

# Classical Insights

Global Investment Analysis Based on the Classical Economic Model

## Classical Insights Big Ideas #4 October 18, 2013

*This is the fourth in an occasional series in which I explore a variety of ideas that don't quite fit into the "bullet points" format – yet which seem important for understanding changes now underway in the world.*

**Paul Gottfried has written a great intellectual autobiography detailing the battles on the political right over the past 50 years.** I got a glimpse of these while working for Jude Wanniski in the '90s and early '00s (when he railed almost daily against the neocons). Gottfried was fighting many of the same battles, but from world of academia. His book is called, *Encounters: My life with Nixon, Marcuse and other friends and teachers.*

Points:

1) Western society has moved so far left that even European leftists of the mid-20<sup>th</sup> Century Frankfurt School would be considered hopelessly reactionary today. Gottfried fondly remembers Herbert Marcuse – arch villain of the modern traditionalist right -- as a "charming old-world academic with a touch of dottiness."

Like other members of the Frankfurt School [such as Theodore Adorno] Marcuse was in some ways a bourgeois anachronism. This was evident from the way he dressed to the gallant manner in which he spoke to female students. With his extensive humanistic and linguistic erudition, he oozed traditional German *Bildung*." P 47

Marcuse was also *fair* as a teacher – a quality Gottfried contrasts with his current PC colleagues or even his Cold War-era liberal professors from 50 years ago. "I am still embarrassed to admit that I learned true liberal intellectual exchange from a declared Marxist-Leninist."

2) The 1980s did not mark a re-birth of conservatism, but rather a pact with the devil between Christian fundamentalists and the ever-expanding bureaucratic/military state. Gottfried's friends had been tackling the problem of decline in community since the '50s, and none really saw any improvement in the '80s. Robert Nisbet (*The Quest for Community*) Christopher Lasch (*Revolt of the Elites*), John Lukacs (*Outgrowing Democracy*) and Sam Francis all tackled the problem from various angles.

That the neoconservatives and their subordinates became the mainstream "conservative movement" in the '80s did not surprise Sam. If the revised American "tradition" had become a project of cooperation between welfare-state managers, multinational corporate interests and the media industry, this intertwining of managerial elites could not and would not produce anything that could be reasonably considered to be "conservative." Constituting a status quo is not the same as standing for a social order. Today's conservatism, Sam never tired of pointing out, means keeping those in power from losing out to those who might challenge them.

3) Today's students are systematically being made stupid to serve left-wing political aims. In a recent freshman class at Elizabethtown College, Gottfried asked how many of his students had heard of Julius Ceaser. Three hands went up out of 30 students. Then he asked, "Who has been more discriminated against, blacks, gays or Jews?" And a long impassioned discussion ensued. Gottfried, who is Jewish, says his 1950s era high school classmates would have been bored out of their skulls if they had to sit through the material Gottfried is compelled to teach his college students today.

4) There is no conservative party as people would have understood the term 100 years ago. The right supports oligopolistic control by big business and strengthening the police state. Politics are

re-aligning: The new debate is between control *by* the parties and freedom *from* the parties. In other words, it's the people versus the politicians.

5) The left has "reformulated Christian universalism and the Christian commitment to comforting the oppressed, making it very hard to defeat." The Left "projects a fantasy that fits the Western moral imagination," writes Gottfried.

Mircea Eliade expressed concern that the Left's use of Christian mythology made it unstoppable, barring a successful reappropriation by Christianity of its own redemptive history. While there were intellectual efforts in the nineteenth and early twentieth centuries to move in a neopagan direction, fascist leaders could not effect the change of mind that was necessary for their triumph. Fascist, and especially Nazi, politics aroused indignation in a way that the Communists did not. The reason was certainly not that Communist regimes in practice were less brutal. It was, rather, as Eliade points out, that they adapted Christian rhetoric and Christian values to justify their murderous social experiments. Communist states profited from two ingrained beliefs that were linked to Christianity directly or indirectly: the Christian vision of a final universal justice for the unjustly suffering, and the Enlightenment's recasting of this vision as scientific progress. P 111

6) The notion that nationality, race and religion don't matter when thinking about immigration is a radical notion that would have shocked conservatives from the beginning of time up until 30 years ago. "Groups are driven by ethnic and national feelings far more than contemporary Americans wish to notice," argues Gottfried. The fading of the WASP elite has not calmed ethnic tension – but rather accelerated the venting of hostilities by various ethnic groups who are still angry at the old patriciate as well as other ethnic groups" (p 112). When Gottfried points out to his students that racial and ethnic factors are central to political party affiliation, they accuse him of being un-American for bringing it up.

