior to political organization of social relations."⁴² In particular, Locke hoped to protect the property of individuals against "levies on property made by rulers without authorization from the representatives of the people."⁴³ Locke, then, is instrumental in placing ideological priority on the individual as the goal of the liberal project.

This ideological priority, however, takes on different meanings as economies, politics, and cultures develop. After all, the individualism spawned by Locke's theory is wholly opposed to organized social action. The state's "sole business" was to safeguard the liberties of individual thought and action, though the latter safeguard applied much more directly to the holders of real property. Locke's vision of liberty, then, is purely negative. A century later this negative vision of liberty remained essentially unchanged, but economies had shifted considerably from the agrarian structure of Locke's time. By the late 18th century, a much greater emphasis was placed on the production of wealth rather than its possession, thanks in large part to a significant development of industry

³⁹ *Ibid.*, p. 358.

⁴⁰ Parts of the argument in this section were initially discussed in my "Human Liberty and the State: The Reflexive Modernism of André Gorz and Thomas Hobbes," delivered at the New York State Political Science Association's Annual Conference in April of 2000.

⁴¹ John Dewey, *Liberalism and Social Action* (Amherst, NY: Prometheus Books, [1935], 1991).

⁴² *Ibid.*, p. 15.

⁴³ *Ibid.*, p. 16.

and commerce.⁴⁴ This led to an important political change. The “enemy was no longer the arbitrary special action of rulers. It was the whole system of common law and judicial practice in its adverse bearing upon freedom of labor, investment and exchange.”⁴⁵ This enabled a crucial change in liberalism. Liberty of the individual was still of primary concern, but the content of liberty had changed. The “natural” antagonism between ruler and ruled persisted, but the importance of the political had been replaced with the economic. As Dewey put it, “the effect was to subordinate political to economic activity; to connect natural laws with the laws of production and exchange.”⁴⁶ Political beliefs have lagged behind economic realities ever since.⁴⁷

Along the way, a competitive system found a positive reception “as the means by which the latent abilities of individuals were to be evoked and directed into socially useful channels.”⁴⁸ But with the political being subsumed in the economic this competitive system has become increasingly problematic. Organized society *qua* economic society (masquerading as democratic society) has become increasingly oriented around encouraging profit-seeking activities. This led Dewey to highlight a “crisis in liberalism,” which

proceeds from the fact that after early liberalism had done its work, society faced a new problem, that of social organization. Its work was to liberate a group of individuals, representing the new science and the new forces of productivity, from customs, ways of thinking, institutions, that were oppressive of the new modes of social action, however useful they may have been in their day. The instruments of analysis, of criticism, of dissolution, that were employed were effective for the work of release. But when it came to the problem of organizing the new forces and the individuals whose modes of life they radically altered into a coherent social organization, possessed of intellectual and moral directive power, liberalism was well-nigh impotent.⁴⁹

The reason for this impotence can be seen in light of the fact that the political system has become “merely the agent of a dominant economic class in its struggle to keep and extend the gains it has amassed at the expense of genuine social order, unity, and development.”⁵⁰ The wealthy, in other words, had merely artificially extended the struggle for existence from nature to society. By artificially extending material insecurity to a time when it no longer has to apply, the dominant economic class becomes able to capitalize on it for its own gain. Material scarcity, then, has been artificially perpetuated in order to ensure the sort of social order that will not threaten the holdings of the wealthy. But from this, a moribund liberalism has resulted in which liberty has faltered. Liberty has faltered, in large part, because its moral and political content has not kept pace with economic developments. For the liberal project to be renewed, then, the moral and political content of liberty must be brought up to date with economic developments. As Dewey notes,

⁴⁴ *Ibid.*, p. 18.

⁴⁵ *Ibid.*

⁴⁶ *Ibid.*

⁴⁷ Karl Polanyi, *The Great Transformation: The Political and Economic Origins of Our Time* (Boston: Beacon Press, 1957).

⁴⁸ Dewey, *op. cit.*, p. 67.

⁴⁹ *Ibid.*, pp. 58–59.

⁵⁰ *Ibid.*, p. 59.

[l]iberty in the concrete signifies release from the impact of particular oppressive forces; emancipation from something once taken as a normal part of human life but now experienced as bondage. At one time, liberty signified liberation from chattel slavery; at another time, release of a class from serfdom. During the late seventeenth and early eighteenth centuries it meant liberation from despotic dynastic rule. A century later it meant release of industrialists from inherited legal customs that hampered the rise of new forces of production. Today, it signifies liberation from material insecurity and from the coercions and repressions that prevent multitudes from participation in the vast cultural resources that are at hand. The direct impact of liberty always has to do with some class or group that is suffering in a special way from some form of constraint exercised by the distribution of powers that exists in contemporary society.⁵¹

The structure of economic organization, then, must support the liberty of individuals and the only way this can be accomplished, according to Dewey, is through socializing the forces of production.⁵² Of course, at times Dewey seems to simply be saying that the culprit is *laissez faire* liberalism, which might have made him a proponent of the New Deal.⁵³ But the New Deal did not significantly upend the skewed distribution of wealth and, indeed, probably reinforced it in the long run. Furthermore, contemporary cries of the evils of “big government” and its intrusions on individual liberty indicate that the dominant economic class continues the struggle to extend its disproportionate holdings of wealth.

