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HOW TO WIN THE WAR OF IDEAS

Lessons from the Gramscian Right

In Greek the *hegemon* is the leader, and from there it's just a linguistic hop, skip, and jump to the notion of rule, authority, and dominance expressed by the word "hegemony." Traditionally, the term was reserved for states. In the 1920s and 1930s, the great Italian Marxist thinker Antonio Gramsci took the concept further, using it to explain how one class could establish its leadership over others through ideological dominance. Whereas orthodox Marxism explained nearly everything by economic forces, Gramsci added the crucial cultural dimension. He showed how, once ideological authority—or "cultural hegemony"—is established, the use of violence to impose change can become superfluous.

Today, few would deny that we live under the virtually undisputed rule of the market-dominated, ultracompetitive, globalized society with its cortège of manifold iniquities and everyday violence. Have we got the hegemony we deserve? I think we have, and by "we" I mean the progressive movement, or what's left of it. Obviously I don't deny the impact of economic forces or of political events like the end of the cold war in shaping our lives and our societies, but here I intend to concentrate on the war of ideas that has been tragically neglected by the "side of the angels." Many public and private institutions that genuinely believe they are working for a more equitable world have contributed to the triumph of neoliberalism or have passively allowed this triumph to occur.

If this judgment sounds harsh, positive conclusions may still be drawn from it. The Rule of the Right is the result of a concerted, long-term ideological effort on the part of identifiable actors. If we recognize that a mar-

ket-dominated, iniquitous world is neither natural nor inevitable, then it should be possible to build a counter-project for a different kind of world.

Exclusion and Ideology

The late twentieth century could be dubbed the Age of Exclusion. It's now clear that the "free market," which increasingly determines political and social as well as economic priorities, cannot embrace everyone. The market's job is not to provide jobs, much less social cohesion. It has no place for the growing numbers of people who contribute little or nothing to production or consumption. The market operates for the benefit of a minority.

The Age of Exclusion engenders myriad social ills with which various humanitarian and charitable agencies, established in an earlier era, vainly attempt to cope. Vainly, because they have failed to understand that their projects and programs exist in an ideological context that systematically frustrates their aims.

The now-dominant economic doctrine, of which widespread exclusion is a necessary element, did not descend from heaven. It has, rather, been carefully nurtured over decades, through thought, action, and propaganda; *bought and paid for* by a closely knit fraternity (they mostly *are* men) who stand to gain from its rule.

An earlier version of this doctrine was called "laissez-faire"; today Americans speak of neoconservatism, Europeans of neoliberalism, and the French of "*la pensée unique*" (the dominant or single mindset). I shall use

“neoliberalism,” bearing in mind that the modern version of the doctrine is far removed from that of such great “liberal” political economists as Adam Smith or David Ricardo. Neoliberals pretend to follow these illustrious predecessors, but in fact betray their spirit and ignore their moral and social teachings.

A Half Century of History

The victory of neoliberalism is the result of fifty years of intellectual work, now widely reflected in the media, politics, and the programs of international organizations. Reaganism, Thatcherism, and the Fall of the Wall are often credited (or blamed) for this state of affairs and they have, indeed, made neoliberals more arrogant, but there is much more to the story than that.

Fifty years ago, in the wake of World War II, neoliberalism had no place in the mainstream political debate. Its few champions preached to each other or in the desert—everyone else was a Keynesian, a social/Christian democrat or some shade of Marxist. Overturning that context required intellectual tenacity and political planning—but it also took the passivity of a self-satisfied majority. If there are three kinds of people—those who make things happen, those who watch things happen, and those who never knew what hit them—neoliberals belong to the first category and most progressives to the latter two. The left remained complacent until, suddenly, it was too late.

The American founding fathers of neoliberalism thus held few cards at the outset, but they believed in a crucial principle: *Ideas Have Consequences*—the title of a 1948 book by Richard Weaver that was to have a long and fruitful career.

Weaver’s conservative writings were published by the University of Chicago Press, as were the works of exiled Austrian philosopher-economist Friedrich von Hayek and the brilliant young economist Milton Friedman. Today the “Chicago School” is famous: its economic, social, and political views have spread throughout the world. In General Pinochet’s Chile, Chicago-trained economists were the first to apply *el tratamiento de chock* (shock treatment) based on freedom for business but repression for labor.

