

Innovation, Technology, and Knowledge Management

Frederick Betz

Societal Dynamics

Understanding Social Knowledge
and Wisdom

 Springer

Innovation, Technology, and Knowledge Management

Series Editor

Elias G. Carayannis, George Washington University, Washington D.C., USA

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Societal Dynamics

Understanding Social Knowledge
and Wisdom

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Series Foreword

The Springer book series *Innovation, Technology, and Knowledge Management* was launched in March 2008 as a forum and intellectual, scholarly “podium” for global/local, transdisciplinary, transsectoral, public–private, and leading/“bleeding”-edge ideas, theories, and perspectives on these topics.

The book series is accompanied by the Springer *Journal of the Knowledge Economy*, which was launched in 2009 with the same editorial leadership.

The series showcases provocative views that diverge from the current “conventional wisdom,” that are properly grounded in theory and practice, and that consider the concepts of *robust competitiveness*,¹ *sustainable entrepreneurship*,² and *democratic capitalism*,³ central to its philosophy and objectives. More specifically, the aim of this series is to highlight emerging research and practice at the dynamic intersection of these fields, where individuals, organizations, industries, regions, and nations are harnessing creativity and invention to achieve and sustain growth.

Books that are part of the series explore the impact of innovation at the “macro” (economies, markets), “meso” (industries, firms), and “micro” levels (teams, individuals),

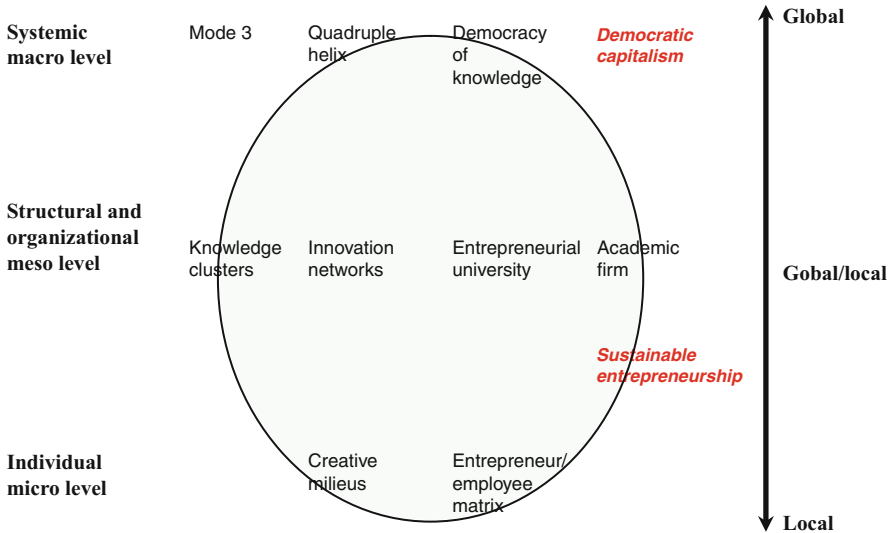
¹ We define *sustainable entrepreneurship* as the creation of viable, profitable, and scalable firms. Such firms engender the formation of self-replicating and mutually enhancing innovation networks and knowledge clusters (innovation ecosystems), leading toward robust competitiveness (E.G. Carayannis, *International Journal of Innovation and Regional Development* 1(3), 235–254, 2009).

² We understand *robust competitiveness* to be a state of economic being and becoming that avails systematic and defensible “unfair advantages” to the entities that are part of the economy. Such competitiveness is built on mutually complementary and reinforcing low-, medium- and high-technology and public and private sector entities (government agencies, private firms, universities, and nongovernmental organizations) (E.G. Carayannis, *International Journal of Innovation and Regional Development* 1(3), 235–254, 2009).

³ The concepts of *robust competitiveness* and *sustainable entrepreneurship* are pillars of a regime that we call “*democratic capitalism*” (as opposed to “popular or casino capitalism”), in which real opportunities for education and economic prosperity are available to all, especially – but not only – younger people. These are the direct derivative of a collection of top-down policies as well as bottom-up initiatives (including strong research and development policies and funding, but going beyond these to include the development of innovation networks and knowledge clusters across regions and sectors) (E.G. Carayannis and A. Kaloudis, *Japan Economic Currents*, p. 6–10 January 2009).

drawing from such related disciplines as finance, organizational psychology, research and development, science policy, information systems, and strategy, with the underlying theme that for innovation to be useful it must involve the sharing and application of knowledge.

Some of the key anchoring concepts of the series are outlined in the figure below and the definitions that follow (all definitions are from E.G. Carayannis and D.F.J. Campbell, *International Journal of Technology Management*, 46, 3–4, 2009).



Conceptual profile of the series *Innovation, Technology, and Knowledge Management*

- The “Mode 3” Systems Approach for Knowledge Creation, Diffusion, and Use: “Mode 3” is a multilateral, multinodal, multimodal, and multilevel systems approach to the conceptualization, design, and management of real and virtual, “knowledge-stock” and “knowledge-flow,” modalities that catalyze, accelerate, and support the creation, diffusion, sharing, absorption, and use of cospecialized knowledge assets. “Mode 3” is based on a system-theoretic perspective of socio-economic, political, technological, and cultural trends and conditions that shape the coevolution of knowledge with the “knowledge-based and knowledge-driven, global/local economy and society.”
- Quadruple Helix: Quadruple helix, in this context, means to add to the triple helix of government, university, and industry a “fourth helix” that we identify as the “media-based and culture-based public.” This fourth helix associates with “media,” “creative industries,” “culture,” “values,” “life styles,” “art,” and perhaps also the notion of the “creative class.”
- Innovation Networks: Innovation networks are real and virtual infrastructures and infratechnologies that serve to nurture creativity, trigger invention, and catalyze innovation in a public and/or private domain context (for instance, government–university–industry public–private research and technology development cooperative partnerships).

- **Knowledge Clusters:** Knowledge clusters are agglomerations of cospecialized, mutually complementary, and reinforcing knowledge assets in the form of “knowledge stocks” and “knowledge flows” that exhibit self-organizing, learning-driven, dynamically adaptive competences and trends in the context of an open systems perspective.
- **Twenty-First Century Innovation Ecosystem:** A twenty-first century innovation ecosystem is a multilevel, multimodal, multinodal, and multiagent system of systems. The constituent systems consist of innovation metanetworks (networks of innovation networks and knowledge clusters) and knowledge metaclusters (clusters of innovation networks and knowledge clusters) as building blocks and organized in a self-referential or chaotic fractal knowledge and innovation architecture (Carayannis 2001), which in turn constitute agglomerations of human, social, intellectual, and financial capital stocks and flows as well as cultural and technological artifacts and modalities, continually coevolving, cospecializing, and cooperating. These innovation networks and knowledge clusters also form, reform, and dissolve within diverse institutional, political, technological, and socioeconomic domains, including government, university, industry, and nongovernmental organizations and involving information and communication technologies, biotechnologies, advanced materials, nanotechnologies, and next-Generation energy technologies.

For whom is this book series published? The book series addresses a diversity of audiences in different settings:

1. *Academic communities:* Academic communities worldwide represent a core group of readers. This follows from the theoretical/conceptual interest of the book series to influence academic discourses in the fields of knowledge, also carried by the claim of a certain saturation of academia with the current concepts and the postulate of a window of opportunity for new or at least additional concepts. Thus, it represents a key challenge for the series to exercise a certain impact on discourses in academia. In principle, all academic communities that are interested in knowledge (knowledge and innovation) could be tackled by the book series. The interdisciplinary (transdisciplinary) nature of the book series underscores that the scope of the book series is not limited a priori to a specific basket of disciplines. From a radical viewpoint, one could create the hypothesis that there is no discipline where knowledge is of no importance.
2. *Decision makers – private/academic entrepreneurs and public (governmental, subgovernmental) actors:* Two different groups of decision makers are being addressed simultaneously: (1) private entrepreneurs (firms, commercial firms, academic firms) and academic entrepreneurs (universities), interested in optimizing knowledge management and in developing heterogeneously composed knowledge-based research networks; and (2) public (governmental, subgovernmental) actors that are interested in optimizing and further developing their policies and policy strategies that target knowledge and innovation. One purpose of public *knowledge and innovation policy* is to enhance the performance and competitiveness of advanced economies.

3. *Decision makers in general*: Decision makers are systematically being supplied with crucial information, for how to optimize knowledge-referring and knowledge-enhancing decision making. The nature of this “crucial information” is conceptual as well as empirical (case-study based). Empirical information highlights practical examples and points toward practical solutions (perhaps remedies); conceptual information offers the advantage of further-driving and further-carrying tools of understanding. Different groups of addressed decision makers could be decision makers in private firms and multinational corporations, responsible for the knowledge portfolio of companies; knowledge and knowledge management consultants; globalization experts, focusing on the internationalization of research and development, science and technology, and innovation; experts in university/business research networks; and political scientists, economists, and business professionals.
4. *Interested global readership*: Finally, the Springer book series addresses a whole global readership, composed of members who are generally interested in knowledge and innovation. The global readership could partially coincide with the communities as described above (“academic communities,” “decision makers”), but could also refer to other constituencies and groups.

Elias G. Carayannis
Series Editor

Preface

Introduction

Societal dynamics is the pattern of change and stability in societies – alternating crisis and stasis. Societal dynamics is both history and contemporary news. For example at the time this preface was written, the news then was the “Arab Spring.” In January 2011, the Arab world abruptly changed. Beginning in Tunisia, as Roula Khalaf summarized: “In the most dramatic display of people power witnessed in the region’s post-colonial age, the Arab street has risen from its torpor. This Arab awakening has already pushed out one long-time ruler – Tunisia’s Zein al-Abidine Ben Ali – and has proved that the color of change need not be Islamist, as leaders had claimed in their pursuit of lifetime power.” (Khalaf 2011)

A despotic and corrupt government suddenly fell: “In Tunisia, the protests continued long after Mr Ben Ali’s departure, ensuring that corrupt members of his family were rounded up, the ruling party was weakened if not destroyed and the transitional government was to their liking.” (Khalaf 2011)

Popular revolts spread next from Tunisia to Egypt. After 2 months of mass protests in the Cairo’s Tahrir square, President Mubarak left office and the Egyptian Army took control of the country. They altered the constitution to limit the terms in office of a president and scheduled elections for a new parliament and president in the fall of 2011.

In Libya, a civil war erupted when the eastern half of the country rebelled and drove out Muammar el-Qaddafi’s government and army from Benghazi, the second major city in Libya, The UN condemned the army’s attack upon civilians; and NATO bombed Qaddafi’s army to prevent their taking back Bengazi. In October 2011, Qaddafi’s government finally fell. Qaddafi was killed, and Libyans were free from his dictatorship. In Yemen, protestors pushed their long-term “president,” Ali Abdullah Saleh, from office. In Syria, demonstrators protested against the minority Alawite (Shite) rule of Bashar al-Assad; and his government responded by shooting and arresting people and sending tanks to wipe out some Sunni villages.

The issues we are to examine are: (1) how to analyze the complexity in such societal events and (2) how to relate this complexity to theories about society? These are two fundamental issues in the methodology of historical studies and of social science studies.

Methodologically, how can one base social science theory construction upon the empiricism of historical studies?

Methodologically, how can one integrate the social science disciplines to theoretically understand all of a society (instead of only disciplinary slices through society)?

But before we begin our examination of history/science methodology, we review two ideas in scientific method – “scientific paradigm” and “scientific perceptual space.” These are central to modern methodology.

Scientific Paradigm

In modern science, a “scientific paradigm” is an intellectual framework in which each science discipline observes nature and formulates scientific theory. Thomas Kuhn, in 1962, introduced this term into the philosophy of science. (Kuhn 1996). A scientific paradigm does not describe the “details of research” at the cutting edge of disciplinary specialties. Instead, a paradigm describes the meta-theory, the larger framework, in which the research details (experimental formulation and theory) are constructed. A paradigm is an intellectual framework within which the scientists observe, describe, and explain nature. A paradigm is a “meta-logic” to theory.

As examples of paradigm changes in science, Kuhn used the two paradigm shifts in physics in the beginning of the twentieth century: (1) from Newtonian physics to special relativity and (2) from classical mechanics to quantum mechanics. Both shifts, he argued, were accepted within the physics community as “generational changes,” with younger scientists more easily making the intellectual change than many older scientists. (Kuhn 1996).

Kuhn’s book had a major impact upon sociologists because it introduced the idea of group consensus as a methodological issue in science. Kuhn argued that scientific consensus in a community was not always easily nor smoothly attained. Instead, consensus depends upon how big an intellectual leap was being conceptually proposed as “progress in science.” Kuhn argued that science does not always progress by a steady accumulation of knowledge but sometimes makes large conceptual leaps in the forms of a paradigm shift.

Thomas Kuhn (1922–1996) was born in Ohio, USA. In 1943, he received a bachelor’s degree from Harvard University and then a PhD in 1949 in physics. From 1948 to 1956, he taught a history of science course at Harvard. In 1957, he went to the University of California at Berkeley to join there both the philosophy department and history department. In 1964, Kuhn moved to Princeton University and then to MIT in 1991. In 1962, Kuhn had published his seminal book in the sociology of science, *The Structure of Scientific Revolutions*.



Thomas Kuhn (<http://en.wikipedia.org>,
Thomas Samuel Kuhn, 2007)

History: Kant's Critique of Pure Reason

To understand how a scientific paradigm works in science, one again needs a little philosophical background (Kuhn was a philosopher of science). Philosophically, a scientific paradigm provides a meta-logical framework to scientific research (a larger intellectual framework for scientific theory). To understand this, one can go back to the historical case in philosophy wherein this concept of a “meta-logic” first appeared. This was Immanuel Kant’s book, *Critique of Pure Reason*. (Kant 1965)

Kant was interested in how a mind worked. He proposed that any mind must have two capabilities before the mind can reason (process experience into ideas): “transcendental aesthetics” and “transcendental logic.” A mind must have these two kinds of a priori capabilities before any sensory experience can be perceived; and such capabilities must be built into a mind.

For example, in physiology of the brain, there must exist certain capabilities in the brain before the experience of vision is possible. People must be born with physical eyes, optical nerves, and optical processing portions of the brain. These brain mechanisms must be “a priori” – existing before – any visual experience in the brain. People born blind can never see; and people whose eyes are damaged lose the capability of vision. All sensory experience by the human mind requires prior existing mechanistic capabilities of the body. Thus in the case of sight, eyes provide the transcendental aesthetic for vision and the brain provides the transcendental logic to assemble visual sensations into visual images.

To further understand what Kant meant by these terms, now we can compare the structure of a modern computer to Kant’s “a priori” structure for mental reasoning, as sketched in Fig. 1. In a computer with Von Neumann architecture, before any computation the computer first needs to have two prior capabilities: (1) a prior *format* recognized in the computer for formatting the input data and (2) a prior *stored program* in the computer as instructions for processing the formatted data. Similarly, Kant had argued that for the human mind to display pure reason, such mind must have a prior *transcendental aesthetics* and a *transcendental logic*. Thus Kant’s term of “transcendental aesthetics” is equivalent to a computer’s “data format” and his term of “transcendental logic” is equivalent to a computer’s stored program instructions.

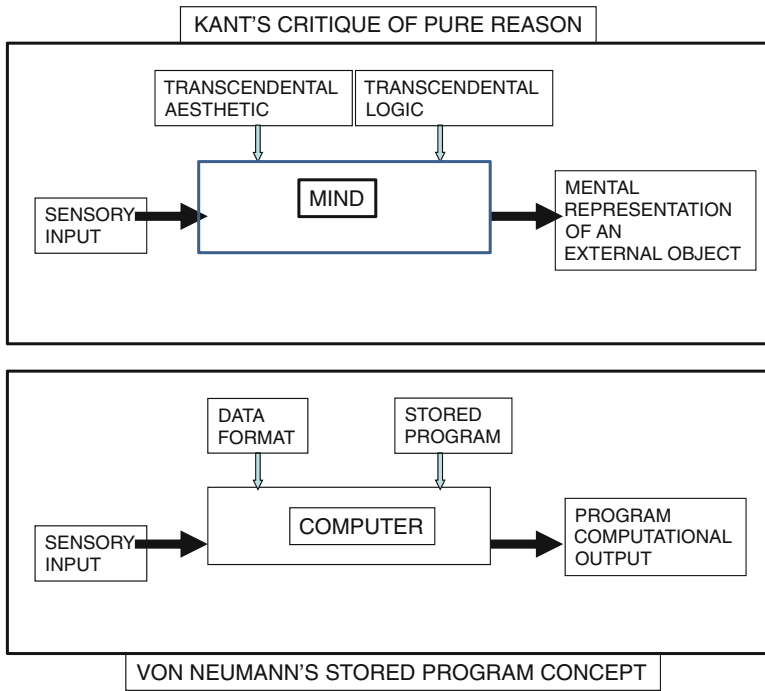


Fig. 1 Kant and Von Neumann

The modern term “data format” is equivalent to Kant’s older term of “transcendental aesthetics.”
The modern term “stored program” is equivalent to Kant’s older term of “transcendental logic.”

Immanuel Kant (1724–1804) was born in Königsberg in Prussia and entered the University of Königsberg in 1740. There he read philosophical works – including the new mathematical physics of Newton which then was being taught in the natural philosophy faculties of German universities in the 1700s. Newton’s idea of a space/time descriptive framework for physics would influence Kant in his ideas in his major philosophical work, *Critique of Pure Reason*, published in 1781. From Newton’s perceptual space of modeling the Copernican solar system, Kant generalized the notion as space/time as a transcendental aesthetic – a framework prior to measuring any physical phenomena. Thus Kant’s philosophical work was the first philosophy to be congruent with the new science of physics – providing the first “model” of mind (pure reason) matching to the new research techniques of Newtonian mechanics. Later in 1788 and 1790, Kant published two more books, *Critique of Practical Reason* (as a book on ethics) and *Critique of Judgment* (as a book on aesthetics).



Immanuel Kant (<http://en.wikipedia.org>, Immanuel Kant, 2007)

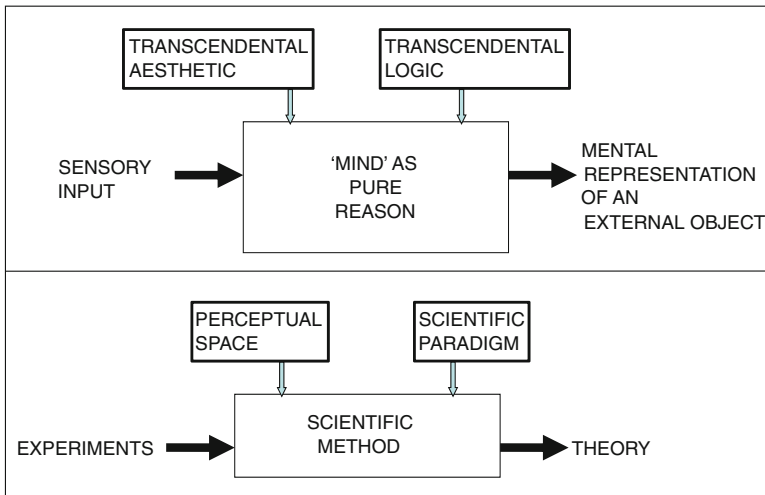


Fig. 2 Scientific perceptual space and paradigm in Kant’s philosophical terminology

We can use this Kant-Computer metaphor to help explain the role of *scientific paradigms* and *scientific perceptual spaces* in scientific method. This is sketched in Fig. 2. A scientific paradigm provides the a priori logical framework for theory construction in science. A scientific perceptual space provides the a priori framework for observing natural phenomena in science.

In scientific method, the concept of a “Scientific Paradigm” is equivalent to Kant’s idea of a “Transcendental Logic.”

In scientific method, the concept of a “Scientific Perceptual Space” is equivalent to Kant’s idea of a “Transcendental Aesthetic.”

Scientific Paradigms and Scientific Disciplines

What kinds of paradigms provide meta-frameworks for modern science? Kuhn did not elaborate upon the different kinds of paradigms that are used in science, but later the author described four kinds of paradigms used in modern science: *Mechanism Paradigm*, *Function Paradigm*, *System Paradigm*, *Logic Paradigm*. (Betz 2011)

Mechanism is a paradigm for viewing all things in nature as physical objects and processes – gravitational-electro-mechanical mechanisms in a world of matter and forces. *Function* is a paradigm for viewing the relevance of things in nature to living beings – functions such as nutrition, respiration, motion, etc. *System* is a paradigm for viewing an object in nature as a dynamic totality – systems such as the solar system, an atomic system, a biological system, etc. *Logic* is a paradigm for viewing things in the world as conceptual objects – logical ideas expressed in language.

Modern science is divided into disciplines, and different disciplines use different paradigms. Thus scientists in disciplines see the world of nature differently from each other – using different paradigms. The disciplines of modern science have been organized as: (1) departments in a modern university and (2) disciplinary scientific societies. One can classify all the science disciplines into those of the physical sciences, biological science, mathematical sciences, and social sciences, as shown in Fig. 3. This classification groups the disciplinary fields of nature into: (1) inanimate (without life), (2) animate (living), (3) cognitive (thinking), and (4) societal (human groups).

INANIMATE	ANIMATE	COGNITIVE	SOCIETAL
PHYSICAL SCIENCES	BIOLOGICAL SCIENCES	MATHEMATICAL SCIENCES	SOCIAL SCIENCES
PHYSICS APPLIED PHYSICS CHEMISTRY ASTRONOMY EARTH SCIENCES	MOLECULAR BIOLOGY CELL BIOLOGY SYSTEMIC BIOLOGY POPULATION BIOLOGY ECOLOGY SOCIO-BIOLOGY	MATHEMATICS COMPUTER SCIENCE	ECONOMICS SOCIOLOGY ANTHROPOLOGY PSYCHOLOGY POLITICAL SCIENCE MANAGEMENT SCIENCE
MECHANISM SYSTEM	MECHANISM SYSTEM TECHNOLOGY	LOGIC SYSTEM	LOGIC SYSTEM TECHNOLOGY

Fig. 3 Disciplines of science

Inanimate: Physical Sciences

Physics describes the non-living objects in nature as matter existing in a framework of space and time and moving over time through space. Interactions between material objects occur due to forces that alter the energy of the material object. At molecular scales, chemistry is a physical discipline that elaborates upon atomic and molecular interactions as chemical interactions. At the planetary scale, environmental sciences is a physical discipline that elaborates upon the physical systems in planetary processes. At a celestial scale, astronomy is a discipline that elaborates upon the physical systems in stellar processes.

The disciplines of the physical sciences (physics, chemistry, earth sciences, astronomy) differ from each other by specialization on spatial scale – all using scientific paradigms of Mechanism and System.

Animate: Biological Sciences

The biological science is also arranged partly by spatial scale, studying the molecular level of life to the cell level to the organism level to the population level: molecular biology, cellular biology, physiology, ecology. Modern biology is unified by the principles of gene theory, cell theory, homeostasis, and evolution:

Gene theory – A living organism's traits are encoded in DNA.

Cell theory – All living organisms are composed of cells.

Homeostasis – Physiological processes enable an organism to sustain living chemical processes by means of taking in energy from an environment.

Evolution – Genetic mutations enable functional change in generations of a species, providing variation in a species with increased chance of survival in a specific environment.

The specialties of biological science provide a description and explanation of living forms based upon carbon-based chemistry – using scientific paradigms of Mechanism, Function, and System.

Cognitive: Mathematics and Computer Sciences

Mathematics is the logic and language of quantitative inference. In mathematics a “set” of things is defined as a collection of things that share a ‘similar property.’ A ‘similar property’ is called the ‘quality’ of the things; and the those things in the set is called the “quantity.” Traditionally, mathematics began with numbers – counting similar things and expanded into algebra (quantitative expressions among variables). And traditionally mathematics also began with abstraction of spatial forms and their similarities – the topic of geometry. Modern mathematics still deals with

numbers and structures of numbers as: groups, algebras, vector spaces, etc. Modern mathematics still deals with special forms as: geometry, trigonometry, differential geometry, topology, fractal geometry. Now modern mathematics also deals with change (as calculus, dynamical systems, chaos theory) and with mathematical logic (set theory) and statistics (inductive inference).

Computer science is a new scientific discipline providing a science base for the development of computer and information technology – which was invented in the second half of the twentieth century. It focuses upon the theoretical foundations for dealing with computation and information in computer systems. Its theories include foci upon mathematical foundations of computation, computational theory, algorithms and data structures, programming languages and compilers, computational procedures and architectures, artificial intelligence, and computer graphics.

Mathematics and computer science focus upon linguistic expression of quantity – providing quantitative and calculation languages and logics – for expressing quantities and performing inference and calculations about quantities – using the scientific paradigms of Logic and System.

Societal: Social Sciences and Management

The social sciences all focus upon societal phenomenon in the human species but are divided into different perspectives of what they see in a society – the perspectives of economics, sociology, anthropology, political science, and psychology – observed “slices” of a society.

Economics looks at exchange of utility in societal interactions – economic interactions;

Sociology looks at social interactions in industrial cultures – social interactions;

Anthropology looks at cultural patterns in pre-industrial cultures – cultural interactions;

Political science looks at governmental patterns in industrial societies – political interactions;

Psychology looks at individual behaviors in societies – individual interactions;

Management science looks at the decisions and control of organizations – decision interactions;

The disciplines of the social sciences view social nature in disciplinary perspectives as observational slices through society – using the scientific paradigms of Function, System, and Logic.

Recognizing these different paradigms in different science disciplines is important to understand the differences in methodology between the physical sciences and the social sciences.

“Mechanism” is a principle paradigm of the physical sciences; but the social sciences do not use the paradigm of “Mechanism.”

Consequently while there are explanations of cause and effect (causality) in the physical sciences, there are no causal explanations in the social sciences.

Accordingly, this is one of the methodological issues we will address to integrate history and social sciences explanation. Beyond “causality,” what other kinds of explanations are there in science?

Perceptual Spaces and Scientific Method

In addition to the idea of a “paradigm,” modern scientific method also uses the basic concept of a “perceptual space.” Science uses this as an a priori framework for observation and description (perception as a transcendental aesthetic).

A scientific perceptual space provides an “a priori” frame for the scientific observation, description and measurement of a natural object.

There are two different perceptual spaces in science: one for the physical/biological sciences and one for the social sciences.

Perceptual Space for Observing Physical Nature

Physical space/time provides the observational framework for perceiving (describing) physical existence. Physical space is the methodological concept of how material objects can coexist in nature at the same time. Physical time is the methodological concept of how material objects can occur at different positions in space as a sequence of temporal events. Historically, Newton formulated his calculus for describing *instantaneous motion* in space (using the mathematical framework of Descartes’ Analytical Geometry). This is illustrated in Fig. 4, with three mutually perpendicular axes, X, Y, Z, and a fourth dimension of TIME.

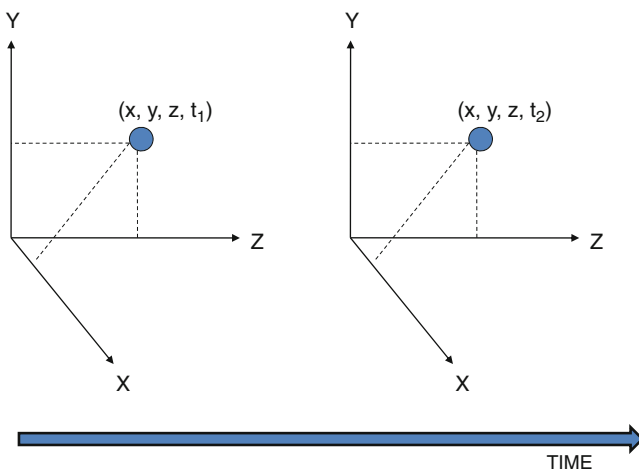


Fig. 4 Three-dimensional geometric physical space and a fourth dimension of time

Each position of an object in space can be mathematically described by three position numbers and a time label (x, y, z, t) . This set of numbers (x, y, z, t) is mathematically called a vector (v). A space–time framework described by such vectors is called a *vector space*. In Newtonian mechanics, we live in a three-dimensional vector space (length, width, and depth), separate from a separate time dimension. In relativistic physics, we live in a connected four-dimensional vector space (three dimensions of space and a fourth dimension of time).

All physical things (matter) in a material universe are individuated from each other in a spatial and temporal framework.

Two physical objects in material nature are said to be different because they can exist at different points of space at the same time.

Any object phenomenally observed in a space at a specific time can be mathematically described as to its position by a set of spatial coordinate numbers (x,y,z) upon a reference frame (X,Y,Z) of the space.

Description of position and of motion is the first step in any mechanistic representation of physical things in nature.

Perceptual Space for Observing Societal Nature

But here is the methodological challenge. The social sciences do not use the perceptual space of physical space-time.

What kind of perceptual space is useful to describe societal nature – a “transcendental aesthetic” for the history and for the social sciences?

We will call this a “societal perceptual space.”

Methodologically, it is important because it enables an intellectual integration across history and the social sciences. Historically, the intellectual integration of the physical and biological sciences occurred because they shared the common *physical perceptual space of Mechanism*. In contrast, the lack of intellectual integration of the social sciences occurred because they did not have a common perceptual space of society.

What kind of societal perceptual space (a priori transcendental aesthetic) can the social sciences and historical studies share?

This is what we will construct in this book: a general societal perceptual space for analyzing historical events in any society. In this methodological framework, one can construct a *natural history of society*. Now our preface ends and our methodological journey begins – across society and history and social science.

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Chapter 1

Wisdom Versus Knowledge

Introduction

Science is important because it provides knowledge for society, societal knowledge. But can science provide wisdom, societal wisdom? To answer this question, there are two basic issues in the social sciences and the discipline of history which first need to be addressed. How can one formally integrate historical studies with the construction of social science theories? How can one ensure in the social sciences that judgments-of-value (normative social science theory) can be empirically validated?

These are important issues because: (1) a social science of society needs to be complete as a scientific discipline (not merely a collection of disciplinary slices of society) and (2) social science theories need to be empirically valid (particularly when used as the basis for economic or political policy).

First, no natural reality can be wholly described from a single perspective (narrow slices of observation). But the discipline of sociology observes only social relationships in a society. Economics observes only economic relationships. Political science observes only political relationships. Management science observes only managerial relationships. What academic discipline looks at the whole of a society? This is history. Yet history has not always been regarded as one of the social sciences, instead being often classified in academia as a humanistic study.

If there is to be science of whole society, this must encompass the disciplines of the social sciences and of history.

Second, in the actual practices in management and in the economy and in politics, policies are often based upon theories from the social sciences. For example, in economics, there is the “perfect market” theory. In corporate management, there is a “stakeholder theory” of the firm. In political science, there have been different ideological theories from democracy to communism. But do all these different social sciences theories work in practice? The answer is sometimes and sometimes only partly and sometimes not. For example, the US Financial Market in 2007–2008 was not a “perfect market” as economic theory wishes (e.g., the global financial meltdown). As another example,

large corporations are sometimes more under the control by executive management than by shareholders (e.g., Enron's bankruptcy in 1999).

If there is to be a valid science of whole society, the normative social science theories must be grounded in empirical historical reality.

These are our two goals: (1) to develop a methodology for formally integrating history and the social sciences and (2) to scientifically ground normative societal theories in empirical history.

Historical Event: Lenin's Bureaucrats

For examples of the conflict between social theory and historical reality, one can look at cases of political ideology in the twentieth century. That century was rich in social experiments, although most were nasty (as communist and fascist dictatorships). Yet these need to be studied lest they be repeated in the future.

For example, when Vladimir Lenin took power in Russia in the early twentieth century, Lenin believed in Karl Marx's "dialectical theory of society." Lenin modified Marx's theory for application in Russia. Marx's social theory predicted that in industrial societies uprisings would occur of proletariat (labor) against capitalist – creating a dictatorship of the proletariat. However, as Lenin observed, factually there was not yet enough industrialization in Russia, nor a sufficient number of industrial laborers for a Marxist communist revolution to occur. Intellectual problems in the consistency of a social theory never stopped an ideological politician from acting and theorizing that action. So Lenin created an addendum to Marx's imperfect theory. A communist revolution even in an under-industrialized country could be still be achieved – by a party of professional revolutionaries, acting in the name of the proletariat. Lenin used Marxist social theory as an ideology to build a party to seize power in Russia. Yet once in power, Lenin had to rule and govern. Later as found in a telegram recovered from the Soviet Government archives in 1992, one sees evidence of how Lenin actually ruled. On August 18, 1918, in the first year of the Russian civil war, Lenin issued this order.

"Send to Penza. To Comrades Kuraev, Bosh, Minkin, and other Penza communists".

"Comrades! The revolt by the kulak volosts must be suppressed without mercy. The interest of the entire revolution demands this, because we have now before us our final decisive battle with the kulaks". We need to set an example.

1. You need to hang (hang without fail, so that the public sees) at least 100 notorious kulaks, the rich, the bloodsuckers.
2. Publish their names.
3. Take away all of their grain.
4. Execute the hostages – in accordance with yesterday's telegram.

This needs to be accomplished in such a way that people for hundreds of miles around will see, tremble, know, and scream out: let us choke and strangle those blood-sucking kulaks.

Telegraph us acknowledging receipt and execution of this.

Yours, Lenin. P.S. "Use your toughest people for this."

Lenin's Letter. (Modern History Sourcebook) (<http://www.fordham.edu/halsall/mod/1956khrushchev-secret1.html>). (A copy is also in the US National Archives, 2009, <http://www.loc.gov/exhibits/archives/coll.html>).

In 1918, the Russian peasantry constituted about 80% of the Russian population. And peasants who employed labor were called "kulaks." But these were only about 1% of that 80% of the population. Lenin's hanging order for kulaks was used to justify the persecution not only of kulaks but a hanging order on peasants. This was one reason for the decline of agriculture during the civil war. The Red Army conscripted the young men who helped farm. It also confiscated all the grain. The Red Army executed peasants who resisted either conscription or confiscation. Lenin's (and later Stalin's) use of the term "kulaks" was only a kind of official code to their apparatchik's to punish "any peasant who resisted Soviet confiscation."

Bolshevik communist ideology had no prescriptions for actual government, only the overthrow of capitalism. First Lenin and next Stalin made up a model of society for Russia – communism as a kind of state capitalism – the state owns both agriculture and industry and runs them as state factories, managed by political commissars as bosses. But the model did not work. It was a model that could only be run by toughness – by terror.

This is one of the first governing traits which Lenin displayed – not political wisdom but political toughness. Political wisdom should be policies for the good of the people. However, in ideological dictatorships, political toughness is a policy for the good of the dictator, good only to maintain power – even at the expense of the people imprisoned or killed.

In historical fact, Lenin was one of communism's "toughest people." But then so was his protégée, Joseph Stalin. This was a shared characteristic which made Lenin fond of Stalin and promote him. (But later it would also be an excuse for Lenin to reject Stalin as a successor, as too "rough.") But from early on, Stalin was a sycophant to Lenin. He admired Lenin's intellectual ability. (Lenin had written books and edited communist newspapers.)

Historically, both tough people, Lenin and his successor Stalin, decided to restructure Russian society with force. They forced a social theory of Marxism onto history. Under these dictators, Marxist History became (not what Marx thought as a *historical determinism*) but in historical reality only a *brutal dictatorial determination*.

Even a century after Lenin, terror-by-political-ideology remains a major problem in the application of social theory.



Vladimir Lenin (<http://en.wikipedia.org>. Vladimir Lenin, 2010).

The executioners of Lenin's tough policies were not monsters but only apparatchiks, party officials, government bureaucrats. They were the tough officials, acting under party orders and convinced of the justice of the orders by the official ideology of the government. Yet officially, they robbed, beat, imprisoned, murdered citizens. Even genocide was used as official policy (particularly in the extermination of kulaks and starvation of Ukrainians). Under Lenin's orders, communist apparatchiks exterminated over five million Russian peasants in 1918; and that was only the beginning of soviet terror. Although there was some knowledge in soviet society (e.g., sputnik and hydrogen bomb), there was no wisdom, only brutality.

Societal Ethics and Political Ideology

Knowledge and wisdom are two very old philosophical ideas. Now in the social sciences (particularly in the discipline of management science), the two terms are distinguished as a means-ends dichotomy (a dichotomy is a basic distinction). Knowledge can be said to be about means – how to achieve an end. Then wisdom is about ends – what end to choose.

In the philosophical tradition, the concepts of knowledge and wisdom had been mostly applied to individuals. An individual should be trained in knowledge and skills to efficiently attain desired ends. An individual should be educated in wisdom to know which what ends are desirable (good) and which ends are undesirable (evil). But can these ideas of knowledge and wisdom be applied to the concept of a whole society? For today, it is a society which turns out to be efficient in knowledge – science and technology. And today it is also a society which wields the full power of wisdom: institutionalizing political processes (1) as legal and just or (2) as legal but unjust – corruption, fraud, repression, and terror.

This is a social ideal of wisdom, societal wisdom. Can one empirically examine the issue of social progress – progress in knowledge (science and technology) and also progress in wisdom (ethics and justice)? Has there been evolving and can there methodologically evolve in human societies a universal sense of justice and ethics, applicable to societies in all times? This is the challenge. But these problems cannot be treated simply. In wisdom about political power, there are two basic issues. The first issue is about the skills in gaining power, accession. The second issue is about the skill in exercising power, governance. These two skills are different.

Historically in the twentieth century the chief problem about societal wisdom arose when those who skillfully gained power then decided that their skill also gave them absolute wisdom in governance, to properly exercising power – the ideological dictators.

Such dictators then suppressed those who were really knowledgeable in properly using power for the social good – societal wisdom. And their bureaucrats who served the dictators administered by force and terror, instead of by knowledge and wisdom. This was (and still is) the societal catastrophe of *terror in society*.

How do ideological dictatorships come to power? Historically, when a society has been in an economic and political crises, they have been susceptible to take-over by an ideological dictatorship.

Societal stability (stasis) is an important factor for the sustainment of a modern democracy.

Conversely, what conditions are necessary for proper societal stasis which promotes both democratic progress and technological progress? This is the question we address. This is the dual issue of societal wisdom and societal knowledge – wisdom in the political process for the general good and knowledge in the scientific progress for technical innovation.

And the question about societal-control-of-technology is the critical issue of our time. The valid physical theories which have provided the science bases for technologies have developed technologies strong enough for modern societies to be capable either of the destruction or conservation of life. Now it is critically necessity to create social theory as scientifically valid as physical theory. How can social science theory provide a science base for modern society which will enable us to properly control technology?

To answer such questions we will develop a methodology for constructing social theory based upon history. This will enable theoretical comparisons across different histories of different societies. We begin by focusing upon three important histories of the twentieth century: (1) the Russian Revolution (1917–1989), (2) the Nazi Revolution (1933–1945), and (3) the Chinese Communist Revolution (1947–1990). Onto these well-documented and ethically clear episodes (bad times), we will apply a new methodology. This methodology facilitates social theory which is both realistic and also idealistic – empirically grounded and normatively grounded societal theory. Looking back at that twentieth century, the critical need for valid and ethical social theory is quite apparent. Instead that century was full of ideology and invalid social theory.

Yet the startling fact is that all the ideological dictatorships were based upon social theories held by the dictators. These social theories were at the time thought by participants to be valid science. But in fact, the theories turned out to be not empirically valid and only used to justify power – even abusive power, power exercised not for the good of society. In ideological dictatorships, social theory was used as merely as political propaganda. This is the social science challenge of our times.

How can one distinguish real social theory from propaganda?

Historical Event: Revolution in Russia in 1917

Let us begin our first historical review of ideological dictatorships with the Russian Revolution.¹ We look at the situation of Russian society in 1917 whose societal conditions allowed the possibility for an ideologue, such as Lenin, to seize dictatorial power. Then Lenin set up his Bolshevik government as a communist dictatorship in the name of the proletariat. In this event, one can clearly see the societal processes occurring in a

drastic social change. That history of the Russian Revolution involved three distinct societal factors: (1) a social situation, (2) an idea, and (3) particular individuals. The social situation was collapse of a feudal state with a serf-bound peasantry alienated from a ruling aristocracy. The idea was the ideology of communism. And the individuals taking action were Lenin and his Bolsheviks. We will see how all this interacted.

When the nineteenth century began, the social situation in Russia was still that of a feudal society, with an aristocracy ruling a peasantry of serfs.² Hundreds of years, earlier, Ivan the Terrible had established the Tsardom of Muscovy, and then peasants had been legally slaves. Later in 1679, Peter the Great converted the Russian household slaves to serfs; and in 1723 he converted the land peasants to serfs. Slaves could be bought and sold, but serfs could only be transferred with the sale of land. But in 1773, Catharine the Great again legalized the selling of serfs independent of selling land. Only in 1861, did Tsar Alexander II legally release Russian peasants from serfdom and give them land to farm.



Tsar Peter



Tsarina Catherine



Tsar Alexander II

(<http://en.wikipedia.org>, Peter the Great, Catherine, Alexander II, 2010)

But in freeing the serfs, the serfs were not given sufficient land to farm (and as a gift). Instead, the peasants paid a special tax to the government and title to the land was still owned by a village community, called a “Mir.” The peasants could not sell the property for which they were paying taxes. Moreover, the peasants obtained the right to farm only a small plot, usually insufficient to support a family and often poor ground – as the aristocracy controlled the distribution of property. Also the aristocracy was reimbursed by the government for the loss of the property. Even after the abolishment of serfdom, Russian peasants continued to be unhappy with their economic status.

Slavery and serfdom is a normal condition of feudal states. Feudal social structures arise when an invading tribe conquers an agricultural tribe. The conquering tribe becomes a military aristocracy for the region, and the conquered tribes become slaves or serfs. Slavery existed in all feudal societies of Europe, back into the Greek and Roman times. For example, Romans conquered much of northern

Europe and reduced the many tribes to slaves on Roman villas established in Gaul and Spain. The legal conditions of peasantry as serfs disappeared in Europe in the 1400s, yet remained in Russia until 1861.

Natural Science

In science, the study of organisms in an environment has been called “natural science” – science observing objects in a natural environment. So too one can think of the humanistic discipline of history as a kind of “natural science.” History provides the observation of societies in nature, as kind of past natural environments of human nature – a natural history. The form of such a “natural history” is an issue in methodology. The form must address the methodology of integrating historical studies with social science studies. How can historical studies ground social science theories in empirical reality?

Of course, it is an old hope that science might provide an empirical ground for normative judgments about society, an empirical grounding of ethics. It goes back to one of the founders of sociology, Auguste Comte (1798–1857).³ Sociology has focused upon social interactions, with the term derived from the Latin term “socius” for “companion,” indicating the sociology is the knowledge of companionship, social interactions. The first to popularize this term was Comte, who suggested that social ills could be solved by scientifically understanding human nature, as a positive advance in knowledge beyond theology and metaphysics. And this was called the “positivist movement.”⁴



(<http://en.wikipedia.org>. Auguste Comte, 2010)

But now after the twentieth century, few think that social science can simply contribute to a positive advance in knowledge through understanding human nature, exactly as the physical sciences have understood physical nature. There is no longer a simple “positivist movement” in the social sciences. One reason is that in the twentieth century, social theory became entangled with political ideology.

This entanglement was complicated by technology – technologies of production, of communication, of health, of war. Under these technologies, it turned out that

human nature as a “social construct” proved malleable. Social human nature was changeable and not only changeable necessarily for the good – but also for evil. Looking back, one can summarize that century as one of science and ideology. The twentieth century was a time not only of technological progress but also of devastating wars, political terror, ideological dictatorships, and even of nuclear threat.

Yet still as a kind of “positivist” hope, there were definitely some kinds of progress, such as the great progress in the physical sciences and biological sciences and in technology. Also the democracies eventually triumphed over dictatorships. All the terrible dictatorships of the twentieth century were defeated, fell apart, or were reformed. One could call this a kind of “political progress.”

But the term of “progress” itself is a term often abused. What one may historically call progress, another may call regression. In the case of societal knowledge, in science and technology, most of us will probably agree there was progress. But what about government? Was there any real progress in the politics of government? Instead, a historical case might be made that the twentieth century was a time not of progress but of regression. The startling fact of the twentieth century was the large number of political regressions into dictatorships. There were the repressive communist dictatorships in Russia and in China and in Cambodia. There were the brutal fascist dictatorships in Italy and in Germany and in Japan. All these political disasters resulted in the destruction of millions of people.

And what was unique to these dictatorships was how they used ideology to justify political power. All dictatorships use force, terror, and oppression to hold power. But some of the dictatorships in the twentieth century used social theory to justify their terrible use of power – social theory became political ideology. This was an important development in history of political theory and government – social theory as ideology. Social theory consists of ideas about nature – gained scientifically as objective theory constructed upon empirical observation. In contrast, ideology is the justification of power on the basis of ideas. Ideological dictatorships used social theory as ideology. And in that brutal usage, any possible scientific validity to their social theory was destroyed.

The distinction between valid societal theory and political ideology lies in methodology.

Perceptual Spaces in Science

The methodological question about a natural history of society is this. How can one analyze historical events in a way that can provide the empirical basis for building social theory? The answer is to analyze is to describe historical events within the methodological framework of a *perceptual space*. In this way, social science generalizations can be formally abstracted from and across different historical events, with their very different particularities and contexts.

In jargon of contemporary science, one learns about “nature” from research, and the research must be performed under a proper “methodology.”⁵ To learn from history, we must research history under proper, systematic research methods.

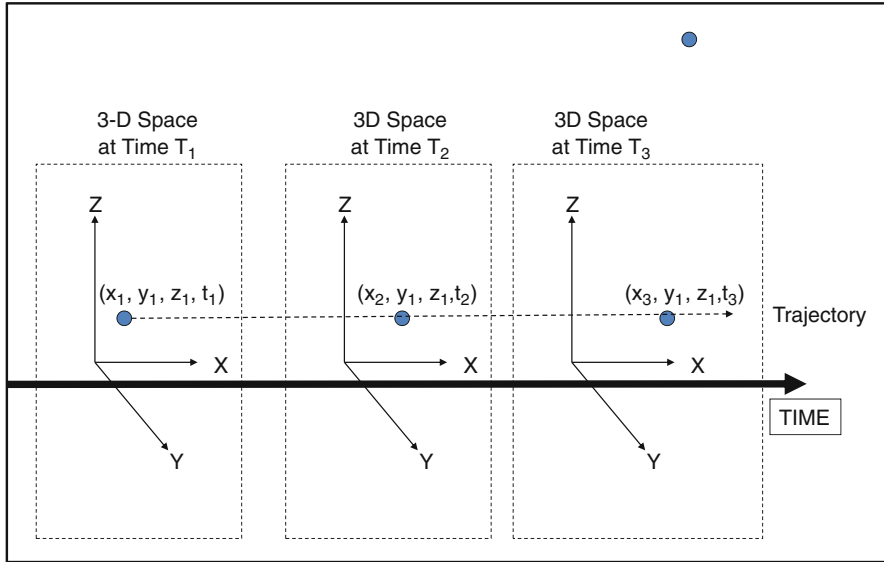


Fig. 1.1 Classical four-dimensional space–time description of motion of material object

Methodology is the scientific term for a “knowledge of research techniques,” proper research techniques. In the protocols for research methods, the two criteria are empiricism and theory construction. Empiricism in the social sciences requires the studies from history, but not just in any way. Proper social science empiricism requires studying history systematically, as if a historical epoch was a kind of experiment – an experiment in human society. Proper theory construction requires the abstraction of forms from experiments as theoretical principles – theory which is generalizable and verifiable across all similar experiments.

The technique of a perceptual space provides a common research framework for observation in the physical and life sciences (e.g., physics, chemistry, and biology). These scientific disciplines all use the perceptual space of physical space and time. Formally, all physical events are observed and described in a space–time perceptual framework, as sketched in Fig. 1.1.

A three-dimensional geometric space X, Y, Z in which any physical object is described at a given time (t) at residing at a point described by the three coordinates (x, y, z) . Objects can change positions in space (x, y, z) through motion; and so time (t) is used formally as a fourth dimension to enable the description of motion. The complete physical perceptual space description P of any physical object is thus given in the notation with four descriptive values as $P=(x, y, z, t)$.

Now for observing a societal event, we need an analogy to this – a kind of societal perceptual space, which we can construct from three basic dichotomies in sociology: *individual–society*, *groups–processes*, and *reason–action*.

The first basic idea in the sociological literature is how one can distinguish between individuals and the society in which the individuals live – the dichotomy of *individual and society*.

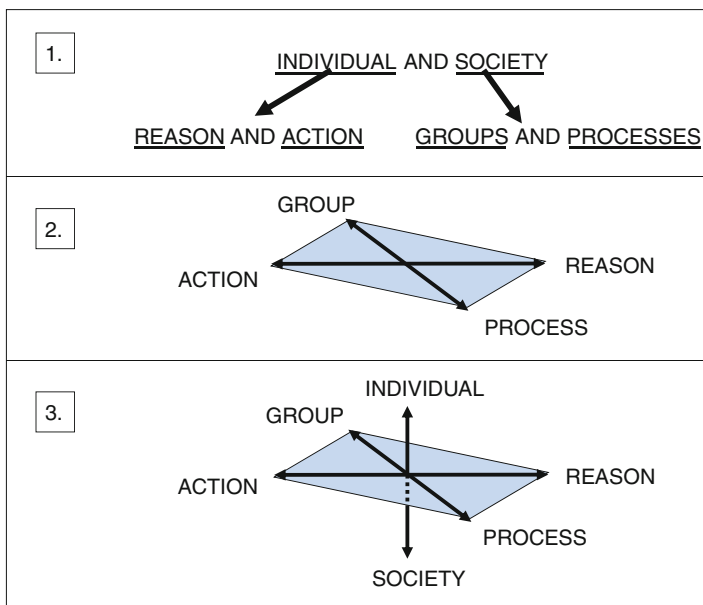


Fig. 1.2 Basic sociological dichotomies

The second basic idea in sociology (and in organizational theory) distinguishes within a society how individuals associate into groups within a society and the processes a group inculcates in its members – the dichotomy of *group and process*. A social process is a series of actions coordinated to produce an outcome planned by a group. In describing societies, sociological literatures use the basic descriptors of groups and organizations as societal objects and of processes (social processes) performed by groups or organizations.