In spite of popular rhetoric to the contrary, then, liberty, understood as release from the impact of oppressive forces, continues its retreat to this day. In fact, the situation is probably even worse now than it has been in the past. This is so for a number of reasons, but I will briefly mention only two of them here. First, the revolution in entitlements accompanying the shift to a consumer-based mass society shifts the definition of liberty to encompass the mere purchase of consumer needs, which take the place of natural needs; indeed, they *become* natural needs. The mass market caters to individual “needs” and the satisfaction of these needs becomes the political expression of liberty.

The second reason for the retreat of liberty follows from the first. Citizens routinely convey a lack of social responsibility, which is implicated in the weakening of liberty since it can find no way to be expressed in the social order. This is an interesting development given the fact that the state encourages the private appropriation of publicly produced wealth, which leads to the revolution in entitlements and, at the same time, the inability to deliver those entitlements to everyone. But what gets lost here is not the problem of material scarcity. After all, in the United States the majority of the population does not want for material satisfaction. But it might be argued that the majority does want for meaningfulness, for individual autonomy and creativity, for a sense of purpose that is not connected to consumption. And this is precisely what the liberal project is supposed to, but currently is failing to, deliver; a fact that is surely related to the moribund condition of liberty.

Liberalism has simply continued to be yet another way to protect the interests of the few at the expense of the many. Liberalism has always played a part in the establishment of social order, but social order was supposed to play

⁵¹ *Ibid.*, p. 54.

⁵² *Ibid.*, p. 88.

⁵³ *Ibid.*, p. 45.

second fiddle to “freedom.” Freedom originally was sought so that the new class of bourgeoisie would not need to have their profits siphoned off by the arbitrary power of the monarch. Since that time, the idea of “freedom” has gotten considerably more play, to the point where it has been used (by backlash populists and free marketologists alike) as an emotional appeal for the enhancement of political and economic power. Social order used to be maintained by coherent roles for citizens, classes, or workers to occupy. Now, no such coherent roles exist for the maintenance of social order, yet the emotional appeal of freedom as found in the “free market” or in “small government” (whatever these may mean) ensures a social “order” that supports the order of society, namely, the continued domination of the many by the few. As André Gorz puts it, “socialization no longer guarantees individuals a *place* in a ‘social order’, no longer ensures a sense of belonging and an ‘identity’. Each person occupies multiple functions, roles and places without being able to identify with any one of them; in consequence, everyone has to construct an identity for him- or herself, to define the right line of conduct for him- or herself.”⁵⁴

Nothing here, in other words, prevents the definition of “the right line of conduct” from running at odds with social order. The release of the individual from his or her social moorings, in other words, becomes complete. And yet social order is maintained, nevertheless, because rather than being socialized as occupants of particular social roles, we are being socialized as occupants of a multiplicity of largely private, individual roles. We begin to see college degrees as commodities to be traded on the job market, we are rendered insecure in our jobs as flexible capital and a complicit state conspire to enhance shareholder profits, and we witness the management of wages and economic growth in order to avoid placing a damper on corporate earnings in currency markets. In all of these ways, we are trained to turn inward and protect ourselves from the corporate onslaught. What results is a sort of social order, but it is an order that clearly benefits the few and not the many.

Today, everything becomes a commodity, even our free time. We have choices to make regarding how we spend our time away from work (assuming we have any), but increasingly those choices have been commodified. We can watch television and never escape the cascading images of products that we *really* “need.” Furby’s and CyberPets tempt us; bland beers entice us with their fantasy worlds occupied by bikini-clad beauties; automobiles offer us a new freedom in a 4 × 4 heaven. Or we can explore our horizons on the Internet, using telephone lines of course. There we can become wealthy in a matter of minutes, thereby freeing up more time for us to consume because consuming, of course, can never end. Or we can take a vacation; we can fly to any number of exotic locales, a trip paid for, of course, with our American Express cards, where we may buy an expensive ticket that allows us to experience the future, or the past, or our fantasies at the relevant theme park. In every case, our experiences are more or less completely structured for us rather than by us. Even a simple trip to the grocery store is conditioned by our purchase of fossil fuels to power our private transportation machines to carry us across the publicly funded roads to

⁵⁴ André Gorz, *Capitalism, Socialism, Ecology*, trans. Chris Turner (London and New York: Verso, 1994), p. 22.

our destination. This web of commodification and technological socio-structure in which we find ourselves irrevocably ties our “needs” to its own horizons. As we monetize, commercialize, and professionalize all sectors of production and service, we become not only incapable of looking after one another, we become incapable of looking after ourselves, thereby “undermining the foundations of existential autonomy, not to mention the foundations of lived sociality and the fabric of human relationships.”⁵⁵