Clearly, ideas have consequences—after all, Margaret Thatcher proudly proclaimed her allegiance to the ideas of Hayek, and most economics students who go on to occupy policy positions have been trained in the neoliberal curricula. One conservative scholar sums up the doctrine thus: “Individual freedom is the ultimate social ideal; governmental power, while necessary, must be limited and decentralized. Interventionism is baneful and dangerous. Economic freedom, that is, capitalism, is an indispensable condition for political liberty.”

Neoliberals reject the notion that individual freedom might *depend* on democracy and the rule of law, guaranteed by the state. For them, such “guarantees” are nothing but chains. To be free is to be free *from* the state. The individual is entirely responsible for his economic and social fate; this implies that disparities will necessarily exist. But this is good. As Thatcher put it, “It is our job to glory in inequality and see that talents and abilities are given vent and expression for the benefit of us all.”

In the early days of the neoliberal renaissance, such ideas may have seemed utopian, since they were antagonistic to the spirit of the New Deal and the welfare state. Neoliberals understood, however, that to transform the economic, political, and social landscape they first had to change the intellectual and psychological one. For ideas to become part of the daily life of people and society, they must be propagated through books, magazines, journals, conferences, professional associations, and so on. If some ideas are to become more fashionable than others, they must be financed: it takes money to build intellectual infrastructures and to promote a worldview.

When these foundations have been carefully laid and built upon, views that once seemed minoritarian, elitist, even morally repugnant will gradually become predominant, especially among decision makers. Press, radio, and television can be guided to follow the lead of the more specialized or erudite media. Imperceptibly, nearly everyone will come to feel that certain ideas are normal, natural, part of the air we breathe.

Manufacturing Ideology

The neoliberals thus conceived their strategy, recruiting and rewarding thinkers and writers, raising funds to found and to sustain a broad range of institutions at the forefront of the “conservative revolution.” This revolution began in the United States but, like the rest of American culture, has spread across the world. The doctrines of the International Monetary Fund, the World Bank, and the World Trade Organization are indistinguishable from those of the neoliberal credo. Here are some capsule profiles of some of the most influential intellectual institutions or think tanks.

- The American Enterprise Institute (AEI) was founded in 1943 by a group of anti-New Deal businessmen. It pioneered intellectual public relations in the 1950s and 1960s, working directly with members of Congress, the federal bureaucracy, and the media. In the 1980s, AEI’s average budget was \$14 million; it employed some 150 people. One of its most successful fund-raising campaigns was launched by the Secretary of Defense in the Pentagon dining room. In the 1990s, the annual budget has dropped to around \$8 to \$10 million, but AEI still produces a steady stream of books, pamphlets, and legislative recommendations, and its pundits are frequently heard from in the mass media.

- The Heritage Foundation is the best known think tank because of its close association with Ronald Reagan. A week after his electoral victory, Heritage’s director handed Reagan’s staff a thousand-page document of policy advice, called *Mandate for Leadership*, the fruit of the labors of 250 neoliberal experts. Their recommendations were duly distributed throughout the new administration; most became law.

Heritage, the collective brain behind Reagan and George Bush, was founded in 1973, spends a third of its \$18 million annual budget on marketing, and produces some two hundred documents a year. Its Annual Guide lists fifteen hundred neoliberal public policy experts in seventy different areas—the harried journalist need only telephone to get a quote. President Reagan himself launched a major Heritage fund-raising drive, telling the audience, “Ideas do have consequences: rhetoric *is* politics and words *are* action.”

Heritage’s success has inspired the creation of thirty-seven mini-Heritages across the United States, creating synergy, an illusion of diversity, and the impression that experts quoted actually represent a broad spectrum of views.

- Smaller think tanks include the venerable Hoover Institution on War, Revolution and Peace, founded at Stanford University in California in 1919 to study communism. In 1960, it added an economic program to its cold war vocation. The Cato Institute in Washington is libertarian, advocating minimalist government and specializing in studies on privatization; the Manhattan Institute for Policy Research, founded in 1978 by William Casey, who later became director of the Central Intelligence Agency, specializes in the critique of government income-redistribution programs.