The third basic idea found in the sociology (and in economics and in management science) is about individuals and their rational behavior in society. Individuals described as sentient (or cognitive) beings acting according to perceived reasons – the dichotomy of *action and reason*.

We can graphically show these three basic social science dichotomies upon a three-dimensional societal space in Fig. 1.2.

For example, in economics literature, an individual is assumed to behave as an “economically rational” individual – one who acts in the marketplace according to economic reason. In describing individuals interacting with society, one needs to describe both the actions of individuals and the reasons they perceived for taking such action. And we called this the rationality–action dichotomy.

Thus, in any historical set of events describing an epoch of a society, the event can be described as factors and interactions of three dichotomies in the sociological perception of the event. These dichotomies are individuals–societies and action–rationality and groups–processes.

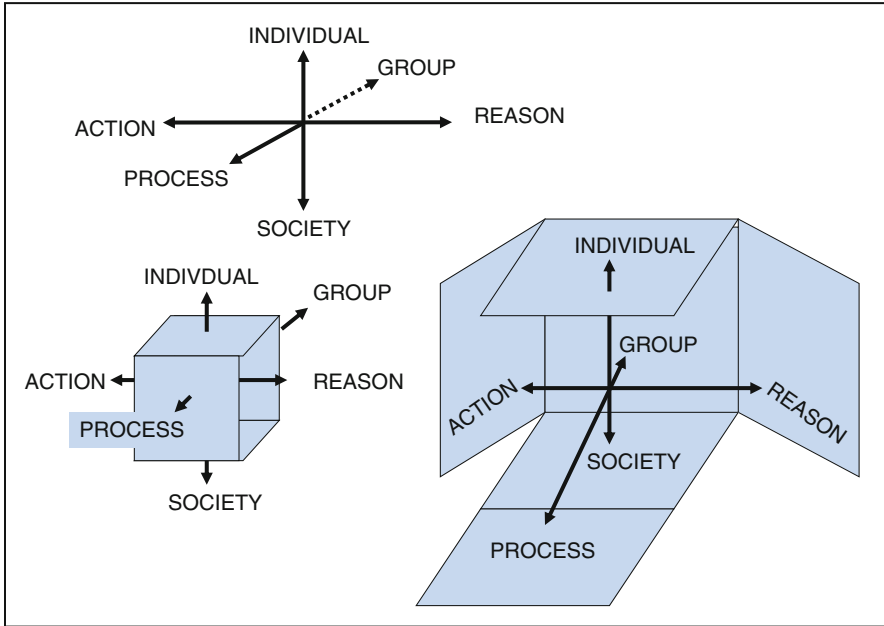


Fig. 1.3 Societal perceptual-space event box interactions of an individual and society are mediated through reason and action and through groups and processes

To conveniently inscribe events in the perceptual space, we will show the areas around the dimensional axes as a kind of *event box* – in Fig. 1.3. In this picture, we show a *three-dimensional space* for perceiving historic events in a society as arrows in the space. Next we build a *box around the axis-arrows*, in order to have surfaces for conveniently listing the factors (happenings) in the event. Since this box is three-dimensional, we then open up the box to see all surfaces in one view.

This “open-box” form can allow us to inscribe the significant factors which occur in an historical event. We can see this by using it to abstract the key features of the social state of Russia before the Russian Revolution, as shown in Fig. 1.4.

SOCIETY – Thereupon, one can list the state of a feudal society in which peasants can be either slaves or serfs or citizens.

INDIVIDUAL – Also one can list the individuals involved (Tsar Peter, Tsarina Catherine, and Tsar Alexander II) in establishing the Legal Rights of Russian peasants (in Slavery or Serfdom or Emancipation).

PROCESS – In the case of Russian serfdom, the interactions between individual–society occurred when Peter, Catherine, and Alexander II by legal process altered the caste structure of Russian Society.

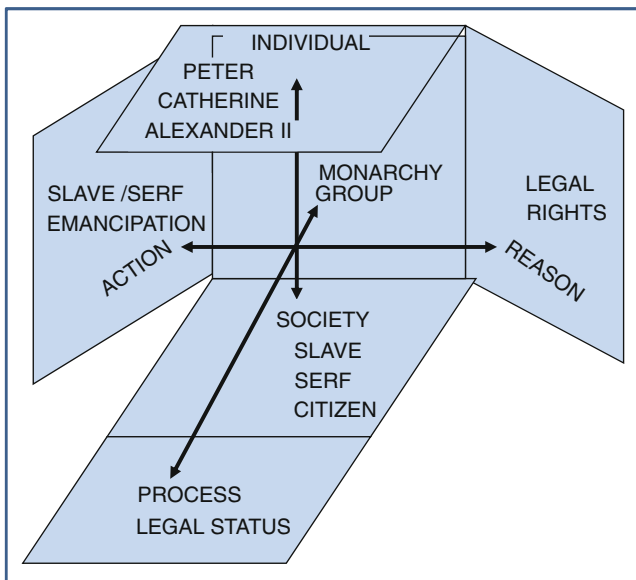


Fig. 1.4 Before the Russian revolution of 1917

ACTION – These changes occurred in actions when laws were issued by the Tsars. Peter abolished slavery to serfdom, and Catherine reinstated serfdom. Alexander abolished serfdom.

REASON – And these actions occurred in changes in the reasoning (thinking) of Peter or Catherine or Alexander. They each thought differently about the proper status of peasants in Russian society.

GROUP – The government of Russian society was an absolute monarchy, established by Peter and maintained by Catherine and Alexander.

Using this societal perceptual-space format, one can emphasize (bring-out, high-light) the distinctive factors that critically (mainly, fundamentally) characterize (describe) the historical event. And in this critical characterization, empirical evidence can be argued systematically (formally) for social science generalizations. For example, in this historical case of prerevolutionary Russia, one can see the empirical effect of how decisions-made-by-individuals-in-governing-positions-of-organizations can alter social forms. Of course, this is only one historical example, but the abstraction can clearly be made for further evidence in other historical situations – history and social science.

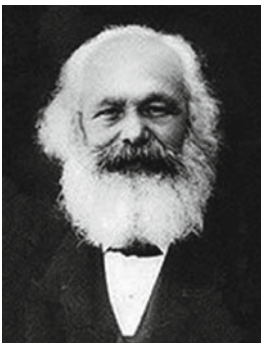
Individuals in positions of authority can sometimes make decisions which alter societal forms.

Of course this particular generalization (while it can be empirically validated) is pretty simple. The interesting theoretical issues here concern when, under what conditions, and why can individuals sometimes alter history?

Historical Event (Continued): Revolution in Russia 1917

We next look at how ideas and ideology played significant roles and were factors in the events of the Russian Revolution. The *ideology* used by the Bolsheviks under Lenin to seize power was the *idea* of the social theory of communism. This idea was conceived by Karl Marx and Friedrich Engels.⁶ Their formulation of the ideological social theory arose in the historical circumstances of the great social changes occurring in Europe. This was the technological industrialization of commerce which continually increased in pace and extent throughout Europe during the 1800s.⁷ Under these new social conditions, a political movement emerged about the idea of socializing economic organization. Karl Marx and Friedrich Engels provided the seminal exposition of the ideas of one extreme form of socialism – communism.

Karl Marx (1818–1883) was born in Trier, Prussia to a family of Jewish heritage. His mother was Henriette Pressberg, and his father, Herschel Mordechai. His father changed his name to Heinrich Marx and converted to Protestant Lutheran Christianity to be allowed to practice law in Prussia (because of the government’s anti-Semitism). Marx graduated from the Trier Gymnasium and enrolled in the University of Bonn in 1835 to study law. There he enjoyed himself, joining the Trier Tavern Club drinking society, but making only poor grades. His father had him leave and enroll in the Humboldt University in Berlin. There instead of attending law courses, Marx studied philosophy and history. Hegel was then the dominant German philosopher, and Marx engaged in the Young Hegelian movement of the time. In 1841, Marx earned a doctorate, with his thesis, *The Difference Between the Democritean and Epicurean Philosophy of Nature*.



Karl Marx (<http://en.wikipedia.org>, Karl Marx, 2010)

Georg Hegel’s philosophy was based upon a logic (rationality) of social processes wherein conflict is the principle characteristic of interactions between two individuals. The rationality of one competitor in the conflict, Hegel called the “thesis” of the conflict. The rationality of the other competitor in the conflict, Hegel called the “antithesis” of the conflict. Their respective rationalities (thesis or antithesis) justified the political positions of the opponents. For example, the rationality of absolute monarchy justified the political position of continental European kings

in the 1800s; and the rationality of constitutional/representative government justified the political position of the European merchant classes.

Hegel's dialectical logic was a prescription for resolving such rational conflicts by synthesizing an underlying social process – a process which really was engaging both participants in their interaction. This Hegel called a “synthesis.” So the Hegel dialectical prescription is summarized as: thesis, antithesis, synthesis. For example, Hegel used the example of the dialectical conflict between master and slave. The rationality of the master was superiority – thesis. The rationality of the slave was injustice – antithesis. This dialectical conflict cannot be resolved merely logically but requires a profound change in the underlying social process.

For example, the abolition of slavery in the USA resolved the thesis–antithesis of the master–slave relationship. This kind of shift-in-perspective toward a societal solution to the social conflict Hegel called a synthetic perspective. Thus, Hegel's logic about social conflict is a process resolution summarized in the phrase: thesis–antithesis–synthesis.

Georg Hegel (1770–1831) was born in Stuttgart, Germany. In 1788 he entered a Protestant Seminary attached to the University of Tübingen and graduated with theological certificate in 1793. Next he became a house tutor to a family in Bern. In 1801, Hegel went to Jena and became a Privatdozent (unsalaried lecturer) at the University of Jena, after writing a Habilitation dissertation on the orbits of planets. He published his first book comparing philosophers Fichte and Schelling. In 1802, Hegel founded with Schelling a journal on philosophy. In 1805, Hegel was promoted to a Professor Extraordinarius (salaried). In 1806, Hegel finished what would become his best known book, *Phenomenology of Spirit*. He saw the French Emperor Napoleon enter Jena, just after having defeated a Prussian army outside its gates. About this Hegel wrote: “I saw the Emperor – this world-soul – riding out of the city on reconnaissance. It is indeed a wonderful sensation to see such an individual, who, concentrated here at a single point, astride a horse, reaches out over the world and masters it [...] this extraordinary man, whom it is impossible not to admire.” (Pinkard, Hegel: A Biography, pp. 2–3; p. 745). In 1808, Hegel was made headmaster of a Gymnasium in Nuremberg. He published his second major book, *Science of Logic*. In 1814, Hegel obtained a professorship at the University of Heidelberg but then moved to the University of Berlin in 1816. There his fame spread and in 1830, he was appointed Rector of the University of Berlin.



(<http://en.wikipedia.org>. Georg Hegel, 2010)
(<http://www.hegel.net/en/gwh3.htm>)

As an illustration of Hegel's logic of thesis–antithesis–synthesis, we can use this logic to explain what happened in Russian history in 1861. Tsar Alexander did emancipate the Russian serfs, abolishing peasant slavery. But Alexander did not

change enough of the societal conditions of the Russian peasant, with only a legal emancipation. They remained effectively bound to the land. So Alexander's solution was not complete in solving the basic social conflict, which was about control of agricultural land by either master or peasant-serf.

To resolve this continuing conflict about land, Alexander II also needed to endow land to the peasant (for their livelihood as farmers) while at the same time compensating estate-owning aristocracy for the loss of their land. This Alexander II attempted, but unfortunately he allowed a process by means of which the land owners controlled the distribution land and also charged for the transfer of land. Thus, the process of land distribution was not inherently equitable (for the master but against the serf).

In Hegelian terms, Tsar Alexander did not provide a complete "synthesis" for the master-slave dialectic of Russian society as aristocracy (thesis) and serfdom (antithesis). A complete "synthesis" to the dialectic of master and serf in Russian society would have also needed significant, fair, and effective land reform. Only both emancipation and land reform together might have really altered the conflict between master and serf in Russian society resulting in a mutually satisfactory situation of Russian Tsar and loyal peasants.

Hegel's logic of the rationality in social conflict excited the young student, Karl Marx. Marx took up Hegel's idea of "rationality" in a dialectical social process to analyze societal conflict. And how Marx applied this rational process of logic to contemporary European societies was by identifying the central modern conflict as economic – between proletariat and capitalist in an industrial society.

As we will next review, Marx succeeded in using Hegelian dialectic for his social theory, principally in association with his friend, Friedrich Engels. Together, Marx and Engels would publish the key propaganda document for the socialist movement, in the *Communist Manifesto*. In this set of events (which will later play a significant role toward the Russian Revolution), we will see that the ideas (dialectical materialism) of two individuals (Karl Marx and Friedrich Engels) became central to the formation of the ideas in the ideology of communism. As shown in Fig. 1.5, we can add the explanations of ideas and ideology into the societal perceptual space as relationships between factors – interactions between *individual-reason* and *reason-society*.

INDIVIDUAL – Karl Marx and Friedrich Engels are the seminal formulators of communist social theory.

REASON – The persuasive force of Marx's arguments are based upon a form of logic, dialectic materialism, which appears to explain the fundamental evolution of industrialized societies.

ACTION – A key action in promulgating the ideology of communism was Marx and Engle's publication of the *Communist Manifesto* pamphlet.

GROUP – The groups, excited by Marx's dialectical materialism reasoning, formed a social movement as communist parties.

SOCIETY – The communist parties proposed that societies be reorganized as state-owned enterprises (socialism), abolishing privately owned businesses.

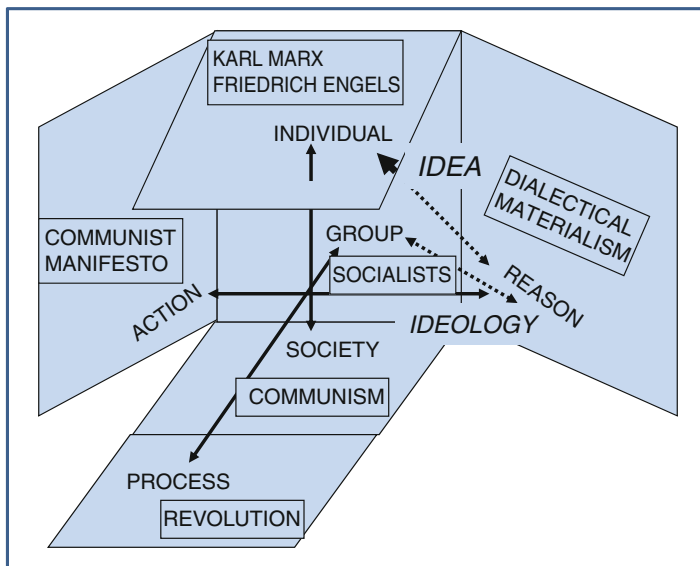


Fig. 1.5 Marx's and Engels' idea about history (dialectical materialism) and their ideology about society (communism)

PROCESS – The process for this social transformation from capitalism to socialism would be a revolution.

We see, in this analysis of the historical ideas in communist ideology, empirical evidence for the following generalization.

The interactions between society and individuals sometimes are mediated by new rationality – individuals creating new ideas which later shape social forms.

We turn next to Marx's intellectual collaborator Friedrich Engels. Marx was the philosophical theoretician, and Engels was the empirical sociologist.

Friedrich Engels (1820–1895) was born in Prussia. His father was a German textile manufacturer who wished to have his eldest son, Friedrich, pursue a business career. But his son had more scholarly tastes, and they conflicted about his future. In 1938, the irate father withdrew his son from the local gymnasium (high school) and sent him to work as a clerk in a business in Bremen, but without salary. There Engels read Hegel and wrote poetry. In 1841, Engels joined the Prussian Army and was sent to Berlin. He attended lectures at Humboldt University, associated with the Young Hegelians, and wrote articles for the *Rheinische Zeitung* (newspaper). After Engels finished his Army service in 1842, his father sent him to Manchester, England to work for a textile firm. His father held shares in the firm.

Working in the firm, Engels met Mary Burns. They lived together for the rest of their lives, but they never formally married. Engels viewed the institution of marriage as unjust. While in Manchester, Engels saw the conditions of the working class in the newly industrializing England; and he was appalled at the injustices of

their social and working conditions. In 1844, he published his book, *The Condition of the Working Class in England*.

Engels returned to Germany, but he stopped in Paris to meet Marx. Engels gave him a copy of his book. They would begin their lifelong friendship and collaboration. Engels went on to Germany and then to Brussels to work with Marx. They worked for the German Communist League from 1845 to 1848. They organized German workers in Brussels and wrote their pamphlet, *The Manifesto of the Communist Party*.



Friedrich Engels (<http://en.wikipedia.org>)
Friedrich Engels, 2010)

In February 1848, a second French revolution occurred. The rebellion spread to other European countries. Engels and Marx returned to Prussia and began a newspaper, *Neue Rheinische Zeitung*. In June 1849, the Prussian government suppressed the paper. Marx lost his Prussian citizenship and was deported. He fled to Paris and then to England.

Meanwhile, Engels stayed and took part in an armed uprising in southern Germany. But it too was crushed. Engels fled to Switzerland and then back to England. In Manchester in 1848, Engels re-entered the commercial firm in which his father held shares. He started again as an office clerk but worked his way up to become a partner in the firm by 1864. He used his income to help support Marx. In 1869, Engels retired to devote his time to his studies.

Earlier in his book, Engels had described the social turmoil which the English industrial revolution was bringing to England's countryside and towns in the first half of the nineteenth century: "Twenty-one months I had the opportunity to become acquainted with the English proletariat, its strivings, its sorrows and its joys...and to supplement my observations by recourse to requisite authentic sources..." (Engels, 1844).

However, Engels idealized the previous living conditions of the English cottage industry of spinners and weavers (before the textile factory): "The history of the proletariat in England begins with the second half of the last century (1750s) with the invention of the steam-engine and of machinery for working cotton... Before the introduction of machinery, the spinning and weaving of raw materials was carried on in the workingman's home. Wife and daughter spun the yarn that the father wove... These weaver families lived in the country in the neighborhood of the towns, and could get on fairly well with their wages... So the workers vegetated

throughout a passably comfortable existence... They did not need to overwork... They had leisure for healthful work in garden or fields... They were, for the most part, strong, well-built people..." (Engels, 1844).

Engel's idealization of pastoral life was within the context then of a widespread artistic movement in Europe in the early nineteenth century called the Romantic Movement. That romanticism had arisen from earlier political ideas of the French enlightenment of the 1700s, wherein a state of nature was viewed as pastoral and bucolic, while society corrupted nature.

Engels viewed the industrialization as corrupting: "Now in the present industrial cities southward from Great Ancoats Street (Manchester), lies a great, straggling, working-man's quarter... Here flows the Medlock... Along both sides of the stream, which is coal-black, stagnant and foul, stretches a broad belt of factories and working-men's dwellings... The cottages are old, dirty, and of the smallest sort, the streets uneven, fallen into ruts and in part without drains or pavement; masses of refuse, offal, and sickening filth lie among standing pools in all directions; the atmosphere is poisoned by the effluvia from these, and laden and darkened by the smoke of a dozen tall factory chimneys. A horde of ragged women and children swarm about here as filthy as the swine that thrive upon the garbage heaps and in the puddles." (Engels, 1844).

Engels was familiar with the details of the technological innovations in England which created the textile factory: "The first invention which gave rise to radical change in the state of English workers was the jenny, invented in the year 1765 by a weaver, James Hargraves... Single capitalists began to set up spinning jennies in great buildings and use water-power for driving them, so placing themselves in a position to diminish the number of workers, and sell their yarn more cheaply than single spinners could do who moved their own machines by hand. And the factory system, the beginning of which was thus made, received a fresh extension in 1767, through the spinning throstle invented by Richard Arkwright... After the steam engine, this is the most important mechanical invention. By the combination of the particularities of the jenny and throstle, Samuel Crompton... contrived the mule in 1785 and Arkwright invented the carding engine...the factory system became the prevailing one for the spinning of cotton (into cotton thread)... With (such) inventions from year to year, the victory of machine-work over hand-work in the chief branches of English industry was won..." (Engels, 1844).

Engels appreciated the pervasiveness of technological innovation on European economies: "Nor is the gigantic advance achieved in English manufacture since 1760 restricted to the production of clothing materials. The impulse, once given, was communicated to all branches of industrial activity, and a multitude of inventions...were made in the midst of the universal movement (of industrialization and invention)..." (Engels, 1844).

Engels saw that the social price of industrialization was being disproportionately born by the working class. This was the source of Engels ethical indignation about how the benefits of industrialization were being distributed. The capitalists of Europe were getting rich, but the working people of Europe were miserly paid, forced to live in terrible conditions, and with little hope of improvement: "...the proletariat was called into existence by the introduction of machinery. The rapid

extension of manufacture demanded hands, wages rose, and troops of workmen migrated from agricultural districts to the towns. Population multiplied enormously... At the same time the destruction of the former organization of hand-work...deprived the workingman of all possibility of rising in the middle-class himself. Hitherto he had always had the prospect of establishing himself somewhere as master artificer, perhaps employing journeymen and apprentices; but now, when master artificers were crowded out by manufacturers, when large capital had become necessary for carrying on work independently...he who was born to toil had no other prospect than that of remaining a toiler all his life..." (Engels, 1844).

We can see from Engels' writing that the "rationality" in which Engels and Marx would formulate their social theory of history (dialectical materialism) did have an empirical grounding in the grim social realities of English industrialization. But their social history was to move far beyond a descriptive empiricism (misery of the English working class) to a prescriptive solution for a new society – a prescriptive form of "communism." Marx would use Engels' societal description upon which to base his theory of dialectical materialism – formulated not as science but as a political prescription – a communist ideology.

Engels and Marx complemented each other, as empiricist to theoretician. But Marx's theory was not fully empirically validated by Engels sociology – nor by subsequent history nor sociological studies. Marx's theory predicated that a communist revolution would occur as an uprising of proletariat. But this never historically happened. All communist revolutions occurred through civil wars conducted by professional revolutionaries. Nevertheless, in the perspective of a sociologist, we have seen that Engels was a fine empiricist. Perhaps, if Engels had not been so committed as a communist agitator, he might be remembered as a seminal sociologist. Engels chose social theory as political propaganda, over a validation of social theory.

It is useful again to plot in a societal perceptual space, these events about the conditions of industrialization and Marx and Engels views, as in Fig. 1.6. Also now we can add to the societal perceptual space the idea that action in society can impact the state of society through the performance attained by the action – *Performance as the relation between Action and Society*.

INDIVIDUAL – Karl Marx and Friedrich Engels are the seminal formulators of communist social theory. But inventors, such as Hargraves, had great social impacts by inventing machinery for the industrialization of the English economy.

ACTION – The significant actions in the industrialization are the establishment and running of factories, which dramatically improve the quantity and quality of products while lowering costs and prices.

REASON – The socialists' political theory of society will continue to be based upon Marx's logic of dialectic materialism. However, the ideas which were dramatically changing society were technological inventions.

GROUP – In the industrialization, the groups which were forming were the capitalist factory owners and the laborers working the machinery.

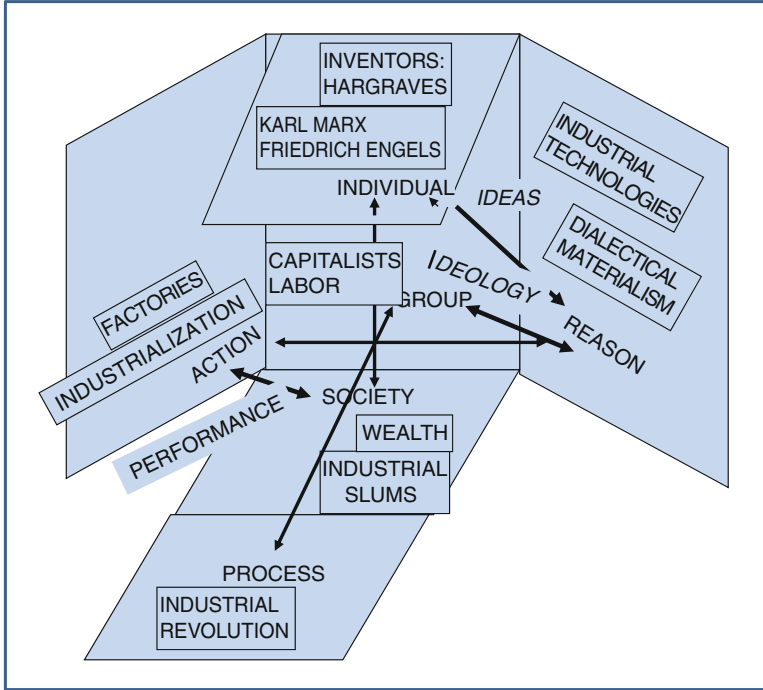


Fig. 1.6 Impact of industrial revolution from technical inventions (E.G. Hargraves) upon Engels’s descriptions of English society

SOCIETY – The social impact of the new factories was to create terribly poor industrial slums around the industrial cities, as Manchester. Wealth created by the capitalist class is not shared with the labor class.

PROCESS – The process driving this social transformation in England will be called the industrial revolution.

The societal perceptual space provides an abstract and general *format* of factors in a society event (using the key terms in sociology of individual–society, group–process, reason–action). These societal factors are useful to perceptually *analyze* any *historical event*.

Next we have been adding some explanatory relationships between these factors in any historical event. One of these explanatory relation of *Ideas* connects the societal factors of *Individual* to *Reason*. Another explanatory relation of *Ideology* connects the societal factors of *Groups* to *Reason*. A third explanatory relation of *Performance* connects the societal factors of *Action* to *Society*.

IDEAS – The ideas of Marx and Engels provided an ideology for proponents of the working class interests in the industrialization.

IDEOLOGY – The ideology of communist espoused a dominance of the power of labor over capitalists; while the ideology of capitalism espoused a dominance of power of capitalists over labor.

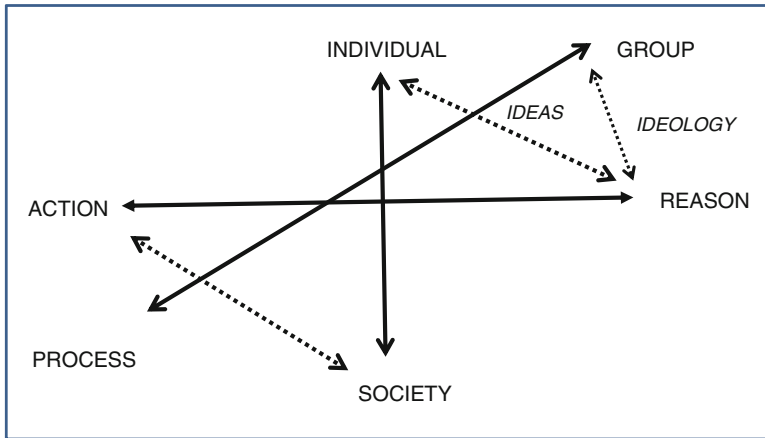


Fig. 1.7 Explanatory relationships in societal perceptual space

PERFORMANCE – The innovation of factories and industrialization dramatically increased the performance of economies.

Explanatory Relationships in a Societal Perceptual Space

So far we have identified three explanatory relations which are important to understanding the historical events leading to the Russian revolution.

In a societal perceptual space, the dimensional factor of Reason is connected to the dimensional factor of Individual by means of Ideas.

The dimensional factor of Reason is connected to the dimensional factor of Group by means of Ideology.⁸

The dimensional factor of Society is connected to the dimensional factor of Action by means of Performance.

These explanatory relations can be shown in the societal perceptual space, as in Fig. 1.7.

Historical Event (Continued): Revolution in Russia 1917

So far, we can see in this perceptual-space analysis of Lenin and Marx and Engels as to their impact on society some empirical evidence for the social science generalization:

Individuals taking action upon new ideas of rationality can alter societal forms and conditions.

This begins to address the issue of how an individual can alter societal forms – through reason.

The ideology of communism did provide significant rationalization for the actions of revolutionary groups in 1917 Russian revolution. To this point in that history (up to Marx and Engels), we have seen the role of individuals using reason upon which to base action. But we have not yet observed the “process” in the events of the Russian Revolution. Group processes in the history begins with a group of Bolsheviks seizing power in Russia during the month of October 1917.

Ideas alone do not create major societal events, nor do individuals. Major societal events are mass movements – movements that occur under the influence of many factors – ideas, individuals, actions, social conditions. The Russian Communist Revolution begun in the action of the October revolt of 1917 provides a clear example of such a mass movement and the actions by individuals who seize governmental control in times of such movements.

By 1917, World War I had been fought for 3 years. The Russian Army was fighting the German and Austrians on the Eastern Front of that war, with disastrous consequences to Russia. Russia was losing the war. Its army was poorly supplied and badly led. Russian troops began deserting, and Tsar Nicholas II abdicated his throne. Absolute monarchy ended in Russia. A provisional representative government was established, soon to be led by Alexander Kerensky. But Kerensky continued the war with Germany, with another military disaster.

Also by 1917 the industrial production of Russia had fallen 36% from the previous year. Half of the companies had closed down, increasing unemployment. Monetary inflation continued, with the cost of living doubled from before the war. Russian government debt had risen to 50 billion rubles, and government faced bankruptcy. In September and October of 1917, workers strikes occurred in Moscow and Petrograd and Donbas and in the Ural region. Railroad workers went on strike. In some plants, workers seized control. Peasant uprisings were occurring in the country against aristocratic landowners. Several military garrisons revolted and refused to recognize authority. The whole country was breaking down in revolts and uprisings.

As had the Tsar’s government, Kerensky persisted with the war. Kerensky’s government launched a third and final military attack in July 1917, which soon collapsed. News of the latest military disaster stimulated more social uprisings. On July 16, the Kerensky government used soldiers to put down a demonstration in Petrograd, killing 56 people. It raided radical offices and arrested communist organizers. The leader of the Bolshevik wing of the communist party, Lenin, was ordered to be arrested; but he went underground and avoided arrest.

Meanwhile, leaders in the Russian Army had also become disillusioned with the Kerensky government. The commander of the Army, General Lavr Kornilov, attempted a putsch. Kornilov ordered troops to march on the capital Petrograd (Petersburg) to seize control of the government. But the soldiers were stopped by newly organized soviet militias. The communists had organized groups of workers and soldiers and sailors into committees, soviets. The Petrograd Soviet, led by Lenin’s Bolsheviks, sent the people into the streets. Kornilov’s revolt collapsed; but

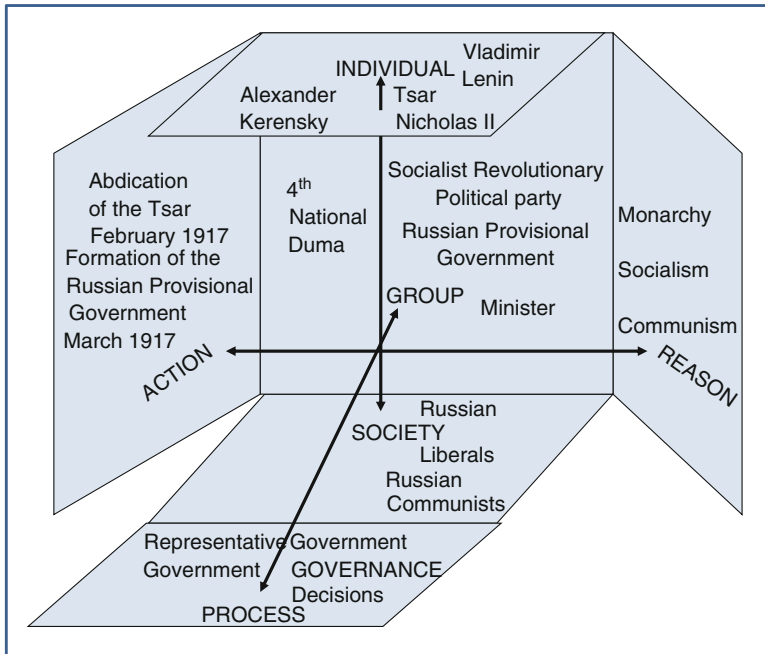


Fig. 1.8 October 1917 revolt

also with it collapsed all authority of the Kerensky government. (We will discuss the more fully in a subsequent chapter.)

On October 25, the Bolshevik Soviet in Petrograd acted. Its militia marched into the government offices and seized control of the government. The Petrograd Soviet proclaimed a new Russian Provision Government but now led by communists. Next a Congress of Soviets was held, with half the delegates belonging to Lenin’s Bolshevik party, who elected Lenin to head the Congress. Other delegates (Mensheviks) walked out. This left the Bolsheviks in control of the new government. Under Lenin, the Bolshevik government passed laws allowing peasants to seize private land. They nationalized all banks and businesses. They fixed wages and ordered an 8-h work day. They repudiated Russia’s foreign debt. But political conflict continued. Civil war in Russia began between the Reds (communists) and the Whites (monarchists).

From this example, one can see that the description of a major event in a society is complicated, as shown in Fig. 1.8

ACTION – Events occurred in the October Revolt in 1917 which resulted in the establishment of a new provisional government – the Bolshevik Communist government (the so-called Russian Provisional Government). That event was then to trigger a civil war in Russia.

INDIVIDUAL – Individuals central to the actions included:

1. Kerensky – the head of the previous provisional government, which had replaced the Tsar’s government after Nicholas II abdicated.
2. Kornilov – the head of the Russian Army, who attempted a putsch against the Kerensky government.
3. Lenin – the leader of the Bolshevik branch of the communist party, who successfully overthrew the Kerensky government and established a new provisional government.

GROUP – The groups involved were:

1. Provisional Government, headed by Kerensky.
2. Military, with the Russian Army led by Kornilov.
3. Political Parties – socialist and communist parties, with the communist party split into the Menshevik faction and the Bolshevik faction (led by Lenin).
4. Soviets – political committees of workers and soldiers, organized by communist party members.
5. Soviet Militia – armed citizens and disaffected soldiers, organized by the Bolshevik party.

REASON – The principal arguments involved in the event was the idea of political control of organizations by committees of workers. This idea was propounded by the Communist party; and became a slogan in the October event as: All Power to the Soviets! This meant to abolish the Kerensky government and replace it with a government organized by committees of soviets.

SOCIETY – The social conditions stimulating the social unrest and mass movements which undercut both the Tsar’s government and the Kerensky government were the factors of:

1. WAR – The continuation of Russia’s failing participation in World War I undermined national pride, destabilized the economy, and conscripted vast numbers of young peasant males, many of whom were killed.
2. CORRUPTION – Government administration of war contracts was corrupt, resulting in bad or nonexistent supplies to the army. Many soldiers were actually sent into battle without a gun or ammunition. This disgusted the soldiers with their Army leadership and the Tsar as military commander.
3. DEBT – The growing national debt to finance Russia’s war effort destabilized the financial system and fostered monetary inflation.
4. INFLATION – Inflation increased the costs of living for workers and peasants without a compensating increase in income – lowering living standards of the lower classes of Russian society.
5. UNEMPLOYMENT – The collapse of government finances canceled military supply contracts to Russian industry, resulting in the closure of businesses and the unemployment of masses of workers.

PROCESS – The social processes which occurred in the actions of the events included:

1. **AUTHORITY** – Recognition and acceptance of authority dissolved continually after the Tsar abdicated and the Kerensky government continued the war. After the Kornilov failed putsch attempt, authority in the military collapsed, and Russian soldiers and sailors joined with the Soviets' militias to forcibly seize power for the Bolshevik-led soviet committees.
2. **MASS DEMONSTRATIONS** – Political demonstrations by masses of people going into the streets toward government offices created fear in officials that they were losing authority and power.
3. **REPRESSION** – A first response by authorities to mass challenges of power is to use the army to break demonstrations with force and arrest political opponents. This was the traditional mode of the Tsars' responses to demonstrations which succeeded up until 1917, but periodically undercut their perceived legitimacy of authority. The Kerensky government tried repression, but ineffectually. Lenin escaped arrest.
4. **PUTSCH** – The seizure of a government by military force constitutes a putsch. General Kornilov tried an Army putsch but failed. The Bolsheviks led a soviet putsch and succeeded.

We see in this list of key factors in the event of the October Revolt in Russia, the many factors needed for a complete historical description. The usefulness of the perceptual space is to sort out and classify these many factors. This helps make clear in the description, what factor contributed the event and how and when. Also as we are seeing connections (relationships) between dimensional factors can also help explain an historical event, as we show in Fig. 1.9.

IDEAS – In the explanatory relationship between Individual and Reason, the social theory ideas of Marx and Engels had provided an ideology for proponents of the working class interests in the industrialization.

IDEOLOGY – In the explanatory relationship between Group and Reason, the ideology of monarchy had espoused the power of the aristocracy over serfs. Next the ideology of communist espoused a dominance of power of the labor over capitalists; while the ideology of capitalism espoused a dominance of power of capitalists over labor.

PERFORMANCE – In the explanatory relationship between Action and Society, failures of performance in a society triggered political actions. The failure of military and economic performance by the monarchical government triggered the abdication of the Tsar; and the continuing failure of military performance triggered the fall of the Kerensky provisional government.

SYSTEM – In the explanatory relationship between Reason and Process, the system of how a society is organized is important. The aristocratic/capitalism system of Russian society would be replaced by the Bolshevik government as a soviet system of Russian society.

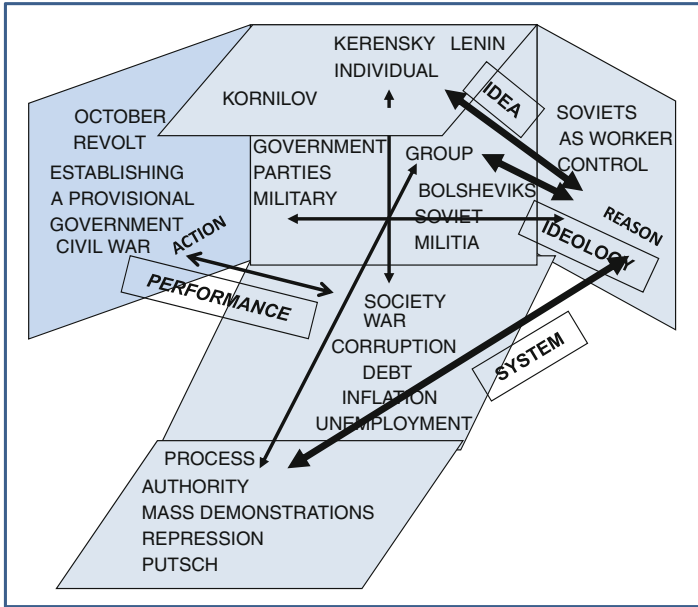


Fig. 1.9 In the October revolt, indicating the interactions between the factor of reasoning with the factors of individuals and groups and processes

- ‘Ideas’ explain the relationship between the factors of Individual and Reason.
- ‘Ideology’ explains the relationship between the factors of Group and Reason.
- ‘System’ explains the relationship between the factors of Reason and Process.
- ‘Performance’ explains the relationship between the factors of Action and Society

Both societal dimensional factors and relationships between factors are important in analyzing the explanation of a societal historical event.

As historians have long known, major change in society is complicated, explained not by any single factor but by the convergence of several factors and their relationships. One can analyze such historical change through three sets of societal perceptual dimensions: *society-individual*, *groups-process*, and *action-reason*.

- The critical *societal condition* in the Russian Revolution was the social change from a feudal caste structure (aristocracy and serfs) toward an industrial class structure (capital and labor).
- The *individuals* who played critical roles in events acted incompetently or competently in exercising power in society. Alexander II as Tsar of Russia behaved incompetently in not reforming the government process to include representation by the rising capital and labor classes. The Tsar also incompetently entered World War I, with poor military leadership and corruption in military supply procurement. The provisional government’s Prime Minister Kerensky behaved incompetently in continuing the war and not addressing the issues of corruption in government and reform of land-ownership practices. The incompetence of Russian military leadership was also evidenced in

Kornilov, who continued incompetently to fail in a putsch to seize the government. The individual who behaved competently was Lenin, who used the ideology of workers-control (soviets) to organize mass demonstrations and seize power.

- The Soviet committees were the *groups* who seized power from government agencies. The soviets had been organized by communists to structure the mass unrest toward an organized mass movement. The *process* of government control turned to the putsches – when authority in government organization dissolved – from the Tsar’s abdication and Kerensky’s ineffectual policies.
- The critical *action* in the epoch consisted of the World War I and mass demonstrations and military dissolution. The war stressed the Russian economy and military organization so much that both structures broke down. The war stressed the Russian economy by extensive business corruption, and the war stressed the Russian army by inept military leadership and supply which resulted in military disasters on the battle field.
- The critical *reasoning* in the epoch was the socialist and communist ideas about the proper structure of society, which justified the workers’ seizing control of the means of production.

How these dimensional factors interacted in the unfolding of the events explains the history of the Russian revolution.

Summary

The great irony of modern history lies in the present dilemma that progress in society’s knowledge has occurred without accompanying significant progress in society’s wisdom. Progress in the physical and life sciences has provided an effective knowledge base for the greatest expansion of technology in the history of the world, *the power of humanity*. Yet progress in the social sciences has not provided an effective knowledge base for political control of all that technology to create good societies, *the wisdom of humanity*. We have begun to see how the sociological basic dichotomy of *individual–society* can illuminate this issue about societal wisdom.

We are going to develop this methodology for systematic analysis of historical events as a kind of “natural history of society.” The methodology will provide a format that can systematically and clearly provide empirical evidence (across different social eras and societies) for social science generalizations. In this way, history can be used to empirically ground social science theory.

1. Summarize an historical event.
2. Analyze the perceptual factors in the event and the explanatory relations between these factors – using the societal perceptual space to map a societal event.
3. Generalize social theory from the evidence of the event to provide a systematic and comparative explanation of the courses of similar events across different societies and times. (We will address the issue of historical perspective in a later chapter.)

A societal perceptual space focuses upon seeing any historical event as an interaction between a social structure and individuals living in the structure. A social structure (societal conditions) provides the contexts and challenges for individuals to think about the societies in which they are living. Contrarily, this thinking by individuals can sometimes result in action, triggering historical events which can alter (change) a social structure. The means by which thinking triggers historic action in a society is through the influence of an individual's thinking upon groups and their processes. Groups have the social mass to effect action on a societal scale. Massive-scale groups and their processes are impacted (ordered and led) by the thinking (propaganda and decisions) of individual leaders. Thus, all historical events can be described in a societal perceptual framework which identifies (a) how societal change occurs (b) from actions (c) by groups which are (d) led by individuals' (e) thoughts and decisions.

A societal perceptual framework for analyzing history emphasizes the interaction between individuals and society, mediated by reason and action, through groups and processes.

In historical studies, one learns about (a) the significant historical thinking and actions of particular individuals in (b) the particular social contexts of the historical era. Yet in sociological studies (and economic or political studies), one learns little about any individual's thought or action but something about the general patterns of conduct in a societal era. But a societal perceptual framework approach will enable the integration of the *historical views on particular individuals* and the *sociological views on the general patterns of behaviors*. This is why the different approaches of historical study and the social sciences need all to be integrated into one scientific historical study of society – a natural history of society. Next we review the impact of leadership by the individual Lenin upon subsequent Russian history as a soviet state.

The dynamics of societal change has always involved the interactions of particular historical individuals changing general patterns of a society – individual and society.

Notes

¹There are many histories of the Russian Revolution, such as: Wade (2005), Service (2005), Malone (2004), Fitzpatrick (2001).

²There are many histories of the Russia, such as: Milner-Gulland (1997), Christian (1998), Solovyov (2001).

³A history of Auguste Comte is given in Pickering (1993).

⁴In science, must all ideas about nature be observable? A positive position about this was taken by a modern philosophical school called "logical positivism"; and it has been also called the Vienna Circle. In Vienna, in 1907, Philipp Frank and Hans Hahn and Otto Neurath began holding meetings in Vienna coffee shops about the philosophy of science – hence the name for the group became "Wiener Kreis" – Vienna Circle. Frank was a theoretical physicist in classical physics (Newton's mechanics and Maxwell's electromagnetism). Hahn was a mathematician. Neurath had studied sociology, economics, and philosophy. These meetings evolved into a philosophical school called

“logical positivism.” Morris Schlick joined the meetings and organized the group into the Ernst Mach Society. Many others joined the group, including: Gustav Bergmann, Rudolf Carnap, Herbert Feigl, Kurt Fodel, Tscha Hung, Victor Draft, Karl Menger, Richard von Mises, Marcel Natkin, Theodor Rdakovi, Rose Rand, Moritz Schlick, and Friedrich Waismann. Also Wittgenstein and Karl Popper would attend later meetings. Central to the philosophy of the group were two philosophical positions: (1) experience is the only source of knowledge, (2) logical analysis is the way to solve philosophical problems. This school proposed two methodological approaches for scientific inquiry: (1) all theoretical ideas about nature are observable; and (2) theory construction can logically proceed by direct induction. Examples of positivist writings are: Carnap (1934), Ayer (1959), Hanfling (1981).

⁵For the author’s account of scientific method, please see *Managing Science: Methodology and Organization of Research* (Betz 2011).

⁶There are many biographies of Marx and of Engels, including: Mehring (2003), Wheen (2001), Hunt (2010), Green (2008), Carver (1989), Henderson (1976), Carlton (1965).

⁷There are many histories of the Industrial Revolution, including: Mantoux (1928), Ashton (1948), Daunton (1995).

⁸We use the term “Ideology” specifically in the context of political ideology, meaning the way a particular political group views the world (world-view) and justifies its political positions. A classic book in the social science disciplines of sociology and of political science which uses this meaning is Karl Mannheim’s *Ideology and Utopia* (1936). In this sense, we here regard Karl Marx’s dialectical materialism theory of society specifically as a political ideology of the communist party. In that communist political position, Marx’s and Engels’s social theory and their political stance of communism is identical – social theory as political ideology. The noncommunist approach to social theory (as espoused by Mannheim) tries to separate social theory from ideology. And this is the methodological approach we are taking here: (1) to separate social theory from ideology and (2) to ground social theory in historical evidence (and not upon a political position). In the twentieth century, this nonseparation or separation was the methodological difference and arguments between the many Marist sociologists and many non-Marxist sociologists (e.g., Mannheim) in the then divided disciplines of sociology and political science.

Chapter 2

Ideology and Dictatorship

We have looked at how the Russian Revolution occurred. Explanations centered around (1) the breakdown of a society (mass unrest) (2) stressed by fundamental technological change (industrialization) with (3) events triggered by a major action (war), pursued (4) under incompetent leadership (Nicholas II), and (5) as society was spinning out of control (soldier mutinies) opportunists seized power (Lenin). Thus, unstable societal conditions (society dimension) can provide opportunities for individuals (individual dimension) to act incompetently or competently in gaining and holding power. Societal dynamics does involve particular (historical) individuals who change the general patterns (sociology) of a society – *individual and society*. Such historical individuals are opportunistic, seizing power over a society during times of instability.

But what happens after such opportunistic individuals seize power? How do they then alter a society? This is the issue into which we next look – examining Lenin’s exercise of power in Russia after the revolution. After 1917, Russia became the Union of Socialist Soviet Republics (U.S.S.R.), governed as a soviet dictatorship, first by Lenin and then by Stalin. Over the next generations, Russian society was changed completely and old Russian culture obliterated.

This is what makes the idea of a modern dictatorship so important in social thought – the immense power that modern technology enables a dictator to wield.

And this is what makes ideological dictators so different from traditional dictators in history – this leveraging power of technology under ideology.

We review Lenin’s role in the Russian Revolution in three sections: Lenin seizes power, Lenin wields power, and Lenin consolidates power. What we see are examples of two historical/sociological principles.

Social structures dominate a historical epoch in the beginnings of a societal change.

Individuals can dominate a historical epoch after seizing power during societal change.

Historical Event: Lenin Seizes Power

Lenin was born Vladimir Ilyich Ulyanov (1870–1924) in Simbirsk, beside the Volga River.¹ His father was a Russian official in education. He died in 1886 when Lenin was 16 years old. The next year, his older brother, Alexander, was arrested and hanged for participation in a plot to bomb Tsar Alexander III. Lenin enrolled in Kazan University but was soon expelled for political activity. Later, he enrolled in the University of Saint Petersburg, graduating in 1892 with a law degree.