7) "Administrative overreach" is a central consequence of democracy, because democracy's obsession with equality cannot be contained by constitutional limits. Gottfried writes sympathetically of the work of Erik von Kuehnelt-Leddihn, who argued that American's founders were *anti*-democratic liberals. "Hamilton and Adams could have nothing to do with the kind of democratic power-grabbing that has become an increasing problem since the French Revolution." The bureaucracies in democratic societies are always finding "new and intrusive ways to implement our evolving understanding of equality." p 120

Once a people or their administrative and judicial elite start along the path to ever greater equality, there is simply no way to stop the process. Democratic equality is an Aristotelian excess writ large over an entire society, and it keeps spilling over into social relations until it has infected everything. P 122

8) Gottfried describes his colleagues on the non-neocon right as "beautiful losers" because they maintained their intellectual dignity -- but were defeated again and again by both the PC left and the neocon right. He and his friends were repeatedly passed over for fellowships, promotions and political appointments. The neocons were as ruthless as the PC left in working to sabotage the careers of their enemies. For Gottfried, one moral of the story comes out in his advice to his children: "Never go into a line of work where you have to grovel to get ahead."

9) One thing Gottfried and his friends seem to skim over is that the WASP elite collapsed for a very specific reason: The collapse of the intellectual underpinnings of Protestantism. Once evolutionary science had advanced to a certain point, pillar-of-the-community Protestants could no longer take the Bible as truth. Protestantism, much more than Judaism or Catholicism, is a scientific proposition -- and if the proposition is shown not to hold water, there's no reason to hang on to the cultural vestiges surrounding it (like going to church). That's why the mainline churches have emptied out.

10) A key moral one could take from Gottfried's book is that conservatives always lose. If you rely on the continuation of existing social paradigms – or the goodwill of those who have clawed their way to power -- **you are guaranteed to get run over by history.**

11) There is a new movement afoot on the internet, loosely termed neoreaction and directly descended from the thought of Gottfried and others on the traditionalist right. The concept is that democracy inevitably leads to “zombie apocalypse” due to the relentlessness of the leveling process. No distinctions between good/bad, better/worse are allowed. The top sin becomes racism: Once you are accused of it, you are carried from the field, never to return. Universities are hostile institutions as are, increasingly, most office settings. In this context, the desire of many of the new reactionaries is simply to *drop out*. Escape becomes the goal – or at least the preservation of the ability to leave. “Free exit” becomes ever increasingly important as an element of political freedom.

12) But there is also another movement afoot: The quest for the creation of new communities built around new understandings of the nature of reality. This is where the new agers, energy healers, modern mystics, etc. come in. I've been to numerous of their events and conventions and what always strikes me is that these people are basically Ron Paul libertarians and natural allies of the reactionaries. Both groups see today's political divide as the people *versus* both political parties *and* the federal government. The challenge for thinking types is that the groovies are the sphere of the feelers (the “NFs”). New Agers (perhaps “Aquarians” is a better term) are *feeling* their way to a new understanding of reality, rather than thinking it. As such, there are many intellectual holes in their evolving understanding. Most of their ideas do hang together from a spiritual/feeling perspective, but crumble in your hands if you try to put words on it. Thinkers can only take so much of this before they have to check out.

For example, a few months ago I went to a seminar by energy healer Richard Bartlett in Boston. After a day of lectures and demonstrations I was able to make people fall over by putting my hands on their shoulders. Clearly this is *real stuff* they are working with -- but Bartlett's own understanding of his process is messy. He admits as much (“We don't have words yet to describe many of these processes,” he says), but it's still bothersome.

13) Along these lines, the Andes seem destined to become a hot area in terms of decentralized governmental forms and medical freedom. Ecuador's constitution, for example, guarantees citizens and residents the right to use the health care of their choosing, and on a per capita basis Ecuadorians use alternative services much more frequently than Americans or Europeans.

Mike Churchill

*Bullets are archived at [www.churchillresearch.com](http://www.churchillresearch.com) . Please call or email for a username and password.*

Churchill Research, Inc.  
103 W. Broad St., Suite 220  
Falls Church, VA  
22046  
(703) 241-0274  
(703) 340-4726  
[mike@churchillresearch.com](mailto:mike@churchillresearch.com)  
[www.churchillresearch.com](http://www.churchillresearch.com)

*This material is based on information from sources believed to be reliable but its accuracy or completeness is not guaranteed. This report is published solely for informational purposes and is not to be construed as a solicitation or offer to buy or sell any securities. Opinions expressed herein are subject to change without notice. This report may not be reproduced or distributed without the permission of Churchill Research Inc.*

*The Classical Insights portfolio is Mike Churchill's own brokerage account, held at UBS. Employees of Churchill Research Inc. can and do hold positions and trade securities mentioned in this report. We try to inform clients of trades in new positions in the Classical Insights portfolio prior to those being made. Subsequent trades are sometimes done without notice.*