A revolving door between government and conservative think tanks allowed former Nixon or Reagan/Bush staffers to find homes outside of government during the Carter and Clinton presidencies (although one wonders why they needed to move: Clinton’s position on welfare is virtually indistinguishable from that of the neoliberal think tanks, constituting another victory for them).

Outside the United States, the neoliberal network is less formal but no less effective. London houses the Centre for Policy Studies; the anti-statist Institute of Economic Affairs; and the Adam Smith Institute, which has probably done more to promote privatization than any other institution anywhere. The Adam Smith Institute brags that over two hundred measures developed in its “Omega Project” were put into practice by Thatcher. Its experts have also advised the World Bank extensively on privatization programs in the bank’s client countries.

One of the most important think tanks has no fixed address. The Mount Pelerin Society, founded in 1947 by Friedrich von Hayek, first brought American and European conservatives together in a village near Lausanne. It has remained an international club for neoliberal thinkers ever since; its four-hundred strong membership met most recently in Vienna in 1996. Milton Friedman says that “Mount Pelerin

showed us that we were not alone” and served as a “rallying point,” inspiring friendships, networks, and joint projects. Membership in the society is by invitation and members’ names are not disclosed; it is, however, known that Czech prime minister, Vaclav Klaus, the former French finance minister Alain Madelin, Boris Yeltsin’s chief advisers, and Margaret Thatcher belong.

Financing Ideology

Hundreds of millions of dollars have been spent over the past fifty years to keep these and many other neoliberal institutions alive and well. Where does the money come from?

In the early days, the William Volker Fund saved the shaky magazines, financed the books published at Chicago, paid the bills for the influential Foundation for Economic Education and funded meetings at U.S. universities. Americans at the first Mount Pelerin Society meeting traveled to Switzerland on Volker money.

This fund could not, however, cover all the needs of a growing movement, which sought other financial backers early on. The director of the American Enterprise Institute was jubilant when in 1972 he convinced the prestigious Ford Foundation to give AEI \$300,000—a significant sum at the time. This grant opened doors to other institutional funders.

For at least a quarter-century, many conservative American family foundations have poured money into the production and dissemination of their ideas. Although smaller than philanthropic elephants like Ford, these funders use their money strategically. The Bradley Foundation spends nearly all its annual income (\$28 million in 1994) on promoting neoliberal causes, including major gifts to Heritage, AEI, and conservative magazines and journals. As the Foundation’s director puts it, “We’re in this for the long haul.” According to the Foundation’s literature, the Bradley brothers believed that “over time, the consequences of ideas [are] more decisive than the force of political or economic movements.”

Foundations like Coors (brewery), Scaife or Mellon (steel), and especially Olin (chemicals, munitions) finance chairs in some of America’s most prestigious universities. Their occupants are carefully chosen, in the words of critic Jon

Wiener, to “strengthen the economic, political and cultural institutions upon which . . . private enterprise is based.” Olin has spent over \$55 million on these efforts and the list of its grantees reads like a *Who’s Who* of the academic right.

An anecdote recounted by Wiener illustrates how the ideological self-promotion system works. In 1988, Allan Bloom, director of the University of Chicago’s Olin Center for Inquiry into the Theory and Practice of Democracy (\$3.6 million grant from Olin) invites a State Department official to give a paper. The speaker proclaims total victory for the West and for neoliberal values in the cold war. His paper is immediately published in the *National Interest* (\$1 million Olin subsidy) edited by Irving Kristol (\$376,000 grant as Olin Distinguished Professor at New York University Graduate School of Business).

Kristol simultaneously publishes “responses” to the paper: one by himself, one by Bloom, one by Samuel Huntington (\$1.4 million for the Olin Institute for Strategic Studies at Harvard). This completely artificial, engineered “debate” is then picked up by the *New York Times*, the *Washington Post* and *Time* magazine. Today everyone has heard of Francis Fukuyama and *The End of History*, a best-seller in several languages.

Even in the early 1970s, William Simon, then and still president of the Olin Foundation, was exhorting his business associates to support “scholars, social scientists, writers and journalists” and to give “grants, grants and more grants in exchange for books, books and more books.”