Lenin practiced law until December 1895, when he was arrested for political activities. He was exiled to Siberia. There, he married and also published his first book on Marxism, *The Development of Capitalism in Russia*. When his exile was over in 1900, he left Russia and traveled in Europe. By this time, he was a dedicated professional revolutionary. He lectured, wrote, and cofounded a newspaper, *Iskra* (Spark). He began using the alias of Lenin. In 1902, Lenin published a second book, *What is to Be Done?* Therein, he advocated that a revolution should be led by professional revolutionaries, rather than depend upon a worker uprising.

The 1905 revolt came about from a sequence of events that began in 1903. Then, liberal movements in Russia were advocating the change from an absolute monarchy to a constitutional monarchy. In November 1904, the Duma (council) of Moscow City passed a resolution, demanding a national elected legislature and constitution for Russia. Other city Dumas followed. That same month, Tsar Nicholas II responded by appointing a liberal Minister of the Interior and issued a manifesto promising some reforms, but not a national Duma (legislature). In December 1904, workers' strikes began in a factory in Saint Petersburg and spread to other factories.

In January of 1905, a dramatic incident occurred when an orthodox priest led a large procession of workers to the Winter Palace to deliver a petition to the Tsar. Troops guarding the Winter Palace opened fire, killing over 100 people. Outrage over the killings produced a series of further strikes throughout Russia. Nicholas II dismissed his liberal Minister of the Interior and appointed a government commission to enquire into the causes of discontent among the workers. The Tsar appointed Pyotr Stolypin as the new Interior Minister. But in February, the Tsar's uncle, Grand Duke Aleksandrovich, was assassinated.

Later in October 1905, Nicholas II did sign a manifesto to create a national Duma. But he personally felt ashamed of signing. He thought it a betrayal of his family's dynasty. Russian liberals prepared for national elections. (Also in that same month, a workers council was formed in St Petersburg, the Petrograd Soviet; and a decade later, this soviet (committee of workers) was to play a key role in the 1917 revolution.)

Russian revolutionaries denounced the elections and called for an armed uprising to abolish the monarchy. An uprising did occur in November 1905 in Sevastopol by railroad workers. The striking workers seized the railroad across Russia, the

Trans-Siberian Railway. Army troops were sent to restore order. Other strikes occurred in December in Moscow. On December 7, other troops were sent into Moscow to end the strikes. Fierce fighting began, and over a thousand people were killed. The government arrested agitators, with thousands arrested and executed or imprisoned.

In March 1906, the first elections to the Duma were held. But in April, the Tsar issued laws, confirming the Tsar as an absolute monarch, with complete control of government. The Duma was to have its members as half-elective and half-appointed. Legislation had to be approved by the Duma, the Council, and the Tsar to become law. The Tsar could bypass the Duma to make law in exceptional conditions.

Representatives demanded more power than this for the national Duma. In July 1906, Nicholas II dissolved the first Duma. An assassination attempt was made upon Nicholas' Interior Minister Pyotr Arkadyevich Stolypin. More agitators were arrested and hanged.

In the 1905 revolt, Lenin had returned to Russia in November. The Russian Social Democrat Labor Party (RSDLP) met and elected Lenin to its Presidium. But there was a split in the RSDLP. Those opposed to Lenin's idea of the party as composed of professional revolutionaries left the meeting and later called the Menshevik (minority). Those remaining in the meeting elected Lenin and then were called the Bolsheviks (majority) of the RSDLP. Lenin then was the leader of the Russian Bolsheviks – espousing a professional revolutionary approach toward a communist revolution

But in December, Stolypin crushed the revolt. Lenin fled Russia. Lenin continued in exile when World War I began in 1914. Russia entered the war on the side of France, England, and Italy. Germany and the Austrian–Hungarian Empire were their opponents.

The socialist parties in Europe split on whether or not to support their own respective nations in the war. A Second International meeting of Social Democrats was held. The German Social Democrats voted to support Germany. Lenin opposed the war and the support of any nation in the war. Lenin moved to neutral Switzerland to wait out the war.

In February of 1917, when the Tsar Nicholas II abdicated the Russian throne, Lenin was still in Switzerland. He wanted to return to Russia and talked with the German Government. The Germans agreed to transit Lenin back to Russia in a “sealed train,” intending to use Lenin to stir chaos in Russia. From Germany, Lenin went to Sweden, then to Finland, and finally arrived in Petrograd in July 1917. But then, soviet workers and soldiers clashed with the Kerensky Government troops, and Lenin fled back to Finland. Only after General Konilov's failed coup in August did Lenin return to Petrograd. Lenin helped lead the Petrograd Soviet's seizure of government in their putsch of October 1917. In this putsch, the Bolshevik Party overthrew the Provisional Russian Government under Kerensky. Thus, power in Russia had gone from Tsar Nicholas to Prime Minister Kerensky to Commissar Lenin.

Individual and Political Process

The action of the seizure of government by a group under the leadership of particular individuals occurs within a prior social context. We have just seen how Lenin got into the opportunistic position of being capable of leading a government coup, summarized in Fig. 2.1.

ACTION – The 1905 Revolt climaxed in a Demonstration at the Winter Palace, in which troops fired upon demonstrators. This revolt provided a precedent for the subsequent revolt in 1917.

INDIVIDUAL – Lenin became a leader of the Bolshevik wing of the Russian communist party. Nicholas II felt forced to propose reforms but was committed to the principle of absolute monarchy. Stolypin, as his minister, used brutal repression to put down reformist movements.

GROUP – The Russian Social Democratic Labor Party was a communist party in Russia. It split into Mensheviks and Bolsheviks. Bolsheviks under Lenin’s leadership would restrict party membership only to professional revolutionaries. Also the first of the Soviets was organized in Petrograd, which a decade later played a central role in the 1917 Revolution.

REASON – Lenin’s reputation among revolutionaries began with his publication of his book, *What is to be Done?* The Government of Russia was under the principle of an absolute monarchy. Russian liberals wanted a constitutional monarchy. Russian radicals wanted a communist revolution.

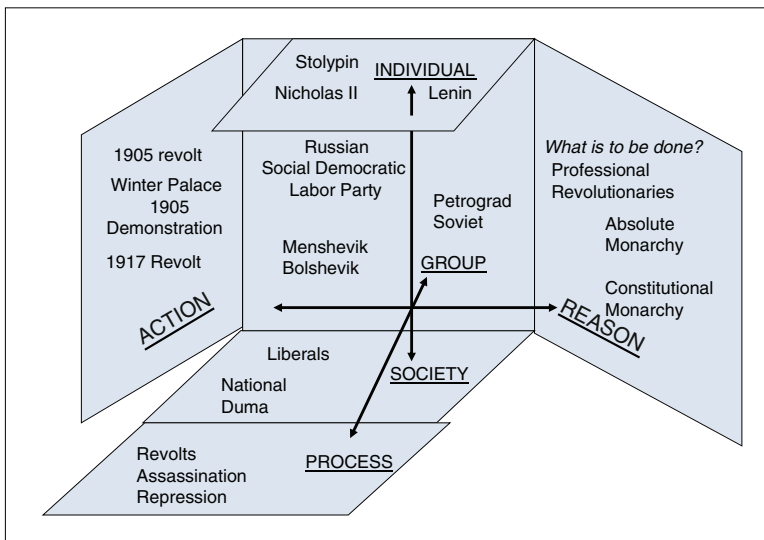


Fig. 2.1 Lenin’s seizure of power

SOCIETY – Nicholas II held elections and established a national Duma for representative government in Russia; but then he dissolved it.

PROCESS – Revolts occurred in Russia (1) when a major portion of a society (peasants, workers, and intellectuals) were alienated from the ideology of the ruling government (absolute monarchy) and (2) government incompetence fostered poor economic and social conditions. Radicals used assassinations of government officials to prompt the government into harsh, repressive measures – which increased citizen alienation from the government.

Lenin gained recognition as an intellectual leader through his writings. He joined a political party which valued his ideas. He advocated a tactic for professional revolutionaries, which split the party. He led the Bolshevik wing of the party. This placed him in a leadership role, when in 1917 the breakdown of the Russian Government occurred with the Tsar's abdication.

Individuals influence societal events through the publication of ideas and leadership in opportunistic political parties.

Divisive Society and Civil Society

Let us pause in Lenin's story to review two then prominent ideas about society: (1) society as a divisive society (Marxism) or (2) society as a civil society (Democracy).

We saw that the Marxist theory of society is one of a divisive society – internally and perpetually divided between labor and capital. Labor is the productive force, and Capital is the control of productive force. The historical dialectic of Marx's materialism is a continuous war between capitalists and labor, in which one side or the other wins. In war, there is no restraint upon power. The idea of a political compromise for an economic balance between capitalists and labor is not in Marxist thought.

This is important to understanding Lenin's policies. His social theory underlay his policy. Power in war has either a winner or a loser. There is no compromise, no sharing of power in a situation of war. Therefore, a society in internal war can only end in a dictatorship. In Lenin's thinking, this can only be either a capitalist oligarchy exploiting labor or a dictatorship of the proletariat, terrorizing capitalists.

But in contrast to this Marxist view of a divisive society, there was another way to view conflicts in society. This is as "civil society."² A civil society is one in which social conflict is resolved by compromise and not by terror and war. For a nontotalitarian society, this idea is essential. It is essential to the idea of democracy and to representative government. A government based upon representation of differing interests must resolve conflict peacefully and without terror.

For example, the political scientist, Bent Flyvbjerg, wrote: "... a strong civil society is a crucial condition of strong democracy. Empowering civil society is a central concern for the project of democracy ... But what is "civil society"? ... Most writers on civil society agree ... that civil society has an institutional core constituted

by voluntary associations outside the sphere of the state and the economy. The fundamental act of citizenship in a pluralist democracy is in forming (voluntary) associations ... the task of maintaining and redefining the boundaries between civil society and state are the two interdependent and simultaneous processes: the expansion of social equality and liberty, and the restructuring and democratizing of state institutions.” (Flyvbjerg 1988)

The idea of a civil society allows the voluntary association of citizens in a state to act freely and independently of state institutions. Freedom of the citizen to voluntarily associate enables the democratic goals of pursuit of social equality and liberty and limitation of arbitrary and undemocratic exercise of the power of the state. In an authoritarian government, all voluntary associations are controlled by the state, as well as control of state institutions. There is no freedom for citizens in an authoritarian state, only the obedience to dictates of the state.

Bent Flyvbjerg was born in Denmark in 1952. He is a geographer and urban planner. He has held professorial chairs at Aalborg University in Denmark and at Delft University of Technology in the Netherlands. In 2009, he moved to Oxford University in England. His books include *Decision-Making on Mega-Projects*, *Managing Social Science Matter*, and *Rationality and Power*.



Bent Flyvbjerg

<http://www.sbs.ox.ac.uk/faculty/Flyvbjerg+Bent>

But the idea of a “civil society” introduces methodological complications in political science research. This idea of a “civil compromise” (civil cooperation or civil collaboration) raises the problem about (1) the existence of power and (2) the distribution of power within society.

The idea of a “civil compromise” can have a normative implication: what ought to be a “civil compromise”?

This is the methodological problem of normative judgments versus empirical judgments in social science research – idealism or realism. Within contemporary political science in the last half of the twentieth century, this problem between the ideal or real (normative or empirical) became again the central methodological issue of not only political science, but all social science. What is real about the nature of society, and what is ideal?

The distinction between societal reality and societal ideal has been and continues to be the methodological center of all social theory.

Bent Flyvbjerg has also provided a nice analysis (within political science) of these two conflicting methodological approaches. Flyvbjerg focused upon the writings of two influential political scientists of the late twentieth century: Jurgen Habermas and Michael Foucault. Flyvbjerg saw their differences as that of methodology.

1. Habermas approached research in political systems as a study of *idealism* in political theory – *normative theory*.
2. Foucault approached research in political systems as a study of *realism* in political theory – *empirical theory*.

Jurgen Habermas described political activities by focusing upon and identifying the political *ideals* around which people gather, associate, and identify. Habermas called this “discourse ethics” of the politics. By the term “discourse,” Habermas indicated that social ideals are discussed openly in the politics as a justification of political action. By the term “ethics,” Habermas was indicating that the ideal of the discourse provided an ethical agreement around which a group associates.

Jurgen Habermas was born in Dusseldorf, Germany, in 1929. He studied at the University of Gottingen and the University of Bonn, obtaining his PhD in 1954. He did his habilitation in political science at the University of Marburg. In 1962, he obtained a professorial appointment at the University of Heidelberg. In 1981, he published *The Theory of Communicative Action*.



Jurgen Habermas (<http://en.wikipedia.org>, Habermas 2009)

But there is a reality about power in all political situations – the reality of how power is actually used, as opposed to how the power is justified. This, as Michel Foucault emphasized, is what should be described as an essential feature of social science methodology. Foucault argued that in any political situation (even focused around a “*discourse ethics*”) there was also another view to power – which is a “realism” about politics, the “*power analytics*” of the situation.

Michel Foucault (1926–1984) was born in Poitiers, France. He attended the Ecole Normale Superieure. He earned a license in psychology and a degree in philosophy in 1952. From 1953 to 1954, he taught psychology at the Université Lille Nord de France, where he published his first book *Maladie mentale et personnalité*. From 1954 to 1960, he taught in different universities in Sweden, Poland, and Germany. In 1960, he completed his doctorate and obtained a position in philosophy in the University of Clermont-Ferrand. After the

French student rebellion in 1968, the French Government started a new university, Paris VIII. Foucault became head of its philosophy department. In 1970, he was elected to the Collège de France, as Professor of the History of Systems of Thought. His major works include *Madness and Civilization*, *The Birth of the Clinic*, *Death and The Labyrinth*, *The Order of Things*, *The Archaeology of Knowledge*, *Discipline and Punish*, and *The History of Sexuality*.



Michel Foucault (<http://www.foucault>)

For example, one of the ideals of American democracy is equal opportunity and equal treatment under law – *Habermas' discourse ethics*. But of course, in reality, not every American has the same access to legal systems, education, safety, health, etc. People of more means have better opportunities in life, and wealthier folk can hire more expert lawyers than can poorer folk – *Foucaults' power analytics*.

Flyvbjerg argued that their two approaches captured the modern political science methodology duality (idealism or realism): “The works of Habermas and Foucault highlight an essential tension in modernity. This is the tension between consensus and conflict ... Habermas is the philosopher of Morality (morality) based on consensus. Foucault ... is the philosopher of *wirkliche Historie* (real history) told in terms of conflict and power.” (Flyvbjerg 1989)

The morality of modern democracy is a discursive consensus to a democratic process (which defines the rules of governance in a constitution and provides justification for the exercise of government power by elected officials). This is Habermas' point about political morality as based upon consensus. But how such consensus actually operates is through conflict – struggle by parties for election, funding of elections by special interests, formulation of laws and enforcement to benefit special interests rather than the general civil public. This is Foucault's point that the actual operation of any real democracy in a society is through conflict and the gaining and exercise of power.

Flyvbjerg's position is that both Habermas' and Foucault's perspectives on consensus and conflict in society are essential to the methodology of the social sciences.

The consensus about power in a group is constructed around an ideal expressed in a discourse-ethics of the group (idealism).

The reality of how power is really exercised in a group is expressed in the power-analytics of the group (realism).

Discourse-ethics is the justification of power; while power-analytics is the exercise of power.

Historical Event: Lenin Wields Power

Let us look at how *idealism* and *realism* operated in Lenin's governance. Lenin's Bolsheviks held a Marxist theory of society, in which society is divisive and all societies exist in perpetual war between labor and capitalism. We recall that Marx had called this "dialectic materialism." Marx believed that labor (the workers of a society, the "proletariat") should eventually rise up and overthrow capitalist domination of government in a "communist revolution." This was Marx's idealism (discourse ethics). But this was not historically realistic in Russia. Lenin envisioned the power-analytic solution to this fact as the overthrow of a government by professional communist revolutionaries.

The traditional Russian aristocracy also had held a divisive theory of society but as a feudal society. Feudal society was divided into military aristocracy (who ruled) and peasants (who were ruled). Civil society (unity) was only important among the aristocracy, who must all swear feudal allegiance to a king to avoid civil war. From the king's perspective, he/she should rule as an absolute monarch (the Tsar's discourse ethics). This feudal view was held by the Russian aristocracy.

But with the rising industrialization in Russia in the late 1800s, a new industrial middle class was growing (Marx's capitalists). This middle class held a "liberal" theory of society. All Russians (aristocrats, peasants, and merchants) should form a government as a voluntary association of individuals in a society, confirmed by a social contract (constitution). To rule a constitutional civil society, a representative form of government should be formed. Citizens of the civil society should elect representatives to legislate and administer laws (Liberal's discourse ethics). A monarch could be kept by a civil society, but only as a figurehead, a constitutional monarchy.

Once in power and because of his reasoning, Lenin became a dictator. Social theory of a Marxist divisive society (Marxist discourse ethics) justified Lenin's political instincts (power analytics) for absolute power to the Bolsheviks.

In any real case of "historical determinism" in a society (which is to say why history went the way it did) was such "determinism" (historical factors) due principally to societal forces or to the vision of a leader?

This is the interesting practical issue about the dimensional factors of Society and Individual.

The Bolsheviks had seized power from the Kerensky Government. Their organizational form (group) were soviets (workers' committee), organized by the communist movement in Russia. At the end of August, the Petrograd Soviet adopted Bolshevik resolutions about power. Also the Bolsheviks won a majority of representation in other soviets in Briansk, Samara, Saratov, Tsaritsyn, Minsk, Kiev, and Tashkent. These soviets were coordinated through an All-Russian Central Executive Committee of Soviets.

The Bolshevik party was ready to organize a new government through control of the soviets, organized in the cities across Russia. This was the key to Lenin's putsch. After the Petrograd Soviet seized the government offices in the capital of Russia (now called St. Petersburg), the second meeting of the All-Russian Congress of

Soviets proclaimed a new government. The Congress elected Lenin as Chairman of its executive committee, the Council of the Peoples' Commissars.

The first issue facing Lenin's new Soviet Government was whether or not to continue the war with Germany and Austria. Lenin argued for the immediate cessation of the war and began negotiations with Germany for a treaty with no changes in territory. Germany rejected the treaty and renewed their advance, taking much of Russia's territory in the west. Then, in March of 1918, Lenin signed the Treaty of Brest-Litovsk, losing much territory to Germany. The Socialist Revolutionaries in Lenin's Government opposed the treaty. Lenin outlawed the party and jailed its members.

This is an example of Lenin's power-analytics (arrest the political opposition) dominating the communists/socialists "discourse-ethics" (revolutionary solidarity).

The second issue was how the workers' committees, soviets, were to manage industries which the new government had nationalized. Lenin argued that a business could not be managed by a committee, and a single individual should be in charge. A commissar appointed by his committee would control each industrial organization. The principle in the soviet ideology had been the management of industry by soviets, and this ideology was used by the Bolsheviks to gain power. But Lenin abandoned this. Just as Lenin thought that a dictatorship of professional revolutionaries would act in the name of the people, so now Lenin proclaimed that commissars would manage in the name of the workers. The communist state as Lenin envisioned would be a dictatorial state, in which commissars controlled everything. Lenin would control the commissars. This was Lenin's power analytics for the control of government, of industry, and of agriculture.

In management, Lenin's power-analytics (dictatorial management) replaced the Bolsheviks' discourse-ethics (management by workers' committees).

The third issue of the new government was how to deal with political opposition. Already, one party allied with the Bolsheviks had opposed Lenin's treaty of Brest-Litovsk. In December 1917, Lenin established a state security agency, Cheka (Central Committee for Security), to repress political opposition. Next, Lenin ordered censorship of all publications, and the Cheka confiscated opposition literature and closed down newspapers critical of the government. The government-controlled newspapers of Pravda and Isvestia were given a monopoly on the news.

This again was Lenin's power-analytics – dictators rule by fiat and terror and control of communications.

In January 1918, assassins tried to shoot Lenin when he was driving back from giving a public speech. Lenin escaped injury, protected by a companion riding with him. Later in August, a member of the Socialist Revolutionary Party, which Lenin had outlawed, approached Lenin (after another meeting) and shot him. Her name was Fanya Kaplan. She called out to Lenin, who turned to her. She fired three shots, of which two wounded him. One wound was not serious, a bullet lodged in his arm. The second bullet hit Lenin's jaw and neck. It would take Lenin a long time to recover from the second wound. But the attempt on Lenin's life would make him

more popular with the public. And the personality cult of Lenin as a hero began. Lenin expanded his Cheka to implement widespread official terror.

Individual and Government Structure

We see in this example how the rule of an individual can set up a governmental structure greatly altering society. Figure 2.2 lists the factors of the event of societal restructuring began by Lenin's new Bolshevik Government.

ACTION – The Bolshevik putsch established a new Russian Provisional Government. One of the first actions of the new government was to end Russia's participation in World War I by signing a humiliating peace treaty with Germany, ceding territory (Treaty of Brest-Litovsk). Lenin ruled by fiat and terror.

INDIVIDUAL – Lenin established his formal leadership of the Russian Provisional Government by being elected a chairman of executive committee of the Council of the Peoples' Commissars.

GROUP – The All-Russian Congress of Soviets established the new provisional government and elect Lenin as its leader. Lenin formed the position of industrial commissar to run government enterprises. Lenin also established a state security agency, Cheka, for the Bolsheviks to suppress political opposition.

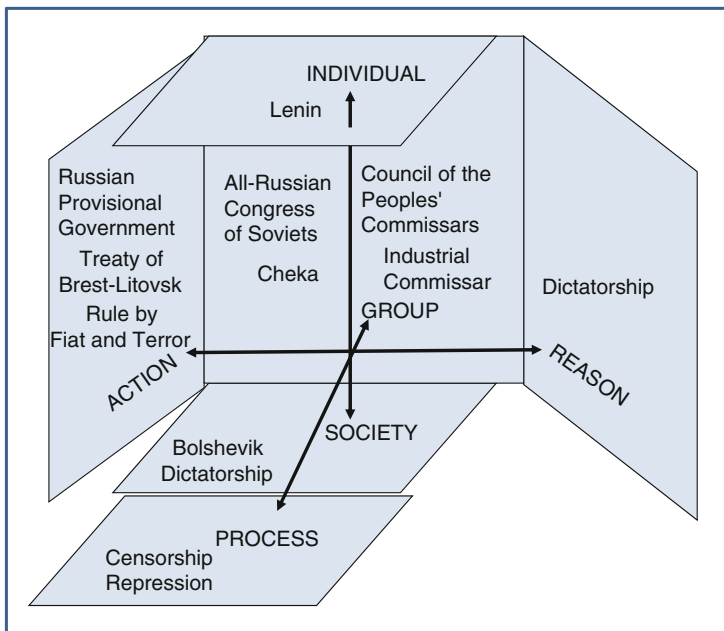


Fig. 2.2 Lenin's rule

REASON – Lenin’s ideas for ruling Russia are by dictatorship.

SOCIETY – Russian society is being changed by the actions of the Bolshevik dictatorship – which Lenin and his comrades are establishing as the new form of government.

PROCESS – The processes of censorship and repression by Cheka become state operating procedure in the new provisional government of Russia.

We see in this example that the ideas and actions of a single individual through establishing a new government can greatly change societal structures and processes by means of new government structures and processes.

Political Parties and Social Theory

Political parties divide rationally around different theories of society; and in Russia, these parties were Monarchists, Bolsheviks, and Liberals.

The Russian aristocracy believed in the rule of government by a king, monarchy. And the Russian Tsars believed in absolute monarchy.

Lenin’s Bolsheviks held a Marxist theory of society, in a perpetual war between labor and capitalism. In contrast, the Russian aristocracy held a feudal theory of society, in which seigniorial barons rule a peasant population in a territory. To control civil war among the barons, the barons would swear feudal allegiance to a king. The king would rule the society as an absolute ruler. This was Tsar Nicholas II’s theory of society and the conservative aristocracy which had supported him. Even when Nicholas II abdicated the throne, the conservative parties in Russia wanted him replaced by his brother to continue the Russian monarchy.

Russian liberals (middle merchant and professional classes) held a theory of society as a civil society – a voluntary association of individuals in a society for a government by social contract (constitution). To rule a constitutional civil society, a representative form of government should be formed. In such a government, citizens of the civil society elected representatives to legislate and administer laws. A monarch could be kept by a civil society, but only as a figurehead, a constitutional monarchy. Thus, the three sectors of Russian society that held these different societal models came to actual war over power in Russia.

In a society, political parties can divide according to the different theory each party holds as proper for a society – normative social theories.

Historical Event: Lenin Consolidates Power

Former Russian Army officers organized new armies (White Armies) to oppose the Lenin’s Bolshevik Government. The anti-Bolshevik groups included aristocrats, land owners, republicans, conservatives, merchants, middle-class citizens, and former

government civil servants – anyone who was not a worker, peasant, or communist revolutionary. Civil war had begun.

When the Bolsheviks had seized power, the first thing they did was to dissolve the Russian Army, replacing it with a Red Militia. But the Russian war with Germany continued. But now with no real Russian Army to oppose the German Army, the latter advanced into Russia. Lenin was forced to accept a humiliating treaty, ceding most of its eastern territory. Next, Lenin appointed Leon Trotsky to reorganize the militia of the Red Guard into a proper and effective army, Red Army. Trotsky conscripted peasant youth for the army and used military officers from the old Russian Army to lead them. Conscription was backed by force, and military officers would have their family held as hostages – all for loyalty to the new Red Army.

The White Armies were not unified in command. Initially, they were led by three former Russian military officers: General Yudenich, Admiral Kolchak, and General Denikin. Yet they never acted in accordance with basic military doctrine. They did not coordinate their strategy, forces, and action. The new Red Army had time to gain military experience and proceeded to defeat them separately. (Also in this mix was a Ukrainian nationalist movement, called a Green Army and an anarchist movement, called the Black Army, neither of which was on the Red or White Armies' sides.)

In 1918, battles between the Red Army and the White Armies began in the east, south, and western areas of the former Russian Empire. In the west, the Red Army invaded the Ukraine (which Germany had separated from Russia) and seized Kiev in January. But in the south, a White Army of Don Cossacks seized Rostov in February. Further south in Baku, a Red Army resisted an Ottoman Army. In the west, a Czech Legion fighting as a White Army seized Samara and Saratov. And in the east of Moscow, conservative governments were formed by the Bashkirs, Kyrgyz, and Tartar ethnic tribes. The former Rear-Admiral Kolchak organized these under a Siberian Regional Government.

Key battles were fought in 1918. The Bolshevik Government was in control of central Russia from Petrograd to Moscow and south to Tsaritsyn (Volgograd). Admiral Kolchak had an army in the west and controlled the Trans-Siberian railroad. In the south, White Armies had control of the Don and Ukraine regions. In the north, British and the US battalions invaded Archangel. In the west, the Japanese Army occupied Vladivostok. And in the east, battles between the Anarchist Black Army and the White Armies began for control of the Ukraine.

That summer in 1918, Trotsky sent a Red Army to the west to push along the Trans-Siberian railroad and defeated Kolchak's White Army. Great Britain and the USA withdrew their soldiers from Arkhangelsk and Murmansk in the north. By December, the Red Army controlled the north and west of Russia, and the White Army under Kolchak had dissolved.

In the south, Trotsky sent a Red Army, under Tukachevsky, to attack a White Army, calling itself the Caucasus Army (under General Wrangel). After a battle with the superior numbers of the Red Army, General Wrangel retreated and left Tsaritsyn to the Bolsheviks.

Also that summer in the east, a Cossack force, calling itself the Don Army attacked into Ukraine, forcing the Red Army out of Kiev. The Don Army then

moved toward Voronezh. But in October, Tukachevsky marched his Red Army northeast toward Voronezh and defeated the Don Army. Then, Tukachevsky turned on another White Army under General Denikin. The Red Army and a Black Army of Ukrainians defeated Denikin's White Army; and then Tukachevsky turned on the Black Army and attacked Kiev and recaptured it.

In the northeast in Estonia, another White Army under General Yudenich was formed and armed by the British. Yudenich then launched an attack toward Petrograd. To oppose Yudenich's advance to the outskirts of Petrograd, Trotsky armed all the available workers in Petrograd and transferred Red Army forces from Moscow. Yudenich's siege of Petrograd failed, and he retreated back into Estonia. Yudenich's army dissolved, and he went into exile.

By 1919, the Red Army's military successes in the west, north, south, and east had turned the civil war. And in the spring of 1920, remainders of the White Armies evacuated from Russia. Lenin's Bolshevik Government was effectively in control of Russia. The civil war lasted through 1922, as the Red Army continued to defeat resistance in the Ukraine and recaptured Vladivostok from the Japanese.

The civil war had killed millions of people and left agriculture and the economy in shambles. Leon Trotsky, who organized and led the Red Army, wrote about that time: "The first 3 years after the revolution were a period of overt and cruel civil war. Economic life was wholly subjected to the needs of the front. ... That was the period of so-called "military socialism" (1918–1921). ... Reality, however, came into increasing conflict with the program of "military communism." Production continually declined, not only because of the quenching of the stimulus of personal interest among the producers. The city demanded grain and raw materials from the rural districts, giving nothing in exchange ... And the muzhik (peasant) buried his stores in the ground. The government sent out armed workers' detachments for grain. The muzhik cut down his sowings." (Trotsky 1937, Chap. 2, p. 1)

Reality versus ideology –this was the reality of the personal interest of producers against the ideology of Lenin's dictatorship for the proletariat. And this was the kind of peasant opposition which angered Lenin, when he wrote his telegram in 1918: "You need to hang (hang without fail, so that the public sees) at least 100 notorious kulaks, the rich, the bloodsuckers." Lenin viewed the muzhik (peasant) as opposed to the communist revolution. Peasants traditionally have wanted their own land and the freedom to grow their products. They were not interested in Marx's capitalist–labor theory of the history of the world.

But the Russian economic problem was not just with agriculture, but also with industry: Industrial production of steel fell from 4.2 million tons to 0.183 million tons. ... The total harvested grain decreased from 801 million hundredweight to 503 million in 1922. That was a year of terrible hunger. ... The collapse of productive forces ... (Trotsky 1937, Chap. 2, p. 2).

But Lenin held power in the new government of the U.S.S.R.. The Red Army succeeded in the civil war because it had competent and unified leadership and a large conscript army of Russian peasants. The opposition had no effective unified leadership, and its generals were the same incompetent leaders who earlier had led the Russian Army to defeat by German Army.

Society and Force

All societies are composed of different groups of individuals and networks and institutions – each of which has different interests that are focused upon their own needs. When a government of a society breaks down, then the several groupings compete for power to form a new government. If there is no political consensus tying the groups into a nation, civil war can erupt. A civil war ends only when the army of one faction defeats the armies of other factions. Factors in the Russian Civil War are summarized in Fig. 2.3.

ACTION – The action of this societal event was the Civil War in Russia from 1918 to 1922.

INDIVIDUAL – The key individuals involved on the Bolshevik side were the War Minister Trotsky and Red General Tukachevsky. On the opposing side were the White Armies of General Yudenich, Admiral Kolchak, and General Denikin. Bolshevik military leadership proved superior to White Armies’ military leadership.

GROUP – The organized groups of the civil war were the Bolshevik Government and its Red Army – opposed by several White Armies. The Red Army had numerical superiority in numbers of soldiers due to its conscription of Russian peasant youth.

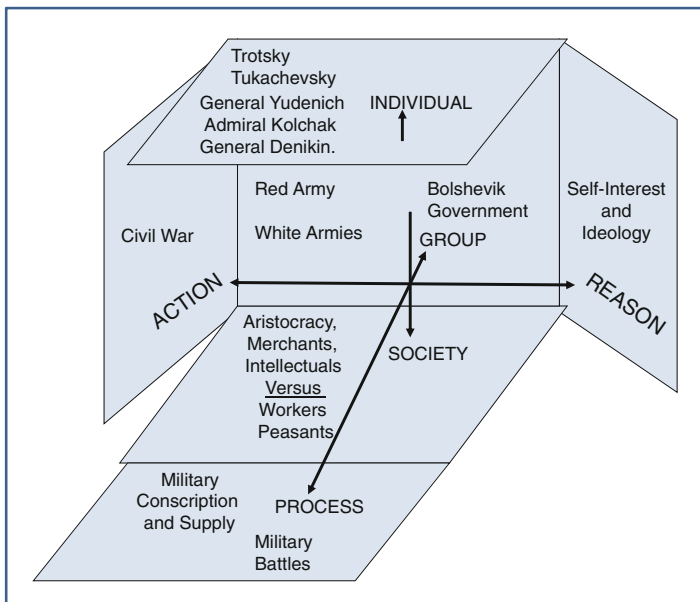


Fig. 2.3 Russian civil war

REASON – The ideologies of the two forces were communism on the Red Army side and Monarchy on the White Armies side. Overriding these ideologies were the self-interests of the different classes.

SOCIETY – The different classes in Russian society whose self-interests clashed were – (1) workers and peasants versus (2) aristocracy and merchants and intellectuals.

PROCESS – One process involved in the civil war was the military logistic process of recruiting soldiers and obtaining military equipment and supplies. The second process was the fighting of military battles.

The factions in a society are bound together in a government either by ideology or repression or ultimately by military force.

Reality and Social Theory

Sometimes, normative social theory and empirical social reality do not match. Marx's social theory is a case in point. It predicted a future that never occurred. Yet for over a century, it was believed by many to be a valid scientific theory. Instead, the reality of Marx's social theory lay in ideology rather than science.

Marx's theory of dialectic materialism predicted an inevitable class war in industrialized societies between capitalist class and working class. Marx and Engels argued that extreme exploitation of labor by capitalists would historically result in a revolution by the workers to establish a communist state (state ownership of the means of production). This theory became the ideology of the communist movement in Europe. Marx and Engle's theory was elaborated for England and Europe. And it never occurred there. Neither England nor France nor Germany underwent a communist revolution. England adopted some reforms under its democratic form of representational government – which prevented extreme exploitation of labor by capital – and so prevented revolution. France also adopted some reforms. Germany, instead, was devastated by its defeat in World War I and never had a real chance at reform. Under conditions of social chaos, the German Government was seized by Hitler as a fascist dictatorship.

But historically, in the beginning of the twentieth century, the only society seized by communists was Russia. Yet at the time, Russia did not fit Marx's theory. It was not well-industrialized and was still predominantly agricultural with 90% of the population in the countryside. So for the Russian communist movement in 1900, this was a major problem with applying Marx's theory to Russia. Russia was not yet industrialized – only beginning to industrialize. How to apply this theory to a societal condition it was not constructed to address? Instead, Lenin changed theory. Lenin addressed this social reality by assuming that there would be no proletariat uprising in Russia. There need not be Marx–Engels revolution by the proletariat (working class) to institute communism; and instead, there could be a communist revolution by a professional revolutionary group (Bolsheviks) – in the name of the proletariat – a dictatorship of the proletariat.

Individuals seeking power in a society always claim to be acting in the name of society – for the good of society.

This is how reason in society espoused as social theory and can become ideology – when such theory is put forth as the justification of individuals/groups for the gaining and exercising of political power.

Ideology is the application of social theory for the justification of power – power-analytics justified by discourse-ethics.

The use of social theory as ideology does not mean that the social theory is valid or invalid. Validity of social theory should be established scientifically – grounded empirically and universalized normatively. And how to establish societal theory scientifically (and not ideologically) is our theme. This is the point which we are pursuing. In all these tales of history, there were also experiments in societies – a natural history of society.

This is the challenge for the social sciences– to clearly distinguish between ideology and valid social theory.

Summary

Even only from the empirical events of the early Russian Revolution, we can begin to make some generalizations (hypotheses) about societal change:

1. Social structures dominate a historical epoch in the beginnings of a societal change.
2. Individuals can dominate a historical epoch after seizing power during societal change.
3. The action of the seizure of government by a group under the leadership of particular individuals occurs within a prior social context.
4. Individuals influence societal events through the publication of ideas and leadership in opportunistic political parties.
5. The rule of a powerful individual can set up a governmental structure which can greatly alter society.
6. A society is composed of different groups of individuals, networks, and institutions – each of which has different interests that are focused upon its own needs.
7. When the government of a society breaks down, then the several groupings compete for power to form a new government.
8. The factions in a society are bound together in a government either by ideology, repression, or military force.
9. The factions in a society form different political parties, which divide according to the different model each party holds proper for a society.
10. If there is no shared societal model to bind groups into a nation, a civil war can

erupt. The civil war ends when the army of one faction defeats the armies of the other factions.

11. In any real case of the so-called “historical determinism” in society, the factors which really explain the changes in society are usually both societal factors and factors of individual leadership.
12. Discourse ethics in a societal group provides the reasoning for justification of the holding and exercise of power.
13. Power analytics in a societal group describes the actual practice of the use of power.

Notes

¹There are many biographies of Lenin, including Read (2005), Clark (1989), and Gorin (1983).

²The term “civil society” is frequently used in the social science discipline of political science; an example is Edwards, 2004.

Chapter 3

Idealism and Realism: The Normative and the Empirical

Introduction

In explaining leadership by authorities in a society, we have seen the importance of the perspectives of realism and idealism in the historical events. Realism is the description of the actual use of power, and idealism is the justification for the exercise of power. We continue examining the historical case of the Russian Revolution, particularly in comparing Lenin's reasoning with Kerensky's reasoning. We see that Lenin was more realistic about the Russian political situation than Kerensky. Kerensky was more idealistic about government and also too idealistic about the Russian Army. We see that these differences in reasoning were important to the historical explanation of why Kerensky failed to keep governmental power and Lenin succeeded. Then, the history of Russia was changed.

In understanding societal change during events of societal crises, an important explanatory relationship is how the reasoning of single individuals in authority can change the future structure of a society.

Historical Event: Kerensky's Idealism

We recall that when World War I began in 1914 the Russian Army sustained great losses and the Russian economy began collapsing. By February 1917, the Tsar had abdicated, and the Duma formed a Provisional Government. Kerensky was one of the leaders of the Duma in forming the government and acted as the Minister of Justice.

Alexander Kerensky (1881–1970) was born in Simbirsk on the Volga River.¹ His father was a secondary school principal and became inspector of public schools in Tashkent. His mother was the daughter of a nobleman. In 1899, Kerensky entered St. Petersburg University and graduated with a law degree in 1904. He practiced law in St. Petersburg, providing legal counsel for those arrested

in the political revolt of 1905. He joined the Socialist Revolutionary Party. When Tsar Nicholas II reconvened the national Duma a fourth time in 1912, Kerensky was elected as a member.



Alexander Kerensky (<http://en.wikipedia.org>. Alexander Kerensky 2010)

It was in the second half of the 1800s when the industrialization of Russia began. Then, Russian liberals (middle merchant and professional classes) thought about a society as a civil society – a voluntary association of individuals in a society for a government by social contract (constitution). To rule a constitutional civil society, a representative form of government should be formed. In such a government, citizens of the civil society elected representatives to legislate and administer laws. A monarch could be kept by a civil society, but only as a figurehead, a constitutional monarchy. This was the ideal of Kerensky and his Russian Provisional Government in March 1917.

We look in detail at how Kerensky’s discourse ethics for a civil society unfolded in Russia from March to October in 1917. A decade later in exile, Kerensky wrote his memoirs, *Social Catastrophe* (Kerensky 1927). He described the morning following the announcement of the Tsar’s abdication: “On Monday, March 12, 1917, at about 8 O’clock in the morning, I was awakened by a voice saying: ‘Get up! Neskrassoff is on the telephone. He says the Duma has been dissolved; the Volinsk Regiment has mutinied and is leaving its barracks. You are wanted at the Duma at once.’” (Kerensky 1927, Chap. 1, p. 1)

We recall that although Nicholas II believed in absolute monarchy he had agreed to some representative government. Under the pressure of the World War I and Russian military defeats, Nicholas II allowed the formation of a fourth Duma. When the government was collapsing, the Tsar again dissolved the Duma, fearing it would replace absolute monarchy. When he abdicated, events in Russia were far beyond his control.

Immediately, Kerensky had gone to the Duma, a 5-min walk from his apartment. He hoped to keep the Duma in session and establish contact with it, the army, and the people. Kerensky was ready to replace the government of the monarchy with the government of a representative, legislative body, the Duma. This was Kerensky’s discourse ethics – government based upon representation of the governed.

The Duma had been meeting in the Tauride Palace, and Kerensky entered the building by a small side entrance, which led into the library. He walked along an empty corridor to the meeting room in the Catherine Hall. There, he found some

deputies in the Duma. He learned that indeed the President of the Duma, Rodzianko, had received a telegraph from Nicholas II, dissolving the Duma. The Volinsk Regiment of the Army had mutinied, and the Preobrajensk Regiment was restive. Mutinying soldiers were entering the streets of Petrograd, and they were on their way to the Tauride Palace. Kerensky argued that the Duma (1) should ignore the dissolution order of the Tsar and go into session and (2) the Duma should meet with the mutinying soldiers. Kerensky was ready for revolution.

Army regiments came out into the streets of the capital, but without their officers. Some of the officers had been arrested by their soldiers, others slipped away, and some had been murdered. Masses of workers were joining the soldiers in the streets. The revolt was underway. Kerensky's intention was to control the insurgence by forming a new government of the Duma. (We remember that Kerensky was a member of the Socialist Revolutionary Party and not a monarchist.)

Deputies in the Duma began to look anxiously to Kerensky: "Where are your troops? Are they coming?" Many of the deputies asked me in a tone of anger and irritation. I thought: "My troops!" It had seemed in the last few days as if everyone in the Duma had begun to look to me ..." (Kerensky 1927, Chap. 1, p. 1).

Deputies argued over whether or not to continue the Duma: "We, representatives of the opposition, Nekrassoff, Efremoff, Tcheidze and I, now officially proposed what might be termed the revolutionary course. We demanded that the Duma go immediately into official session, taking no notice whatever of the order of dissolution. ... The council rejected our proposal, deciding to convene in 'unofficial' session." (Kerensky 1927, Chap. 1, p. 6)

Then, at 1 o'clock on that March 12, the mutinying troops reached the Duma: "... as I was passing through Catherine Hall, someone called to me from the main entrance to the palace, saying, 'The soldiers are coming!' From the window, I saw soldiers, surrounded by a throng of civilians, lining up on the opposite street." (Kerensky 1927, Chap. 1, p. 7)

Kerensky met with the soldiers: "I ran out through the main entrance to the soldiers for whom we had waited and wished for so long. ... I addressed the troops and asked them to follow me into the Duma, to replace the guard and take over the defense of the building from the Czarist troops. ... The soldiers ... followed me. ... I explained to a noncommissioned officer where and how sentries should be placed ..." (Kerensky 1927, Chap. 1, p. 7).

The Duma could now begin forming a government, with troops at its command: "After 3 pm, the Duma was ... filled with civilians and troops, principally privates. From every direction people were coming to us for advice and instructions. The Temporary Committee of the Duma, which had just been established, was compelled immediately to assume the functions of executive authority. At midnight, March 13, there was no more wavering on the part of the committee. It became for the time being the sovereign power of Russia, and Rodzianko agreed to head it as such." (Kerensky 1927, Chap. 1, p. 8)

While the Temporary Committee of the Duma was ready to seize power and establish a government, the Duma as a whole was not yet ready to be so revolutionary. The Duma had chosen still to meet only as an unofficial body. Kerensky thought

that the Duma's failure to seize formal authority that day was a fatal error: "Next day, March 13, there were already two centers of authority ... the Duma in unofficial session ... and the Soviet of Workmen's and Soldiers' Deputies (Petrograd Soviet)." (Kerensky 1927, Chap. 1, p. 6)

Kerensky wrote about their excitement, the discourse ethics feeling among the liberals: "It was an extraordinary time, an inspired time of bold daring and great suffering. ... One common devotion and anxiety united us. We had one common inspiration – Russia! Russia in peril, struggling through blood and chaos. Russia betrayed by the old Regime, Russia a prey to the blind, raging, angry mob. Between these two gulfs – on the one hand the decaying, tottering government and, on the other, the anarchic sweep of people in revolt – a new light appeared. Russia became conscious of a new purpose, a new will. ... I shall never forget the atmosphere in the Tauride Palace in those tense, critical days. Everyone was animated by the spirit of unity, fraternity, mutual confidence and self-sacrifice, welding all of us into a single fighting body." (Kerensky 1927, Chap. 1, pp. 2–8)

This is a nice illustration of what Habermas meant by the phrase of discourse-ethics: a shared goal of a group, arrived at in a discourse about the greater good of the group.

What happened? Why did not the Russian Provisional Government survive? It was to be a representative government set up in those heady days of discourse ethics in which Kerensky desired. Kerensky later wrote: "No one wanted a revolution of the kind we have had. No one expected it or wanted it to turn out as it did. No one wanted a revolution accompanied by blood and the tumult of anarchy. ... The fourth Duma, which consisted mainly of government servants, of men belonging to a past era of Russian statesmanship, was transfigured at the moment of its death by such an impulse to save the country, and passed it on to the new Russia, to a more democratic generation. ... What enthusiasm, what faith, what devotion we found among the thousand who crowded the Taruide Palace!" (Kerensky 1927, Chap. 1, pp. 35)

But against this discourse ethics (government servants and middle class for a representative government), Kerensky had not counted on the contending power of a very different kind of discourse ethics. He had not anticipated the effectiveness of the power analytics of a professional revolutionary group, the Bolsheviks. Their discourse ethics was entirely different – a dictatorship in the name of the proletariat. Lenin did want a revolution, accompanied by blood and the tumult of anarchy.

Perspective Metaspaces

How do we express these ideas of realism/idealism in the formalism of perceptual space? To do this, we introduce a larger space, a metaspaces, around the perceptual space, as sketched in Fig. 3.1.

Methodologically, the reason we need to introduce a larger metaspaces around a perceptual space is that in the social sciences the description of an observed historical event depends upon who is the observer, the perspective of the observer.

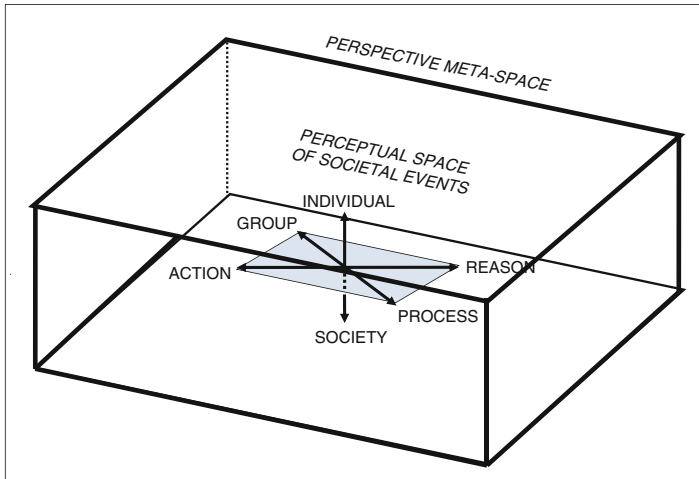


Fig. 3.1 Perspective metaspace surrounding a perceptual space

This is in contrast to the physical sciences in which description of a physical event is independent of the observer. But in the social sciences, description is not observer-independent but observer-dependent. This technique of a perspective metaspace of an observer explicitly identifies the perspective a particular observer, indicating that the description in the perceptual space of a societal event in history depends upon that observer summarizing the event. This is an important methodological point which we later expound. But for now, we must remember that in the social sciences all description is observer-dependent.

Using this technique of perspective metaspace, we can now show how two different observer perspectives, emphasizing, respectively, realism or idealism, can differently describe the same societal event as shown in Fig. 3.2. Idealism or realism as a perspective bias connects two different observer perspectives across the descriptions of reasoning. The same event can be described differently depending upon the emphasis of realism or idealism in the reasoning.