Furthermore, once we recognize that the contemporary form of liberalism is best understood as a “corporate liberalism,”⁵⁶ in which corporations are themselves defined as individuals, we become capable of understanding that the ideological priority that liberalism places on the individual now applies most directly to corporate “individuals” rather than to human individuals. As such, the commercial corporation eclipses “the state, family, residential community, and moral community” and thereby refashions “society” after its own image.⁵⁷ Indeed, as Deetz notes, the power of human individuals to understand the complex machinations of power and accountability of such a society, much less the power to *control* these machinations, disappears. The corporate liberal society fosters new dependencies and brings out a new notion, that of “private governments.”⁵⁸

Not only do we find ourselves increasingly beholden to social decisions that are made by organizations dominated by private, corporate entities (e.g. WTO, NAFTA, etc.), but governments increasingly are so beholden as well. This has, in a way, always been a hallmark of liberalism. The notion of limited government was meant to apply in very narrow terms to the holders of private property as they sought to dispose of it at their will. Government, in other words, was carried out by the owners of the country (to paraphrase the words of John Jay) and there is very little indication that this has changed. “Modern Americans,” in the words of R. Jeffrey Lustig, “have come to see the world divided into superiors and subordinates as naturally as the feudalists saw it divided into masters and men ... In being rendered ‘private,’ furthermore, these new hierarchical relations have been cast beyond the institutions of accountability.”⁵⁹ These days, of course, the possibilities for accountability are even more remote as more and more previously “public” institutions are privatized. As such, when the great democrat, George W. Bush, clamors for “accountability” in American education he cannot possibly be talking about accountability to the public interest. Instead, he must be referring to a sort of private and internal accountability as we increasingly face our dependence on actors and institutions falling outside of public control.

Conclusion

In the contemporary world of the New Feudalism the particular oppressive

⁵⁵ *Ibid.*, pp. 51–52.

⁵⁶ Lustig, *op. cit.*, pp. 12–18.

⁵⁷ Deetz, *op. cit.*, p. 2.

⁵⁸ Lustig, *op. cit.*, p. 19.

⁵⁹ *Ibid.*, pp. 20–21.

forces are supplied by the dominance of private (corporate) control over ever increasing spheres of life. These oppressive forces have taken hold in the state, broadly construed, as it serves to promote the private interests of the few profiteers as they seek to expand their disproportionate share of socially produced wealth. The state, in other words, has succumbed to the proliferation of private power at the expense of society and the meaningfulness of the lives that constitute it.⁶⁰ The state has cut itself off from the essential needs and interests of the many and, in so doing, has betrayed its own (purported) purpose, which must be to cater to the interests of the public and, as it does so, to the interests of those who constitute the public sphere of life.

Moreover, in the communal vacuum created by the state's retreat, we find transnational corporations. Global politics serves their interests and because ordinary human beings always seek community with others and because we have increasingly been socialized as commodity fetishists, we invariably seek out community with one another through commodity consumption. The New Feudalism of "status capitalism"⁶¹ witnesses our identification with the "Pepsi Nation" rather than with the "Coca Cola Nation." It records the battle between Nike and Reebok. And we are willing participants in the games, games that are always rigged and defined by the purveyors of consumer "goods." In a way, then, we could not possibly be freer since we have fewer and fewer social and political obligations in the webs of commodification. I am free to define the "good life" for myself. No social superiors are leaning on me to accept some particular notion of the "good." Nobody is openly demanding my fealty. I am free from social bonds. Feudalism appears to be dead. But in another way, my freedom is a lie. Sure, I need not identify with Pepsi or Coca Cola, with Nike or Reebok. But when most of my fellow humans *do* so identify and, more importantly, when so much of contemporary society is soaked with logos, jingles, and mission statements very little (if any) space exists for more meaningful identifications.

Big corporations now replicate big governments. The New Feudalism replicates and updates Old Feudalism, but it also replicates and updates the Old Federalism. I might identify with the St. John's basketball team, but when I do so I also become a *de facto* member of the Nike Nation. My local identity is attached to the Red Storm, as evidenced by my purchase and donning of jerseys with the Red Storm logo. But my "national" or even "international" identity is attached to Nike, as evidenced by the inevitable Nike Swoosh emblazoned on the jersey. In this, I join other proud members of the Nike (Inter-)Nation even though they may be locally identified with the Arizona Wildcats or the Georgetown Hoyas or some other Red Storm rival. Even so, a sense of common purpose gets lost when living in the "Nike Nation." This "nation" appeals to the self-interest of atomized individuals. It buys in to the ideological priority placed on the individual by a moribund liberalism. It takes this liberal logic to its extremes. And it does this by not only colonizing the lifeworld but also by

⁶⁰ See Carl Boggs, *The End of Politics: Corporate Power and the Decline of the Public Sphere* (New York and London: Guilford Press, 2000).

⁶¹ Lustig, *op. cit.*, p. 20.

colonizing the system world. The multiplicity of corporate “nations” has colonized the state, in other words, and any sort of lived sociality that may have existed as liberalism evolved has now melted away. We are now merely consumers rather than citizens, vassals in the replicated “lands” of our corporate lords.