Simon knew what he was talking about: not only can well-targeted money create “debates” out of thin air; it can also define which areas deserve study and which do not; it can promote personal notoriety and ready access to decision makers and to the media for selected neoliberal spokespersons. The editor of the Heritage Foundation’s *Policy Review* appears to find this almost unseemly:

Journalism today is very different from what it was 10 to 20 years ago. Today, op-ed pages are dominated by conservatives. We have a tremendous amount of conservative opinion but this creates a problem for those who are interested in a career in journalism. . . . If Bill Buckley were to come out of Yale today, nobody would pay much attention to

him. He would not be that unusual . . . because there are probably hundreds of people with those ideas and they have already got syndicated columns.

Between 1990 and 1993, four neoliberal U.S. magazines received \$2.7 million from different foundations (*National Review*, the *Public Interest*, the *New Criterion*, and the *American Spectator*). In contrast, four progressive U.S. magazines with a national audience (the *Nation* the *Progressive*, *In These Times*, and *Mother Jones*) were given ten times less over the same period.

In the war of ideas, any movement is in trouble if it cannot renew its ranks of professional researchers, thinkers, and writers. Neoliberals don't mind financing white men if white men happen to be best at delivering the intellectual goods. But they are also funding a great many women, African-Americans, and other minority thinkers and writers; as well as dozens of college newspapers, thousands of graduate students, and a small armada of journals. Literally hundreds of millions of dollars are spent every year on purchasing present and future right-wing intellectual clout.

Who's Who, and What?

A somewhat astonishing conclusion can be drawn from all this: *the right is a hot-bed of Marxists!* Or at least of Gramscians. They know full well that we are not born with our ideas and must somehow acquire them; that in order to prevail, ideas require material infrastructures. They know, too, that these infrastructures will largely determine the intellectual superstructure: this is what Gramsci meant by capitalism's "hegemonic project." Defining, sustaining, and controlling culture is crucial: get into people's heads and you will acquire their hearts, their hands, and their destinies.

Alas, progressives can't seem to tell a hegemonic project from a hedgehog. What has the "side of the angels" been up to all these years? Has it spent its time and money promoting the ideas it believes in? Precious little. Not only do progressive institutions appear complacent as to their side's intellectual superiority, but they've been cruising along as if there were no need to justify their positions, nor even to worry about the nearly hegemonic intellectual hold of the

right.

The "angels" have, rather, seen their task as funding projects and programs for the poor and disadvantaged; focusing on the grass roots, enhancing "community empowerment." Laudable goals all—but what happens when government subscribes, instead, to structural adjustment that utterly devastates the lives of the poor in the South, or passes antiwelfare, antiworker legislation in the North? What happens when the World Trade Organization has more to say about community survival than the communities themselves? Or when public funds for health, education, housing, transport, the environment, and so on dry up?

Without intellectual ammunition to defend them and to create the context in which they can flourish, worthy projects and programs collapse. They cannot exist in a vacuum.

Practical Implications and the Plague of the Project

So far, I've not bothered to declare an interest. I assume readers know or have guessed I have one, since I am a professional researcher, writer, and, when I can manage it, thinker. So yes: I have all too often heard or read the dread phrase: "Your proposal is very interesting but we don't fund research and writing."

The point is not private disappointment, but mass denial. Progressive donors have sent out vanloads of rejections in response to proposals for intellectual work. I have no reason to doubt that the goals of these donors are social equity, poverty alleviation, human rights, conflict resolution, and sustainable development. So I am mightily perplexed by their behavior.

Why, I'm driven to ask, do progressive funders devote so much of their time and money to "projects" and so little to intellectual infrastructure and institution building?

Why have we not learned from the single-mindedness of the right? Why can we not see, for example, that the destruction of welfare in the United States or the threats to trade union achievements in Europe would have been impossible without the creation of an *intellectual climate* making such onslaughts appear not morally repugnant but natural and inevitable?

Why is the “project” approach not seen as self-defeating? As neoliberalism dismantles the gains of the past fifty years and ever greater numbers of its victims are cast adrift, the pressure to fund only “projects” will grow, pushing us into a self-reinforcing procession toward the definitive dysfunctional society.

Just in Case . . .

In Spanish they say *no protestas sin propuestas* or, freely translated, quit complaining if you don’t have anything to offer. Well, obviously I propose that progressive foundations and any other financing sources begin to devote large amounts of money to regaining our lost intellectual initiative. They should sit at the feet of the neoliberals who have proved they know how the game works: let us learn from the masters!