Kerensky's Idealism Versus Lenin's Realism

We can use this formalism to compare Kerensky's and Lenin's thinking about the Russian Revolution. Each had their own perspective on the historical events, which we can formally express as two different boxes of perceptual spaces, as shown in Fig. 3.3. We sketch this from our perspective on the events, a historian's perspective. Of course, different historians can have different perspectives, so each

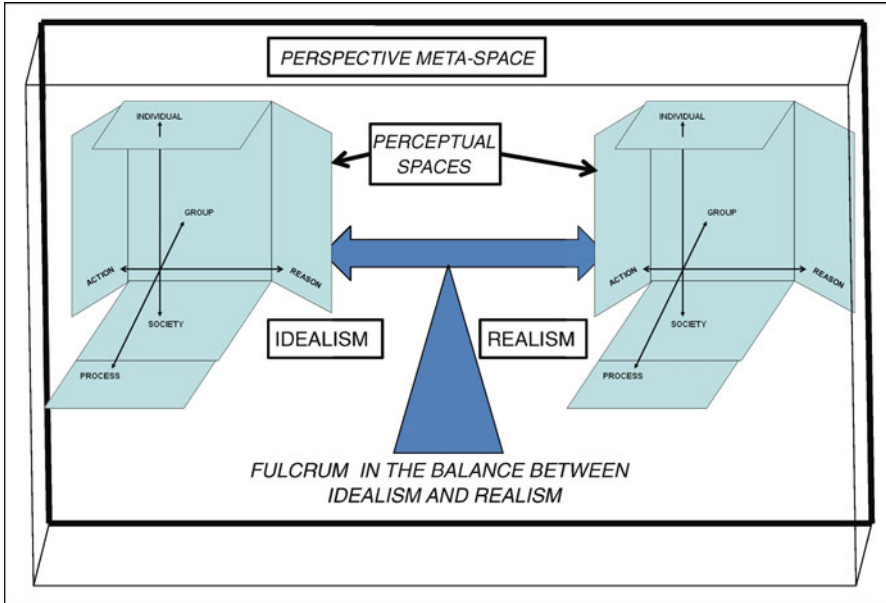


Fig. 3.2 Within a perceptual metaspace, perceptual spaces can be sketched as differing in emphasis between idealism and realism

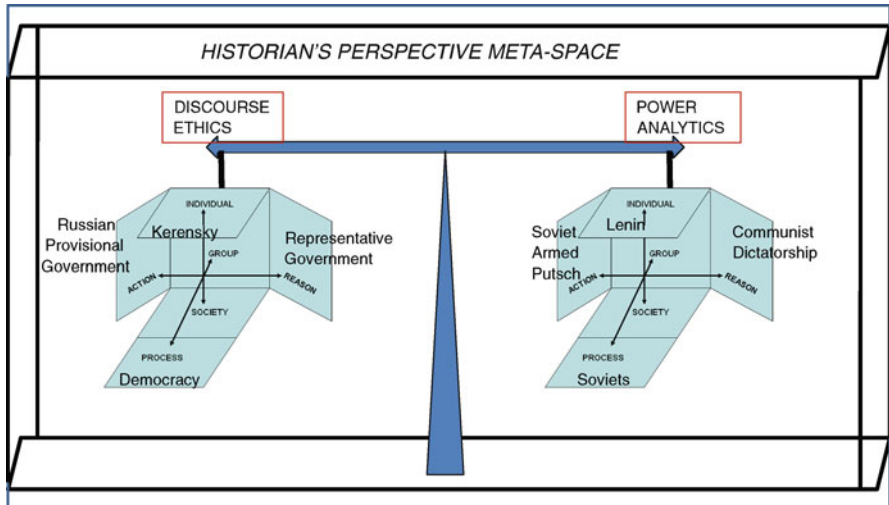


Fig. 3.3 Historical perspective on comparing Kerensky's and Lenin's reasoning along an idealism to realism spectrum

metaspace perspective should be labeled by a particular historian at a particular time and place and with the historian's basic idealism. Here, we use the author's historical perspective with an idealism (discourse ethic) of advocating a constitutionally based democratic representative government (i.e., an American of the twentieth to twenty-first century).

As seen from this historical perspective, differences between Kerensky's and Lenin's policies could be partly explained by their different attitudes about realism and idealism – through which they differently perceived and interpreted the societal events of that Russian epoch. Kerensky focused his perception of the societal events upon an ideal of a “discourse ethics” in forming a new representative in the Russian Provincial Government. In contrast, Lenin focused his perception of the societal events upon realism in “power analytics” to seize government for a Bolshevik communist dictatorship in the Soviet Government.

Kerensky was highly idealistic. His own description of the event of establishing the Provisional Government reads romantically: “It was an extraordinary time, an inspired time of bold daring and great suffering. . . . One common devotion and anxiety united us. We had one common inspiration – ‘Russia!’ In Kerensky's conceptual world, his reason focused upon the ideal of a representative government, and the process he supported was democracy. His action was to participate in the formation and operation of the Russian Provisional Government.”

In the spectrum of Idealism to Realism, Kerensky's perceptual space hung on the perspective end of idealism in the discourse-ethic view of a civil society (representative society).

In contrast, Lenin's approach to government was extremely realistic – only to seize and hold power at any and all costs to the ruled. Lenin's reasoning had rethought Marx's and Engels' ideal of communism to a realistic power analytics, as a dictatorship established by a party of professional revolutionists, Bolsheviks. Lenin rejected a revolution by a proletariat (laborers), and instead Bolsheviks would seize power and rule in the name of the proletariat, a dictatorship for the proletariat.

In this realism of power analytics, Lenin's process for establishing the government was to organize soviets (committees of workers and communists) to seize control of the government. Once in government, Lenin then replaced the process of the committee governance (soviets) with “commissars,” Bolshevik party officials reporting directly to Lenin. Lenin used idealism only as propaganda to cloak his power-analytic focus on gaining and holding power. Lenin's way to gain power was through an armed uprising, a government putsch organized by soviets – overthrowing Kerensky's provisional government. Once in power, Lenin used repression and terror and vigorously fought a civil war to hang onto power. The ideals of communism and soviets were all discarded by Lenin in the actual exercise of power. Lenin abandoned the ideal of soviet (worker committee) governance for authoritarian rule by Bolshevik communist party officials. Lenin abandoned the ideal of proletariat freedom and people's militias and formed a repressive secret police of the Cheka and also a professional Red Army.

In the perspective spectrum of Idealism to Realism, Lenin's perceptual space hung at the power-analytic side.

Because of his extreme idealism, Kerensky failed to keep the Provisional Government in power. Despite his lack of any political idealism, Lenin succeeded in seizing and holding power. After 1917, Russia was ruled by a communist dictatorship for over 70 years, until 1989.

Leadership policy-decisions will turn out to be effective in power based upon a realistic power-analytics and not on discourse ethics.

But leadership policy-decisions will turn out to be beneficial or harmful – based upon discourse-ethics and not on power-analytics.

Technically, this idea of a perspective metaspace is a kind of “logical metaspace.” Our perceptual space is a *logical space* – a semantic concept, one of ideas – not a *geometric space*. In a universe of ideas, some ideas can semantically (meaningfully) encompass other ideas. Therein, one can have a larger metalogic encompassing a smaller logic.

An example of this is the grammatical structure of a language. Grammar provides a structure for composing sentences in a language, and so grammar encompasses all sentences in a language. All possible sentencing (forming of sentences) in the language must be formatted according to grammatical rules. *Grammar acts as a metalogic to a language*.

This is in contrast to the three-dimensional space we are familiar with in physics as a material–geometric concept. In a geometric space, there cannot be a larger space, if the extent of the geometric space is infinite (as we assume that our physical space of the universe is infinite).

But in a logic space, one can have levels of logic – larger logics containing smaller logics (smaller in the sense the semantic meaning of one is included in the semantic meaning of the larger). In this way, we can represent a given event perception as a perceptual box that is suspended in a larger metalogical space of perspectives-of-observers. In the case of Kerensky and Lenin, the larger perspective metaspace has observers differing in perspective as to idealism or realism about politics.

Historical Event – Kerensky’s War Policy

Next, we look at exactly how Kerensky failed. He failed in the proper exercise of power analytics, the reality of power politics. Kerensky’s Provisional Government did not have much time to institutionalize his ideal type of democratic society: “In judging the career of the Provisional Government one should remember that it had to undertake the guidance of a state practically devoid of the machinery of government. Even the army came to it without leaders, for the authority of the superior officers vanished as quickly as that of the central and local administrations. It inherited nothing from the autocracy but a terrible war, an acute food shortage, a paralyzed transportation system, an empty treasury and a population in a state of furious discontent and anarchic disintegration.” (Kerensky 1927, Chap. 2, p. 35)

That state of the disintegration of Russian society had occurred under the impact of World War I, in which the Tsarist Army fought poorly and the Tsarist Government performed incompetently and corruptly. Yet at first, the entry to that terrible war had been enthusiastically supported by Russian society: “For the sake of the national

defense against an enemy splendidly armed and organized, the deep, patriotic instinct of the people dictated to them duty. ... The entire nation presented a united front against the external foe.” (Kerensky 1927, Chap. 2, p. 3)

But this enthusiasm for the idealism (discourse ethics) of Russian patriotism had that rude awakening in the reality (power analytics) of the war: “Up to the debacle in Galicia, in the spring of 1915, Russia silently permitted herself to be sacrificed by the old regime. ... The Galician defeat, the millions of casualties and the loss of the frontier fortresses, opened Russia's eyes. The country shuddered with horror and indignation. ...” (Kerensky 1927, Chap. 2, pp. 6–9).

This debacle consisted of several major military defeats, pushing back the Russian battle front: “In the autumn of 1914, the Russian armies of Samsonoff and Rennenkampf in East Prussian had not only smashed but virtually destroyed as fighting units. In 1915, the Russian troops had been swept from the Carpathian heights and Przemysl in Western Galicia and rolled back almost to the Russian frontier. With astounding rapidity the Russian army in the same year had lost Warsaw and the entire Polish line of fortresses.” (Kerensky 1927, Chap. 14, p. 4)

Kerensky quoted one of the conservative political figures, Gutchkoff, in his view of the military disaster: “When the War began, I, like many other people was filled with anxiety and alarm. ... The debacle of 1915 justified our anxiety. We demanded the dismissal of the commander-in-chief and his staff and other drastic reforms. But we did not succeed in having anything done. On my visit to the front, after viewing the shattered remnants of our two armies defeated at Soldau and studying the system of organization of supplies, it became clear to me that we were hopelessly involved in disaster.” (Kerensky 1927, Chap. 2, p. 7)

Moreover, the military needs could not be supplied by the Russian economy. This was another factor in the reality (power analytics) of Russia: “Russia was differently situated from the other belligerent powers. She came into the War unprepared and was unable to make up for her lack of preparedness. ... Russia suffered from the isolation imposed upon her by the war. The needs of the army ... brought about an acute crisis ... The import of coal ceased almost entirely and there was a shortage of fuel for the arms and munitions factories and for the railways. ... In short, the economic condition of Russia during the War was in itself sufficient to produce a catastrophe.” (Kerensky 1927, Chap. 2, p. 5)

We see that Kerensky's description of the condition of the Russian Army was purely in Foucault's spirit of *power analytics*. When Kerensky gained power, why did he have such an idealistic view of the Army, first as Minister of War and also as Prime Minister? When in power, Kerensky's idealism focused upon two discourse ethics: (1) representative government and (2) Russian patriotism. Kerensky's realism was about government: the incompetence and corruption in government which needed to be corrected. But he did not then see realistically the weaknesses of the Russian Army.

Kerensky was a lawyer and a legislator and had no military background. Yet in the new Russian Provincial Government, he first acted as the Minister of War. He supported the continuing of the war. The single most important factor in the collapse

of the Russian Provincial Government was Kerensky's failure to realistically view the military power-analytics capability in the war.

The Russian Army was in a terrible condition in the spring of 1917. It had ceased to function as an army. Soldiers did not obey officers, and some groups of soldiers had even murdered their officers. The issue of command had become central to the army. Would Russian soldiers follow commands of their officers?

And writing later, Kerensky argued that command had been destroyed even before the war: "The authority of command was killed long before the Revolution, even before the War, by the whole system of army administration. ... The aristocracy, in deadly fear of losing its sole support, the army, transformed it into a police organization – making it impossible to develop relationships of friendship, respect, and mutual confidence between officers and soldiers." (Kerensky 1927, Chap. 5, p. 2)

Soldiers were spied upon by the officers. This made soldiers see their officers not as leaders but as enemies: "The best men (best soldiers) who ... were most conscientious, most capable and most desirable for the military service, came inevitably under the influence of political propaganda and were quickly transformed into 'untrustworthy political criminals.' ... The soldiers regarded their officers as agents of the police department, failing to realize that very frequently the officers resented and despised the espionage duties forced upon them by army regulations." (Kerensky 1927, Chap. 5, p. 3) This was the condition of the army which Kerensky inherited as the War Minister in May 1917 and next as Prime Minister in July.

Yet about the tasks of government, Kerensky seemed to have had a nice balance between the discourse ethics idealism of representational government and the power-analytics realism of government functions. Kerensky wrote: "... the problem before the Provisional Government ... was to restore country and state. ... The task of the moment was the restoration of the national governmental fabric ... first of all, restoration of the administrative apparatus, of the machinery of government. It meant teaching some to govern and others to yield obedience. This problem was rendered all the more difficult by the necessity of continuing the War. ..." (Kerensky, Chap. 3, pp. 4–5).

Why did he not have a proper balance between realism and idealism for the army when he became the Minister of War? As the Minister of War, Kerensky thought he had restored order in the Russian Army. He believed that it was capable again of attack. Next, as Prime Minister in July, Kerensky ordered a third major Russian offensive: "At last, July first! ... We move towards the observation point situated on a hill in a chain of elevations running along the line of our positions. The heavy (Russian) artillery roars incessantly. Over our heads, the monstrous shells scream pitifully on their way to the enemy trenches The (Russian) troops are attacking! There, before the first enemy line, are some barely visible, running dots. They increase! The battle is developing furiously. Almost in the very center appear our English armored cars. The Germany artillery begins to pound them. Ours is now silent On the first day of the battle, we capture 10,000 prisoners and several cannon but fail to break through the line ..." (Kerensky 1927, Chap. 10, pp. 1–2).

Kerensky wrote: "The offensive of the Russian troops occurred exactly 4 months after the outbreak of the Revolution, ... Very soon they lost their offensive character and became purely defense actions. The failures of the Russian armies became the sharpest and most poisonous weapons in the struggle against the Provisional Government ..." (Kerensky 1927, Chap. 10, p. 2).

This was Kerensky's serious failure in appreciating the power-analytics of the base of any government's power – its command and the will of its army.

Kerensky completely misunderstood how willing the army was to obey and defend the government. "On July 15, on my (Kerensky's) brief return to Petrograd from the front ... it was already evident that very serious and decisive developments were impending. ... the political atmosphere in Petrograd had changed completely. ... On July 16 ... motor lorries were canvassing the barracks (Petrograd regiment), calling upon the soldiers to join in the armed uprising already under way. ... The Tauride Place ... was surrounded by mutinous soldiers and red guards. ... The difficult and uncertain situation around the Tauride Palace was resolved by the appearance on the scene of government troops. ... The mutinous mobs ... dispersed at the first shot fired ... by the government troops." (Kerensky 1927, Chap. 10, p. 12) Kerensky then ordered the arrest of the Bolsheviks, but Lenin escaped to Finland.

Meanwhile, the military situation at the front continued to degenerate: "At midnight (July 18), I received the first telegram from the Southwestern Front telling of the break by the Germans through our line at Zlotcheff ..." (Kerensky 1927, Chap. 10, p. 15).

News of the Petrograd uprising had reached soldiers in the front lines: "Several days later, on my (Kerensky's) inspection of the front lines at Moldchno ... there occurred the following unsavory incident. Passing a line of trenches we noticed a small group of soldiers, huddled together in a corner, busily engaged in reading something. On observing our approach the soldier ... hastily sought to hide it. One of my adjutants managed to spring forward and seize the mysterious leaflet. It was a copy of the Tovaristch. ... The article reported the uprising ... The proletariat and garrison of Petrograd, indignant at the 'unnecessary blood-shedding' by Kerensky and Brusiloff at the front, and risen against the Provisional Government." (Kerensky 1927, Chap. 10, p. 15)

Even the military officers, whose good will Kerensky had taken great effort to develop, were dismayed at this further disaster. Kerensky quotes from a telegram he received from the Army Committee of the Southwestern Front: "The offensive begun by the Germans on July 19 is developing into an immeasurable disaster. The morale of the units moved recently into action ... has undergone a fatal change. The fighting spirit has been quickly exhausted. Most units are in a state of increasing disintegration. Persuasion and argument have lost their power. They provoke only threats and even shooting (by the soldiers of officers). Some of the units desert their positions without waiting even for the approach of the enemy. ... Long columns of deserters, with and without rifles, are moving along a line hundreds of versts long, without any consciousness of possible punishment." (Kerensky 1927, Chap. 14, p. 5)

Government Policy Decisions

Now, we can summarize this time in Russia in the perceptual space as a natural historical event to see a clear case of the effect of a government policy upon the complicated events in times of a society's turmoil as shown in Fig. 3.4.

ACTION – The policy for continuing participation of Russia in the war is formulated by the Provisional Government. A third major offensive in July by the Russian Army on the German/Austrian front results in military disaster for the Russian Army. Then, at the end of September, the German Army launches a counteroffensive, threatening to break the front through to Petrograd. Both events stimulate Bolshevik revolts in Petrograd, with the August revolt failing and the November revolt succeeding in replacing the Provisional Government with a Soviet Government.

INDIVIDUAL – As the Minister of War, Kerensky is responsible for reforming the Russian Army, and as Prime Minister Kerensky is responsible for deciding upon a third offensive for the Russian Army. As leader of the Bolsheviks, Lenin is responsible for launching the government putsches of August and November.

GROUP – The Fourth Duma constitutes a Provisional Government in March 1917, after the Tsar abdicates in February. The Bolsheviks gain control of the soviet com-

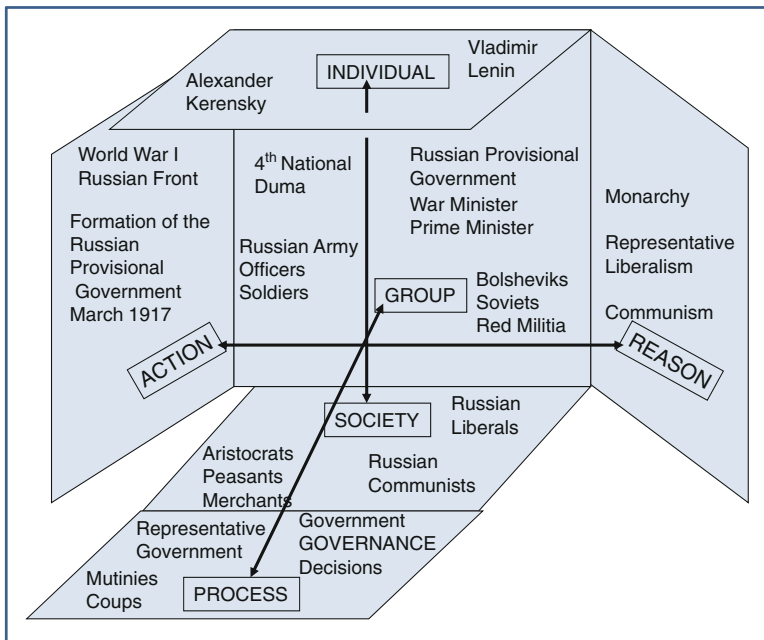


Fig. 3.4 End of the Russian Provisional Government

mittees, which organize the armed uprising to overthrow the Provisional Government in November 1917. The Russian Army dissolves under the military defeats and contention between officers (aristocracy) and soldiers (peasants). The communist soviets organize a red militia to seize control of the government, when the army is unwilling and unable to defend it.

REASON – In the Russian revolution of 1917, the ideology of a liberal, representative government (advocated by Kerensky) contends with ideology of a communist dictatorship (advocated by Lenin) to replace the ideology of an absolute monarchy (ruled by Tsar Nicholas II).

SOCIETY – The Russian liberals (composed of the mercantile and professional classes of Russia) contend with the Russian communists (composed of the labor class) and Russian conservatives (composed of the aristocracy class) to control the Government of Russia.

PROCESS – The repressive procedures of Tsar’s Government alienate the Russian people from loyalty to the monarchy. And the repressive police procedures inside the Russian Army alienate the soldiers from loyalty to their officers. Military failure and corrupt government leadership alienate the Army officers from loyalty to the Tsar, forcing the Tsar’s abdication. The Duma organizes a provisional (temporary) government preparatory to establishing a representative government, but loses loyalty to it from continuing to pursue disastrous military policies. Mutinies by soldiers in the Russian Army threaten to dissolve the organization. The provisional government is brought down by political putsches by the military (Kornilof’s failed putsch) and by the successful communist soviets uprising in November. In the end, the Russian Army failed to defend Kerensky’s Government and allowed the red militias of the soviets to take control in Russia.

As shown in Fig. 3.5, let us emphasize particularly important binary interactions in this perceptual space, which are definitive in explaining the course of this event of the fall of Kerensky’s Government.

1. There is the interaction of Kerensky acting as both the War Minister and Prime Minister in the Russian Provisional Government, in which there did not exist militarily competent and independent War Minister to give Prime Minister Kerensky better advise so as *not* to launch a new Russian military offensive.
2. Thus, Kerensky’s fatal government policy was for another offensive on the Russian front in the war.
3. There was the fatal impact of the last military disaster on the loyalty of the Russian Army and its officers and soldiers to the Provisional Government.
4. There was the struggle between the liberal provisional government and the Bolshevik communist soviets for control of the country.
5. There was the alienation between peasants and labor and aristocrats and merchants which provide people for the Red Militia to take military control, as the Russian Army disintegrates.
6. There were the mutinies in the army and putsches by army officers and Bolshevik’s soviets which bring down Kerensky’s Provisional Government.

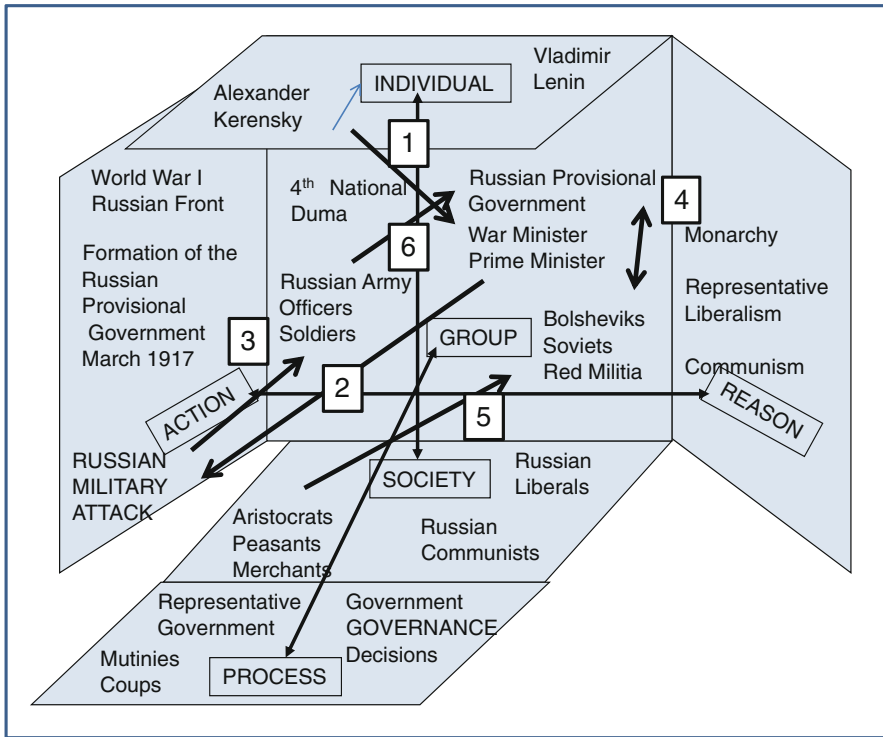


Fig. 3.5 Interactions during the end of the Russian Provisional Government

It is in the interactions between factors in societal perceptual space that historical explanations for events can be indicated.

One can see in the dynamics of historical explanation that one individual in a position of government leadership continued a policy which brought down the previous government and then brought down the government. And we know that after Lenin seizes power, he will end that war for Russia, even with a terrible treaty for Russia. Tsar Nicholas II and Kerensky did not fully appreciate the effect of the military reality upon government stability; and neither paid sufficient attention to the importance to the *power analytics of war policy* against the *discourse ethics of Russian imperial power*.

Even later, writing in 1927, Kerensky still did not see that his continuation of the Russian effort in the war was a disaster, particularly as the Army had no proper means to continue. Kerensky’s military policy placed idealism far above realism. Kerensky wrote: “We no longer find today (1927) the unanimity of opinion concerning our offensive of July 6, 1917, that prevailed then both in Russia and among the Allies. Due apparently to a misconception, some even consider that offensive as the last blow that killed the Russian army. Others believe that the operation was determined not by the interests of Russia but was ‘dictated’ to us by our Allies. A third group is inclined to see in it a particular manifestation of ‘light-headedness’ and

irresponsibility on the part of the government in having permitted itself to be carried away by love of rhetoric.” (Kerensky 1927, Chap. 9, p. 4)

Kerensky rejected all these views and instead still asserted that: “The restoration the fighting capacity of the Russian army by the resumption of active operations was, in the spring of 1917, demanded by Russia’s national consciousness.” (Kerensky 1927, Chap. 9, p. 4)

This is an argument of pure “discourse ethics” (idealism). But it ignores the realistic alternative of purely defensive military active operations – instead of an offensive. Kerensky could have had all the Russian Army lines drawn back to defensive positions to resist any German offensive, as did actually occur in November. Still in 1927, Kerensky continued to reject the realistic arguments against the failed offensive. The idealistic Kerensky always maintained that he never made a bad policy decision.

Thus, in the policy issue of the government machinery, Kerensky had judged – in a balanced mode – between discourse ethics and power analytics. But in the policy issue of military capability, Kerensky never saw the power-analytic impossibility of continuing an offensive war under the Provisional Government. He had clearly seen this reality under the Tsarist Government. Why could he not see this reality under his government?

When it was time for Kerensky to apply power-analytic realism – the War Minister and then as Prime Minister – for the Russian Army to go on defensive and no longer attack – Kerensky let his idealism carry him and Russia away. This finally resulted in the Bolsheviks under Lenin in seizing power from Kerensky’s Government – Foucault’s power analytics.

Historical Event: Final Collapse of the Kerensky’s Provisional Government

The stories of history always involve individuals caught up in major societal events. One can see the sadness in their perspectives, when history for them spins out of control. It is poignant to see how the well-intentioned Kerensky faced his own final political failure.

Kerensky’s Government began to fail in August 1917 after the military disaster of July. But on September 1, the German counterattack was launched at Kvina and threatened to break through the Russian front and lead to Petrograd. The Russian Army was disintegrating: “Long columns of deserters, with and without rifles, are moving along a line hundreds of versts long ...” (Kerensky 1927). Kerensky decided to have his government evacuate Petrograd and retreat to Moscow. But Kerensky had lost the confidence not only of the Russian soldiers, but also of the Russian officers.

Before Kerensky could leave Petrograd, General Korniloff, who was Kerensky’s military commander, attempted a coup take over the government: “On September 9 ... there appeared before me in the Winter Palace (in Petrograd) a former member of the Provisional Government, Vladimir Lvoff, who placed before me a verbal ultimatum from General Korniloff.” (Kerensky 1927, Chap. 17, p. 2) Korniloff’s

ultimatum demanded that (1) Kerensky proclaim martial law in Petrograd, (2) resign from the government, and (3) place himself under Korniloff's authority. Kerensky instead had Korniloff arrested: "... the rebellious general found himself suddenly without troops and railways and cut off at General Headquarters ..." (Kerensky 1927, Chap. 17, p. 3).

But in arresting Korniloff, Kerensky lost his authority with other Russian officers. Kerensky could no longer order a unified command in the army to put down any rebellion in Petrograd: "The movements of the Bolsheviki were facilitated by the crisis provoked by the Korniloff rebellion ... The Provisional Government could no longer be maintained in the composition upon which it was based. ... In the meantime, a new wave of anarchy and disintegration rose high under the stimulus of Bolshevist propaganda and demagoguery. The Korniloff rebellion was crushed on September twelfth. On September 18, the Presidium of the Petrograd Soviet was captured by the Bolshviki. ... On November 6 it had become quite evident that the uprising was inevitable, that it had already begun." (Kerensky 1927, Chap. 18, p. 1)

Kerensky described his last hours as head of the Provisional Government: "My office, midnight, November 6. The Provisional Government has just met and adjourned for a short recess. (Meanwhile) ... armed detachments of the 'Red Guard' were already occupying one government building after another. ... I signed a special order to the Cossack regiments (stationed in Petrograd) ... to arrest all the Bolshevist chieftains. ... (But) I did not know ... that the Council of Cossack Troops (meeting that night) had proclaimed the neutrality of the Cossacks in the struggle of the Provisional Government against the Bolshevist uprising." (Kerensky 1927, Chap. 18, p. 4)

Kerensky's Government could not command army troops in Petrograd to put down the uprising. Kerensky decided to flee: "... weary and exhausted ... I returned to the Winter Palace for a bit of rest. ... Hardly an hour had passed when I was roused by a noncommissioned officer, who came in with urgent information: the Bolsheviki had captured the central telephone and all our wire communications with the city had been cut. The palace bridge (beneath my windows) was occupied by Bolshevist sailor-pickets. The palace square was dead and empty. Not a word from the Cossacks, as (I) had expected. ... There was no news of any re-enforcements from the Northern Front. ... There was the beginning of panic. The staff building, filled to capacity all the previous evening and all night, was being gradually deserted." (Kerensky 1927, Chap. 18, p. 4).

Kerensky left the Winter Palace with an aide in his touring car, taking with him a Captain who had been assistant commander of the garrison in Petrograd. They drove safely through the city to Gatchina and then on to Ostroff, arriving at dawn. Kerensky tried to order troops to retake Petrograd: "The entire 'fighting force' of the Third Corps (which he could muster) consisted of five or six hundred Cossacks and several cannon. ... on November ninth, our detachment was approaching Gatchina, which was by this time already in the hand of the Bolsheviki, under the local military-revolutionary committee and of the local Soviet. The town was filled with all

kinds of Bolshevik troops – local infantry, artillery, Kronstadt sailors, armored cars from Petrograd. ... We unloaded our troops and military operations began. ... Almost without firing a shot, the government forces captured Gatchina.” (Kerensky 1927, Chap. 18, p. 14)

Kerensky then sent out telegrams to the army, demanding more troops but received none. With this small force of Cossacks, General Krassnoff, advanced from Gatchina toward Petrograd: “The attitude of the Cossacks on that day, November ninth was still quite satisfactory. ... About 3 hours after the departure of our forces, I followed them in an automobile. I found the Cossacks at a place where I did not expect them to be. They were not advancing at the rate of speed expected of them. ... General Krassnoff reported that the delay was due to the organization of the defense of Tsarkoye Sel, which was more thorough than he had expected, and to the insignificant forces at our disposal. Continuing this conversation, General Krassnoff adopted a rather new attitude towards me. ... (Later) I found General Krassnoff and his men already in the suburbs of the town (Tsarkoye Sel) but observed not the slightest indication of military action ... this deliberate delay at Tsarskoye Selo was a fatal blow to our entire expedition. In the evening, General Krassnoff reported to me his intention to withdraw troops back ...” (Kerensky 1927, Chap. 18, p. 14).

Finally 3 days later, Krassnoff did begin a battle: “Early in the morning November 12, the fight at Pulkowo began ... concluded in the evening successfully for us, but we could not follow up by pursuit or consolidate it because of the insignificant numbers at our disposal.” (Kerensky 1927, Chap. 18, p. 20)

The next day, Kerensky convened his few remaining military staff: “In the morning, November 13, I summoned a military council. Present were General Krassnoff; Colonel Pooff, his chief-of-staff; Captain Kuzmin, assistant commander of the troops of the Petrograd military district; Savinkoff, Stankevitch, and another member of the staff. ... All the military men present were unanimous that it was necessary to start negotiations (with the Bolsheviks) immediately, as otherwise it was impossible to guarantee the behavior of the Cossacks.” (Kerensky 1927, Chap. 18, p. 23)

The Cossack regiment was ready to negotiate, unwilling to die for Kerensky. Later that night, Kerensky was awakened by a report from the negotiations that the Bolshevik Kronstadt sailors demanded his surrender: “What was to be done? All my relations with the Cossack detachment were now broken by the Cossacks themselves. ... The Cossacks had bought their freedom and the right to return to their homes with their arms for the price of only one human head!” (Kerensky 1927, Chap. 18, p. 26)

It was over. Kerensky could no longer command any military force. His conflict with General Korniloff and his mutiny proved fatal to the Provisional Government. Without the force of an army behind a government, there is no government. Kerensky managed to escape. He fled Russia and emigrated to the USA. He lived in New York City and then Palo Alto, California. He taught courses at the Hoover Institution and contributed to its Russian archive.

Summary

It is interesting to speculate about the directions history might have taken if Kerensky had made different policy decisions: What if Kerensky had not launched another Russian Army offensive in 1917?

- World War I would have ended in 1918 in any case, when the arrival of the American Army in Europe tipped the military scales against the militarily-exhausted Germany and Germany surrendered.
- Then, likely the communist revolution would not have happened in Russia, and the terrible years of Russian civil war would not have happened.
- Then, it might have been possible for the Provisional Government of Kerensky to survive and may be evolve into a representative government.
- The collapse of the Russian economy from the civil war might not have happened; and Lenin's and Stalin's dictatorships would not have occurred, with their terror unleashed upon millions.
- The Union of Soviet Socialist Republics would not have existed, and the history of Europe would have been different.

Thus, the political decisions of two individuals totally changed Russian history. Kerensky failed to pursue a defensive military position; and consequently, Lenin succeeded in the Bolshevik uprising of November 1917.

From the perspective of a Western historian, if we compare these two individuals, Kerensky did not seem to have that same strong feeling for reality as Lenin did. Kerensky was idealistic, but perhaps too idealistic. In the tyranny of Lenin's rule, one does not see any idealism, only a brutal realism. Lenin's idealism was used simply as political ideology and expediently ignored in practical policy – used only to justify Lenin's desire for absolute power. When we compare Kerensky's rule to Lenin's rule, we see that the factors of reality and idealism were really decisive in explaining their policies – *a discourse ethics compared to a power analytics*.

And success or failure in holding power made enormous differences in the course of Russian history: (1) Lenin's success in seizing and holding power plunged Russia into a dictatorship ruled by repression and terror while (2) Kerensky's failure to hold onto power prevented Russia from evolving into a representative democratic society during the twentieth century.

What if Kerensky had a good policy analysis of the Russian military capability then, might he have made a more realistic decision? This is one direction we are aiming at in this methodology for modeling societal change; its important use would be to bring proper realism into political decision making, along with ethical idealism.

A second direction in which methodologically we are going is to establish an approach to ground social theory. In this historical case of Kerensky's Russian

Provisional Government, one can see historical evidence for three possible social science theoretical postulates:

1. Individuals in positions of power formulate models (theories) about society which are on a scale of realistic to idealistic.
2. Failure of a leader to act competently and realistically, can lead to a failure of power.
3. Failure of a leader to act ethically and idealistically, can lead to policies of terror.

Note

¹An autobiography of Kerensky is Abraham 1987.

Chapter 4

Societal Models

Introduction

We have seen how reasoning in individuals operates through realistic or idealistic judgments about society – what is and what ought to be in society. This reasoning occurs in individuals and also within groups. In individuals, reasoning is focused by ideas. Within groups, reasoning is focused by ideology. Ideologies provide a shared view of how a world should be – normative view. But how a world really works is different – an empirical view. In social science, an empirical description of a society is called a “societal model.” We next look at how ideology and societal models interact. For this, we review the history of Joseph Stalin’s rule of the Soviet Union, after Stalin succeeded Lenin.¹

Historical Event: Joseph Stalin’s Policies

We recall that Lenin had begun his communist career by throwing away Marx’s idealistic “dialectical theory of history” and replacing it with a realistic view toward a political putsch by a party of professional revolutionaries, the Bolsheviks. Once in government, Lenin also threw away the ideal of rule by committees of workers (soviets) with a realistic dictatorial rule by communist party officials (commissars). Civil war lasted 3 years (1918–1922); and we recall that after the civil war, Russian agriculture and industry was in shambles. Again acting realistically, Lenin temporarily gave up on the idealism of communism and reintroduced capitalism back into the Russian economy: Lenin’s new economic policy (NEP). Leon Trotsky later wrote of this policy: “Lenin explained the necessity of restoring the market... Trade circulation would establish a connection between the peasant and the nationalized industries... To mend economic relations with the rural districts was undoubtedly the most critical and urgent task of NEP.” (Trotsky 1937, Chap. 2, p. 2).

Lenin's temporary capitalism worked: "The market, legalized by the NEP, began with the help of an organized currency (rubles) to do its work. As early as 1923, thanks to an initial stimulus from the rural districts, industry began to revive. And moreover it immediately hit a high tempo. It is sufficient to say that the production doubled in 1922 and 1923, and by 1926 had already reached the pre-war level – that is, had grown more than five times its size in 1921. At the same time, although at a much more modest tempo, the harvests were increasing." (Trotsky 1937, Chap. 2, p. 3).

Leon Trotsky had been Stalin's principal contender to power.² It was Trotsky who had led the Petrograd Soviet which had seized power for the Bolsheviks. In the Russian civil war from 1918 to 1921, Trotsky had organized and led the Red Army to victory over the White Armies. After Lenin, Trotsky was the next famous Bolshevik. But Trotsky did not succeed Lenin and eventually went into exile from Russia.

Lenin had appointed Stalin as Secretary of the Communist Party to run its apparatus. This placed Stalin in a position to challenge Trotsky for leadership after Lenin. On March 6, 1923, Lenin had a stroke which incapacitated him from leadership, as the historian Alan Bullock wrote: "In the summer and autumn of 1923 he improved sufficiently to walk a little, even to pay a secret farewell visit to Moscow. A number of party and governmental and a number of officials paid him visits, but Stalin was not among them." (Bullock 1992, p. 124).

The reason that Stalin did not visit Lenin in his last days was because Lenin had concluded that Stalin should not succeed him. In late 1923, Lenin wrote a letter addressed to the coming Twelfth Party Congress in 1924, which he had added a postscript about Stalin: "Stalin is too rude, a fault tolerable in relations among us Communists, which becomes intolerable in the office of general secretary. Therefore I propose to the comrades to find a way to transfer Stalin from that office..." (Bullock 1992, p. 124).

But Lenin had not sent this letter for Congress, because in December of 1923, Lenin was again ill. Stalin telephoned Lenin's wife, Krupskaya, and berated her for not providing proper medical care for her husband. She wrote to Kamenev and Zinoviev about the call, requesting that they protect her from Stalin. Kamenev and Zinoviev told Lenin. Lenin wrote the following letter to Stalin:

Respected Comrade Stalin,

You had the rudeness to call my wife to the telephone to abuse her. Although she expressed her willingness to forget what was said, the fact became known, through her to Zinoviev and Kamenev.

I do not wish to forget so easily what was done against me, and there is no need to point out that what is done against my wife I consider to be against me also. Therefore I ask you to consider whether you agree to take back what you said and apologize, or whether you prefer to break relations with us.

With respect,
Lenin

Stalin wrote back: “If you consider that I must take back my words, I can take them back, but I fail to understand what the issue is, where my guilt is.” (Bullock 1992, p. 123). In his biography of Stalin, Alan Bullock speculated on what Stalin’s feelings might have been: “For Stalin it must have come as a shock to realize that the man whom he had admired more than anyone else, and to whose confidence he owed his rise, had now become an enemy. He kept Lenin’s last letter for the rest of his life; when he died it was found in a drawer of his writing desk and was read out for the first time by Khrushchev in his secret speech to the Party Congress of 1956.” (Bullock 1992, p. 124).

On January 21, 1924, Lenin had another stroke and died. Bullock notes that Stalin must have felt relief that the one man who could have removed him from his central chairmanship position was gone: “Stalin (according to Bazhanov who worked in his Secretariat) was jubilant. I never saw him in a happier mood than during the days following Lenin’s death. He was pacing up and down the office with satisfaction written all over his face.” (Bullock 1992, p. 132).

Lenin was dead, and Stalin could now control the next Party Congress in 1924. For that Congress, Stalin had prepared well, having appointed 55% of the delegates. Stalin was in charge of the Russian Communist Party.



Joseph Stalin



Leon Trotsky
(<http://en.wikipedia.org>, 2010).

System Model of a Society

How does a society work? A model of a society is useful to help govern a nation. A model is an idea, a picture, of how a society works. Then policies are devised to facilitate its proper working. Even ideologists, such as Lenin, need a model of society, when they take power to govern a society. This is where the idea of a societal model is required for history and social science methodology. To illustrate how a societal model can be constructed, we build one from Max Weber’s sociological theory.

Max Weber (1864–1920) was born in Erfurt, Germany. In 1882, he went to the University of Heidelberg to study law and then in 1884 to the University of Berlin. In 1886, he passed an examination (Referendar) to practice law. In 1889, he earned a doctorate in law from the

University of Berlin, with a thesis on the history of medieval business organizations. He then completed a second thesis (Habilitationsschrift) on Roman agrarian history (with reference to law). This enabled him to teach at the University of Berlin as a lecturer (privatdozent). He married Marianne Schnitger in 1893. In 1894, he was appointed to a professorship at Freiburg University. In 1896, he moved to the University of Heidelberg. In 1897, Max Weber had a quarrel with his father. And a few months later his father died, with the quarrel unresolved. Weber developed nervousness and insomnia, both severe enough to interfere with his teaching duties. In 1899, he took a leave of absence from his teaching and spent the summer and fall of 1900 in a sanatorium. He returned to Heidelberg in 1902 and resigned his professorship in 1903.

Next he became an associate editor of a journal (Archives for Social Science and Social Welfare).

After not publishing any papers between 1898 and 1902, Weber began again writing and publishing in 1904. Then he published his most famous essay, *The Protestant Ethic, and The Spirit of Capitalism* (Weber 1904). During the First World War, he directed army hospitals in Heidelberg. Afterwards, he helped draft the Weimar Constitution for the postwar German republic. He resumed teaching at the University of Vienna and then in 1919 at the University of Munich. He died in 1920. His major work on public administration (bureaucracy) was published posthumously in 1921 as *Economy and Society* (Weber 1921).



Max Weber (<http://en.wikipedia.org>, Max Weber 2007)

Weber wrote that for any social interaction in a society, participants can hold four kinds of expectations about that interaction: (1) utility or identity and (2) reciprocity or authority (Weber 1947).³

By the *dichotomy of utility or identity*, Weber meant that in any societal interaction, each party to the interaction will anticipate either:

1. *Utility in a relationship* – as a useful value for a participant in the interaction (such as buying or selling goods).
2. *Identity in the relationship* – as an identification of one party with the other party as belonging to some same group and sharing the values of the group (such as belonging to the same family or same political party).

By the *dichotomy of reciprocity or authority*, Weber meant that in any societal interaction, each party will also anticipate as a basis for the interaction either:

1. *Reciprocity in the relationship* – as a mutual and equal advantage for each party in the relationship.
2. *Authority in a the relationship* – as one of the parties in the relationship for making decisions about the relationship (such one being a judge and the other a plaintiff or one being a mayor of a city and the other a citizen).

<u>SOCIETAL TAXONOMY OF INTERACTIONS</u>		
	<i>UTILITY</i>	<i>IDENTITY</i>
<i>RECIPROCITY</i>	ECONOMIC INTERACTIONS	CULTURAL INTERACTIONS
<i>AUTHORITY</i>	SCIENTIFIC & TECHNOLOGICAL INTERACTIONS	POLITICAL INTERACTIONS

Fig. 4.1 Societal taxonomy of interactions

Weber obtained the first dichotomy from the earlier work of Ferdinand Tonnies, when in 1887, Tonnies termed the concepts of “identity” and “utility” (see footnote 3). Weber added a new social interaction dichotomy of and “authority.” In a previous book, the author used both Weberian dichotomies to construct a taxonomic model of society (Betz 2000). As shown in Fig. 4.1, a taxonomy of societal interactions can be constructed in matrix form – with utility-identity sitting across the top of the matrix and reciprocity-authority down the side of the matrix.

Social interactions which anticipate benefits of both utility and reciprocity are characteristic of *economic interactions*. Two participants each expect from their interaction both usefulness (utility) and that utility should be fair (reciprocal) in mutual benefit. For example, in an economic system, two participants in a market, as buyer and seller, expect (1) both to benefit from the sale (product for the buyer and price to the seller) and (2) that the sale should be fair (a competitive price for a quality product).

Next one can call the kind of social interactions in which participants anticipate benefits of both reciprocity and identify as a kind of *cultural interaction*. Therein two participants each expect to share a mutual identity in their interaction and also expect actions that are reciprocal in mutual benefit (fairness). For example, two participants in a church as priest and congregant both expect each to believe in the same religious faith (as members of the same church or synagogue or mosque) and that shared religious practice will enhance each other’s service of the religion.

Next one can call the kind of social interactions that anticipate benefits of both identity and authority as a kind of *political interaction*. Therein two participants each expect to share a mutual identity in their interaction but also expect actions to be decided by the one participant superior in societal authority and performed by the inferior participant. The participant-superior-in-authority is said to hold political power over the other participant. For example, a political office-holder such as a judge in a court-of-law can sentence another participant in a trial (having been brought into court as an arrested offender) to a sacrifice of life or freedom or property. The judge has legal power over the defendant in a trial.

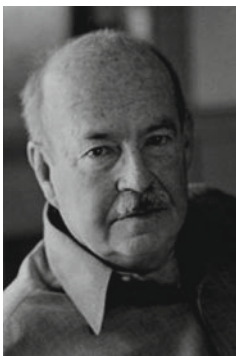
Finally, one can call the kind of social interactions that anticipate benefits of both utility and authority as a kind of *science and technological interaction*. Therein two participants each expect from their interaction a usefulness (utility) and also that utility is based upon an action (technical process) which can effectively create the utility – a methodological authority which guarantees the technical effectiveness of the useful action. For example, as business person might hire an engineer to design a factory to produce the business person’s product. (One example is that of a chemical engineer hired to design chemical processes for producing chemicals.) In this interaction, the engineer’s useful action in designing a factory is based upon his methodological authority of engineering knowledge.

One can extend this model of societal interactions as being incorporated into societal structures (organized infrastructures) for the conduct of many of these interactions, such as:

1. An economic infrastructure (called an “economy,” such as the economy of Egypt).
2. A cultural infrastructure (called a “culture,” such as the Arabic culture in the Egypt).
3. A political infrastructure (called a “government,” such as the government of Egypt).
4. A science and technological infrastructure (called a “knowledge structure” such as universities, government laboratories, and industrial innovation in Egypt).

In the history of sociology, there was after Weber in the US schools of sociology, a structure–functionalist school, which was popularized by Talcott Parsons. He used the term “structural functionalist” in his social theory of action. By the term “social structure” Parsons indicated the patterns in the social arrangements of life, and by the term “functionalism” Parsons indicated the relevance of the social patterns (structure) to the participants in the society. Parsons also formulated social theory in what he called “action theory.” (Parsons 1937).

Talcott Parsons (1902–1979) was born in Colorado, USA. In 1924, he obtained a bachelor’s degree from Amherst College. He attended London School of Economics and then the University of Heidelberg, from which he obtained a PhD in sociology and economics in 1926. He wrote his thesis on the concept of capitalism, examining the works of Max Weber; and Parsons began translating Weber’s works into English. In 1926–1927, Parsons had returned to the USA and taught at Amherst College and then began teaching at Harvard University in 1927.



Talcott Parsons (<http://en.wikipedia>, Talcott Parsons 2010).

TAXONOMY OF SOCIETAL SYSTEMS

	<i>UTILITY</i>	<i>IDENTITY</i>
<i>RECIPROCITY</i>	ECONOMIC INFRASTRUCTURES & PROCESSES (ECONOMIC SYSTEM)	CULTURAL INFRASTRUCTURES & PROCESSES (CULTURAL SYSTEM)
<i>AUTHORITY</i>	TECHNOLOGICAL INFRASTRUCTURES & PROCESSES (SCIENCE & TECHNOLOGY SYSTEM)	POLITICAL INFRASTRUCTURES & PROCESSES (POLITICAL SYSTEM)

Fig. 4.2 Taxonomy of societal systems

If one descriptively adds to the concept of structure, the concept of the functioning of the structure, one can describe both a social structure and its functional procedures (processes). The combination of social structures and their functions can be called a kind of system, a societal system.

A system is a unity of a thing existing in nature and showing change. A social system is a natural infrastructure in a society operating socially functional procedures. The taxonomy of societal interactions can then be transformed into systems models of societal sectors, as shown in Fig. 4.2.

For example, we saw that Lenin’s model of a *political system* was a government of a Bolshevik dictatorship. The Bolshevik communist party members occupied positions of government as commissars appointed by Lenin. We also saw the Lenin had no policy for a communist *economic system* and had resorted to a market-trade model (capitalist form) to revitalize the economic system. And Lenin also changed Russia from a religious basis to an ideological basis of the communist citizen. The Bolshevik attitude toward science was to accept the physical sciences but reject the social sciences, replacing the latter with Marx–Lenin Theory.

Next we can take this taxonomy and redraw it as a topological graph (a graphical model), as shown in Fig. 4.3.

A topological graph is a representation of a surface or space. The societal representational space is in the form of a topological graph, with a three-dimensional geometry. Here four spaces have been represented as overlapping topological planes. The usefulness of topological graphs are to depict complex ideas visually in geometric forms. We have seen how a three-dimensional graph of a societal perceptual space helps us to systematically order and present the six critical factors (individual, society, reason, action, group, and process) in an historical event. So too this form of a topological graph as overlapping two-dimensional planes will help us order the complexity of societies in terms of their systems (political, cultural, economic, and technological) and interactions between systems.

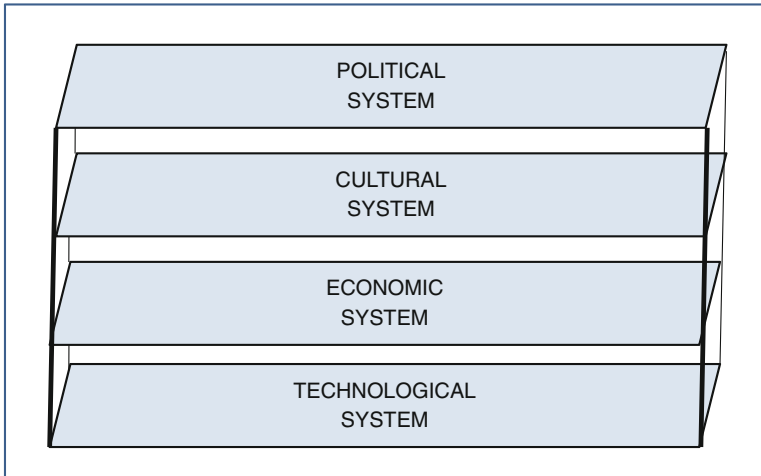


Fig. 4.3 Topological graph of societal systems

Historical Event (Continued): Joseph Stalin's Policy

Joseph Stalin (1878–1953) was born in Georgia, with the birth name of Iosif Dzhugashvili. The name “Stalin” meant steel, which Iosif (Joseph) later took for a revolutionary alias, as a professional revolutionary. Iosif’s father was a cobbler in Gori, Georgia, and wished him to be a cobbler too: “His father was a rough, violent man who drank heavily, beat his wife and child, and found it hard to make a living.” (Bullock 1992, p. 5). His mother, Ekaterina, wished him to become a priest in the Russian Orthodox Church.

When the father moved to Tiflis taking a job in a shoe factory, the family split. His mother took a job as a housekeeper in the house of an Orthodox priest, who helped Iosef obtain a scholarship. At the age of 14, Iosef entered a theological seminary in Tiflis. He stayed there until he was 20.

But he was not religious. Bullock commented: “The fact that it was a church education helped to form the mind of a man who was to become known for his dogmatism and his propensity for seeing issues in absolute terms, in black and white... The same church influence has been noted by biographers in his style of speaking or writing Russian: ‘declamatory and repetitive, with liturgical overtones.’” (Bullock 1992, p. 13).

The management style of the seminary was authoritarian. The monks spied on the students, searched their belongings, and denounced students to the principal. The reading of secular books was a punishable offence. Iosef was rebellious. He read translations of Darwin, Comte, Marx, and Plekhanov. He despised authority and was attracted to Marxist teachings of class warfare. Surreptitiously, Iosef became a tutor of Marxist ideas in a study group of railroad workers in Tiflis. Iosef was

expelled from the seminary in the fifth year. As Bullock noted: "Henceforth, Stalin was committed to the life of a professional agitator..." (Bullock 1992, p. 16).

Iosef, under the alias of Korba, acted as a Marxist organizer in Tiflis, participating in the May Day demonstration in 1901. Then 2,000 workers clashed with the police. In 1902, Joseph was in a strike by the oil workers at Batum. After the strike, police arrested Joseph, sent him to prison and then into exile at Vologda in Siberia. In that year of 1902, Lenin published his pamphlet, *What is to Be Done?*, calling for a party of revolutionary professionals. In 1904, Stalin read Lenin's defense of his position in another pamphlet, *One Step Forward, Two Steps Back*. Stalin saw himself justified in Lenin's idea of the professional revolutionary making the communist revolution.

Escaping from Siberia, Stalin spent the period from 1905 to 1907 in the Caucasus. He robbed banks and mail coaches to raise money for the revolutionary cause. The Georgian Mensheviks disapproved of robbery, so Stalin moved from Tiflis to Baku. In Baku, Stalin was elected in 1906 as a delegate to a party congress in Stockholm. There Mensheviks still controlled the executive committee of the party.

But there Stalin met Lenin; and later in 1914, Lenin would add Stalin to the Central Committee of the Bolshevik party. In July 1917, after Lenin had returned to Petrograd, Stalin helped Lenin evade capture by Kerensky's Provisional Government. Stalin smuggled Lenin to Finland. Then after the successful Bolshevik coup in November 1917, Lenin appointed Stalin as the People's Commissar for Nationalities Affairs. During the civil war, Lenin formed a five-member Politburo, in which Stalin was included. In May 1918, Stalin was sent to the city of Tsisisyn. In 1921, Stalin participated in the Red Army invasion of Georgia.

After the civil war, Lenin continued to govern through the Party executive committee of the Politburo. Periodically an All Soviet Congress would be held to ratify decisions of the politburo and to elect new members of the politburo. By 1923, Lenin had appointed these members as to the politburo: Trotsky, Bukharin, Zinoviev, Kamenev, Rykov, Tomsky, and Stalin.

Lenin chose Stalin to run the Secretariat of the communist party, the party's administrative arm. The Secretariat appointed members of the government (commissars) to implement the policies of the Secretariat. Neither Lenin nor any of Stalin's rivals recognized the potential power of the position. All the members of the government below the politburo came to owe their positions to Stalin; and to Stalin, they owed their loyalty. Stalin gradually had his appointees fill the national congress, which Stalin then gradually used to rid the politburo of his rivals for Lenin's succession.

After Lenin's stroke in 1924 and death in 1925, Trotsky was seen as the most likely potential successor. But in the politburo, Trotsky was challenged by Zinoviev and Kamenev. Hiding his own ambition, Stalin at first backed Zinoviev and Kamenev against Trotsky in 1924–1925. Next Stalin backed Bukharin against Zinoviev, Kamenev, and Trotsky in 1926–1927. In 1928–1929, Stalin turned against Bukharin, Rykov, and Tomsky. Finally by 1929, Stalin had forced out all the original members of the politburo. Stalin was in sole control of the party and the government, backed by his own appointed commissars.

Political System Within a Societal Model

We can use this example of Stalin’s succession to Lenin to begin to model how a political system functions within a societal model. As shown in Fig. 4.4, the components of modern political system are: government, army, party, and process.

An *Army* and its support is essential to maintain the authority of any government, against any armed uprising of dissident groups. A government is essential to maintain a strong army through its recruitment and paying of soldiers and officers of the army and through its procurement of military equipment for the army. Modern armies are divided into land, air, and sea forces. An Army is established to defend a government from foreign armies. For example, we recall the Russian Army disintegrated under the military defeats by the Austrian and German Armies.

A *Government* requires a political process to establish their authority to rule with laws and administration and judicial and police enforcement. In the case of the Tsars of Russia, the political process was hereditary rule, with the support of the Russian aristocracy. In the case of Kerensky’s provisional government, the political process was hoped to become (1) a democratically elected and representative дума (parliament) to rule the country on the basis of (2) a constitution (discourse-ethics).

A *Political Party* is a formal means of organizing political support in a modern state of bureaucratized institutions. Because of the repressive policy of the Russian Tsars, effective political parties for a liberal ideology (e.g., Kerensky) were never allowed to form or operate. Tsar Nicholas II dissolved the first elected Russian national Duma. Consequently, only revolutionary parties (e.g., Bolshevik Soviets) succeeded in effectively organizing, immediately after the abdication of the Tsar. Kerensky had no organized party of supporters to fight for his government, as did Lenin in the Petrograd Soviet to overthrow Kerensky’s government.

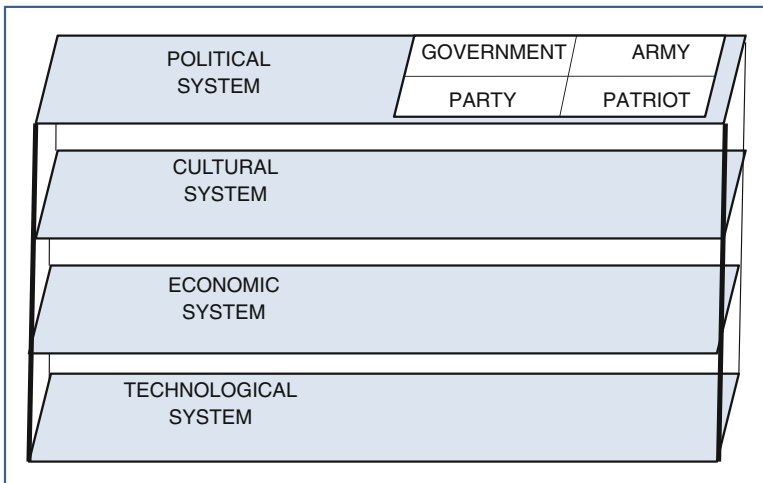


Fig. 4.4 Topological graph of societal systems with political subsystems

Later after Lenin's death, Stalin used the organization of the communist political party (and his control of it as secretary of the party) to rule soviet government.

A *Patriot* is a citizen obeying the orders of the government, whether or not ascribing to the ideology of the party controlling the government. The authority of a government depends upon the willing or forced obedience of people controlled by the government. Arguments about the legitimacy of a governing party can occur between citizens who believe or do not believe in the ideology of the party controlling the government. The loyalty of a Patriot is seen by the governing party in terms of whether or not a citizen believes in the party's ideology and the government's legitimacy. For example, Lenin and Stalin saw citizens who were disobedient to their orders as nonpatriots, as traitors, and so had such executed or imprisoned.

Historical Event (Continued): Stalin's Policy: Collectivization of Russian Agriculture

In the 1924 Congress (the first Congress after Lenin's death), there had been three issues discussed: (1) expansion of bureaucratic power and threat of inner-party dissention, (2) the problem of preventing national separatism, and (3) the economic policy as the New Economic Policy (NEP) was capitalistic.

On the first issue, Stalin publicly (but hypocritically) criticized bureaucracy, placing him on the side of the deceased Lenin. (This was at the same time that Stalin had taken the opportunity to expand the Party Congress with his own additional appointees.) On the second issue, Stalin had proposed a new constitution which severely limited power of nationalities. On the third issue, Stalin sided with Zinoviev and Kamenev against Trotsky, although Trotsky had proposed stopping the NEP and introducing a command economy.

For the next 2 years from 1924 to 1929, Stalin managed to expel all his rivals from the Politburo – one by one, replacing them with his own loyal appointees. Finally Stalin was in total control, and Trotsky fled into exile. Then Stalin took Trotsky's old policy-position against the NEP and for a command economy. Stalin began instituting the command economy, along with the collectivization of the peasants.

That NEP economy of Lenin's postcivil war policy was a mixed model of socialism and capitalism: socialism for heavy industry and capitalism for agriculture. It had been succeeding in stimulating the renewal of Russian agriculture but not Russian industry. It had returned Russian production to prewar 1913 levels, but not beyond that.

Stalin and wanted a rapid development of heavy industry – steel, electricity, concrete, armaments, to build Russia's military strength. But under Lenin's NEP, state industries did not produce consumer goods for peasants to buy. And imported consumer goods were increasingly expensive to peasants. Accordingly, peasants held their grain and stopped increasing production, when grain prices dropped against consumer goods prices. Following in Lenin's tradition, the Bolshevik government under Stalin continued to blame the Russian muzhik (peasant).

In 1927–1929, Stalin launched his program to industrialize Russia by first “industrializing” the peasants – soviet collectivization of agriculture. Stalin ordered all peasants into agricultural communes. Stalin made peasants into a new kind of proletariat – agricultural laborers on state-owned farms (ironically in the name of the proletariat).

This collectivization of peasants became the communist model of society for agriculture. Mao would use this model of an agriculture-commune for communist China in 1957. Castro would use the model for communist Cuba in 1959. Pol Pot used it in Cambodia in 1976.

In Stalin’s societal model, communist economy was organized as state industries: (1) state-owned industrial factories, run by commissars and (2) state-owned industrial farms, run by commissars. In Stalin’s model of a communist economy, commissars ran everything and Stalin ran the commissars. Stalin’s program came to be called a “command economy.” Stalin’s model of a communist country was to be one of a “state capitalism”: (1) communist party commissars replacing free-market capitalists in making economic decisions, (2) state farms replacing peasants for agricultural production – agricultural collectivization. The Library of Congress’s archive on “collectivization” nicely summarized this: “In November 1927, Joseph Stalin launched his ‘revolution from above’ by setting two... goals for Soviet domestic policy, rapid industrialization, and collectivization of agriculture. His aims were to erase all traces of the capitalism that had entered under the New Economic Policy and to transform the Soviet Union as quickly as possible, without regard to cost, into an industrialized and completely socialist state.” (Library of Congress 2009).

For Soviet industry, Stalin set extremely high economic targets for all state industries. Stalin’s goals in his first 5-Year Plan in 1927, called for a 250% increase in industrial development: “But because Stalin insisted on unrealistic production targets, serious problems soon arose. With the greatest share of investment put in heavy production, widespread shortages of consumer goods occurred.” (Library of Congress 2009).

Again for Stalin (as for Lenin) the Russian peasants were foes for opposing collectivization. Stalin decided to wipe out the richer farmers (kulaks) – simply exterminate the enemy: “About one million kulak households (some five million people) were deported and never heard from again.” (Library of Congress 2009).

We have seen that Russian communist ideology – Russia ruled either by Lenin or Stalin in the name of the dictatorship for the proletariat – never liked the peasant. Together Lenin and then Stalin murdered all the more successful agricultural families (kulaks, 1% of Russians). Stalin then reduced all the rest of the peasants (muzhik, 79% of Russians) into state laborers, agricultural proletariat. The historical story of the Russian peasant reads this way: (1) placed down in serfdom under the Russian Tsars in the 1400s, (2) temporarily lifted up to freedom under Tsars Nicholas I and II in 1864, and (3) in 1927 back down into state serfdom, as agricultural proletariat under Stalin.

The result of Stalin’s model for societal agriculture (as forced collectivization) resulted in famine: “The policy of all-out collectivization instituted by Stalin in 1929 to finance industrialization had a disastrous effect on agricultural productivity... A dreadful famine engulfed Ukraine, the northern Caucasus, and the lower Volga

River in 1932–1933... The heaviest losses occurred in Ukraine, which had been the most productive agricultural area of the Soviet Union... The death toll...in the Ukraine had been estimated between six million and seven million. According to a Soviet author, ‘Before they died, people often lost their senses and ceased to be human beings.’” (Library of Congress 2009).

An illustration of the kind of orders being issued by Stalin's Politburo is the following: Minutes of Politburo (meeting) No. 93 (found in the Soviet Archives after 1991):

Resolution of the people's commissars of the Ukrainian Soviet Socialist Republic and of the Central Committee of the Communist Party (Bolshevik) of the Ukraine on blacklisting villages that maliciously sabotage the collection of grain.

The Council of People's Commissars and the Central Committee resolve:

To place the following villages on the black list for overt disruption of the grain collection plan and for malicious sabotage, organized by kulak and counterrevolutionary elements:

1. Village of Verbka in Pavlograd raion, Denepetrovsk oblast.
2. Village of Sviatotoitskoe in Troitsk raion, Odessa oblast.
3. Village of Peski in Bahtan raion, Odessa oblast.

The following measures should be undertaken with respect to these villages:

1. Immediate cessation of delivery of goods, complete suspension of cooperative and state trade in the villages, and removal of all available goods from cooperative and state stores.
2. Full prohibition of collective farm trade for both collective farms and collective farmers, and for private farmers.
3. Cessation of any sort of credit and demand for early repayment of credit and other financial obligations.
4. Investigation and purge of all sorts of foreign and hostile elements from cooperative and state institutions, to be carried out by organs of the Workers and Peasants Inspectorate.
5. Investigation and purge of collective farms in these villages, with removal of counterrevolutionary elements and organizers of grain collection disruption.

The Council of People's Commissars and the Central Committee call upon all collective and private farmers who are honest and dedicated to Soviet rule to organize all their efforts for a merciless struggle against kulaks and their accomplices in order to: “defeat in their villages the kulak sabotage of grain collection; fulfill honestly and consciously their grain collection obligations to the Soviet authorities; and strengthen collective farms.”

December 6, 1932

(Library of Congress, Revelations from the Russian Archives) (<http://www.loc.gov/exhibits/coll.html>, 2009).

First, it is worth noting that by 1932 there were no more “kulaks” in Russia. They all had been deported by Stalin in 1929 to Siberia – five million families. But that term was still used in Soviet communist ideology as political propaganda to mean any peasant opposed to collectivization.

Second it is worth noting that not just individuals were targeted but whole villages were singled out for extermination – all men, women, and children in a village. All goods were to be confiscated in the village, and no more to be brought in. No food, nothing! The villagers were to starve. All money and credit were to be stopped. The villagers were bankrupted. All officers and any person deemed hostile in the villages were to be arrested by police (organs of the Workers and Peasants Inspectorate). Lenin hung individuals. Stalin exterminated villages.

These orders were particular focused upon the Ukraine region of the Stalin’s Soviet Union: “The death toll of the 1932–1934 famine in Ukraine has been estimated between six million and seven million.” (Library of Congress, Revelations from the Russian Archives 2009) (<http://www.loc.gov/exhibits/coll.html>, 2009).

And to this six million starved Russians can be added the five million peasants exterminated in Stalin’s earlier Kulak campaign and also the thousands of priests and faithful executed in the antireligion campaign. Stalin’s minions were kept busy, communist apparatchiks, bureaucrats of ideology.

Economic System Within a Societal Model

We now can use this example of Stalin’s economic plan to begin to model how a economic system functions within a societal model. The components of modern political system are: production, finance, trade, and market – as shown in the societal systems topological graph Fig. 4.5.

A *Production system* is the infrastructure and process for producing goods and services in an economy. In Russia, the economy divided into agricultural and industrial sectors. The industrial sector divided into heavy industry producing basic materials, industrial equipment, and military weapons. Light industry produced consumer goods, such as clothing, appliances, etc. After the civil war, Lenin’s NEP policy encouraged the growth of heavy industry, financed by a tax on agriculture. Peasants increased agricultural production, under taxes rather than under confiscation. But prices of consumer goods increased relative to agricultural prices, due to the scarcity of light industrial production. The peasants then faced a price inflation for the goods they wished to buy and slowed their effort to produce more agriculture products. This infuriated the Bolsheviks, who blamed the peasants for disloyalty to the communist government. Stalin then exterminated five million of the productive peasants (kulaks) and forced the rest into collectivized state farms. Despite the reality of falling production, Stalin preferred to enslave and murder peasants rather than give up his ideal of an economic system – a centralized command-and-forced-labor form of state capitalism.

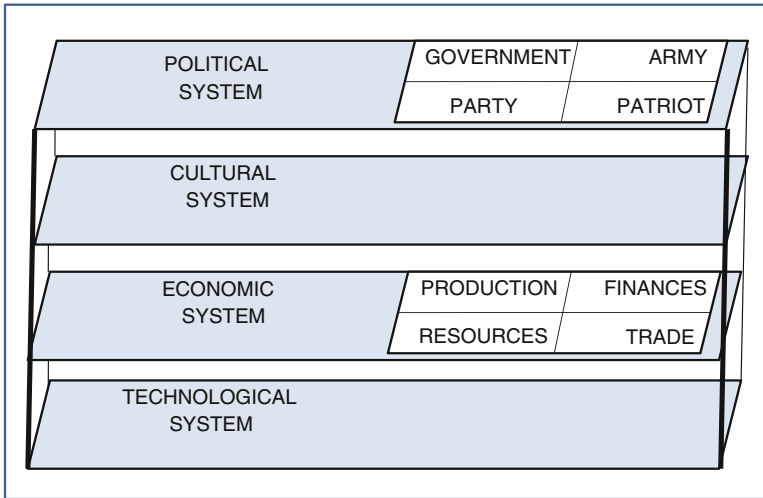


Fig. 4.5 Topological graph of societal systems with political and economic subsystems

A *Finance system* is an infrastructure and process for circulating money and extending credit in an economy. Money provides an intermediate means of exchange in a buyer–seller relationship. Without money, a buyer can purchase only what a seller will accept in a particular bartering exchange. But with money, buyer and seller can always match an exchange, using money as an accepted intermediary of value. Coining and printing of money is basically a governmental function and monopoly. But the government cannot expand the printing of money without limit. Too much printed money only creates inflation – increasing of prices when too much money chases too few goods/services to be purchased. Credit extension is primarily a business function in an economy, and secondarily a government function. Credit depends upon honesty and integrity in financial transactions. Fraudulent business practices can destroy a credit system (as the world experienced in the global credit meltdown of 2007–2008). A good credit system thus depends upon proper government regulation of business practices. But in the Bolshevik economy, communists did not believe in a money system, only in a command-and-confiscate system. For the financial structure of agriculture, Stalin collectivized (imprisoned) all peasants on state farms; and set grain targets to be produced. If grain production targets were not met, villages were starved and state-farm officials arrested. Accordingly, agricultural production fell. For industrial production, Stalin set 5-year planned targets to be met by commissar-managers of state industries – or be arrested for sabotage. Accordingly, industrial production in the Soviet Union became one of fraudulent reporting and bribery to avoid arrest and imprisonment in Soviet prisons, gulags.

A *Trade system* is a market infrastructure and process for distributing produced goods and services in an economy and exporting and importing to other economies. The Bolshevik government did not tolerate a trade system based upon business initiatives – as this was the economic system the communist party had overthrown.

The trade system of the Soviet state capitalism was between government and industry and between government and agriculture. Stalin's government controlled all trade in the mode of a government "command economy." Consequently, the needed kinds of goods and services were not produced nor distributed in a useful way. The command economy trade system existed only on paper, with an informal black market performing the real trade in the Soviet economy – trade controlled by barter and bribery. But this was an economic reality which the economic idealism of Stalin's government refused to acknowledge – on pain of imprisonment and execution.

A *Resource system* consists of the natural resources available in a nation. For example, the Ukrainian steppe has some of the richest agricultural land on Earth. Yet under Stalin's collectivization, massive famine was forced upon the region and seven million Ukrainians starved to death in 1932. In the Caspian Sea region, petroleum resources are plentiful; and that area remained throughout the twentieth century as major petroleum production region. But not all regions have resources for all kinds of production. In Tsarist Russia, the nation imported iron ore for steel production.

In the Leninist dictatorship for the proletariat by dedicated revolutionaries, the culture of command and force was embedded deeply into the Bolshevik culture. Not just for Stalin, but a profound characteristic of the ideological Bolshevik party was its deep realism about politics and a steep idealism about a command economy, socialism. Stalin had pursued a policy of realism to gain power. But once in control of the Soviet Union, Stalin introduced an extreme idealism to attempt to transform the Russian society into an ideal "Soviet society" – by means of a state capitalism in industry and state-collectivization in agriculture. Stalin pursued his idealistic vision through realistic but brutal terror and persecution. We saw this in both Lenin and Stalin – realism in gaining and holding power but idealism in ruling society.

This appears to be a fundamental characteristic of ideological dictatorships: realism about societal power but idealism about societal operations.

Cultural System Within a Societal Model

We next look at the cultural system of a societal model. A culture infrastructure can be composed by kinship groups, religious groups, linguistic groups, and media cultures – as shown in Fig. 4.6.

A *Kinship subsystem* is an infrastructure and process for organizing society according to biological relationships – families and clans. All feudal societies are organized this way, with three classes of kinship groups: aristocracy, peasantry, and artisan/merchant. In the feudalist Tsarist Russia, In feudalist Tsarist Russia, kinship structured the aristocratic and peasant castes.

Religion is an infrastructure and process for practicing belief in an invisible God. In Russia, the principle church was the Orthodox Christian Church, which arrived in the region from the Byzantine Empire in the 600s. Stalin exterminated priests and faithful because villagers were supported by priests. Also Stalin did not like

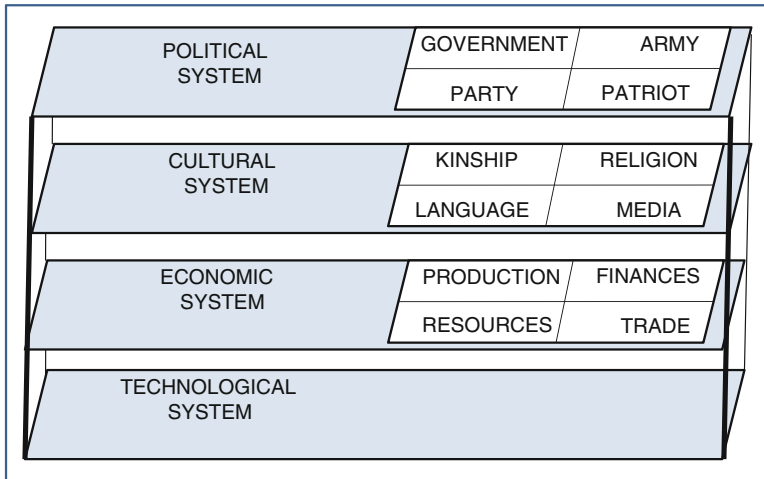


Fig. 4.6 Topological graph of societal systems with political, economic, and cultural subsystems

religion from his experiences in a seminary in his youth. Also religion challenged the Bolshevik ideal to create a new soviet person, shaped by the new Russian communism. In the Bolshevik communist ideology, the sole ethics was of total and complete obedience to the state. This obedience was enforced by law and police and also by propaganda. Religion was opposed by communists as an alternative and competing source of ethics.

Language is the verbal linguistic structure for social interactions, communication, and thinking of individuals in a society. In a tribal societal form, tribes organize around families and in a common language.

Media consists of the infrastructure and processes for communication within a society. Media propagate a shared worldview in a society and illustrated emotional and ethical values in a society. Media provides the means of communication within a society. In tribal societies, media is conversations and oral traditions. The first administrative media was the invention of writing in ancient civilizations. In the middle ages in Europe media was primarily church services, hand-copied books, and administrative writings of scribes for rulers. Then the innovation of the printing press in the 1400s added printed books. In the 1800s, telegraphs and telephone were new media. In the 1900s, additional new media were radio, movies, television, and Internet. In 2011, the then new media of the cellular phones and the Internet and social networking facilitated the youth movement of revolt in Arab countries.

One of the aspects of an ideological dictatorship appears to be an attempt to change the culture of society. The communist ideology was held as an ideal culture, in a citizen completely loyal to the government and the leader of the government. Competing loyalties of identity were discouraged, particularly cultural ties in forms of kinship and religion.

Indoctrination of youth began in schools whose curriculum inculcated communist ideals. A communist youth organization, Komosol, also organized youths into communist political life and was often a path for entry into a government career. Children were encouraged to spy out disloyal activities and even report their parents as disloyal, if they perceived them so.

Religion had been a primary focus for peasants and village life, Stalin also turned against religion: “The main target of the anti-religious campaign in the 1920s and 1930s was the Russian Orthodox Church, which had the largest number of faithful. Nearly all of its clergy, and many of its believers, were shot or sent to labor camps. Theological schools were closed, and church publications were prohibited. By 1939, only about 50,000 churches remained open.” US National Archives, Revelations from the Russian Archives (<http://www.loc.gov/exhibits/coll.html>) 2009.

The language of Russian was adopted as the official language throughout all Soviet controlled areas and nationalities.

The Soviet Union government controlled the Soviet media of newspapers, radio, movies, and book publication to ensure content supported and was consistent with official government policies.

Technological System Within a Societal Model

In Fig. 4.7, we can indicate how the subsystems in a societal technological system: research, education, science, innovation, ideological groups.

Science and technology are major features of a modern technological system in a society. Science is the methodology for discovering and explaining nature. Technology is the method for manipulations of nature. The more nature is discovered and theoretically explained, the more technologies can be invented and improved.

Education is the way citizens in a modern state learn to use technologies for economic, cultural, and political functions. Universal education and literacy is necessary for efficient use of modern technologies. Higher education is necessary for training in advanced technologies and in research capabilities.

Research and design are the activities which advance science and technology. Research probes nature; and design embodies technologies in commercial products, processes, and services.

Research is performed in technological, economic, and governmental organizations in a modern society as university research, industrial research, and governmental research. Design is performed in the new product developments of industry.

Innovation is the kind of activity which promotes technological invention and embodies new technologies in high-tech commercial products. Innovation is a critical factor in the competitiveness of societies in the modern global context. Innovation introduces new technology products and services into the market-places of trade.

The science and technology system is extremely sensitive to the political system in a society. In an ideological dictatorship, free-exchange of information and intellectual entrepreneurship is often suppressed as hostile to the maintenance of power.

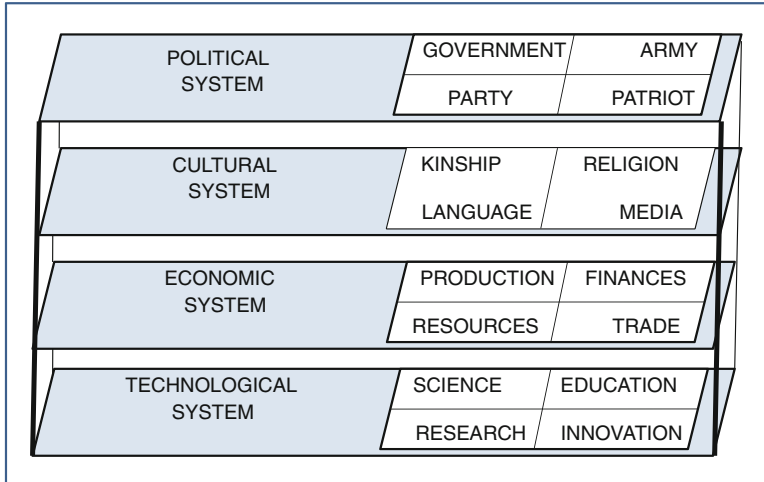


Fig. 4.7 Topological graph of societal systems with political, economic, cultural, and technological subsystems

But freedom of information and of entrepreneurship is effective means in a technological system of a society. Stalin mostly did not interfere with all of science, since Bolshevik communist ideology viewed science has contributing to the development of a socialist state. This enabled some scientists to be treated well in the USSR and enabled some progress in military related. After World War II, Stalin invested heavily in technological innovation to develop nuclear weapons and missiles. But Soviet industry fell behind in the technologies of electronics and the quality of production of goods, both of which eventually contributed to continuing poor performance of the Soviet economic system (and the eventual down fall of the communist regime in 1989, which we next review). However, in other areas of science, such as biology, Stalin did not ideologically interfere. For example, Trofim Lysenko was an agronomist who did not accept that heredity was transmitted by DNA. This conflicted with communist ideology that the Soviet State could change the nature of individuals, transform their inheritance into a socialist individual. He persuaded Joseph Stalin to ban any study of genetics in 1948. The social sciences were nonexistent in the USSR. The ideological dogma of Marxism was all any communist needed to know about sociology, economics, political science, and history.

Historical Event (Continued): Stalin's Policy

The purpose of ideology in a dictatorship is to create a belief system in which apparatchiks of the dictatorship perform their implementation of government policy. And this obedience in performance can occur even when inhuman acts must be done

to implement infamous policy. Some have called this kind of apparatchik a “true believer” in the ideology.

For example, Lev Kopelev was once a true believer under Stalin, but who later in exile wrote about his participation in Stalin’s brutal collectivization: “We were realizing historical necessity. We were performing our revolutionary duty. We were obtaining grain for the socialist fatherland... I saw what ‘total collectivization’ meant... I took part in this myself, scouring the countryside, searching for hidden grain, testing the earth with a rod for buried grain. With the others I emptied out the old folks’ storage chests, stopping my ears to the children’s crying... In the terrible spring of 1933, I saw people dying from hunger. I saw women and children with distended bellies, turning blue, still breathing but with vacant lifeless eyes. And corpses – corpses in ragged sheepskin coats and cheap felt boots; corpses in the melting snow in old Vologda, under the bridges of Kharkov... I saw all this and did not go out of my mind. Nor did I curse those who had sent me to take away the peasant’s grain... Nor did I lose my faith. As before, I believed because I wanted to believe” (Kopelev 1977).

This is the cultural power of ideology in an ideological dictatorship. It is used by authority to justify even monstrous acts, in the name of the state. Ideology, coupled with the rewards of an official position, can transform common people into official monsters. This is one of the ethical things that make ideological dictatorships so terrible. The leaders order the acts, but ordinary people carry them out. Ideology can brutalize humanity through ideas. When one looks back at such historical catastrophes of Stalin’s collectivization or Hitler’s genocide or Pol Pot’s killing fields, one finds it hard to describe this about humanity. One can only borrow the famous phrase from Conrad’s *Heart of Darkness*: The horror! The horror!

But then in an absolute dictatorship, horror can turn back upon apparatchiks. By 1934, Stalin was worried about whether his position was safe against an internal party coup. His industrial and agricultural policies had been failures, visible to party members, even in Stalin’s Politburo. Stalin had never been popular, even among the old Bolsheviks. These Stalin had removed from power, one by one (Zinoviev, Kamenev, Bukharin, and Rykov). Each was ousted from the party and then readmitted after submission. His collectivization policy had destroyed Russian agriculture. Moreover, some of the younger apparatchiks, which he had appointed, were themselves proving popular within the communist party circles. There were generals in the Red Army, who at any time could mount an armed coup. Stalin felt had to do something to maintain his absolute power. That would be more terror, but this time terror would be on the Bolsheviks themselves.

On December 1, 1934, a new wave of Soviet terror began. A stalwart Stalin apparatchik, Sergei Kirov, was assassinated in Leningrad (old Petrograd, now St. Petersburg). Earlier in 1926, Kirov had been one of Stalin’s followers who assisted Stalin in ousting Trotsky and Zinoviev from power. Stalin had appointed his loyal Kirov to the Politburo. In 1934, Kirov was head of the Leningrad Party Organization. But Kirov believed as did many of others that Stalin’s harsh policies should be relaxed. Many thought the goals of industrialization and collectivization had been mostly met, as Allan Bullock noted: “Disillusionment and protest over the situation

in the country and Stalin's policies affected not only some of the Old Bolsheviks, but also some of the more active Komosol members" (Bullock 1992, p. 298).

Kirov was shot by another party-member. But at the time and place of the murder, Stalin's NKVD had stopped Kirov's bodyguards from accompanying him into the building, where the assassin waited. Also NKVD had known about the assassin's grudge and intention. Nevertheless, a year later, Stalin used Kirov's assassination to launch an extraordinary scale of terror against communist party officials.

From 1935 to 1938, many communist officials (apparatchiks) were arrested, as Bullock counted: "Of the 1,966 Congress Party delegates in 1934, 1,108 had been arrested for counterrevolutionary crimes." (Bullock 1992, p. 506) In Stalin's military purge, 427 out of 490 officers were murdered. Thus, 56% of high party officials and 86% of military officers had been executed. Finally, Stalin even purged his secret police, NKVD. Its leaders (who carried out Stalin's purge of the party) were themselves murdered. The name of the NKVD was changed to NGB.

In the public trials of the purge, victims were forced to confess their crimes. Under torture in imprisonment and threats on family, most confessed. For example, one old Bolshevik, Krestinsky finally confessed before receiving his sentence of death: "I fully admit that I am guilty of all the gravest charges brought against me personally, and I admit my complete responsibility for the treason and treachery I have committed." (Proceedings in the Case of the Anti-Soviet "Bloc of Rights and Trotskyites," Moscow, 1938) For high officials, the sentence was carried out as immediate execution. For lesser officials, the sentence was imprisonment in one of Stalin's gulags (prison camps).

Later, the successor to Stalin, Nikita Khrushchev spoke of this time: "After the criminal murder of S. M. Kirov, mass repressions and brutal acts of violation of Socialist legality began. On the evening of December 1, 1934, on Stalin's initiative... the following directive (was issued):

1. Investigative agencies are directed to speed up the cases of the accused of the preparation or execution of acts of terror.
2. Judicial organs are directed not to hold up the execution of death sentences... in order to consider the possibility of pardon...
3. The organs of the Commissariat of Internal Affairs (NKVD) are directed to execute death sentences...immediately after the passage of sentences." (Khrushchev, *The Secret Speech*, Modern History Source book 2009) (<http://www.fordham.edu/halsall/mod/1956khrushchev-secret.html>).

It has been estimated that eight million people were sent to the gulags in 1937–1938: The Great Terror (revised in 1990). Thus, to the five million people exterminated in 1929 as kulaks, one can add the 6–7 million people starved in 1932, and the eight million people imprisoned for slow death in 1937–1938. And that's not all. Stalin deported five million other families to Siberia in 1937–1938, because of their nationalities.

One later victim of terror, Aleksandr Solzhenitsyn, wrote about experiencing the secret gulag system of the Soviet Union: "The universe has as many different centers as there are living human beings in it. Each of us is a center of the universe, and that universe is shattered when they hiss at you: 'You are under arrest.' ...the

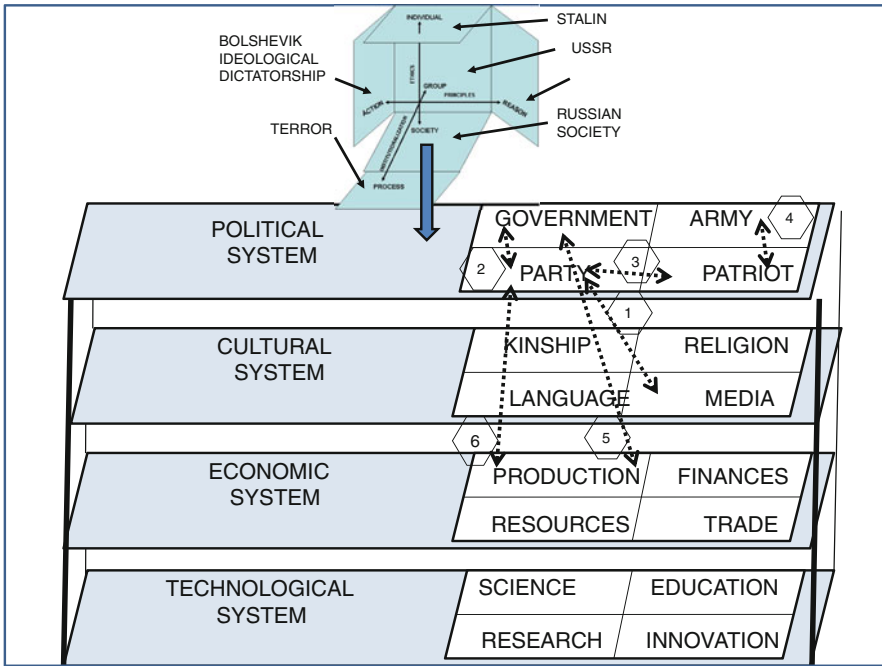


Fig. 4.8 Party - ideology in the soviet union

gate to our past life is slammed shut once and for all. That’s all there is to it! You are arrested!... ‘Me? What for?’ That’s what arrest is: it’s a blinding flash and a blow that shifts the present into the past, and the impossible into omnipotent actuality.” (Solzhenitzyn, 1978).

Solzhenitzyn wrote about the bureaucratic approach to this terror: “This classified arrests according to a variety of criteria: nighttime, daytime, at home, at work, during a journey; first time or repeat; the thoroughness of the search required; what should be done with the wife – arrest, deportation, with or without children.” (Solzhenitzyn, 1978).

In this historical review of the Russian Revolution and Stalin’s Soviet Government, we seeing a new historical phenomenon – the ideological dictatorship. We can illustrate the party-ideology factors on the Soviet model of society in Fig. 4.8.

1. The Communist Party controlled and used all the media in the Soviet Union to foster the communist ideology and loyalty to the party and government.
2. Marxist ideology of a “dictatorship of the proletariat” legitimated party members in their right of the Bolsheviks rule in a dictatorship.
3. The rule of dictatorship required loyalty by its citizens as communist patriots; or dissenters and the perceived disloyal were repressed by terror, imprisonment, or execution.
4. Control of the Military by the Party was institutionalized during the civil war as patriotic political commissars attached to each military unit. Later Stalin purged

both the officer corps and the apparatchiks to solidify absolute control of the government.

5. The Bolsheviks' instituted an economic model for production in society in the form of state capitalism. Stalin instituted this state capitalism by collectivizing peasants into state farms, exterminating them as a peasant class into a proletariat class (justified by Marxist ideology which recognized only proletariats and capitalists as societal classes).

In this topological picture, we can see the usefulness of the concept of a societal model depicting the impact of society by factors in an historical event which changes society.

Societal Model Within the Perceptual Space

Concepts about society are enormously complex. Beneath the events of a society are structures and processes that also need to be understood in explaining how a society was impacted by an historical event. For this, we can now add a graphical model of societal systems within a societal perceptual space – hanging off the societal end-dimension. The societal model is an elaboration of the complex subsystems in a society. This kind of visual graphical modeling can help to comprehend societal complexity in a single glance, as shown in Fig. 4.9. There within the perceptual *meta-space*,

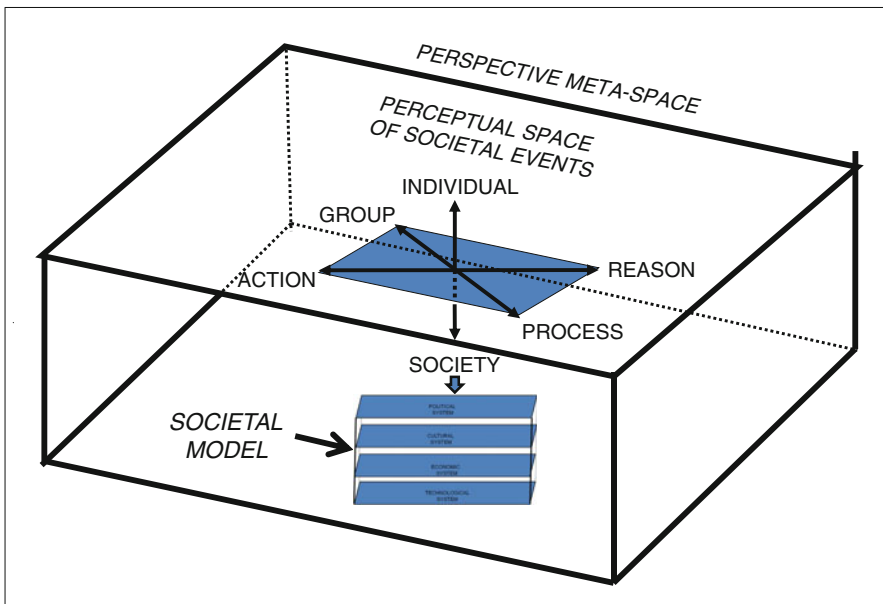


Fig. 4.9 Perspective meta-space surrounding a perceptual space in which model of society is depicted

a societal *perceptual space* can be depicted, from which a societal model of a society can be shown as hanging from the dimensional end of “society.”

A model-of-a-society can be depicted hanging from a societal-perceptual-space and within a perceptual-meta-space – all of which can formally describe an historical event that will change the society.

Principles-of-Order in Societal Systems: Societal Rationality

We have seen that the *Ideas* which connect an *Individual* (e.g., Stalin) to *Reason* are important to the governance of a society. Stalin’s idea of a model of communist society as central-control of industry and agriculture were the rational key to his policies in governing the Soviet Union. Stalin’s ideas provide the way Reason determined Action. Let us look at these connections, as shown in Fig. 4.8.

In terms of explaining the connections between societal factors, we can look at how Reason is connected to Action. In philosophical tradition, this connection is traditionally has been called a rational “principle.” Examining this we will find that

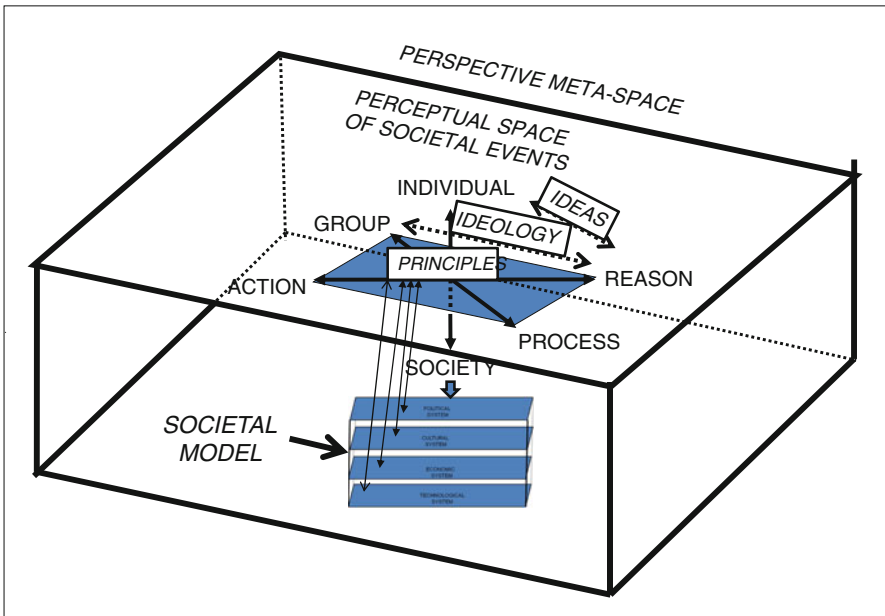


Fig. 4.10 Perspective meta-space surrounding a perceptual space in which model of society is depicted

rational principles in a society are complicated due to the different structures in a society; which we have described as four substructures:

Rationality in a political system with a societal substructure of government, army, party, and patriot.

Rationality in a cultural system with a societal substructure of kinship, religion, language, and media.

Rationality in an economic system with a societal substructure of production finances, resources, and trade.

Rationality in a technological system with a societal substructure of science, education, research, and innovation.

Summary

Within a perceptual space, one can describe the dimension of society as a kind of societal system model, composed of four societal systems: economic, cultural, political, and technological.

The policies a government has toward facilitating these systems are important to their overall performance in a society. Stalin's perspective about the Soviet political and economic systems were real in their coercive terror but failed in any humane idealism and efficiency. Stalin's perspective orientation toward the Soviet economic system was so idealistic in his model of a central-command system was to be ineffectual in reality. Soviet agriculture fell under his brutal collectivization policy and was never able to fully feed Soviet citizens. Similarly, Stalin's industrial command economy was inefficient and rampant with corruption and official lying about economic statistics. Soviet science and technology were focused only upon military goals.

The explanatory relation between *Reason* and *Action* lies in the idea of *principles* (principles-of-order guiding reasoning). In actions in society, there are several kinds of principles which guiding thinking, due to the different systems in an industrialized society. In each of these societal subsystems, reasons occurs according to the principles of rationality guiding political/legal thinking, cultural thinking, economic thinking, and scientific-technical thinking.

What happens in ideological dictatorships is the political rationality (gaining and holding power) completely dominates all other societal rationality (economic, cultural, and scientific-technical thinking).

Those people in such dictatorships who think independently (economically, culturally or scientific-technically rather than official ideology) get exterminated.

In a society subjected to an ideological dictatorship, apparatchiks run all societal systems resulting in societal performance with:

1. The economic system performing ineffectually, inefficiently, and corruptly.
2. The cultural system dominated by terror and brutality.
3. The scientific-technical system distorted and not innovative.
4. The political system brutal and tyrannical.

Notes

¹ There are many biographies of Stalin, including: Deutscher (1967), Antonov-Ovseenko (1983), Ulam (1989), Radzinsky (1996), Medvedev and Medvedev (2003).

² There are many biographies of Leon Trotsky including: Read, Lenin (2005), Clark (1989), Gorin (1983).

³ Tonnies used the German term “Gemeinschaft” to mean a community gathered around a common identity and “Gesellschaftung” to mean a business association. In a 1955 translation, Loomis used the English terms of “Community” and “Association” (Tonnies 1955). Weber used the same terms to label expectations in a social exchange to center around a common identity (Gemeinschaftung) or around a business transaction (Gesellschaftung). We have used Weber’s terms with the English translation of “identity” (Gemeinschaftung) or “utility” (Gesellschaftung) (Weber 1947).

Chapter 5

Ethics in Society

Introduction

We have looked at the terrible ethics of Stalin's apparatchiks (bureaucratic thugs). But was this a Russian phenomenon, or are there such apparatchiks in any ideological dictatorship? Historically, the answer is yes, in all dictatorships. This is illustrated in the next case of the German Nazi dictatorship of 1933–1945.

Until 1933, Germany was one of the most civilized societies in the world. It led in science and technology. Most scholars then went to Germany to gain doctorates for research in science. Germany led also in the arts and music. Germany led in organizational innovation (the term bureaucracy was coined by Max Weber to describe Germany's newly efficient governmental agencies). Yet due to the economic crisis in Germany, Hitler was able to seize power and changed Germany into a racist, militarily aggressive, and genocidal country.

How is it possible for a modern society to be taken over by an ideological dictatorship and have its civilization destroyed? Are all modern governments susceptible to such dictatorial takeovers? Under what conditions?

Of that Nazi dictatorship in Germany, we will ask two historical questions of a normative judgment (about values in history). First, how did a Germany as a highly cultured society yet fall under the dictatorial rule of Hitler's Nazi party? Second, are officials ethically personally responsible in performance of their duties under an evil dictatorship?

Historical Event: Nuremberg Trials

Societal chaos in modern Germany had begun in 1918 when Kaiser Wilhelm abdicated his throne as a consequence of Germany losing the First World War. (We recall in 1917 Tsar Nicholas had abdicated the Russian throne, also as a consequence of military failure.) From 1918 through 1932, Germany went through unstable and

ineffectual governments located in Weimar. Adolf Hitler seized power in 1933 and destroyed the civil society in Germany. When a country is ruled by an evil leader, to what extent are the people also to blame for their evil deeds?

At the end of the Second World War, the winning Allies (Great Britain, USA, and Union of Soviet Socialist Republics) decided to fix blame on German officials in trials for war-crimes, the “Nuremberg Trials.”¹

The decision to conduct judicial trials occurred after many discussions among the allies – then some wanting to simply execute Nazi officials and others wishing to first try them. For example, the US official, Treasury Secretary Henry Morgenthau Jr., argued that captured Nazi leaders should be summarily executed and Germany reduced to an agricultural state. US Secretary of War, Henry Stimson thought that such a solution would violate the US belief in law: (1) against the presumption-of-innocence-of-individuals-until-provided-guilty and (2) collective punishment of everyone for specific crimes of a few. The President of the USA, Franklin Delano Roosevelt, asked Murray Bernays (a lawyer serving in the Army) to find a compromise solution. Bernays suggested holding trials for Nazi officials, in order to discredit the actions of all serving under them. The trials would document the evidence for atrocities. The legal position would be that all subordinates are still ethically responsible, even when acting under official orders. President Roosevelt agreed to the idea, and the other Allied leaders also agreed.