Assuming that this proposal is somehow recognized and acted upon, I have several subsidiary recommendations. The first may be a bit hard to swallow, so I may as well say it straight out: *funders are not the best judges of the work that progressive intellectuals ought to be doing.*

Why not? Because they are likely to be attracted to issues that have already reached the mainstream. I have witnessed this again and again, for instance when I first tried to attract financing for work on third world debt. It was then too early, although five or ten years later, numerous organizations were falling over each other to work on the issue. The task of the progressive thinker is to be *outside* the mainstream, to foresee developments that will become crucial in the future.

A good progressive intellectual worker produces subversive knowledge. This knowledge, by definition, will be unwelcome to the Establishment and to the mainstream. Yet someone does have to pay for the months or years of work before the books come out, before the “hot topics” are recognized and the “subversive knowledge” becomes part of the debate. *Funders should accept a division of labor and trust the intellectual workers they choose to support without trying to define their agendas.* Otherwise, they will inadvertently prevent those workers from doing their job.

Funders should give up the “project” ap-

proach in favor of institution building. Donors, understandably, want to discuss the substance and the politics of a project with the person who will be carrying it out. But for that person, this process can be counterproductive, preventing him or her from getting on with the intellectual work. Drafting several project proposals, defending them separately, in different countries, before different audiences, following up with correspondence, additional information, progress reports, accounts—all this is hugely time consuming.

When I was fund-raising for the Transnational Institute (on “projects,” naturally, since no other approach would have been accepted in the donor community) I published only short pieces. Sustained endeavors like books are (at least for me) impossible when time is constantly broken up with fund-raising activities. Researchers, writers, and speakers who have to cater to this mentality in order to get any work done at all are prevented from devoting their energies to research, writing, and speaking, and from renewing their own arsenal of ideas. Project funding, as opposed to institution building, offers no hope for an end to the cycle of low productivity.

Donors should fund not just the intellectual work itself but the means for making sure it will be widely used. The Heritage Foundation spends fully a third of its comfortable budget on outreach, yet few progressive funders want to pay for spreading the word. Consequently, idea-producing institutions that are only allowed to spend for items specified in the project budget (with a modest overhead) can’t afford translations, can’t develop a “Features Service” for a network of newspapers and magazines in many countries, can’t turn articles into radio programs, books into television films, and so on.

Grants for institution building are also important because they allow progressive researchers and writers to prepare for the future and keep up the momentum. Smart, dedicated, idealistic young people often want to work for progressive organizations and are willing to make material sacrifices to do so, but the core funds to employ them simply aren’t there.

By focusing almost exclusively on projects, progressive funders have helped to ensure right-wing dominance of the debate. We used to laugh at the idea that market mechanisms could solve

social problems: such things are now said every day with a straight face. Issues we used to take for granted, including the third world itself, have almost vanished from the debate.

Donors can make the leap of faith from projects to institutional and intellectual movement building. They can identify institutions and individuals in both North and South who are producing original and distinguished work and whose record shows they can be trusted—and then trust them. This includes research/policy institutes, journals, and independent intellectual workers inside or outside of universities.

Remarkable institutions and individuals deserve long-term support that alone can allow them to do their best work. *Donors should set aside a respectable portion of their disposable funds to endow worthwhile institutions.* Formulas providing guarantees and flexibility to both donor and recipient could be readily negotiated.

And Finally . . .

What if we lived in a society in which the system of justice rested on the postulate that only two-thirds of its members were fully human; the

remaining third not deserving of the same rights, except when arbitrarily granted? Such a society would spontaneously and instantly—at least in the West—be called unjust.

The exclusion of a third or more of their members is, however, precisely the situation that obtains in societies regulated almost exclusively by the “laws of the market.” There is a dangerous semantic slippage from “law” to “laws of the market”; from the body of democratically established rules for the proper functioning of society to the blind operation of economic forces. Neoliberals want “market law” to become the sovereign judge of the rights of persons and of societies as a whole.

Hegel claimed that the only thing history teaches us is that nobody ever learns anything from history. Recent history, if we are attentive, might still teach us that a society can go from law based on the equality of persons to the laws of the market; from relative social justice to deep and chronic inequalities within a few short years. The neoliberals’ onslaught continues and their intellectual hegemony is almost complete. Those who refuse to act on the knowledge that ideas have consequences end up suffering them. □

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