In 1945, President Roosevelt died, and the next US President, Harry Truman, implemented the plan. President Truman appointed Robert Jackson, then a US Supreme Court Justice, to run it. Jackson organized an International Military Tribunal to hold the war crimes, with one military judge each from the USA, Great Britain, USSR, and France. The first trial began on November 20, 1945 in the Bavarian city of Nuremberg.¹

Robert Jackson acted as prosecutor. When the trial began, Jackson produced documented evidence about “war crimes.” The Allied military had found files of Alfred Rosenberg (47 crates of files) hidden in a castle. They found tons of diplomatic papers hidden in caves in the Hartz mountains. They recovered hundreds of works of art looted from occupied countries in Goring’s estate. They found Luftwaffe records stored in a salt mine in Obersalzberg. They found notes made by officials of Nazi government meetings. And they had American movies documenting the liberation of concentration camps at Bergen-Belsen, Dachau, and Buchenwald. These movies showed the starving survivors as nearly skeletons. They showed the stacks of naked corpses that had been shoveled into mass graves. They had records of the Nazi genocide program and minutes of its meetings to plan the program.

As one historian, Robert Shanayerson summarized: “The scale of Hitler’s madness was almost beyond imagination. The documents showed that after conquering Poland in 1939, he ordered the expulsion of nearly nine million Poles and Jews from Polish areas.... the SS unleashed hundreds of Einsatzgruppen – killer packs assigned to spread terror by looting, shooting and slaughtering without restraint... these SS action groups murdered and plundered behind the German Army as it advanced eastward” (Shnayerson 1996).

A historically important role of the Nuremberg trials was to acquire and record documentary evidence of the Nazi policies of aggression and genocide.

In January 1946, Jackson began bringing in witnesses. The first was Otto Ohlendorf, former commander of an Einstazgruppe in Russia. Jackson asked questions and Ohlendorf answered (Shnayerson 1996):

Q. How many persons were killed under your direction?

A. Ninety thousand people.

Q. Did that include men, women, and children?

A. Yes.

Q. Did you have any scruples about these murders?

A. Yes.

Q. And how is it they were carried out regardless of these scruples?

A. Because to me it is inconceivable that a subordinate leader should not carry out orders by the leaders of the state.

This is an ethical issue. Are subordinates ethically responsible for carrying out *evil acts* under *evil policies* by their official superiors? This is the ethical connection between the acts of an individual under the governmental policies of a society.

There were a series of trials. In the first trial, 24 Nazis were tried and judged. Those involved in the founding of the Nazi Party were charged with conspiring to launch World War II and related atrocities. Others were accused of planning aggressive war. Eighteen were charged with war time crimes and crimes against humanity (such as genocide).

During the trial, one judge, Donnedieu de Vabres argued that the defendants acted not so much in complicity but in bondage to a “megalomaniac.” He restricted the charge of “conspiracy” to be applied only to eight of the defendants who knowingly carried out Hitler’s war plans from 1938 onward. Also the Judges ruled that guilt could not be assigned for only belonging to a Nazi organization. Any trial for other participants must be run in evidence of personal responsibility for crimes: “But since the Nuremberg judges ruled them all innocent until proven guilty, relatively few were ever tried – the prosecutorial job was too formidable” (Shnayerson 1996).



Eight Defendants
(<http://en.wikipedia.org>, 2010)

The 24 Nazis leaders received the following verdicts:

- Herman Goring – Commander of the German Air Force – death sentence.
- Karl Donitz – Admiral of the German Navy – prison sentence.
- William Keitel – Head of Hitler’s Military Command – death sentence.
- Alfred Jodl – Keitel’s second in Command – death sentence.
- Erich Raeder – Admiral of the Germany Navy before Donitz – death sentence.
- Ernst Kaltenbrunner – Highest surviving SS leader – death sentence.
- Martin Borman – Nazi Party Secretary and Hitler’s chief of staff – death sentence.
- Albert Speer – Minister of Armaments – prison sentence.
- Julius Streicher – Nazi Head of Franconia and publisher of Nazi paper– death sentence.
- Hans Frank – Nazi Governor of occupied Poland – death sentence.
- Arthur Seyss-Inquart – Nazi Governor of occupied Netherlands – death sentence.
- Wilhelm Frick – Nazi Minister of Interior, author of Nazi Race Laws – death sentence.
- Hans Fritzsche – Deputy Leader of Nazi Propaganda Ministry – death sentence.
- Alfred Rosenberg – Nazi Minister of Occupied Territories – death sentence.
- Fritz Sauckel – Head of Nazi slave labor program – death sentence.
- Julius Streicher – Publisher of Nazi newspaper – death sentence.
- Robert Ley – Head of the German Labor Front – committed suicide before trial.
- Rudolf Hess – Hitler’s deputy – prison sentence.
- Baldur von Schirach – Head of Hitler Youth – imprisonment.
- Joachim von Ribbentrop – Nazi Ambassador – death sentence.
- Konstantin von Neurath – Previous Minister of Foreign Affairs – imprisonment.
- Franz von Papen – Chancellor of Germany before Hitler – acquitted.
- Gustav Krupp – Major industrialist and Nazi supporter – not tried due to ill health.
- Hajalmar-Schacht – President of Reichsbank and Economics Minister – acquitted.

One can see in this list that the first trial focused upon Nazi leaders (1) in the German Military, (2) in the Nazi Party, (3) in the Nazi government, and (4) Nazi industrial supporters. Of 12 sentenced to death, 10 were hung. Goring poisoned himself the evening before his scheduled execution. Borman had not been captured and was sentenced in absentia – but he was already dead, with his remains being discovered a decade later.

Adolf Hitler, Head of the Nazi Party and the German Government, was not tried because he had committed suicide. Goebbels, Nazi Propaganda Minister, also had committed suicide, along with his wife and five children. Heinrich Himmler, Head of the SS, at the end of the war had been captured and committed suicide. Eichmann, Head of the Nazi Jewish extermination program, escaped to Argentina (but was captured in 1960 by Israel officials, tried in Israel and executed). Josef Mengeles was a Nazi doctor who performed inhuman experiments on people; and he also escaped to Argentina but lived out his life, evading capture.

The legacy of the Nuremberg trials was important to establishing a international legal tradition. For example, later in 2006, Henry King, Jr. (who had been one of the Nuremberg war crimes prosecutors) wrote: “A milestone passed quietly by on

Sunday, October 1, 2006 – the 60th anniversary of the judgments rendered by the International Military Tribunal at Nuremberg against the key Nazi figures that led the world in the chaos of World War II.... It is right and proper that we reflect on this seminal event in legal history, an event that became the cornerstone to modern day international criminal jurisprudence” (<http://jurist.law.pitt.edu/forumy/s006/tree-fell-in-forest-nuremberg.php>, 2009).

Societal Context of Ethics

We can see in that the Allied societies held individuals in the former Nazi society ethically accountable for their behavior during the war. Whether or not one agrees with that position, its statement is an empirical fact of history (what historians can observe about Allies’ acts and intentions). The Nuremberg Trials were a deliberate attempt to establish war-crimes as an international ethical issue. As shown in Fig. 5.1, one can describe an important relationship between an individual and its society in a perceptual space as one focusing on ethics.

Until now, we have identified several explanatory connections between the dimensional factors in a societal perceptual space:

- The connection of Individual to Reason is that of Ideas.
- The connection of Reason to Group is Ideology.
- The connection of Reason to Process is System.
- The connection of Reason to Action is Principles.
- The connection of Action to Society is that of Performance.
- The connection of Individual to Society is that of Ethics.

But whether a philosophic or religious ethic, the societal context in which individual’s make ethical choices is important – important either as an ethical facilitator or constrainer. We began by distinguishing between knowledge and wisdom in behavior.

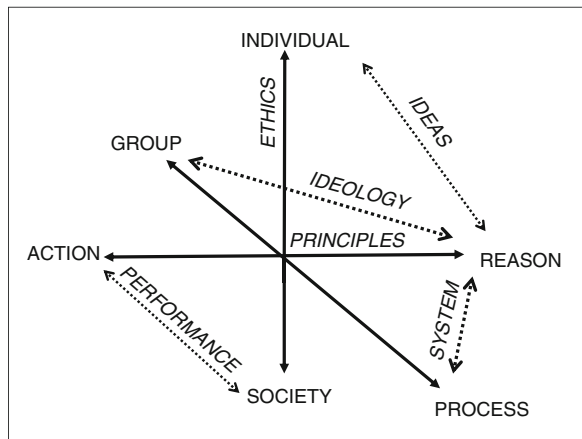


Fig. 5.1 Ethical relationship in societal-perceptual space

ACTION	MEANS	ENDS
MEASURE	EFFICIENCY	VALUE
INFORMATION	TECHNOLOGY	ETHICS
UNDERSTANDING	KNOWLEDGE	WISDOM

Fig. 5.2 Philosophy of action

We used the philosophical description of choices about action as “means and ends.” A “means” of an action is way to accomplish the action. An “end” of an action is the outcome, consequence, of the action. Understanding what possible means are available and the efficiency of each mean in attaining an end, we have called “knowledge”; and understanding the possible ends attainable by an action and the value of each end, we have called “wisdom.” Also in this framework, technology is about constructing efficient means to action, and ethics is about determining the values of ends. We can summarize these terms in a table, Fig. 5.2.

In academia, ethics has traditionally been taught in the domains of philosophy or religion. An example of the philosophical perspective on ethics was expressed at the University of London in its “London Philosophy Study Guide”: “Ethics is the study of theories of how we ought to live, and what is of value or concern in life... Amongst the problems considered are the relation between the happiness of the individual and concern for others or the common good... there is a particular concern with its practical application or consequences” (<http://www.ucl.ac.uk/philosophy/LPSG.contents.htm>, 2009).

It is in this philosophical sense that we are using the term ‘ethics’ as a focal relationship between individual and society.

From the direction of society in a societal perceptual space, ethics can describe the societal context of ethical choices of individuals.

From the direction of an individual in a societal perceptual space, ethics can describe the choice by individuals about values in society.

The *context of ethical practice* can severely constrain judgments about the happiness of the individual and concern for others or the common good. We saw in Russia that the Bolshevik government created an ethical situation in Russian society in which the ethical choices of individuals were reduced to either brutalize or be brutalized. The ethical choices of being a Soviet citizen under Stalin continued to be starkly limited (1) join the Cheka (OGPU, NKVD, KGB) as an apparatchik and then arrest and execute people or (2) be arrested, imprisoned, or executed by the Cheka.

And this binary ethical choice when living under a dictatorship empirically turned up in the Nazi dictatorship. In Germany after 1933, no German then had real

ethical choices. Adolf Hitler, seized power in Germany in 1933 and quickly subjected Germany to a Nazi dictatorship. The choice then in a dictatorship again boiled down to: become a killer or be killed. Still the active participation in dictatorial evil seems different from passive nonparticipation. Nuremberg focused on how membership in the Nazi regime structured ethical choices of Nazi officials; and such choices which included use of slave labor, conduct of genocide, and other war crimes – as crimes against humanity. Did or did not an official of a government (Nazi government) bear personal responsibility about the ethics of the actions, which that official actively performed in accordance with official government policy? Yet they did – this was the normative judgment of the Allies who ran the Nuremberg trials.

Through laws and policies, governments establish ethical situations in which officials must administer and implement. If the laws and policies are unethical to a standard more universal than that of the government, then actions (local laws and actions) by government officials are all unethical. In this way, society can bound the ethical situations for individual actions. Ethics of a society are formulated and implemented within the interactions between individuals and society.

Philosophically, this fits into the ethical emphasis on the concept of what is a “common good” for a society. Certainly the Hitler’s Nazi policies of slavery and genocide were not for the common good of the Polish people, European Jews, or people in the nations of Norway, Denmark, Belgium Holland, France, or Russia. The theory of how Germans ought to live and what is the value or concern in life of “Aryans” was defined by Hitler. But the ethics in practice in the Nazi government was not any traditional or supportable theory of ethics from religion or philosophy.

Nazi Party members in his government – such as Herman Goering (Head of Air Force), Himmler Wilhelm Frick (Nazi Race Laws), Hans Fritzsche (Nazi Propaganda), Alfred Rosenberg (Minister of Occupied Territories), Fritz Sauckel (Head of Nazi slave labor program), Julius Streicher (publisher of Nazi newspaper), Robert Ley (Head of German Labor Front), Rudolf Hess (Hitler’s deputy), Baldur von Schirach (Head of Hitler Youth), Martin Bormann (Nazi Party Secretary), Albert Speer (Minister of Armaments), Heinrich Himmler (Head of SS) – all these actively implemented Hitler’s ethics of racism, anti-Semitism, slavery, genocide, and conquest. The individual Hitler espoused the Nazi ethics, and party members (subordinate individuals) shared the ethics and implemented them in German society and occupied territories. The societal context in Germany from 1933 to 1945 was the Nazi racial and military policy.

Ethics consists of the ideas not only of the value (ethical value) of an action but the societal context in which the action occurs (ethical context). There are then two questions about the relation of *Ethics* between *Individual* and *Society*. In a given historical situation, how are the practices of ethics by individuals constrained by the social context? Conversely, how have some individuals changed the practice of ethics in a given society at a given time?

The ethical context of the interaction of the individual and society structures the normative judgments (ethical decisions) – performed or experienced by individuals in the society of that epoch.

Historical Event: Hitler's Ethics

In the Nuremberg trials, the judges decided that the participation of German officials in the war atrocities occurred not so much as a “conspiracy” but rather as active “participation” as a kind of “bondage to a megalomaniac.” This perception accurately characterized the condition of German society under the Nazi regime. How did that society in that time come under such “bondage”? Hitler's power over the German people from 1933 to 1945 is an extraordinary story! How could such a thing happen in a modern society?

An amazing part of that story was that Hitler's intentions and ambitions were never secret, nor even hidden in an ideology. Stalin had hidden his personal ambition to become a cult-of-personality – like the Bolshevik's saints of Marx and Lenin – until after he had exterminated all political opposition. But Hitler published his ambition in his book, *Mein Kampf* (My Battle). He wrote this while imprisoned for a year, after a failed putsch to seize the Bavarian Government in 1923. Hitler wrote that his political ideals were to (1) establish a revolutionary dictatorship, (2) overturn the Versailles treaty and restore German military strength, (3) destroy communism, (4) eliminate all Jews from European society, (5) establish Germans as a master race, and (6) conquer all territory to the east, reducing their populations to slaves.

Hitler's ideal society was of a state containing a racially superior people bounded by a territory, with race defined genetically. He wrote: “The State is only the vessel and the race is what it contains” (Hitler 1925, Chap. II). In the late 1800s and early 1900s, Darwin's Theory of Evolution was picked up by propagandists for racists to justify their social biases. There was a eugenics movement also to apply principles of animal breeding to humans. Hitler picked up on this movement and would implement it in Nazi policy.

Hitler used the German word for “blood” to indicate groups biologically connected in kinship structures: “If we admit the significance of blood, that is to say, if we recognize the race as the fundamental element on which all life is based, we shall have to apply to the individual the logical consequences of this principle... those elements within the folk-community which show the best racial qualities ought to be encouraged more than the others and especially they should be encouraged to increase and multiply” (Hitler 1925, Chap. IV).

This principle of superiority would be Nazi governmental policy: “As a State, the German Reich shall include all Germans. Its task is not only to gather in and foster the most valuable sections of our people but to lead them slowly and surely to a dominant position in the world.” (Hitler 1925, Chap. IV). When Hitler seized power in the 1930s, his first acts of foreign policy were (1) recover the Rhine land in 1936, (2) annex Austria in 1937, (3) annex Czechoslovakia, in 1938.

As for any racist, Hitler's superior race was his own “blood-line”: “Every manifestation of human culture, every product of art, science, and technical skill, which we see before our eyes today, is almost exclusively the product of the Aryan creative power” (Hitler 1925, Chap. XI). The idea of an Aryan race was purely in Hitler's imagination and subsequently in Nazi propaganda. Hitler's focus was to keep

Germany pure as an Aryan race: "All the great civilizations of the past became decadent because the originally created race died out, as a result of contamination of the blood" (Hitler 1925, Chap. VI).

Hitler's hatred of the Jewish people was expressed over and over again in his book. For example: "The Jew offers the most striking contrast to the Aryan. There is probably no other people in the world who have so developed the instinct of self-preservation... Therefore the Jewish intellect will never be constructive but always destructive" (Hitler 1925, Chap. XI).

Reading Hitler's book, one can see that he did have a plan (however mad a plan) to carry out as Nazi policy, when he became Führer of the German Reich. Even his invasion of Russia was part of his policy: "... Germany's position in regard to Russia...the most decisive point in determining Germany's foreign policy ... must ... secure the existence of the race ... by establishing a healthy proportion between the growth of the population and extent and resources of the territory they inhabit Therefore we National Socialists ... turn our eyes toward the lands of the East" (Hitler 1925, Chap. XIV).

It was Hitler's imagination which created the fiction of an Aryan race and also fictions about the Jewish people – neither had factual bases. It is worth noting that scientifically there is no such biological thing as a "race." The scientific genetic evidence indicates that the whole human species (*Homo sapiens*) is related to an ancestral mother about 100,000 years ago (chronological evidence from mutational variations in the genetics of human mitochondria). Also there appears to have been an ancestral father about 50,000 years ago (chronological evidence from mutational variation in the genetics of the male Y-chromosome). This is the reason the whole human race can intermarry productively. Race is a political idea, not a biological idea. The term "Aryan" is not used in biology nor sociology but has been used in linguistics to indicate the grouping of European languages back toward a common linguistic origin. Only Hitler used "Aryan" as a racist term.

And sometimes history has ironies. One of the ironies about Hitler's mad beliefs of the racial inferiority of Jews happened when Hitler came to power. Then many of the leading scientists and young physicists in Germany and Europe were Jewish or had Jewish wives. Subsequently, most emigrated to America: Einstein, Fermi, von Neumann, Szilard, Bethe, Teller, and others. In the subsequent race between Germany and the USA to develop the atomic bomb, the émigrés helped America successfully construct the first atomic bomb. Meanwhile, Hitler's Aryan physicists (Heisenberg and others) failed to even get a nuclear reactor working for the Nazi Government. (A historical "what-if"? What if these scientists had not emigrated from Germany? Would German scientists have invented the Atomic bomb? Would then Hitler's Reich been undefeatable?)

Why did not these racist ideas prevented Hitler and his Nazi Party from gaining power? His racist ideas and anti-Semitism had been widely spread in Europe. Persecution of Jewish populations had periodically occurred in Europe for several hundred years. Hitler's anti-Semitism was not shocking in the ethical context of Europe in the early twentieth century. Moreover, Hitler's stance against communism appealed to the capitalist industrial class of Germany. His stance for a strong

German military appealed to the Germany Army. His support of small farmers in Germany appealed to the small towns, from which the Nazi Party gained most votes. These were the four political bases upon which Hitler was able to gain power. None of these had to do with his anti-Semitism, which politically Hitler actually had played down until he came to power.

Adolf Hitler (1889–1945) was born in Austria. He was the fourth of six children, and he was close to his mother. His father beat him. He was not a good student and did not wish to become a customs agent, as was his father. His father died, and his mother lived on a widow's pension.

In 1907, Adolf went to Vienna and applied to the Academy of Fine Arts to study as a painter. He was rejected twice, and told to study architecture. Adolf did not study but lived a kind of bohemian life, with support from his mother on her pension. He read widely but without any structured academic curricula. Adolf became an ardent anti-Semite. He was living poorly and unsuccessfully – in the wealthy, cosmopolitan city of Austria in the late Austro-Hungarian Empire, where and when many Jewish people lived successfully.

When World War I began, Hitler joined the German Army, serving in the 16th Bavarian Reserve Regiment and fighting France and Belgium. He wished to be German and not Austrian. He became a corporal in the Army and was a messenger, running between trenches. This was dangerous, and Hitler was twice decorated for bravery. In 1916, he was wounded in the leg. In 1918, he was temporarily blinded by mustard gas. (Hitler wanted to be German and not Austrian because Germany had become a linguistic unified nation, while Austria was still part of the multiethnic kingdom of the feudal Hapsburg family. Hitler could see how to fit Germany to his racist nationalist ideals; while Austria contradicted his ideas, being tolerant and yet prosperous.)

When the war ended, Hitler remained in the army when his regiment returned to Munich. In 1919, he became a police spy for the Intelligence section of the Army in Bavaria. He was told to infiltrate a small socialist party, Germans Workers Party. But then Hitler liked the party. It was anti-Semitic, anticommunist, nationalist, and anticapitalist. All things Hitler believed in, except for the anticapitalist part. Hitler began giving speeches and displayed an oratorical talent. He was invited to join the party and became its 55th member. One of the party founders, Dietrich Eckhart, mentored Hitler. He discussed issues with him and taught him how to dress better and speak properly. Eckhart introduced Hitler to people. Hitler found his calling. He was a politician. He resigned from the army in 1920.

The years of 1918–1919 had been one of extreme political turmoil when the Imperial German Government collapsed with Kaiser Wilhelm's abdication. As in Russia, the monarchy in Germany fell when the Imperial Government did not act quickly enough to end the war. The German Kaiser dismissed the German Army commander, Ludendorff, and thereby lost imperial authority over the army. When ordered to fight one last battle, sailors in the German fleet mutinied. The mutiny spilled over into the city of Kiel. German workers joined in and formed councils (similar to the Russian soviets). The revolt spread from city to city. Workers' militias forced the heads of the German states (who were all princes) to abdicate and flee. The Kaiser abdicated and fled to Holland.

In 1917, the Russian army had dissolved. In 1918, the German army dissolved. Soldiers headed to their homes, unwilling to fight any more. Government authority collapsed.

But some army officers in each of the cities formed volunteer battalions (Freikorps). These battalions took back control of the cities from the workers councils. In Germany, fear of a Bolshevik-style communist revolution united the socialists, middle-classes, and conservative elite for a new government. Elections were held and a parliament established. The new Deutsche Reich was moved to Weimar, and came to be called the "Weimar Republic."

But the new Weimar government proved not effective nor popular nor stable. Hitler's entry into politics in 1920 allowed him to gain a recognized political base in Munich. He was drawing large audiences to his political speeches. He spoke against the Treaty of Versailles, against rival politicians, against Marxists and Jews. His party was now called the National Socialist German Workers Party (Nationalsozialistische Deutsche Arbeiterpartei), or Nazi, for short. It adopted the swastika as its flag symbol.

In 1921, Mussolini seized the Italian government. Hitler admired Mussolini. In a similar attempt in 1923, Hitler tried to seize the Bavarian government. In a beer hall in Munich, Hitler took over a public meeting. He announced he had established a new government with Ludendorff, former chief of the Germany Army (whom the Kaiser had dismissed in 1918). Hitler and his followers attempted to march from the hall to the Bavarian War Ministry. But they were stopped by police. Hitler was arrested and tried. On April 1, 1924, Hitler was sentenced to 5 years imprisonment, but only placed under house arrest. Then 8 months later on December 20, 1924, he was pardoned and released. In the meantime, Hitler had dictated his book, *Mein Kampf*, to a secretary.

Hitler then set about building a national party from 1924 to 1933. Over that period, monetary inflation persistently ran very high in the Weimar Republic. In 1930, the world depression further damaged the German economy. Former General Paul Von Hindenburg, who had led the German Army in World War I, next became President. Hindenburg fostered an authoritarian government by cabinet, rather than by parliament (partly because the German parliament was paralyzed by factionalism). In 1932, the Nazi party became the largest party in the parliament with 33% of the vote.

President Hindenburg appointed two successive ministers to run the government, Franz von Papen and then Kurt von Schleicher. But neither could put together a majority coalition in parliament. Papen urged President Hindenburg to appoint Hitler as vice-chancellor. But Hitler held out for chancellor, and Hindenburg appointed him. Hindenburg assumed Hitler could be controlled.

Hitler then appointed Herman Goring as head of Prussian police. Next (suspiciously) the parliament building, the Reichstag, burned. Hitler blamed the communists and asked Parliament for emergency powers, which it passed as the "Reichstag Fire Decree." This law suspended basic rights, and Goering's police were free to arrest people. Goering began by arresting all the German Communist Party members.

A new election was held, and the Nazi Party increased its share of the parliament membership from 30 to 44%. Hitler then presented the new Parliament with an

“Enabling Act” – taking legislative powers away from Parliament and investing them in the cabinet, Hitler’s government. On March 23, the center party joined the Nazi party members in parliament and passed the Act. Hitler’s cabinet government now had dictatorial powers – police powers of absolute arrest and legislative powers of absolute rule by decree. Hitler lost no time in having the Goering’s police seize all government offices and media and arrest all opposition. He was now the absolute leader of Germany. He was the Führer.



Adolf Hitler



Hermann Goering
<http://en.wikipedia.org>, 2010)

The only organization left which could oppose Hitler was the Army. The Army objected to the SA, a private army which the Nazi Party had assembled on its way to power. The SA had brutalized communists and Jews, and this had been tolerated by the Berlin police. The SA built the first concentration camps, into which Goering’s Prussian police threw arrested communists and other political opponents to Hitler. Hitler then agreed with the Army to abolish the SA and also expand the Army.

The SA had been established in 1923 by Ernst Rohm, and he was the only real potential rival to Hitler in the Nazi Party. In 1927, Hitler had established his own praetorian guard, the SS, to protect him from the SA. He appointed Heinrich Himmler to run the SS. Hitler kept his promise to the Army. He ordered Himmler’s SS to eliminate the Rohm’s SA. On the so-called “night of the long-knives,” Himmler’s SS murdered Rohm and other SA leaders. Hitler then disbanded the SA and had its members conscripted into the expanding Germany Army.

Next Hitler issued “Racial Laws,” decrees which included the right of the Party to confiscate Jewish property. Nazi members were rewarded by being allowed to steal Jewish property. The Nazi anti-Semitic ideology was now profitable for Nazi members.

Hitler began implementing other policies expressed in his book. Hitler invalidated the Versailles Treaty. In 1937, the German Army reoccupied the Ruhr territory, and the French Army did not oppose the occupation. Hitler annexed Austria in 1938. He invaded Czechoslovakia in 1938. The English Government under Neville Chamberlain acquiesced to German expansion. This encouraged Hitler’s ambitions

for further expansion of Germany by military force. He thought that neither France nor Britain would fight.

Next Hitler turned east. In September of 1939, Hitler invaded and conquered the western part of Poland in 1 week (with Stalin sharing in the spoils by taking the eastern part of Poland). At last, Great Britain declared war on Germany.

Next in February 1940, Hitler invaded and occupied Norway. In June 1940, Hitler invaded and occupied Denmark, Belgium, Holland, and France – all in 2 weeks. In that summer of 1940, Hitler prepared to invade England. But the German air force could not gain air supremacy, and Hitler canceled his planned invasion.

In the following year in the summer of 1941, Hitler invaded Russia. But the Germany army was stopped just a few miles from Moscow. And after this, Hitler's fortunes in war turned.

In these invasions, Hitler's racial policies of slavery and genocide were implemented by Himmler's SS. Polish people were shot or enslaved. German concentration camps were expanded with Polish peoples to provide slave labor. Jews in Poland, Germany, and France were transported into concentration camps. During the Russian invasion, death squads of SS troops (Einsatzgruppen) followed behind the Germany Army, rounding up Jews and communist commissars and shooting them. From 1940 to 1945, millions of people died as slave labors in German concentration camps (from 6 to 12 million). In 1943, extermination camps were added to specifically murder Jews – as Hitler's "final solution to the Jewish problem." Hitler's ethics (conquest, slavery, and genocide) were implemented by German officials. Nazi officials became "war criminals" in the eyes of the Allied governments and, after the war, some were so tried.

Ethics and Social Science Methodology

Empirical judgments are determinations of fact. Normative judgments are determinations of value. Prescriptive judgments are determinations of future outcomes, what-ought-to-be.

As we have noted, the social sciences are value-loaded sciences – not value-free sciences as are the physical sciences. Accordingly, let us pause to briefly review the methodological role of "values" in the social sciences. "Empiricism," "normativism," and "objectivity" are three ideas basic to social science methodology. Empiricism is the methodological requirement that the social sciences should describe the facts of a social event, *what happened*. Normativism is the methodological requirement that the social sciences should also describe the social meaning of the facts, the value of the action as to *why such happened*. Objectivity is the methodological requirement that the social sciences should describe both social action (empirical) and social-value-of-action (normative) in a dispassionate, objective manner, *not subjective to the values of the observer*.

As an example in the discipline of sociology, we review Max Weber's writings on methodology. Weber is considered one of the founders of sociology; and his

views on the issues of “objectivity” and “empiricism” still express such contemporary concerns in both sociology and economics. (We recall we used Weber’s sociological dichotomies of utility-identity and reciprocity-authority as a basis for constructing a model of society.)

When Weber was associate editor of a journal *Archives for Social Science and Social Welfare*, he described what he thought was observable in social science:

“From our viewpoint, ‘purpose’ (as observed in a social action) is the conception of an effect which becomes a cause of action (as observed)... Its specific significance (observation of action) consists in the fact that we not only observe human conduct but can and desire to understand it” (Weber 1897).

In Weber’s view of *social science empiricism*, the social scientist can observe not only the *action but also the intention* of a participant in an historical event. This is why the description of “values” is so basic in the social sciences. The *intention* of a participant in taking action requires understanding the *value* of the action to the participant. In other words, the description of a social action requires a description both of the fact of the action (empiricism) and of the intentional value of the action (normativism) of the action. But how can such empirical and normative observation be viewed dispassionately and objectively? Weber wrote about “objectivity” in social science:

We all know that our science (social science)... first arose in connection with practical considerations. Its most immediate and often sole purpose was the attainment of value-judgments concerning measures of State economic policy (Weber 1903).

This continues as a contemporary issue in the social sciences – the issue of the proper connection of theory to practice, the issue of the proper application of social science ideas to politics and ethics. As associate editor, Weber also wrote:

In the pages of this journal, especially in the discussion of legislation, there will inevitably be found social policy... But we do not by any means intend to present such discussions as ‘science’... In other words, it should be made explicit just where arguments are addressed to the understanding and where to the sentiments. The constant confusion of the scientific discussion of facts and their evaluation is still one of the most widespread and also one of the most damaging traits of work in our field (Weber 1903).

Even in sociology’s early days, sociologists (such as Weber) emphasized that methodological challenge to separate factual judgments from value judgments (empiricism from normativism). This separation of empirical facts from normative judgments is basic to the idea of “objectivity” in the social science. Weber emphasized this important need for social science to maintain a:

“logical distinction between ‘empirical knowledge’ (knowledge of what is) and ‘normative knowledge’ (knowledge of what should be)”. Weber believed that: “... an empirical science cannot tell anyone what he should do – but rather what he can do – and under certain circumstances – what he wishes to do” (Weber 1903).

The methodological challenge to the social sciences is to make and maintain a clear distinction between empirical observations and normative judgments – between what-is and what-ought-to-be.

But making this distinction is not simple. Historical examples are sometimes used to show the empirical consequences of history with a view to understanding

the normative value of such action to the future. The Nuremberg trials were meant to establish the normative precedent of personal responsibility of officials of any government at any time to the good of humanity in general, that is any official act of genocide is a “crime against humanity.” This imbues the *objective* historical description of Nazi racism with a normative value (judgment about genocide) which is *subjective* to all humanity. Thus, maintaining objectivity about empiricism and objectivity about normativism in the social sciences is not simple. Weber thought about this dilemma at two levels, a *descriptive level* and second a *universal level*.

First at the descriptive level, Weber argued that the intentions-of-social-science-observers should be, at least, for empirical truth:

... the choice of the object of investigation and the extent or depth to which this investigation attempts to penetrate into the infinite causal web (of human action), are determined by the evaluative ideas which dominate the investigator and his (her) age... (But) in the method of investigation, the guiding point-of-view’ (of the observer) is of great importance for the construction of the conceptual scheme which will be used in the investigation. In the mode of their use, however, the investigator is obviously bound by the norms of our (social scientist community) thought. For scientific truth is precisely valid for all who seek the truth (Weber 1897).

At this descriptive level, social science objectivity should be an intention by a social science community to “seek the truth.” One measure for any given community in the social sciences is whether or not its scholarly review procedures does actually seek truth, in contrast to only the truth useful to the politics of a given community – the “power analytics” of a scientific community. (The sources of funding for research has sometimes altered the objectivity of the research – as for example, some of the research into a “cancer-causing” factor of cigarette smoking in the 1950s and 1960s, which argued that cigarettes did not cause cancer had been funded by tobacco companies.)

This commitment of social science observation toward ‘truth’ provides the first dividing criterion between ‘science’ and ‘ideology’.

At the higher universal normative level, Weber wrote:

“There is no absolutely ‘objective’ scientific analysis of culture ... ‘of social phenomena’ independent of special and ‘one-sided’ viewpoints according to which – expressly or tacitly, consciously or unconsciously – they are selected, analyzed and organized for expository purposes.... All knowledge of cultural reality ... is always knowledge from particular points of view” (Weber 1897). Weber emphasized that assuming there is no bias in observation is simply naïve about method: “... the naïve self-deception of the specialist, who is unaware that it is to the evaluative ideas with which he unconsciously approaches his subject matter, that he has selected form an absolute infinity, a tiny portion with the study of which he concerns himself” (Weber 1897).

A second aspect of social science objectivity is then an effective “self-awareness” of why a scientist selects a topic for research. Weber argued for “self-awareness” about subjective bias in the observer. This does not yet provide a complete objectivity in social science laws. But it does indicate a second step toward objectivity – an observer should be sensitive to an inherent evaluative bias in the observer’s empirical observations.

In the selection of a social-science-object-to-study, there is some prior evaluative concern about the importance of the topic as chosen by an observer – a subjectivity in topic selection.

For example in our studies here, this selection of the topic of democracy versus dictatorship is a personal bias of the author. Having lived in the twentieth century, the author observed the terrible consequences of fascist and communist dictatorships and their conflicts with democracies. The author's normative intention for developing the methodology for integrating historical and social science studies has been to assist in the universal effort to empirically learn how to make democracies (discourse-ethics) actually work (power-analytics) – democracies as a fair, honest, strong, and stable government for a free people.

In the selection of the research topics for this book, this is the reason we chose to examine Hitler's and Stalin's dictatorships – now most historians agree that these were unethical governments, even evil dictatorships, and the empirical documentation of that evil is detailed and relatively complete. Ethically, now most people do think that genocide and slavery and military conquest are bad for the peoples so brutalized.

But methodologically how can an observer treat such normative judgments on history? This is the challenge of social science progress to be based upon the empirical evidence of the histories of humanity. As modern history evolves, empirical evidence is accumulating for the theoretical generalization (in a value-loaded but universal social science) that:

No people anywhere at any time wish to be brutalized, enslaved, or exterminated.

This may sound obvious. But in any history of a racist regime, one can usually find examples of racists who actually argued that the enslaved preferred their slavery (unter-menschen, the child-like happy slave). So construction of real histories of brutality is important empirically and normatively. For example, after that Second World War, the Allies believed that the Nuremberg trials should not be simply a "history written by victors," simply a kind of victorious propaganda. Instead, they wanted (intentioned, normative judgment) that the trials would establish a post World War II beginning of an international law – making future genocides and other "crimes against humanity" punishable. (Some of this has come to pass, as we will later look at in the historical case of Yugoslavia; and some continued in March 2011, when the international community then decided to intervene in the Libyan revolt against the their dictator.)

This is an interesting normative theme that emerged empirically – international law based upon a universal ethics for all humanity over all time.

Historical Event: Nazi Protective Echelon SS

We recall that principles in reasoning are the ground of the ideas and assumptions underlying how one thinks about an action. Principles describe a world view of the context of an action. For example, Hitler's ideas about society, his world view (weltanschauung), influenced the reasoning that directed action in German society under the Nazi government. Just as the interaction between individual and society

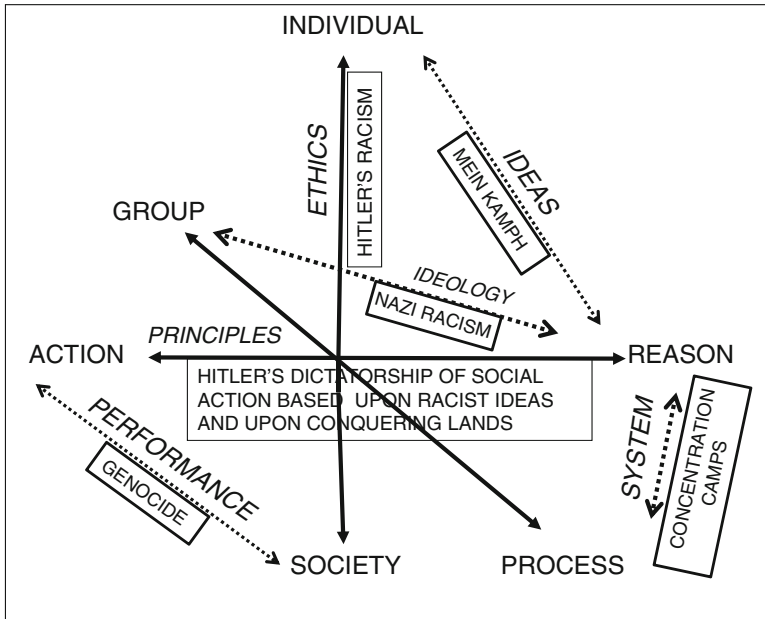


Fig. 5.3 Relationships of ethics and of principles in societal perceptual space

altered the context of ethics in Germany, so too did Hitler’s reasoning (his Mein Kampf) influenced rational decisions in Germany. Rational decisions are made under the guide of logical principles. Hitler’s logic guiding his policies were expressed as his principles: to build up German military power, to reverse the consequences of the Versailles treaty, to add Austria to Germany, to conquer France and the Russia, to enslave conquered peoples, and to exterminate the Jews. From 1933 to 1945, these were the Nazi principles-of-reasoning which guided the German government policies and actions. We can indicate impacts of this kind of Nazi reasoning-in-societal-actions in the perceptual space as shown in Fig. 5.3.

How did Hitler implement his terrible principles to create such an unethical society? To examine this, we will next introduce the relationship of organizational “institutionalization” as the connection between Group and Process.

When Hitler built his Nazi party in the 1920s, there were two groups in the party. There was a political wing, Nazi Party – National Socialist German Workers Party (Nationalsozialistische Deutsche Arbeiterpartei), and there was a military wing, SA – Storm Battalion (Sturmabteilung). Hitler led the Nazi Party, and Erich Rohm led the SA. The SA was used to protect speakers at Nazi rallies and to brutalize communists and Jews. But Rohm was a potential rival to Hitler. So this is why Hitler next built up a rival special guard, Protective Echelon (Schutzstaffel – SS). Erhard Heiden established the SS with about 280 members; but in 1929, Hitler replaced him with Heinrich Himmler. By 1933 when Hitler took power, Himmler had expanded the SS to 52,000 members.

And as we noted Hitler disbanded the SA after he gained power. Then Hitler had all police (including Goering’s Prussian police (Gestapo) that were for both political

and criminal arrests) organized under the SS. The SS became the instrument of enforcement and terror for the Nazi Regime, and Himmler the implementer of Nazi terror. Hitler had understood that for his Nazi policies of slavery and genocide to be implemented, he needed a special governmental/party organization. Large-scale and deliberate brutality and murder on a civilian population is ethically beyond the standards of most government and military organizations and most people. Hitler needed an organization specifically dedicated to the tasks of enslavement and genocide. Heinrich Himmler ran the SS to execute Hitler's racist policies with political police (Gestapo), concentration camps (e.g., Auschwitz) and a private army (Waffen SS) for genocidal mass executions.

Heinrich Himmler (1900–1945) was born in Munich. His family was Bavarian and middle-class. His father was a secondary-school teacher. His mother was a devout Roman Catholic. In 1910, he attended the Gymnasium in Landshut, a school at which his father was then principal. He wished to be a soldier in the War, and in 1918 joined the 11th Bavarian Regiment. But the war ended that year.

From 1919 to 1922, he studied agronomy at the Munich Technische Hochschule. Apparently, he was not sufficiently a good enough scholar to follow in his father's career (in attending a university and becoming a school teacher). Instead he apprenticed on a farm. He joined the Nazi Party in 1923 and took part in Hitler's attempted Putsch in that year. After Hitler emerged from prison and reorganized his Nazi Party, Himmler joined his new SS in 1925, serving as deputy leader.

During this time, Himmler was trying to make a living as a chicken farmer. In 1926, Himmler met his future wife, Margarete Siegroth, and they married in 1928. They had one daughter in 1929, who Himmler adored. His wife adopted a son, in whom Himmler had no interest. Then in 1940, the two separated. Himmler had become involved with a secretary. She became his mistress and bore him two children, a son in 1942 and daughter in 1944.

It was in 1929 when Himmler became head of the SS, and set about building the organization for its unique duties. The SS ran the German police, the concentration camps, and executed people. Himmler had special uniforms for the SS, all in black, and with caps showing a death's head (totenkopf) on the brim. Himmler devised special rituals and policies for the SS, specifying Aryan racist policies. All SS personnel were to be "racially pure" and "unconditionally loyal" to the Nazi Party.



Heinrich Himmler (<http://en.wikipedia.org>, 2010)

After the SS disbanded the SA and assumed control of the police in 1937, the SS also took control of the concentration camps (established by the SA). After the conquest of Poland in 1939, the SS began systematic executions and arrests. The SS built more concentration camps in Poland and arrested all Polish officials and intellectuals. The use of Polish slave labor in Germany began. The SS arrested and concentrated Jews in ghettos in the Polish cities, then removed them to concentration camps, also as slave labor. In 1941, preparing to invade Russia, Himmler established a military branch, Waffen SS. In these units, Himmler established death squads, Einsatzgruppen, to follow behind the German Army into Russia, executing Jews and commissars.

In January 1942, Himmler had an SS meeting in the suburbs of Berlin at Wannsee to plan Hitler's "final solution." Fifteen officials attended and discussed how to kill 2.3 million Jews in Germany, 0.85 million in Hungary, 1.1 million in other occupied countries, and 5 million in the Soviet Union. The Wannsee plan was to build in addition to the slave-labor concentration camps, more special extermination camps – at Auschwitz, Belzec, Chelmno, Jasenovac, Majdanek, Maly Trostinets, Sobibor, Treblinka. Concentration camps held labor slaves who died on starvation rations. Extermination camps were to kill people on arrival. Following the meeting Himmler's Deputy, Reinhard Heydrich (second in command of the SS), sent the following memo to begin implementing the genocidal plan.

February 26, 1942
Head of the Security Police and SD
IV B 4 a 1456/41 gRs 1344

Undersecretary of State Luther!
Foreign Office
Berlin W 8
Wilhemstr. 74/76

Dear Fellow Party Member [Parteigenosse] Luther!

Enclosed I am sending you the minutes of the proceedings that took place on January 20, 1942.

Since the basic position regarding the practical execution of the final solution of the Jewish question has fortunately been established by now, and since there is a full agreement on the part of all agencies involved. I would like to ask you at the request of the Reich Marshal to make one of your specialist officials available for the necessary discussion of details in connection with the completion of the draft that shows the organizational, technical and material prerequisites bearing on the actual starting point of the projected solutions.

I want to schedule the first discussion along these lines for 10:30 a.m. on March 6, 1942 at 116 Kurfürstenstrasse, Berlin. I therefore ask you that for this purpose your specialist official contact my functionary in charge there, SS-Obersturmbannführer Eichmann.

Heil Hitler!

Yours
Heydrich

1 enclosure [the Wannsee Protocol]

(<http://www.ghwk.de/engl/february-26-1942.htm>)

The Wannsee Protocol was the instruction to plan and construct extermination camps to complete the genocide of the Jewish people before the war ended. Other than the sheer horror of the idea of planned genocide, what also is striking about this meeting was – that it was a formal meeting of SS bureaucrats (apparatchiks) who behaved like rational officials – but rational about cold-blooded murder. They assigned official authority and responsibility to carry out acts on an enormous scale of genocide – a scale never before seen so-planned. Herein one can see the kind of mind of an SS administrator – bureaucratically rational but deliberately evil. This combination of *Reason* and *Ethics* can occur in normal individuals. But “normal” by what normative judgment? This was the challenge which the Nuremberg trials later set out to define – war crimes as not normal.

Thus, one can see how in this memo how the kind of reasoning (as rational procedure in a bureaucratic style) need not indicate at all any good ethics at all. It could even indicate evil. The rational apparatchiks (state officials) in the Wannsee meeting had planned a bureaucratic process, an organized operation – but a monstrous operation of mass genocide!

This is the alarming thing of an ideological dictatorship – that ideas (even foul ideas such as racism and genocide), can be coolly and efficiently carried out by state officials under a banner of state ideology.

Thus, in addition to the ethical context of the relationship of individual and society, there is also a relationship between group and process for the procedures to carry out a process, which we will call “institutionalization.” The reason for using this term is that in the sociological literature on organizations, planning and installing bureaucratic procedures (set up by heads of an organization) for personnel in the organization to run a process, an operation, has been called “institutionalization.”

Planned in Wannsee meeting and then called the Wannsee Protocol, the following genocidal operation was implemented by the SS. Trains would transport Jewish people to an extermination camp. Upon arrival, Jewish men, women, and children would be stripped of their clothing and herded into a “shower room.” Once crowded inside, the doors would be locked. Pellets of Zyklon-B dropped into the room, releasing hydrogen cyanide. All died in 20 min. Johann Kremer, an SS doctor who

oversaw gassings, later testified at the Nuremberg trial: “Shouting and screaming of the victims could be heard through the opening and it was clear they fought for their lives” (Piper 1998). Other camp prisoners pulled bodies out of the room and took them to gas-fired ovens for cremation. Before cremation, bodies would have any gold-filled teeth extracted, as an economic procedure. The odor around the extermination camps could be smelled for miles around.

About this extermination operation of the SS, there still exists a transcript of a speech by Himmler, which he gave at an SS meeting in Posen in October 1943: “I also want to refer here very frankly to a very difficult matter. We can now very openly talk about this among ourselves, and yet we will never discuss it publicly.... I am now referring to the evacuation of the Jews, to the extermination of the Jewish people.” This is something that is easily said: “The Jewish people will be exterminated,” says every Party member, “this is obvious, it is in our program – elimination of the Jews Most of you know what it means when 100 corpses lie next to each other, when there are 500 or then where are 1,000. To have endured this and at the same time to have remained a decent person ... has made us tough, and is a glorious chapter that has not and will not be spoken of” (Heinrich Himmler’s Speech at Poznan 1943) (<http://www.holocaust-history.org/himmler-posan/>, 2009).

“Tough” people – this is a phrase we heard before in a different time and place. Recall Lenin’s telegraph in 1918 to hang “kulaks”: “Comrades! The revolt by the kulak volosts must be suppressed without mercy.... Use your toughest people for this.”

But if the task that made Himmler so tough must be kept secret, how could it be so “glorious”? Himmler understood that if the world knew of the activities of the SS, they would be horrified. They would judge Himmler and his SS as monsters. And so they did, later in the Nuremberg trial. Himmler committed suicide when he was captured. What is interesting (and particularly horrific) in this example is how bureaucratic monsters are able to feel self-righteously ethical among themselves and in secret – but dare not reveal their monstrosity in public.

In the last days of the war, Himmler and his SS made efforts to cover their deeds from history. By mid-1944, about 90% of the Jewish communities previously in Poland had been murdered; and Soviet troops were nearing eastern Poland. The SS began closing down the extermination camps. That fall and winter, camp survivors were forced to march to the camps closer to Germany, Auschwitz, and Goss Rosen. Thousands more perished. Then in January 1945, the Soviet Army advanced into eastern Poland. The SS marched 60,000 prisoners from Aushwitz toward Wodzilaw. A survivor wrote: “An icy wind blew in violent gusts. But we marched without faltering. Pitch darkness. Every now and then, an explosion in the night. They had orders to fire on any who could not keep up.... Near me, men were collapsing in the dirty snow. Shots” (Wiesel, Elie 1960. *Night*, Hill and Wang, p. 81).

The Russian army liberated Majdanek in July 1944 and Auschwitz in January 1945. In April 1945, Americans liberated Buchenwald and Dachau and the British Bergen-Belsen. There were only a few survivors found in the Russian liberated camps, since most had been evacuated. Also there were only a few thousand still alive in Auschwitz.



Auschwitz II-Birkenau



Children and an old woman on the way to the death barracks of Auschwitz-Birkenau (<http://en.wikipedia.org>. Auschwitz 2010)

But over 60,000 survivors were found in Bergen-Belsen. Richard Dimbleby of the BBC news described what the British Army found in Bergen-Belsen: “Here over an acre of ground lay dead and dying people. You could not see which was which. The living lay with their heads against the corpses, and around them moved the awful, ghostly procession of emaciated, aimless people, with nothing to do and with no hope of life, unable to move out of your way, unable to look at the terrible sights around them... This day at Belsen was the most horrible of my life” (Dimbleby, Richard. BBC News, April 14, 1945).

Institutionalization

We are using the connection between Groups and Processes to indicate the institutionalization of processes by groups, and we show this in Fig. 5.4. One of the kinds of groups we have been describing are organizations: party, government, military organizations. How these organizations operate in realistic practice (power analytics) has been called the process of institutionalizing organizational procedures.

For example, Kenneth Lieberthal nicely defined these terms: “... it becomes necessary to draw a distinction between ‘organizations’ and ‘institutions’ ... Organizations are coherent, internally interdependent administrative or functional structures. Institutions, by contrast, are the practices, relationships, and organizations that have developed sufficient regularity and perceived importance to shape the behaviors of their members” (Lieberthal 1995).

Thus ‘organizations’ are kinds of groups – groups that are structured formally with rules for membership and leadership and function.

‘Institutions’ are the organizations in which their regularity of practices and perceptions of reality become so formalized as to continue to shape the behaviors of members in the future.

In modern industrializing societies, ideological dictatorships have institutionalized brutality and murder as principles-of-order in setting their ethical-context of societal terror and corruption.

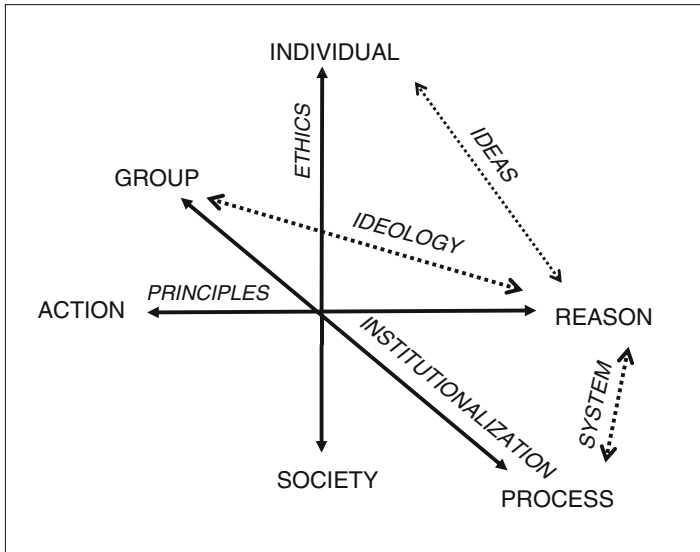


Fig. 5.4 Institutionalization as a relation in the societal perceptual space

Perceptual Space of Hitler's Racial Policy

We have been using the box-structure of the societal-perceptual space as a way of displaying the factors involved in a historical epoch. The interactions between dimensional factors of the space provide connection (explanations) between these factors in the event. Thereupon one can see the interactions between ethics, principles, and institutionalization in the event, as shown in Fig. 5.5.

ACTION – In World War II, Hitler had conquered people put into concentration camps as slave labor and had Jewish people murdered in extermination camps.

INDIVIDUAL – Hitler's racial policies were implemented by Himmler as head of the SS and others.

GROUP – The organizations involved were the Nazi government to administer Hitler's dictatorship, the German Army to produce military conquests, and the SS to administer slavery and genocide activities.

REASON – The reasoning in Hitler's Germany were his ideas of dictatorship and racism.

SOCIETY – The societies involved were the German nation and other nations (and peoples such as Jews) which the German Army invaded and conquered.

PROCESS – The processes involved in the actions were of military conquest and genocide.

PRINCIPLES – Hitler's racial principles-of-action guided Nazi governance of Germany.

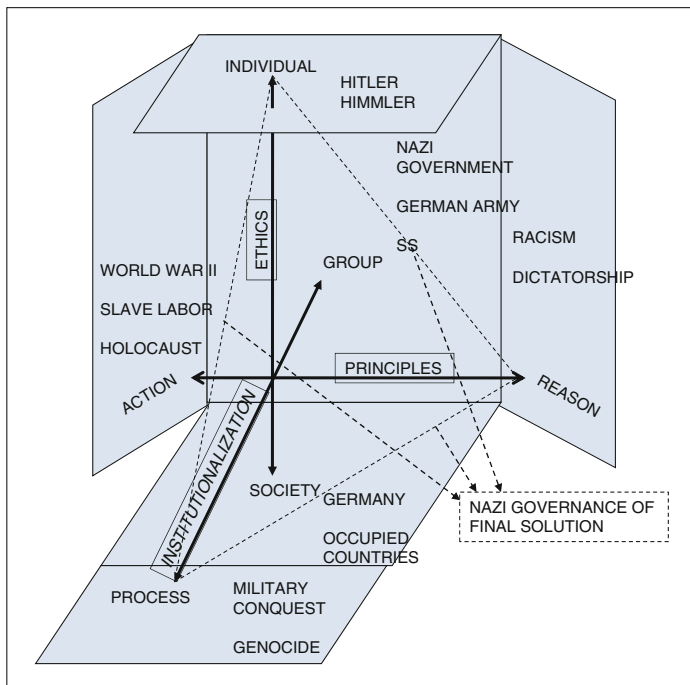


Fig. 5.5 Societal perceptual space factors and dynamics of Hitler’s racial policy

ETHICS – These racial principles constructed an evil ethical context for the slavery and genocide of Nazi government policies.

INSTITUTIONALIZATION – The institutionalization of these policies were built into a special Nazi terror organization of the SS.

What is important to see in this example is how even crazy, insane, evil ideas of a single individual, Hitler, became principles-of-order in the institutionalization of an ethical context for a whole nation. But we saw this had happened before – in Lenin’s and Stalin’s institutionalization of first Bolshevik and then Soviet terror.

In modern industrializing societies, ideological dictatorships have and can institutionalize brutality and murder as principles-of-order in setting their ethical-context of societal terror; and this can happen on a large scale.

Summary

To describe and explain normative observations (observations about intentions and values), we have introduced several binary relationships into a societal event perceptual space description:

Ethics is the interaction between Individual and Society, denoting empirical and/or normative descriptions of ethical behavior in a societal event.

Principles are the interaction between Reason and Action, denoting empirical and/or normative descriptions of principles guiding actions in a societal event.

Institutionalization is the interaction between Group and Process, denoting empirical and/or normative descriptions of group practices in a societal event.

Ideas are the interaction between Reason and Individual, denoting the terms in which an individual thinks.

Ideology is the interaction between Reason and Group, denoting the worldview and justifications of power by a group.

System is the interaction between Reason and Process, denoting the conceptual totality of a process.

Performance is the interaction between Action and Society, denoting the real operations of the systems of a society.

Empirical descriptions describe what participants did (empirical); and normative descriptions describe why they thought they did it (normative).

However, another normative judgment enters when historians and social scientists looking back upon history judge the societal value of historical lessons (social theory grounded in history). This is another level of valuation which must be methodologically explicitly addressed; and we shall do so in a later chapter. Here, we have not yet addressed this issue. We did not address if history can validly judge Hitler and his Nazi government evil – but only that history has so judged.

This provides the next issue for us to address, in our journey toward integrating history methodology and social science methodology. How can history generalize universal normative judgments about past societal events? Are the lessons from history only the stories of “victors” or can they be more? We address this in the next chapter – examining the history of the USSR after Stalin’s death. It turned out to be an important time of historically for important ethical judgments by several societies on the normative value of the Communist ideology.

Can historical lessons really become scientifically objective, as universally valid (empirical) and as universally ethical (normative)?

Notes

¹ There are many books about the Neuremberg Trials, including: Gregor (2008), Persico (1994), Taylor (1992), Conot (1983), Smith (1981), Kahn (1972), Benton and Grimm (1970), Woetzel (1960), Jackson (1947).

Chapter 6

Universalization of Perspective

Introduction

Viewed historically, Hitler's Nazi government was evil and finally ended by military defeat. But are all evil ideological dictatorships so powerful that they can only be ended by military defeat or the death of the dictator? Historically, an interesting case is the duration of the communist empire in Russia. It never suffered a military defeat; but it did finally end. How? And what lessons can be learned from this?

We have emphasized that methodologically both history and social science are value-loaded disciplines. This value-loading can be very useful. It can allow us to study human society and its values in a natural setting. And we have discussed how normative judgments may be justified in historical studies. Each historical study is performed in the perspective of an historian. Can such perspectives be universalized over all time and all societies? Can there be an empirical basis in history to normative judgments about history? Can ethics as a social science perspective be grounded in historical experience of different peoples for different times?

To address this issue of universalizing perspectives, we return to Russian history in the twentieth century. After Hitler lost the Second World War and Stalin had won, Stalin then expanded his empire of the Soviet Union over the states of Eastern Europe (Poland, Hungary, Rumania, Bulgaria, Latvia, Lithuania, Estonia, East Germany). For the next 44 years (from 1945 to 1989), the USSR ruled all the area east of the Oder River in Germany and out over the vast Eurasian plains to the Pacific Ocean. Yet in 1989, this Soviet Empire dissolved. It fell apart. An amazing event in the history of ethics. How did this occur?

Historical Event: The Collapse of the Soviet Union

The collapse of the Soviet Union is a complicated story.¹ And the story is rooted in Stalin's incompetent theory of society and his penchant for terror. In 1937, after Stalin had destroyed Russian agriculture and executed the Red Army officer corps, Stalin's next catastrophic mistake was to sign a nonaggression pact with Hitler's Nazi government. Although Stalin never trusted any fellow Russian, he trusted a German dictator! But the nonaggression pact did not prevent Hitler from attacking Russia. It only allowed Hitler to plan his time table for military aggression on Russia to his own convenience. Also one of the elements of that treaty was to divide Poland between Germany and Russia.

Stalin underestimated Hitler's greed. Hitler wanted not only Poland but also Russia. We recall that first Hitler had invaded and occupied eastern Poland in October 1939. Great Britain declared war upon Germany, and the Second World War in Europe began.

Stalin should have been alarmed, but he was not. He believed in the nonaggression pact, and when Germany invaded eastern Poland, Stalin invaded and occupied western Poland following Hitler's invasion. We also recall that in December 1939, Hitler attacked and occupied Norway. Next in July 1940 within 2 weeks, Hitler occupied Holland, Belgium, and France. Hitler planned to invade England, and Goering's Luftwaffe (German Air Force) attacked and bombed England during August and September. But Goering could not gain air supremacy for Germany, and Hitler called off the invasion of England. That winter, Stalin' was warned by British intelligence that Hitler planned to invade the Soviet Union in the spring of 1941. But Stalin did not issue any military alert to his inexperienced military officers. We recall that in 1937, Stalin had killed most of the experienced Red Army officers.

Hitler did plan to invade in June 1941, but he delayed his invasion to August. The reason was that Hitler instead sent German troops to Albania and Greece to help out his colleague Mussolini's botched invasion of the Balkans. But this delay was to prove fatal for the Germans that fall. Then the German Army then had only 2 months to cross the 2,000 miles to capture Moscow. They almost did. But the German Army ran out of fuel at the outskirts of Moscow. Stalin's Russian armies had been overwhelmed by German attacks, and 500,000 Russian soldiers were killed or captured. This was the price Russia paid for Stalin's previous massacre of his own officers.

While the German Army waited near Moscow for more fuel to be flown in from Germany, rain began in November. It rained and rained in Russia, turning the dirt roads into mud. In December, the muddy roads froze and snow fell. That winter the German army was stopped just outside Moscow. For the moment, Stalin had been saved, despite his military incompetence.

Then Stalin ordered called his last good generals to defend Moscow. One of the few generals, Stalin had not shot was General Georgy Zhukov. During the purge of the military, Zhukov had been stationed in Manchuria, fighting the Japanese army in 1937–1938. Thus, in November of 1941, Stalin turned to Zhukov to organize the defense of Moscow. Stalin's government survived that winter of 1941–1942.

In the following spring of 1942, German armies renewed their offensive. Two German armies in the south aimed to seize the oil fields in Baku. But their approach to Baku was blocked by a railroad junction in Stalingrad. One German army under General Friedrich Paulus attacked Stalingrad. But another good Russian General, Vasily Chuikov (who fortunately Stalin had not shot) held the center of the city all that summer and fall. Month after month, Germans fought Russians in Stalingrad from street to street, building to building. The German general staff urged Hitler to order Paulus to break off and bypass Stalingrad. But Hitler insisted that Paulus take the city, just because of the name of the city.

Then in November, Zhukov had finished moving his Red army from Siberia to Stalingrad. Zhukov's army launched a Russian counter-offensive and encircled Pauling's army. The encirclement continued through December and January in the frozen Russian winter. Pauling's army could only be re-supplied by air, whereas Zhukov's army was being supplied by rail from Moscow.

Pauling radioed Hitler for permission to break out of his encirclement and retreat from Stalingrad. Hitler refused permission. Hitler's military incompetence was to prove even greater than Stalin's military incompetence. Paulus surrendered to Zhukov, with his army of 100,000 German troops and 100,000 Italian and Rumanian troops.



Georgy Zhukov



Vasily Chuikov



Friedrich Paulus



Stalingrad Square, 1943 (<http://en.wikipedia.org>, 2010)

Afterwards, Hitler no longer had the sufficient military force in the east to defeat Russia's re-organized and re-growing army. From 1942 to 1945, the rest of the history of the German-Russian war was the steady retreat of German forces and steady advance of Soviet forces. Finally, in May 1945, the Russian army entered Berlin. Hitler committed suicide in his Berlin bunker.

After World War II ended in Europe in June 1945, Stalin's troops occupied the eastern half of Germany and all of Poland, Hungary, Rumania, Czechoslovakia, Lithuania, Estonia, Latvia. Stalin established puppet communist regimes in these countries. He had expanded the Soviet empire into Eastern Europe, which was to rule this area for the next 40 years. But Soviet rule was not popular in these occupied countries. Stalin was triumphant upon the defeat of Hitler. Stalin had the Soviet historians rewrite official Soviet history to celebrate his military genius. Some victors do rewrite history.

Stalin died 8 years later on March 5, 1953, at the age of 74. The circumstances about his death were ambiguous. Officially, he died of a brain hemorrhage, but also there was a suspicion about poison. The suspicion arose from the circumstances for his death, which had began earlier in December when Stalin announced a plot to assassinate soviet officials by medical doctors. Stalin ordered soviet new agencies to issues stories about the alleged "Doctors Plot." And in January 1953, Stalin had his own personal physician arrested. Beria, Malenkov, Bulganin, and Khrushchev – all member's of Stalin's Politburo – shared a fear that Stalin would use this fabrication to launch another wave of terror.

On March 1, 1953, Stalin had a usual all-night dinner in one of his residences outside of Moscow. Lavrentiv Beria, Georgy Malenkov, Nikolai Bulganin, and Nikita Khrushchev were in attendance. They left at 6 a.m. in the morning. It was not until the following night at 3 a.m. (21 h later) when guards entered Stalin's room. The guards found Stalin, apparently having suffered a stroke, with paralysis to the right side of his body. Beria and others returned with a doctor. They kept watch over Stalin, beside his death bed. Stalin died 3 days later (Bullock, 1992).

After Stalin's death, who was to succeed him? Khrushchev discussed with other members of the Politburo – Molotov, Malenkov, Bulganin, Mikoyan, Zhukov – but not with Beria. They all suspected Beria (as head of the secret police, KGB) planned to shot them. General Zhukov ordered soldiers to arrest Beria. Beria was tried by a tribunal, headed by General Konev, who condemned Beria to execution. It was essential that Khrushchev have the army behind him in establishing new leadership. By September, Khrushchev had emerged as the new leader and Chairman of the Communist Party.

In February 1956 at the Party Congress, Khrushchev gave a secret speech on Stalin's cult of personality, in order to establish the legitimacy of his own leadership. Khrushchev revealed Lenin's last letter to the Party: "Stalin is excessively rude...I propose that the comrades consider the method by which Stalin would be removed from this position..."

Khrushchev's own judgment of his late mentor was: "Stalin acted not through persuasion, explanation, and patient cooperation with people, but by imposing his concepts and demanding absolute submission to his position... Stalin ...used

extreme methods and mass repressions... Stalin showed in a whole series of cases his intolerance, his brutality, and his abuse of power.... Here we see no wisdom but only a demonstration of the brutal force which had once so alarmed V. I. Lenin..." (Modern History Sourcebook) (<http://www.fordham.edu/halsall/mod/1956khrushchev-secret1.html>).

Nikita Khrushchev (1894–1964) was born to a peasant family in a small town in the Ukraine. He received only 4 years of schooling in the village parochial school. He apprenticed as a metal worker, working at a mine, and was exempt from military service in 1914 when World War I began. After the abdication of the Czar, Khrushchev was elected to the soviet (worker's council) in Rutchenkovo and became a Bolshevik in 1918. He was conscripted into the new Red Army as a political commissar. After the civil war, he became an assistant director for political affairs at the mine in Rutchenkovo. He obtained further education in a training program and entered a tekhnikum (college), where he was appointed Party secretary of the tekhnikum. He was elected delegate to the 14th Congress of the Communist party, where he met Lazar Kaganovich, who then was head of the Ukraine. Mentored by Kaganovich, Krushchev rose to become second in command of the Party in Kiev, capital of the Ukraine. Kaganovich moved to command Moscow, and Krushchev followed, administering the construction of the Moscow Metro which opened in 1935. In Moscow, Krushchev became acquainted with Stalin, whom he admired. When Stalin's purges began, Khrushchev assisted in them. In 1937, Stalin appointed Krushchev head of the Ukrainian Communist Party. In 1941, following the German invasion of Russia, Krushchev served as a Political Commissar during the Battle of Stalingrad.²



Nikuta Krushchev (<http://en.wikipedia.org>, 2010)

Perspectives in Perceptual Spaces

In this example, we saw a shift in perspective when Khrushchev (formally an apparatchik of Stalin) assumed power after Stalin's death. Then the perspective of official Soviet history changed. Earlier under Stalin, Soviet historians had celebrated Stalin's greatness of leadership. Then Khrushchev had Soviet historians rewrite

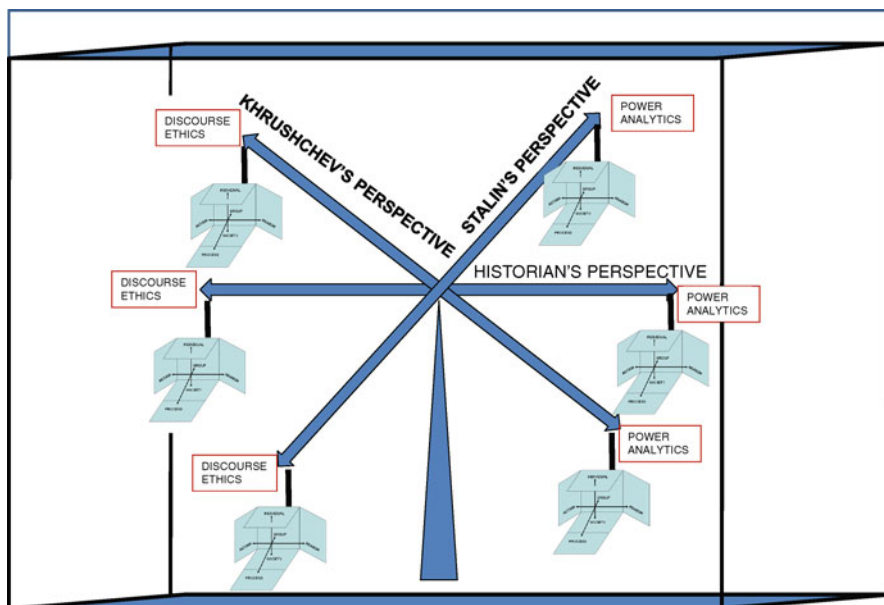


Fig. 6.1 Perspective meta-space showing different perspectives on Stalin

official Soviet history to correspond with the new Soviet leader’s revised perspective on Stalin as a “cult of personality.” This kind of rewriting of history has sometimes been called a form of historical revisionism.

We have used the idea of a larger meta-space around a perceptual space to indicate the perspectives on a history. In any perceptual depiction of historical events, the story can be viewed from the different perspectives of participants (Stalin or Khrushchev) and from the perspective of the historian. We recall that our first use of the concept of a meta-space around a perceptual societal space was in depicting the dichotomy of discourse-ethics and power analytics. In this way, we can denote the different perspectives in analysis of a historical event as different lines in the meta-space, as shown in Fig. 6.1. Therein we show three different perspectives on Stalin’s rule of the Soviet Union:

1. There was Stalin’s own perspective of his greatness – in the historical revisionism of Soviet official historians of Stalin’s time.
2. There was Khrushchev’s perspective on Stalin as fostering a cult of personality.
3. There is the historian’s perspective, informed by having access to the Soviet archives after the collapse of the Soviet Union. This is our perspective in this historical analysis.

We note that all these perspectives contain normative judgments, judgments about values in the history of Stalin’s rule. In Stalin’s perspective on history, all his actions (collectivization of the peasants, extermination of Bolshevik’s) were power

analytics (realism) requirements to reach Stalin's discourse-ethics (idealism) of rapidly building a socialist society while eliminating opposition to that idealism. In Stalin's perspective of himself as a great leader, he was acting wholly ideally for the good of Soviet society – using effective methods of brutality to achieve his ideals.

In Khrushchev's perspective on history, Stalin's actions were not at all idealistic. Instead, they were merely and horribly brutal (realistic) – in psychological pursuit of his cult of personality (ideal) to elevate his role to the heir of Lenin and Marx.

In the historian's perspective with access to the Soviet archives, modern historians (such as Bullock) agree with Khrushchev's perspective. Stalin was a brutal megalomaniac – happily sacrificing millions of people to hold onto his power, finally planning another purge in the Doctor's plot.

Objectivity and Universality in the Social Sciences and History

The methodological issue we are addressing is this: upon what methodological -criterion can historians (and social scientists) base their own judgments on history? What right do modern historians have to agree with Khrushchev and not with Stalin? It is not because historians necessarily like Khrushchev. Khrushchev was a Stalin apparatchik who led the policy of starving Ukrainians in 1932. Under Stalin's orders, Khrushchev was personally responsible for the deaths of 6–7 million people. Later as Premier, Khrushchev came very close to starting a nuclear war with President Kennedy. That conflict would have killed all the people in the northern hemisphere of Earth. And for that mistake, Khrushchev was retired, by other Soviet officials led by Brezhnev. One need not like Khrushchev to agree with his perspective on Stalin. What is objective about history?

Comparing history and social science to the physical sciences, empiricism in the physical sciences did have a similar challenge about "objectivity." Even in the physical sciences, there is always some particular perspective in which a scientist observes nature. Any observation of nature in time and space occurs from some position and at some time by some physical scientist (as the perspective of the observer). But objectivity in physical laws is attained by requiring all theory to be expressed in an invariant form, in a form independent of and true from any perspective – invariance of laws over observer perspectives.

But the social sciences cannot use this physical science method of invariance because values differ among observers (and not merely differences in position perceptual space). Thus, in contrast to this "invariance of physical laws," we recall that Weber proposed a kind of "universality of social laws." He asserted that "evaluative ideas" (values) are implicit in the methodological choices of any observation in the social sciences. But these evaluative ideas can be generalized over the 'family chronicles of all humanity. Can there be a "universality" of evaluative ideas' useful for all humanity? This kind of "universality" actually occurs in social science practice.

For example, in a social-science-based practice, a consultant can empirically observe a client's action and intention and see when the outcome of action did not meet intention. Empirically, the consultant can observe that a client's action may not be attaining what the client thinks it is attaining. A social science consultant can describe the action and function of the action differently from how the client sees it. Then a consultant might be able to show to the client a disconnect between a client's intention-and-results. A client's action may not be really attaining the client's purpose. Next a consultant might shift to a normative mode and tell the client how to modify action to better attain intention – change the action of the client. This kind of shift by a consultant/practitioner from empiricism to normative advice can connect social science to practice – a temporary and partial objectivity in social science.

So even differing in values and in perspective, a consultant (for money) may temporarily accept the client's values (intentions) and rationally suggest more efficient means (changed action) to attain the client's valued ends (purposes). By temporarily assuming a client's values (purpose), a social science practitioner may aid the client to find an alternate more efficient means (action). A consultant's temporary assumption of the client's values to prescribe more efficient and effective action to the client is universalizing a social science prescription from one client to another – toward a universal “family of clients” – so to speak.

This consultant's aid to a client is in the form of a prescription for action: so act to better achieve the intent of your action. As a prescription, the consultant is providing a tool, a decision-aide, to improve the client's decision-making ability.

For example one can see this in a medical prescription from a consultant (who is a medical doctor). If the value held by a patient is to get well, then the doctor might be able to prescribe medicine to cure the patient. In this prescription, the medical doctor is using biological knowledge and technology on health to cure a patient's disease. The medical doctor is making no judgment about whether or not the patient is worthy of health. Instead, the medical doctor temporarily adopts the intention of the patient (for health) to aid the patient in how to regain health.

As another example, a lawyer may be hired as a legal consultant for an accused defendant and will try to provide the best legal defense for the client in the trial. Even though technically the lawyer is an officer of the US court, the lawyer's ethical responsibility is to assist the client in defense against the legal charges.

As a third example and also for a consulting fee, a business consultant (with an economics or sociological or management science background) may assist a corporation on business strategy; adopting temporarily the corporate goals and improve corporate strategy procedures. For example, there are several very large consulting firms in the USA, such as McKinsey, Booz Allen, etc.

In a consultation, the practitioner always temporarily suspends any separation between empiricism and normative judgment.

All social science practices consist of prescriptive aides to improve the decision-making capability of a client to better attain a client's purpose.

In the medical profession, good medical practice is based upon scientific understanding of biological nature. In the engineering profession, good engineering practice is based upon scientific understanding of physical nature.

But in the profession of law, what is the science base for good legal practice? In the profession of politics, what is the science base for good governmental practice? In the profession of business, what is the science base for good business practice? These are the important issues which continue to connect social science and practice – in Max Weber’s day and in our present day. The more practice is based upon scientific knowledge, the more likely prescription will be technically effective toward attaining a client’s purpose.

The objectivity and validity of theory can be empirically tested in effectiveness of the use of theory in consulting practice.

An objective historical/social science perspective can be determined from the testing of social theory in different contexts of practice and application.

Historical Event (Continued): The End of the Soviet Union

Next we will see how these concepts of “objectivity” and “validity” of a social theory (communism) were actually tested empirically in an historical example – the end of the Soviet Union. The final collapse of the Soviet Union was both *empirically real* and also a *normative judgment by citizens*. The normative judgment of the value of communism was made by Soviet citizens upon their own government, which many judged as terrible and ineffectual.

The collapse of the USSR began with the reforming policies of a new Soviet Premier, Mikhail Gorbachev. He was the first Soviet leader to be born after the Russian Revolution. Gorbachev believed the Soviet Union needed political reform and set out to reform it. Yet he did not deeply understand the power analytics of the Soviet Union. It was an empire held together – not by the idealism (discourse-ethics) of Communism, in which he had been educated – but by the brutal terror and repression of the realism of force (power analytics). Any easing of the terror and the government might collapse. And so it did.

The story of the collapse goes back to Khrushchev’s succession and his dangerous policy which triggered the Cuban missile crisis. Then other members of the Soviet Politburo no longer trusted his judgment and forced him to retire. But he was not shot. After Stalin’s terrible purges, Soviet communist leaders no longer shot each other. (There was some learning by later Soviet leaders from their Stalinist history.)

Leonid Brezhnev replaced Khrushchev. But Brezhnev also still inherited the state that Stalin had built. Its agriculture, organized as collectivized farms, did not produce sufficient food to feed the Russian population. Its industry, organized in a command economy, did not meet official economic targets. Instead the apparatchiks lied about statistics and continued to operate inefficiently. The Soviet economy was unable to grow, matching the growth in the Western economies. Also its citizens continued to be repressed and terrorized. As Khrushchev had suppressed a revolt in Hungary, Brezhnev continued the system, suppressing a revolt in Czechoslovakia. In 1979, Brezhnev ordered the Red Army to enter Afghanistan, creating a local war

that strained the Army. Brezhnev died in 1982. He was followed by two ill premiers, Andropov and Cherenkov, who each lasted briefly as Premier due their ill health.

Having been mentored by Andropov, Mikhail Gorbachev in 1985 was selected as the next General Secretary of the Communist Party of the Soviet Union. Gorbachev had been born in Stavropol in 1931. His family experienced Stalin's cruelty in 1932, when his grandfather was arrested and sent to a gulag for 9 years. The charge was withholding grain. A decade later in August 1942, the German army occupied Stavropol for 6 months until they retreated in February 1943.

After the war from 1946 to 1950, Gorbachev had worked summers, running a combine harvester for the collective farms. Gorbachev experienced the grim reality (power analytics) of government repression and the hard life of the peasants in Stalin's collective farms. But he also experienced the idealism (discourse-ethics) of Russian patriotism in World War II. He had lived under the brutal occupation by a foreign army. Gorbachev joined Komsomol, the youth organization for the communist party.

Gorbachev was a good student and obtained admission to Berlin University in 1950, where he studied philosophy. In 1953, Gorbachev joined the Communist Party. Also he met his future wife in Moscow. They married and moved to Stavropol. After Gorbachev graduated he served as First Secretary of the Stavropol Komsomol Committee. He rose in the party-government ranks. In 1963, he was appointed First Party Secretary of Stavropol – becoming a provincial party chief, a first step up the rung of the party-government ladder. He re-organized leadership in the collective farms. Also he expanded the size of the private plots of peasants and encouraged their participation in the management of collective farms. In 1966, he took a correspondence degree in agricultural economics from the Agricultural Institute. He was recognized as an effective commissar; and in 1978, he was appointed to the Central Committee's Secretariat for Agriculture. In 1979, he was promoted to the Politburo.

His rise was due to recognition by Yuri Andropov, who then was head of the KGB, the political police. After Andropov became General Secretary and fell ill, he recommended Gorbachev as his successor. But the older Chrenenko succeeded Andropov. Then he too died of illness. In 1985, Gorbachev was elected General Secretary of the Communist Party.



Mikhail Gorbachev (<http://en.wikipedia.org>, 2010)

Next year in the 1986 Congress of the Communist Party of the Soviet Union, Gorbachev issued four policies to reform the government: glasnost (openness), uskoreniye (acceleration of economic development), perestroika (restructuring), and demokratizatsiya (democratization).

In Glasnost, Gorbachev removed the control of the Communist Party over media (newspapers, broadcasting, and publishing). Glasnost allowed public discussion of problems in the Soviet Union for the first time (as opposed to only publicizing official party propaganda). All the problems of the USSR surfaced for public discussion. One of the results of Glasnost was to enable Gorbachev to withdraw the Red Army from Afghanistan in 1988. This split the Army's support of Gorbachev's government. Some military officials favored the withdrawal because of the harsh and unsuccessful war. But others opposed it, as diminishing soviet power.

In Uskoreniye (acceleration of economic development), Gorbachev had the Supreme Soviet pass a law in July 1987 which partially freed State industries from government control. They were still to fulfill state economic targets but without state subsidies; and they were to pay taxes. The law also permitted private ownership of businesses in services, manufacturing, and foreign-trade sectors. The mixture of the law as both command economy and some market-economy confused the economic system, still partly politically controlled state-firms. Production declined, prices soared, and scarce consumer goods became even scarcer.

Perestroika (restructuring) was introduced by severing communist party control over government. In June 1988 at the Communist Party Conference, Gorbachev introduced a presidential office and a legislature, Congress of People's Deputies. In December 1988, the Supreme Soviet approved Gorbachev's proposals and established the Congress as the Soviet Union's new legislative body. The Communist Party's Politburo and Supreme Soviet and Soviet Congress no longer made government policy nor implemented government action. Party and government were separated by Gorbachev's perestroika.

Demokratizatsiya was implemented to reduce party control over government positions. Elections were held in March and April of 1989 for deputies to the new Congress. And in March 1990, Gorbachev was elected as President of the Soviet Union. But also a rival, Yeltsin, was elected to the Congress.

Gorbachev had carried out his reforms of the Soviet government: glasnost, uskoreniye, perestroika, and demokratizatsiya. He had institutionalized his idealism of a discourse-ethics for a government based upon openness, economic development, government restructuring, and democratization. It was a splendid vision for the Russian people – after all those decades under the brutal dictatorial realism of Lenin, Stalin, Khrushchev, Brezhnev. But then realism about the real nature of the USSR empire was to overtake Gorbachev's idealism. In 1989, foreign affairs overwhelmed Soviet reform.

Going back in history to Tsar Peter in 1700, the Russian Empire had been assembled by successive Tsars as a feudal empire over many different regions, tribes, and nationalities. Stalin had been born one of these nationalities, Georgia. Yet in power, Stalin fiercely repressed national desires for independence (including Georgian) from the new communist empire of the Soviet Union. Stalin had transported whole

villages and tribes to their deaths in Siberia in 1937 and again in 1947. Also at the end of the Second World War, Stalin had added to his Soviet Union empire, the puppet communist government states of East Germany, Poland, Hungary, Rumania, Bulgaria, Czechoslovakia, Lithuania, Estonia, Latvia.

After the death of Stalin, Hungarians rose up in 1956 to overthrow their Russian masters. Khrushchev sent in Red Army tanks to suppress the uprising. In 1964, the Czech's rose up to overthrow their Russian masters. Brezhnev sent in Red Army tanks to suppress the uprising. The Soviet Union was a government but not a nation. The Soviet Union was an empire – an empire of nationalities (republics) and occupied countries (puppet states). It was similar to the feudal empire of the Tsars (Russian Empire) but established not upon a monarchical dictatorship but upon a communist party (ideological) dictatorship.

Apparently, Gorbachev did not fully appreciate the basic “empire” nature of the USSR government. He thought of it as a nation, because of the patriotic experience of Russians in the Second World War. But the modern concept of a “nation” is a territory under an ethnic or linguistic or discourse-ethnic unity. By contrast, the concept of an “empire” had been and still is that of the government of one nation (linguistic unity) over other subordinate nations (different linguistic unities).

Modern nations are still mostly based upon territorial integration under a linguistic unity (or a constitutional-consensus unity). For example, France is French-speaking nation. Great Britain is both an English-speaking unity and a consensus constitutional-monarchy. USA is both an English-speaking and consensus constitution-based government. The USSR was not a unified nation but a dictatorial government, ruling different linguistic regions and different occupied countries (with Russian as only an official language). This thinking by Gorbachev of the USSR as a nation, and not as an empire, would lead to a failure of realism in his government.

In 1989, a Polish uprising occurred, led by ship-building workers in Gdansk. *But Gorbachev did not send in tanks.* He allowed “demokratizatsiya” in Poland, as a reform government was established. Next in November 1989, East Germans began to break down the wall in Berlin, and the East German guards did not shoot them. *Gorbachev did not send tanks into East Germany.* The Soviet Union allowed the Germans, East and West, to merge back into one Germany.

Observing the impact of Gorbachev’s Demokratizatsiya policy, other nationalities decided there was finally the opportunity to break away from the repression of the Soviet Union. Lithuania declared independence in 1990. By 1991, other communist governments – Bulgaria, Czechoslovakia, Hungary, Poland, and Romania – all fell as their citizens revolted. The Soviet communist empire of Stalin’s of his conquests in World War II collapsed.

In July 1990, Gorbachev was reelected General Secretary in the Congress of the Communist Part of the Soviet Union. But the party no longer controlled the Soviet government. Gorbachev had instituted the Congress of People’s Deputies and the position of President. Gorbachev had further reduced the Party’s power abolishing its control over media and broadcasting. And Gorbachev had proposed setting up a new Soviet Federation, consisting of the 15 republics. But instead the republics’ priorities

were for secession. Ukraine and Russia declared their republic's laws supreme to the Soviet laws. In January 1991, violence erupted in Lithuania and Latvia.

In August 1991, the conservative Soviet party leaders and some military leaders saw that Gorbachev's reform was allowing the Soviet Union to break apart. A coup was planned. In August 19, Gorbachev was placed under house arrest in a dacha (where he was then vacationing in the Crimea). Soviet tanks were ordered to advance into Moscow and arrest Russian government officials. The principle Russian official to be arrested was Boris Yeltsin.

Yeltsin had been elected as President of the Russian Republic in 1991. Boris Yeltsin (1931–2007) was born in a Russian village Butka. In 1934, his father was arrested and sentenced to a gulag for 3 years. Yeltsin attended college at the Ural State Technical University. He worked in construction and joined the Communist Party. In 1968, he was appointed head of regional construction and then became secretary of the regional committee for industrial development. In 1985 under Gorbachev, he became the Secretary (Mayor) for Moscow and was appointed to the Politburo. But conflicting with Gorbachev in 1987, he was dismissed from all party positions. Taking advantage of Gorbachev's electoral reforms, Yeltsin ran and won the election for the president of the Russian Republic.

In August 1991 in the attempted coup against Gorbachev, Yeltsin defied the military by opposing the advancing troops in Moscow. Yeltsin challenged the Russian soldiers in the tanks. Russian citizens crowded around Yeltsin and also climbed upon the tanks. The soldiers did not fire upon their own people. The Red Army was not unified. The putsch failed.

Then Yeltsin was in control of the Russian Republic. In November 1991, Yeltsin banned the Communist Party from the Russian Republic. In December, Yeltsin had the Russian Federation take the former Soviet Union's seat in the United Nations. Yeltsin privatized the Russian economy by issuing ownership shares in former state enterprises. But sale of the enterprises was corruptly run by former communist apparatchiks who sold the assets to themselves. They then formed an oligarchy in control of the Russian economy. Yeltsin took Russia out of the Federation of the Soviet Union, which Gorbachev had created. The republics of Belarus and Ukraine also withdrew. No longer was there was a Soviet Union nor even a Federation. Gorbachev's government had dissolved.³



Boris Yeltsin (<http://en.wikipedia.org>, 2010)

The Soviet Union had fallen apart. Archie Brown nicely summarized this historical event: "... the sequence was that the Soviet Union was first reformed, then transformed, and then disintegrated all within the space of six-and-a-half years... Seldom, if ever, has a highly authoritarian political system, deploying military means sufficient to destroy life on earth, been dismantled so peacefully. Never has an empire disintegrated with so little bloodshed. Although huge difficulties remained for the successor states, the way Soviet communism came to an end was one of the great success stories of 20th century politics" (Brown, 2009).

Perceptual Space of the Collapse of the Soviet Union Event

We can summarize these events in a perceptual space (1) wherein Gorbachev’s view of the world has focused upon an idealism of reforming Soviet society and (2) Yeltsin’s view was focused upon a realism of nationalism, sketched in Fig. 6.2.

1. Gorbachev’s idealistic perspective of reform:

ACTION – Gorbachev’s first action was to withdraw the Soviet Army from Afghanistan. He next created media freedom by removing Communist Party control over media. He had the Soviet government hold elections for deputies to a new legislative Congress and for presidents of the republics. Gorbachev proposed to sign a new Federation Treaty of Soviet Republics on August 20

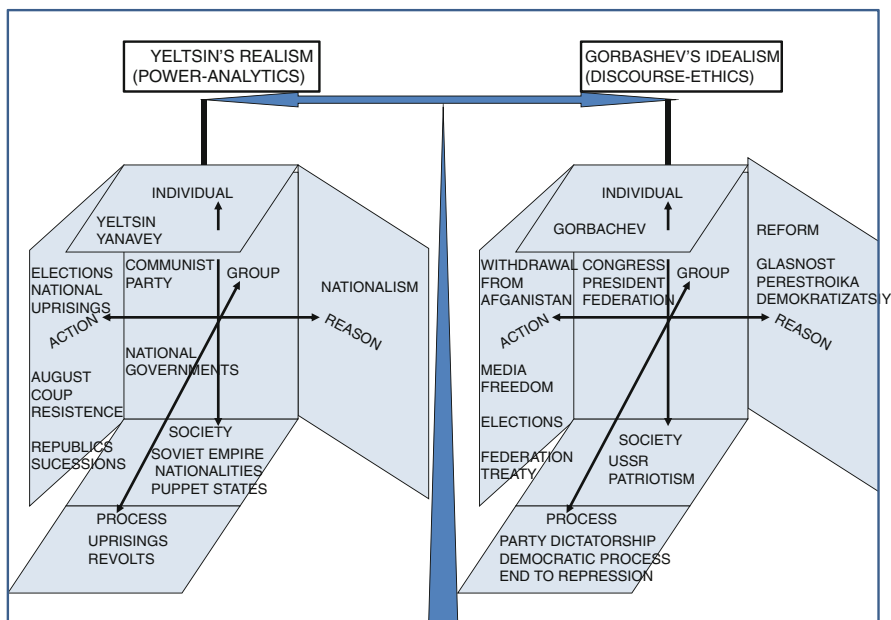


Fig. 6.2 Gorbachev’s and Yeltsin’s differing perspectives

[an act which would formally end the Union of Soviet Socialist Republics (USS) and which triggered the attempted coup on August 18].

INDIVIDUAL – Gorbachev was an individual whose family had experienced Stalinist terror. Also he identified with the peasant struggle for livelihood on collectivized farms. He was also intensely loyal to the Soviet Union because of experiencing Nazi occupation during the Second World War.

GROUP – Gorbachev’s government reforms were to establish an elected legislative body (Congress of Deputies) to remove law-making from the Communist Party. He also established a President to implement laws, instead of Party control of government administration. Finally, he proposed to maintain unity of some former Soviet republics in a new Federation – through the principles of: glasnost (openness), perestroika (restructuring), demokratizatsiya (democratization), and uskoreniye (acceleration of economic development).

FEDERATION – through the principles of: glasnost (openness), perestroika (restructuring), demokratizatsiya (democratization), and uskoreniye (acceleration of economic development).

REASON – Gorbachev’s reasoning was for reform of the Soviet government through the principles. [Gorbachev set out policies to reform the government: glasnost (openness), perestroika (restructuring), and demokratizatsiya (democratization), and uskoreniye (acceleration of economic development)].

SOCIETY – Idealistically, Gorbachev viewed Soviet society as a nation – since this was the Russian patriotic experience of World War II.

PROCESS – Gorbachev wished to reform the USSR government as a dictatorship controlled by the communist party and ending Soviet repression. He introduced government reforms for a democratically elected government.

2. Yeltsin’s realistic perspective of nationalism:

ACTION – Yeltsin’s father had experienced the cruelty of Soviet repression. Gorbachev’s reform of electing deputies brought Yeltsin into the Congress. Next Yeltsin was elected as President of the Russian Republic. National uprising occurred in Soviet occupied states, overthrowing puppet communist governments. An attempted coup by KGB and some military officers was resisted by Yeltsin. Subsequently, Soviet republics withdrew from the USSR, dissolving Gorbachev’s government and the Soviet Union.

INDIVIDUAL – Yeltsin did not believe the USSR could be reformed, since it was not a nation but an empire. Yeltsin chose to re-establish Russia as a nation, withdrawing the Russian Republic formally from the Soviet Union. In conflict with Yeltsin was Yamane, head of the Soviet police KGB. Yamane attempted a coup by arresting Gorbachev and imposing martial law. He sent army units into Moscow to seize Yeltsin and his Russian Republic government. When the local army units refused to fire upon Russian citizens demonstrating in support of Yeltsin, the coup failed.

GROUP – Communist puppet governments in the Soviet occupied nations fell to popular uprisings. Yeltsin seized all property of the communist party in Russia and abolished the Bolshevik communist party.

REASON – The reasoning of Yeltsin was that the concept of nationality had been repressed by Stalin and Brezhnev. But nationality was still under the social surface, and when Gorbachev stopped the Soviet repression, national uprisings were occurring. Yeltsin had no love for the Soviet government and used the nationalism of Russians to resist Yamane’s coup attempt. Then he used Russian nationalism to dismember and terminate the Soviet Union.

SOCIETY – The realism of the nature of society in the USSR was as dictatorial government over many repressed nationalities and countries. Lenin had assembled the Soviet Union as a dictatorship over the ethnic regions of the old Russian empire (which the then called Soviet Republics). Stalin had added occupied nations after that war and established communist puppet governments kept in power by.

PROCESS – Physical force stopped being the primary political process in the Soviet Union under Gorbachev. Consequently, unrepressed political dissent from Soviet government control temporarily became the political process. When Soviet repression was not used by Gorbachev with Soviet tanks, then popular uprisings in the communist occupied states brought down the puppet governments – in Poland, East Germany, Hungary, Rumania, Bulgaria, Estonia, Latvia, Lithuania. In Russia, when Yanavey attempted his coup, brigade-level army commanders refused to shoot at Russian citizens, and the coup attempt failed.

Judgments of History

This analysis of Gorbachev’s idealism for the USSR and Yeltsin’s realism about it was made from the perspective of a historian, our historical perspective. In Gorbachev’s idealistic discourse-ethics, he believed in possible reform of the communist Soviet Union – based upon the patriotism of its citizens. But the reality of power analytics was that generally citizens had no patriotic loyalty to communism – only to their nationalities. There was no power-analytic reality upon which Gorbachev’s reformed government could survive the struggle for power against the nationalities suppressed within the Soviet Union. In retrospect, perhaps Gorbachev could not have succeeded in his reform.

Perhaps no one can simply reform an ideological dictatorship once the coercive power of the government force ceases.

Yet in my opinion, this does not make Gorbachev a normative failure. Although his reforms did bring down the Soviet Empire. I agree with Archie Brown’s historical judgment, which we just quoted: “Seldom, if ever, has a highly authoritarian political system, deploying military means sufficient to destroy life on earth, been dismantled so peacefully... the way Soviet communism came to an end was one of the great success stories of 20th century politics” (Brown, 1996)

In making a normative judgment like this about history, one is attempting to learn some general lessons about governance. As historians, one normative generalization from this empirical example is this one for political science (e.g., Habermas and Flyvbjerg):

The concept of a '*civil society*' as an underpinning for a government based upon social consensus (and not coercion) is both a *valid empirical concept* and a *universal ethical concept*.

The empirical evidence for this was the occupied countries' rebellions which occurred under Gorbachev's reform, when he did not send Soviet tanks to crush popular uprisings (as had his predecessors). The ethical evidence for universality was that all of the occupied countries rebelled.

A second generalization for a normative judgment we can make is the importance in governance of a leader's having proper orientations in realism and idealism. Earlier, we saw how that Kerensky's power-analytic failure in military policy brought down his government and opened the way for Lenin to seize Bolshevik power. And this failure in leadership resulted in four decades of dictatorship for Russian – ruled under terror, brutality, repression, and executions. Kerensky's failure of realism had dire consequences for history. Now we see that Gorbachev's power-analytic failure was in not recognizing that a repressive dictatorship cannot be reformed but only destroyed. Yet this failure in leadership had positive consequences for history. And also through Yeltsin's realism, the Soviet Union was peacefully destroyed.

These provide a second generalization we can make from these natural societal histories.

Empirically, the failure in idealism and/or realism in leadership policies has immediate consequences for the governed society. But normatively, the consequences on the governed society can be ethically judged in a historical perspective.

The historical evidences for this generalization are:

1. Kerensky had noble ideals but failed in realism – with bad societal consequences. The societal wisdom here is that good ideals must have corresponding realistic judgments of power to implement the ideals.
2. Lenin had ignoble ideas (use your toughest people) but succeeded in realism by seizing and holding power – with bad societal consequences. The societal wisdom here is bad ideals implemented with realistic judgments create only a bad society.
3. Stalin had very bad ideas (collectivize the peasants and exterminate rivals and nationalities) and succeeded in the realism of terror upon a whole society – as long as he lived. The societal wisdom here is that an evil tyrant using terror can remain in power, for as long as he lives.
4. Gorbachev had noble ideals but failed in realism about the nature of the Soviet Union – but with good societal consequences. His reforms enabled Yeltsin to come into Russian power and dissolve the Soviet government. The societal wisdom here is that good societal consequences, no matter how arrived at, are good consequences. This historical judgment is ethical, if one believes in the universality of the ideals of glasnost and demokratizatsiya.

Societal Performance and Knowledge

As evidence for normative historical judgments, it is the societal consequences which count more than intentions of leaders. From these examples, we see the importance of methodologically examining history in both empirical judgments (events) and normative judgments (ethics). If history-social-science methodology does not allow both empirical and normative judgments, one cannot construct theories for societal wisdom upon an empirical grounding in history.

The collapse of the USSR can be interpreted as a failure of the normative judgments of Communism in ethics, principles, institutionalization, ideology. All were wrong. The ethics of the USSR government was the application of repression and terror to maintain governmental control. The principle of the USSR's communist government was "state capitalism" which meant that the government owned all property with all industrial and agricultural workers (proletariat) employees of the state. The institutionalization of communism consisted of agencies managed by small communist elite of commissars who ran everything and gained most of the benefits. The ideology of the USSR government was communism. When Gorbachev's government no longer enforced its power with repression and soldiers and tanks, then all the communist governments in the empire of the USSR collapsed. The empirical evidence for the rejection of the normative judgments of communism was based upon the failure of the communist government to deliver a good life to its governed population, a failure of both ethics and performance of the societal system.

Earlier, Stalin had destroyed Russia's agricultural performance by executing competent farmers (Kulaks) and enslaving all other peasants on state farms. Also we had noted how the performance of USSR's military was disastrous when Hitler invaded Russia in 1941. Stalin's terror trials of the 1930s had destroyed the military competence in the Red Army by executing most of its experienced generals. Bad societal performance occurs often from bad leadership.

Also the failure of economic and agricultural performance in the USSR was not only due to the corruption and incompetence of its commissar officials but also due to the inability of communist society to maintain progress in societal knowledge. Russia fell behind the democratic governments in technology (except in a few areas of military technology). The terror and repression of intellectuals hinders progress in science and technology. For the USSR society, the poor performance and lag in knowledge of Leninism/Stalinism were empirical results which brought that society to a historical conclusion that communism's normative judgments were wrong.

- The theory of communism as a deterministic history was wrong.
- The ethics of state terror was wrong.
- The principle of communist government as "state capitalism" was wrong.
- The institutionalization rule by commissar rule was wrong.
- The ideology of communism was wrong.

Thus, in the whole history of the beginning and end of the USSR, we have a historical case of a societies passing normative judgment upon an ideological dictatorship of communism.

Summary

Of course no one bit of history can prove any social theory. But historical events can add empirical evidence for or against generalization of a societal theory. And taking together, many historical events displaying similar evidence, then one can empirically ground social theory. The advantage of using a formal perceptual societal space in which to analyze different historical events is that this facilitates the identification of similar historical factors which can be compared and accumulated – for empirical grounding of universal social science theories.

Some of the generalizations which the history of the Russian Soviet Union provides empirical evidence are the following:

1. People universally have preferred to be ruled by a government of their own kind instead of being occupied and ruled by a foreign government – a normative judgment grounded empirically in history.
2. People have patriotically supported their government in a war against a foreign government – a normative judgment grounded empirically in history.
3. People universally deplore the experience of repression, terror, torture, execution – a normative judgment grounded empirically in history.
4. An honest, uncorrupt democracy is preferred by people to a dishonest, corrupt dictatorship – a normative judgment grounded empirically in history.
5. Dishonesty and corruption are endemic to dictatorships – a normative judgment grounded empirically in history.
6. Can a government established on the basis of terror and brutality ever reform? Apparently only after the death of the founding dictator – only a few examples historically.
7. Can a representative democracy be run honestly and incorruptly? Apparently this is still an open question, historically.

Notes

¹ There are several books about Gorbachev and the collapse of the Soviet Union, including: English (2000), Strayer (1998), Hough (1997), Gorbachev (1996), Brown (1996), Steele (1994), Åslund (1991), Roxburgh (1991).

² Books about and by Khrushchev include: Taubman (2005), Khrushchev (2004), (Khrushchev 2000).

³ Books about and by Yeltsin include: Colton (2008), (Yeltsin 2000).

Chapter 7

Designing Society

Introduction

We have been examining how history can validate or invalidate social theory. Marx, Lenin, and Stalin were certain they were right – that Marxist theory and communist ideology would be historically determinant and good for humanity. But historically, it turned out not so, neither determinate nor good for people. When no longer repressed by terror, the humanity in Europe (who had suffered under communist dictatorships) finally rejected communism. But was this merely a historical phenomenon of European society or was it more universal in global society?

We next look at the experience in Asia about other communist ideological dictatorships in that century. Again we will see that the actual performance of societies under an ideological rule did not match theory. We continue to explore how methodologically social science normative judgments can be evaluated in empirical history.

Historical Event: Chinese Civil Wars

In 1911, the traditional monarchy in China of the Qing Dynasty collapsed. It fell under the pressure of European countries dividing China into spheres of influence.¹ Instead of responding to Western pressures with a vigorous and radical process to modernize the country (as Japan had done in 1865), the late Qing dynasty had tried to re-enforce old traditions and isolate the country. But after the Opium War with Great Britain, Western countries established their presences, commercially and militarily in Shanghai. As the Chinese Empire weakened, China fragmented into regions dominated by local war lords.

In 1911 Sun Yat-sen had formed a political party, the Kuomintang, and attempted to establish a provisional national government. His platform centered upon three ideas: nationalism, democracy, and livelihood of people. But tactically, Sun promised the presidency of a new government to General Yuan Shikai, who commanded the

Beijing Army as the warlord of northern China. In 1913, Yuan proclaimed himself the new emperor, and Sun fled to Japan. Yuan died in 1916, and Sun returned from Japan in 1917. Sun again began the Kuomintang government, but this time in the south in Guangdong Province.

In 1921, Sun became president and generalissimo of the Kuomintang government and prepared to go into the north of China. For this, he established the Whampoa Military Academy to train and build a modern army, independent of warlords. Chaing Kai-shek became head of the Academy. In 1924, Sun invited communists to join Kuomintang government. Then Sun traveled to Beijing to try to unify the country, pacifying the warlords. But in March 1925, Sun died of liver cancer; and Chaing Kai-shek became head of the Kuomintang.

In 1926, Chiang moved his army north to unify China. But he did not militarily engage and defeat warlord armies. Instead he negotiated with the warlords to merge armies. This put himself in charge of an army, but an army made up of independent military units of warlords. Chiang was in command but not in complete control of a national army.

Next in April 1927, Chiang decided to suppress the communist movement. Chiang murdered most of the communists in Shanghai. Then in 1928, Chiang moved his capital to Nanjing, still in alliance with warlords. Chiang continued to attack the communists in southern China, where they had fled. The long-running Kuomintang-Communist civil war had begun.



Sun Yat-sen



Chaing Kai-shek

Topological Graph of Explanatory Relations

We have seen how the connections between the dimensional ends of a societal perceptual space add descriptive power in understanding and explaining historical events. So far, we have looked in particular at seven connections:

Ethics connecting *Individual and Society*

- Ethics is the choice of ends in decisions.

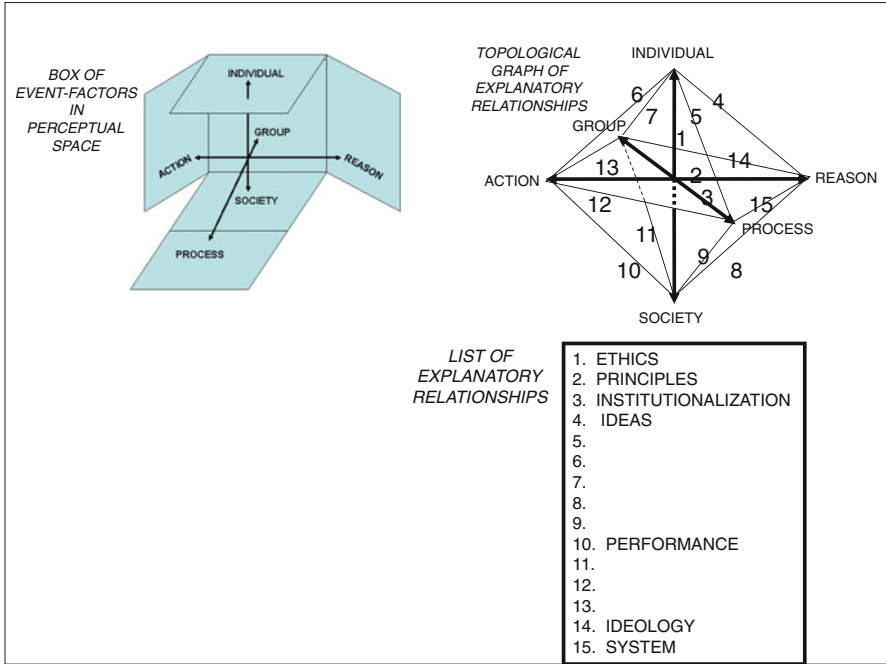


Fig. 7.1 Some explanatory relationships in a societal-event perceptual space

Principles connecting Action and Reason

- Principles are the rational generalizations (reasons) which guide the choice of action.

Institutionalization connecting Group and Process

- Institutionalization is embedding of the common forms of behavior within an organization.

Ideas connecting Reason and Individual

- Ideas are the conceptualizations of reality and ideals in the human mind.

Ideology connecting Reason and Group

- Ideology is the rationalization in the justification of power.

System connecting Reason and Process

- System is the conceptualization of the totality of an entity as a process.

Performance connecting Society and Action

- Performance is how actions are carried out in a society.

Are there more such connections? One can see a complete set of possible connections by constructing a topological graph of the three-dimensional perceptual space, such as shown in Fig. 7.1. Counting them, there are 15 possible explanatory connections.

We will next proceed to interpret the other relationships continuing to use evidence from historical examples to define them.

Historical Event (Continued): Chinese Civil Wars

Opposing Chiang, Mao Zedong would emerge to lead the Chinese Communists. Mao Zedong (1893–1976) was born to a peasant family in Hunan.² As a teenager, he went to Changsha, the capital of Hunan, to study at the First Provincial Normal School in Hunan (the equivalent of high school), graduating in 1918. His teacher, Professor Yang Changji, held a faculty position at Peking University, and Mao went with him to Beijing in 1919. He worked as an assistant librarian at the university and registered as a part-time student. He attended some lecturers, but became more interested in reading Marxist theory. He married his professor's daughter, Yang Kaihui, who was a student at the Peking University.



(<http://en.wikipedia.org>, Mao Zedong, 2009)

In 1921, Mao attended the first session of the National Congress of the Communist Party of China in Shanghai. In 1923, he was elected as one of the five commissars of the Central Party Committee. In 1924, he was a delegate to the first National Conference of Sun's Kuomintang and became an executive in the Kuomintang's Shanghai office. In 1925, Mao became Director for Propaganda of the Kuomintang.

But in 1927, Chiang killed many of the communists in Shanghai; and Mao fled to the south of China. There Mao attempted a communist uprising in Changsa, Hunan, leading a "Revolutionary Army of Workers and Peasants." But this was defeated by Chiang's troops.

Mao led his remaining force into the Jinggan Mountains, where he linked up with another group under Zue De. They established a Jaingzi Soviet in Ruijin. Mao focused on land reform to gain peasant support. But Chiang Kai-shek continued to attack the communists.

Finally, in 1934, Mao and his comrades began a retreat from Hunan. It was to become known as "The Long March," leading eventually to Yan'an, in the north-west of China.³ During the Long March, Mao became undisputed leader of the communist party.

Kenneth Lieberthal summarized that time in Yan'an: "The Yan'an era had a profound effect on the Chinese Communist party and its fortunes. When the communists completed the Long March, the CCP consisted of a relatively small band of bedraggled southern troops (10,000–25,000) displaced to a desolate and desperately

poor area in the north China hinterland... By the end of the Yan'an era, the CCP's forces had grown to nearly 2.8 million members... Another, darker, set of methods also became an integral part of CCP practices during the Rectification campaign in Yan'an... With Mao Zedong's backing, Kang Sheng conducted a reign of terror..." (Lieberthal, 1995, pp. 50–51).

Mao had not been in power until during the Long March, when Zhou Enlai came over to his side in leadership conflicts. Afterwards, Mao took care to stay dominant, and Zhou Enlai always remained a supporter. For example, in Yan'an in 1942 to eliminate rivals, Mao conducted his first campaign "Rectification campaign." He had Sheng brutalize a victim into confession and often suicide. Philip Short wrote that Mao had instructed Kang Sheng not to kill any cadre, but suicides could happen (Short, 2001).

In 1937, war between China and Japan began, when Japan invaded northern China. The Kuomintang and the Communist Party cooperated in fighting the Japanese until 1946, when Japan surrendered to US forces, ending World War II in the East. In February 1949, Mao's communist army launched a campaign against Chiang's Kuomintang army, defeating a half-million Kuomintang troops. The Kuomintang government fled to Taiwan and established the Chinese Taiwan government.

In October 1949, Mao's Communist Party of China established the People's Republic of China. Mao's first policy was land reform, implemented by executing landlords. For example, Yang Kuisong wrote: "Mao got a number (of landlords killed) from a report submitted by Xu Zirong, Deputy Public Security Minister, which stated 712,000 counterrevolutionaries were executed, 1,290,000 were imprisoned, and another 1,200,000 were subjected to control. However, because there was a policy to select "at least one landlord (and usually several, in virtually every village for public execution), the number of deaths (probably) range between 2 million and 5 million" (Yang Kuisong, 2008, pp. 102–121).

Perceptual Space of Chinese Civil War

The analysis of the Chinese Civil War is shown in Fig. 7.2.

INDIVIDUAL – The individuals involved in the events of the civil war were Sun Yat-sen, Chiang Kai-shek, and Mao Zedong. Sun Yat-sen established a National Government of the Kumintang, and was followed by Chiang as President. Mao eventually headed the Chinese Communist Party.

ACTION – The events covered were (1) the end of the Qing dynasty and (2) the establishment of a Kuomintang government under Sun and next (3) Chiang destroyed the Chinese communists, but (4) some escaped by means of a Long March around to the North of China; meanwhile (5) Japan invaded China and occupied much of China to the end of World War II.

SOCIETY – The impact upon society was the division of China into foreign spheres of influence and the end of the feudal government. Individuals and groups struggled to modernize China.

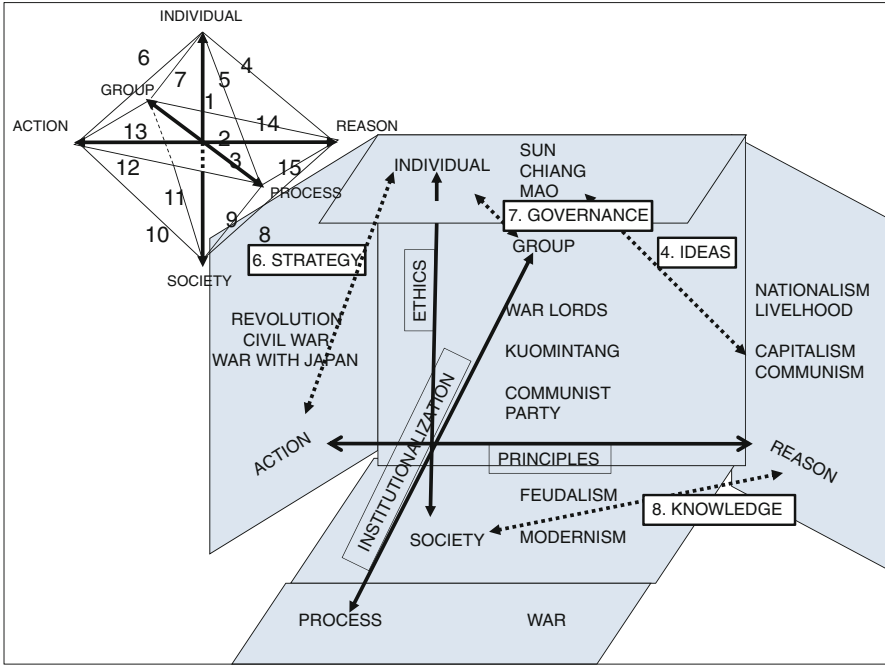


Fig.7.2 Chinese civil war

GROUP – Two organizations were the Kuomintang Party and the Chinese Communist Party, which struggled for governmental control.

REASON – Sun’s reasoning for Chinese reform centered upon three principles of nationalism, democracy, and livelihood of population.

PROCESS – Revolt and civil war were the processes in forming a new government for China to replace the Qing Dynasty monarchical government.

4. IDEAS – The societal relationship between a individual and reason consists of the ideas of the individual, which in (1) Sun’s ideas centered upon nationalism, (2) Mao’s case centered upon nationalism and Marxism, and (3) Chiang’s ideas centered upon nationalism and capitalism.

This historical example can suggest that the topological graph relationships of (7) and (6) and (8) can be interpreted as relationships of governance and strategy and knowledge.

7. GOVERNANCE – The societal relationship between an individual and a group lies in the governance which the individual-in-charge-of-a-group provides of the group and vice versa – which (1) in Sun’s case was his leadership in forming the Kuomintang Party and Government, (2) in Chiang’s case was his succession after Sun in leading the Kuomintang Party, and (3) in Mao’s case was his assumption of

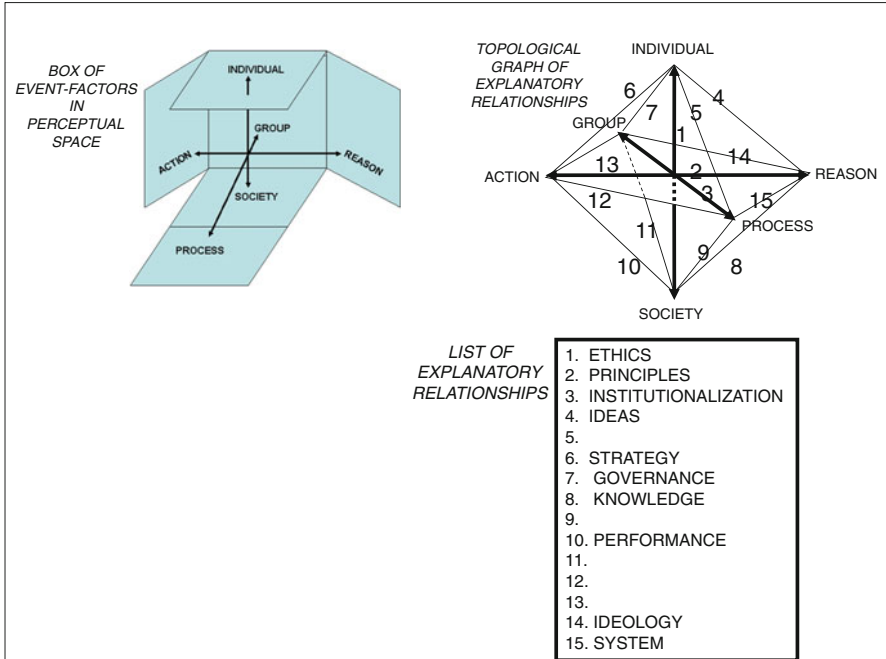


Fig. 7.3 More explanatory relationships in a societal perceptual space

leadership of the Chinese Communist Party. Individuals provide leadership in the governance of a group,

6. STRATEGY – The societal relationship between an individual and action lies in the strategic decisions individuals make to guide action, which in Chiang’s case was to collaborate with Chinese warlords and fight the Chinese communists, and in Mao’s case was to make a strategic retreat to Yan’an province to get out of reach of Chiang’s Kuomintang army and after the defeat of the Japan to attack Chiang’s army.

8. KNOWLEDGE – The societal relationship between reason and society lies in the knowledge a society has about nature (science) and the manipulation of nature (technology). By 1900, science developed in Europe had provided immense power of Western nations over Asian nations with advanced military and industrial technologies based upon science.

Accordingly, we make the following definitions for the theoretical societal-event topological graph (Fig. 7.3):

6. Strategy provides connecting relationship between Individual and Action.
7. Governance provides the connecting relationship between Individual and Group (with leadership from individual to group and governance from group to individual).
8. Knowledge provides the connection relationship between Reason and Society.

Historical Event: Mao's Great Leap Forward

Mao's policy about land reform did not mean that peasants got land. Instead, Mao admired Stalin's policy on agriculture, forcing peasants into state collective farms. In 1953, Mao ordered peasants collectivized into communes, with the agricultural land to become property of the state.⁴

Also earlier in 1951, Mao had turned against merchants. As Phillip Short wrote: "A climate of raw terror developed as workers denounce their bosses, wives turned on their husbands and children informed on their parents; the victims often being humiliated at Pi Dou mass rallies. Mao insisted that minor offenders be criticized and reformed or sent to labor camps, 'while the worst among them should be shot'. These campaigns took several hundred thousand lives, the vast majority via suicide" (Short, 2001).

Jung Chang and Jon Halliday also wrote about this: "In Shanghai, people jumping to their deaths from skyscrapers became so commonplace that they acquired the nickname 'parachutes'" (Chang and Halliday, 2005).

Mao's economic ideas had been influenced by Stalin, partly because their relationship was friendly. At the end of World War II in Asia, the USSR Army had invaded the Japanese held Manchuria and allowed Mao's communist to take Japanese Army weapons to arm themselves in the civil war against the Kuomintang government. In 1949, Mao emulated Stalin's policies of collectivizing agriculture and establishing 5-year economic targets for industrial growth. Chinese communists took land and forced Chinese peasants into communes in 1949–1958.

But Stalin died in 1956, and then Chinese–Soviet relations soured. Mao did not like Stalin's successor, Krushchev—as Krushchev had criticized Stalin's cult of personality and Khrushchev's criticism had stimulated unrest in the captive socialist countries in Eastern Europe.

In China, as earlier in the Soviet Union, industrialization was encouraging the rise of new educated technical intellectuals. Like Stalin, Mao did not like competent and technical intellectuals. They had a tendency to not blindly obey. Mao's agricultural policy of communes was disliked by Chinese peasants (as decades early the policy had been despised by Russian peasants). Mao faced problems (1) he not trust the new technical managers in his socialized industry, (2) unhappy peasants were not expanding agricultural production in their collectivized communes, and (3) China lacked a source of new capital for economic development to replace former Soviet Union aid.

In 1956, Mao decided to test the loyalty of technical intellectuals in a campaign to "let a hundred flowers bloom and a hundred schools of thought contend." Kenneth Lieberthal summarized the results: "... in May 1957, intellectuals unleashed an outpouring of grievances against arrogant and ignorant functionaries... Once started, the momentum of criticism gathered steam, and local party officials found themselves under increasingly severe attack. Workers, too, began to press economic grievances through strike actions..." (Lieberthal, 1995, pp. 100–101).

Nobody likes criticism. Dictators especially do not like criticism. But dictators can put a stop to criticism. In June 1957, Mao called his hundred flowers campaign

to a halt. A new campaign was launched. As Lieberthal described this: "The Antirightist campaign initially targeted all those who had voiced criticisms... It was conducted in such indiscriminate fashion, however, that numerous 'rightests' were branded on the basis of anonymous denunciations... During the course of the summer and fall of 1957, roughly four hundred thousand urban residents, including many of the intelligentsia, were branded as 'rightests' and thrown into penal camps... to do forced labor... The revolution lost the skills of a significant portion of the engineers, professors, economists, and scientists... critical to successful implementation... of (economic) development..." (Lieberthal, 1995, p.101).

But Mao could not be wrong; and so Mao ordered another 5-year plan as a "Great Leap Forward." Mao's policy of the Great Leap had the idea of peasants' producing steel in their communal "backyards." Mao did not know metallurgy, and he would not listen to knowledgeable experts in metallurgy (who by then were mostly in Mao's penal camps). Consequently, in 1957, Chinese industrial production of steel collapsed. China's supplies of coal and iron ore were redirected from steel factories to peasant communes; but there was no useful iron produced by metallurgy-incompetent peasants. They heated their iron ore directly from coal, not knowing that the heating by coal injects impurities into the melting iron, such as sulfur. These impurities made the iron too brittle for use.

That summer, agricultural production of grain fell, as peasant labor was diverted from agriculture to iron melting. Much of the grain rotted in the field. The grain which was harvested was confiscated by local communist officials and sent to Beijing. Consequently that winter of 1957–1958 more than three million peasants starved (and later estimates of famine deaths in Mao's peasants range from three to ten million people) (Spence, 1999). But the commissars in Beijing ate well; and no official dared report that starvation to Mao.

Kenneth Lieberthal summarized the results of Mao's policy: "The Great Leap Forward, born of a sense of growing crisis... reflected both Mao Zedong's utopian ideas and his virtually unbounded political power.... In the years 1960 to 1962, Mao's political hubris, combined with the incentives lower-level officials had to lie to their superiors, resulted in... many deaths..." (Lieberthal, 1995, p. 108).

Later some historians called the impact of Mao's campaign of the Great Leap Forward as the "Great Famine." To what extent was Mao responsible for the mass starvations in China during the Great Famine? In the Nuremberg Trials, we had earlier seen how the victorious allies tried Nazi officials for war crimes – to establish individual ethical responsibility, even in a dictatorial regime. After Mao's death, Chinese officials and scholars and other historians have been trying to document Mao's culpability, due to his policy, for the mass starvation in China. Since there was no external victor to end Mao's repression, ethical judgments of history on his doctrines have been slower to emerge. But they did emerge after his death, as his successors tried to reform Chinese government (without losing communist control of government).

For example, in 1980 after Mao's death and his succession by Deng Xiaoping, Deng's official statement was that Mao was 60% right and 40% wrong. Deng still wanted the Chinese Communist Party to remain in control of government.

In 1994, as another example, Daniel Southerland of the Washington Post Foreign Service discussed a new report issued by the Chinese government: “The 581-page report detailing how the famine affected Fengyang in Anhui Province, prepared in 1989 by the official Chinese Academy of Social Sciences for internal use by top Chinese officials, is just one example of material that has recently emerged about the staggering human cost exacted by Mao’s belief in ‘permanent revolution’” (Southerland, 1994).

Southerland had cited other sources: “An article appearing last year in the Shanghai University Journal Society stated that at least 40 million died from 1959–61... In another study, National Defense University Professor Cong Jin estimated that 40 million died between 1959 and 1961. Chen Yizi of Princeton University’s Center for Modern China did research for years in China, first as a student and then as a government official and determined that 43 million had died in the famine” (Southerland, 1994).

Of Mao’s culpability, Southerland judged: “What Mao did was unleash mass movements against his rivals and the ‘bad classes’ of society. He did in fact target segments of society for repression, which sometimes led to public humiliation of the victims and death by torture, unchecked by any legal constraints. His pronouncements led lower-level officials to actually create quotas of victims to be targeted during different campaigns... Mao used social isolation and humiliation as instruments of mayhem. During mass campaigns, designated ‘enemies of the people’ were hounded, tortured and broken psychologically. Many committed suicide” (Southerland, 1994).

Southerland also reported some of the horror stories from the famine: “A ferocious, abiding hunger had settled across much of the land, and top official Zhao Yushu issued this ruling: Children abandoned in roads and fields by their starving parents must be left to die” (Southerland, 1994). The communist officials, under Mao, knew about the famine. They took no action to diminish the famine but even exacerbated it. Their confiscation of all food from the country to import to the city was the major factor in the famine.

Also in addition to culpable officials in a great famine, starving people can also do horrible things. Southerland noted: “‘In Damiao commune, Chen Zhangying and her husband Zhao Xizhen killed and boiled their 8-year-old son Xiao Qing and ate him,’ said a startling report that has recently become available in the West. ‘In Wudian commune, Wang Lanying not only picked up dead people to eat, but also sold two jin (2.2 pounds) from their bodies as pork’” (Southerland, 1994).

Perceptual Space: Relationships of Policy to Performance

We see in this example how a policy (Mao’s Campaign) resulted in terrible societal performance in agriculture (starvation) and industry (failure of steel production). Accordingly, this example provides evidence for identifying the relationship between Society and Action as the (10) *Performance* resulting from the policies of

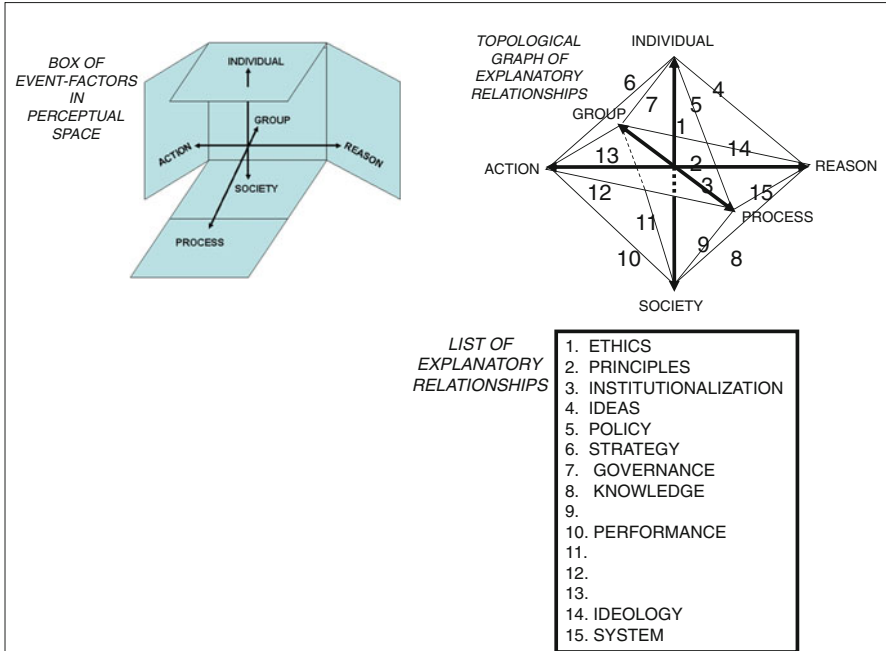


Fig. 7.4 More explanatory relationships in a societal perceptual space

society's leaders. Also this example provides evidence for identifying the relationship between Individual and Process as (5) *Policies* which a leading individual can influence upon processes in a society. As shown in Fig. 7.4, we have the following definitions for relationships (10) and (5):

The societal relationship between Society and Action is the (10) Performance experienced in a society from the actions guided by the policies of leadership.

The societal relationship between Individual and Process lies in the (5) Policy which the individual can impose upon societal processes through leadership of groups.

Historical Event (Continued): Mao's Great Leap Forward

All during the debacle of the Great Leap Forward, still Mao believed his policy was correct (with perhaps minor errors, such as the backyard steel furnaces). But his colleagues did not see the massive famine and industrial collapse so benignly. In 1959 at a party conference (Lushan Conference) in Jiangxi, the Minister of Defense, Peng Dehau, attacked Mao's economic/agricultural policy as harming China's

modernization of its military forces. He had been the major communist Army Commander since the time of the “Long March.” Peng Dehuai was a voice listened to by the senior Chinese Communist officials. He and three other of Mao’s old comrades decided Mao was policy disaster. Mao must be removed from his government leadership position. These were Liu Shaoqi, Zhou Enlai, and Deng Xiaoping.

Mao could not ignore Peng’s criticisms. But he was infuriated by them – betrayal by a once loyal comrade! Mao had chaired both the Chinese Communist Party (CCP) and the communist government of the People’s Republic of China (PRC) – leadership of both party and government. Liu Shaoqi was vice chairman of the PRC and agreed with Peng that Mao’s Great Leap Campaign was a major policy disaster. Mao agreed to step down as chairman of the PRC, but would remain as chair of the party CCP. Liu Shaoqi became chairman of the PRC, running the government. Mao was infuriated by Liu’s betrayal.

Government was then run by Liu Shaoqi as Government Chairman, with Xhou Enlai as Premier and Deng Xiaoping as general secretary of the Communist Party. Mao had lost control of government leadership, but he had retained party leadership, remaining as Chairman of the Chinese Communist Party (CCP). (A decade later this retained leadership of the party would allow Mao to unleash one final and nearly fatal campaign, the Cultural Revolution.)

Because of Peng’s criticism of the Great Leap Forward, Mao was vindictive! He retaliated by replacing Peng as Minister of Defense, with Lin Bao. Peng and Bao had been Mao’s top army commanders throughout the 1930s and 1940s. Peng had fought well against both the Kuomintang forces and the Japanese forces. Yet Mao removed him from all party and government posts and placed him under house arrest for the next 16 years. Finally, in 1966 with Mao’s approval, Red Guard torturers nearly beat Peng to death! No matter how long or loyally or competently a comrade served him, Mao never forgot or forgave a criticism.

These were Mao’s comrades who forced him out of the position of government leadership.

Peng Dhuai (1898–1974) was born in Hunan Province into a poor family.⁵ His parents died when he was 9 years old, and he lived with his grandmother, who begged for subsistence. Peng began working in coal mines at the age of 13 and labored on dam construction at the age of 15. He attended a Military Academy at the age of 17 and entered the service of a warlord’s army at the age of 18. At the age of twenty-eight, he was the commander of a brigade in the Kuomintang Army. But with his labor background, he leaned toward socialism. When Chiang Kai-shek purged the communists in Shanghai in 1927, Peng fled to the south. He joined the Communist Party and served as one of the two leading military commanders under Mao (with Lin Bao as the other main commander). Harrison Salisbury described Peng: “A tough Red Army commander who looked a little like a bulldog and fought like one, Peng was a rough-hewn man with strong back and shoulders, from years of early labor... The contrast between Mao’s top field commanders (Peng and Lin) could hardly have been more sharp, but on the Long March they worked well together, Lin specializing in feints, masked strategy, surprises, flank attacks... Peng met the enemy head-on in frontal assaults with such fury that again and again he wiped them out. Peng did not believe a battle well fought unless he managed to replenish – and more than replenish – any losses by seizure of enemy guns and converting prisoners of war to new and loyal recruits in the Red Army” (Salisbury, 1994 Salisbury 1985).



Peng Dhuai (<http://en.wikipedia.org>, Peng, Dhuai, 2009)

Liu Shaoqi (1898–1969) was born to a prosperous peasant family.⁶ He went to the same school as Mao, Hunan First Normal School. Liu also went to Shanghai. In 1920, Liu and Mao organized a Socialist Youth Corps. The Shanghai Comintern (communist party organization) sent Liu to their Sun Yat-sen University in Moscow to study Marxism. Liu returned to China in 1922 and helped organize railway workers' strikes. In 1927, Liu was elected to the communist party's central committee. In 1932, Liu became party secretary in Fujian Province. In 1934, he fled with Mao on the Long March. He did not finish the march but was sent by Mao to organize communist activities in Beijing. In 1937, Liu went to Yunnan. In 1942, he became political commissar of the Communist Army. In 1945, Liu was appointed by Mao as first vice chairman of the Chinese Communist Party. In 1949, he became the first vice chairman of the government. Liu was seen as a successor to Mao. When Mao stepped down from leadership of the government, Liu became head of the government. Liu was an administrator and who believed in competence. Still he was an orthodox, Soviet-style communist – believing in state planning and the development of heavy industry. Yet after all those years of faithful comradeship and service, Mao thought only of Liu as having betrayed him. Mao never forgot nor forgave betrayal. Liu would die a painful death in Mao's next great idea, the Cultural Revolution.



Liu Shaoqi (<http://en.wikipedia.org>, Liu Shaoqi, 2009)

Zhou Enlai (1898–1976) was born to educated parents.⁷ He studied at Tianjin Nankai High School. Then he went to Japan and studied at the Meiji University in Tokyo. When he returned to China, he enrolled at Nankai University. But he did not attend classes. He helped organize a Tianjin Student Union. Then he founded a political awareness society. In 1920, police raided the group and arrested members of the society. They were convicted of a minor offense and released. This brought Zhou to the attention of the communist organization. The Comintern selected Zhou to travel to France and become a student organizer in December 1920. But once in Paris, Zhou found that the Comintern’s “Education Committee” was corrupt, farming out the Chinese students to factories as cheap labor. In January 1921, Zhou went to Scotland and was accepted as a student at Edinburgh University, but he never studied there. Zhou returned to Paris. He joined the communist party. For the next 4 years, he was an organizer of Chinese students in Europe for the Socialist Youth League. In 1924, Zhou returned to China and was appointed Acting Director of Political Department of the Whampoa Military Academy. A year later he was elected to the Chinese Communist Party’s Politburo, in charge of military affairs. In December 1931, Zhou went to the Jiangxi base and became political commissar of the Red Army, replacing Mao. But on the Long March, Zhou sided with Mao, backing him to become leader. After the civil war ended in 1949, Zhou became Minister of Foreign Affairs.



Zhou Enlai (<http://en.wikipedia.org>, Zhou Enlai, 2009)

In 1963, as Premier of the government, Liu Shaoqi began to repair the disaster of the ‘Great Leap Forward.’ Food was short in cities, and the CCP forced 20 million people who had entered the cities back to the countryside. Food was rationed in the cities. All workers and staff in the cities were frozen in the jobs, unable to change them. The work unit became the interface between the population and the government. In the countryside, communes were reduced to smaller sizes, approximating the market areas they served. The result was to fix the infrastructure in China, in divided industrial work units and commune work units – with no mobility.

Perceptual Space of Mao’s Great Leap Forward

We can summarize the events of Mao’s Great Leap Forward and the aftermath of Mao’s removal from government power in the perceptual space of Fig. 7.5.

INDIVIDUAL – The individuals involved in the events of the establishment of the Chinese Communist Government and Great Leap Forward Campaign were Mao and his colleagues, Peng, Liu, Zhou, and Deng.

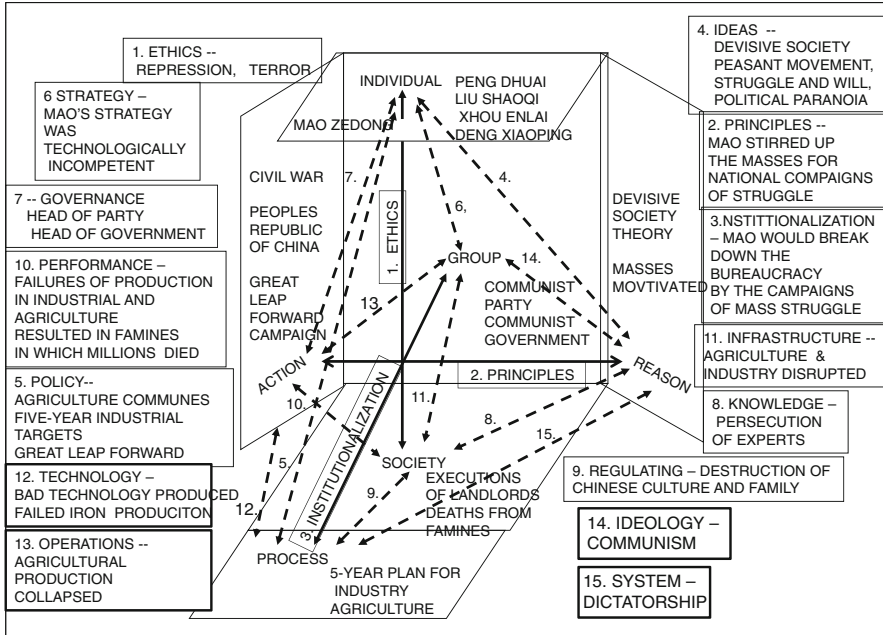


Fig. 7.5 Mao's great leap forward campaign

ACTION – The events covered was the Chinese civil war and the establishment of the People's Republic of China. The next major event was the Great Leap Forward mass campaign.

SOCIETY – The impacts upon society from the communist seizure of power were in the execution of landlords and in the persecution of intellectuals and in the mass starvation from famine – all caused by Mao's policies.

GROUP – The groups involved in these events were the Chinese communist party and the Chinese government. Both of which Mao headed both as Chairman and Premier, until he was removed as Premier from the government, due to the failures of the Great Leap Forward.

REASON – Mao's reason for executing land lords when his government took power was his idea that society was basically divisive and opposing communities must be eliminated. Mao's thinking in starting mass campaigns for economic progress and political control was his idea that masses need to be motivated to perform and such motivation can solve all societal problems.

PROCESS – Mao's process for economic and agricultural operations was state industry and agricultural communes guided by his 5-year targets for production.

But the events in understanding Mao's China are complicated. They are so complicated that we need to continue adding to the explanatory relationships in the

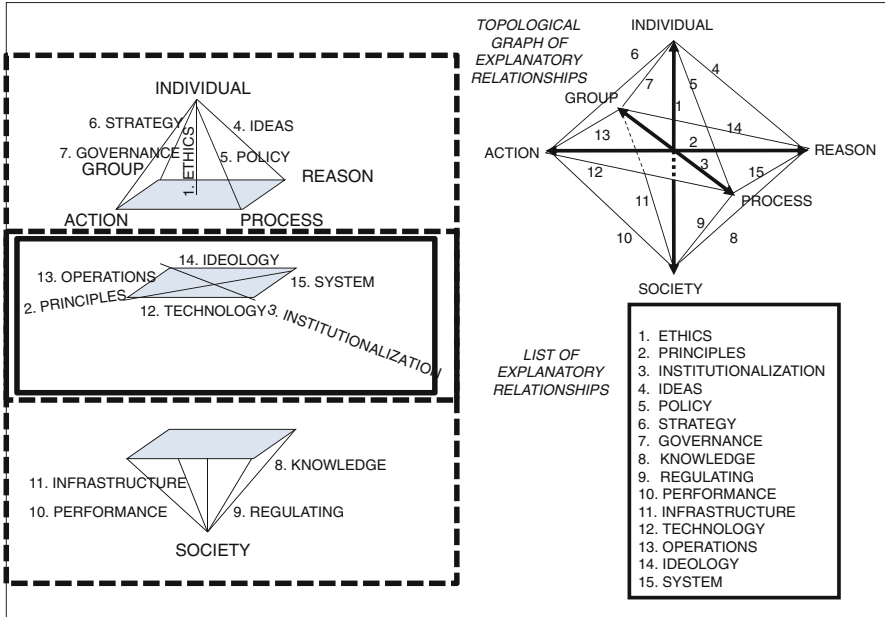


Fig.7.6 Complete set of relationships in a societal perceptual-space

event from the topological graph of the societal perceptual space. Let us now look at all 15 of these relationships, as shown in Fig. 7.6.

1. *Ethics* – The binary relationship between *Individual and Society*, we have called the *ethical context* in the explanation of an historical event. Mao had established an ethical context of repression and terror, when he began the communist government by sanctioning the execution of land lords. Mao continued this ethical context of terror in his persecution of critics in his campaign to let a “hundred-flowers-bloom,” and then threw all critics he had encouraged immediately into prison.
2. *Principles* – The binary relationship between *Reason and Action*, we have called the *principles-of-order* in the explanation of an historical event. Mao reasoned that society could be developed only through individual effort in mass contexts of conflict – mass struggle, struggle by the masses. In a divisive society, Mao believed no one cooperated willingly toward common goals. Instead, each comrade must struggle against a societal enemy to advance societal goals and to remain loyal to the revolutionary principle of the society (divisiveness, conflict). Mao then had to continually recreate societal enemies against which to struggle.
3. *Institutionalization* – The binary relationship between *Group and Process*, we have called the *institutionalization* in the explanation of an historical event. Mao disliked institutionalization of practices in a government organization because institutionalization increased the power of specialized expertise in an

organization. Mao disliked expertise and intellectuals of any sort. Moreover, Mao thought that any increase in bureaucrats' power, decreased his power. Mao's recurrent national campaigns were ways to break up the institutionalization of power.

4. *Ideas* – The binary relationship between *Individual and Reason*, we have called the *ideas* which an individual uses in reasoning. The idea Mao used in his thinking focused around society as basically divisive. In the struggle between communists and anticommunists in a divisive society, the peasants must always be involved in mass movements to keep their revolutionary fervor. Mao thought of political power in a continual state of paranoia – thinking that enemies always opposed one's gaining and the holding of power.
5. *Policies* – The binary relationship between *Individual and Process* lies in what *policies* an individual in power formulates to control social processes. Mao's policies were to force all peasants into agricultural communes (socialization of agriculture) and to run all industry as state factories according to 5-year production targets (central command of the economy). Mao also introduced mass campaigns periodically as policies, such as the Great Leap Forward.
6. *Strategy* – The binary relationship between *Individual and Action* is explained in the strategy (planning, direction) by means of which a leader formulates action. The strategy of Mao was to seize control of the government of China and to rule it as a communist state. Mao's political strategy of mass campaigns was to periodically renew the divisiveness of society.
7. *Governance* – The binary relationship between *Individual and Group* is effected in the governance and leadership of the efforts of a group. One individual leads in an organization, the others follow. Two organizations were central in the communist governance of China, the Communist Party and the Communist Government. At first Mao headed the Party as Chairman and the Government as Premier. But after the famines from his Great Leap Forward, Mao's colleagues moved him out of the leadership of the government by replacing him with Liu as Premier.
8. *Knowledge* – The binary relationship between *Society and Reason* is explained in the *knowledge* which a society has to use. In the era of industrialization in England, new societal knowledge was created by technological inventions; and this new technical knowledge was economically implemented in factories to product inexpensive quality goods. Mao disliked technical intellectuals and persecuted them, hindering China's industrialization and technical progress.
9. *Regulating* – The binary relationship between *Society and Process* is explained in how a society *regulates* the processes within its different sectors. Old and informal regulation of processes in a traditional societal consists of its traditions, observed and acted upon generation after generation. New regulation of a societal process breaks an older tradition. For example, Mao viewed the Confucian tradition of respect for authority (respect first for parents and then for emperor as state parent) as a weakness in Chinese society; and Mao wished to replace that tradition with a new tradition of total loyalty to the party (and none to the family).
10. *Performance* – The binary relationship between *Action and Society* is explained in the *performance* attained by processes in societal sectors, such as economic

performance, scientific-technological performance, military performance, etc. In Mao's Great Leap Forward, the weakness of the policy was its complete failure of performance in industrial and agricultural production, resulting in famine (bad agricultural performance).

11. *Infrastructure* – The binary relationship between *Group and Society* is explained in the social *infrastructure* which groups provide in building and operating sectors of a society. The Communist seizure of government, replaced Chinese infrastructure with one of a Communist Party, Communist Government, socialist industry, and agricultural communes.
12. *Function* – The binary relationship between *Action and Process* is explained in the function (purpose, utility) of a process in producing an action. For example, a manufacturing function produces a product as the output of a business action. In Mao's campaign for iron production by peasants, he showed ignorance about the technology of steel production, which requires impurities in coal to be burned out before the coke is used to melt iron ore. The functional performance of manufacturing iron was a failure.
13. *Operations* – The binary relationship between *Action and Group* is explained in the operations of a the group which produce a group action. Mao's policy was to have agricultural processes operate collectively, in peasant groups, as communes (state farms). For industry, Mao's policy for industry was to operate state factories managed by political commissars. Mao disliked the technical aspects of operations; he only paid attention to the political control of operations (control by the Communist Party of all operations in Chinese society). When Mao forced his technological ideas on the peasants as to how agriculture should be organized (in communes) agricultural production fell. In his Great Leap Forward when Mao further forced his technological ideas on peasants as how to farm and how to produce steel in backyard furnaces, both agricultural and industrial production fell precipitously. Two years of famine followed, in which millions of peasants starved to death.
14. *Ideology* – The binary relationship between *Group and Reason* is explained in the concepts groups use to associate and justify association, the ideology of a group. Mao and his comrades believed in the communist ideology of Marxism, and formed a communist party to win and rule China under this ideology. Ideology itself need not be either good or bad, but it can be true or false. Ideology is the ruling ideas of a group.
15. *System* – The binary relationship between *Process and Reason* is explained in how a process is controlled (reasoned upon); and a controlled process is called a *system*. Mao's communist system of governance consisted of the political process (system) between party and government. Communist party officials in the Politburo made policy, and communist party officials in government officials implemented policy. At first Mao ran the whole system of Chinese society. As Chairman of the Party, Mao headed the party's Politburo and made policy. As Premier of the Government, Mao headed the implementation of his policy. Mao's comrades left him in charge of formulating policy for the Chinese communist system, but they removed him from controlling implementation of policy in the system.

Pyramids of Explanatory Relationships

One use of this topological graph of societal relationships is to help make clear the kinds of relationships between individuals and society. For example as shown in Fig. 7.7, if one focuses upon the roles of individuals in an historical event, one can view the top-down pyramid around the individual dimension; and conversely, emphasizing the societal view, one can view the bottom-up pyramid around the society dimension.

Understanding both (1) the impact of an Individual upon Society and (2) the impact of Society on an Individual is necessary for a full explanation of societal dynamics (1) top-down view and (2) bottom-up view. The top-down pyramid focuses upon the set of explanatory relations around the Individual dimension. The bottom-up pyramid focuses the set of explanatory relations around the Society dimension.

The top-down pyramid shows the sets of explanations for the history of Mao’s Great Leap Forward viewed from the individual dimension (1) ethics, (4) ideas, (5) policies, (6) strategy, (7) governance.

Mao’s ethics focused upon the use of repression and terror in governing China. His ideas centered upon those of society as divisive, using peasant movements for social struggle and political paranoia. Mao’s policies focused upon forming agriculture communes, state

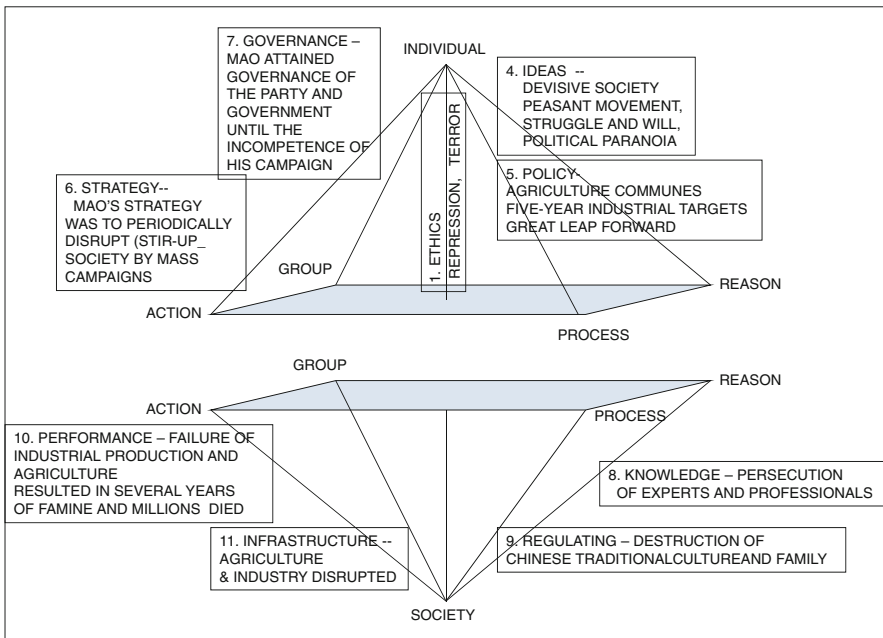


Fig.7.7 Mao’s great leap forward campaign

capitalism with 5-year industrial targets, and mass campaigns such as a Great Leap forward. Mao's strategy for government was to periodically disrupt (stir-up) social structures by mass campaigns. In governance and leadership, Mao attained and tried to hold absolute authority as head of both party and government, until the dramatic incompetence of his campaigns dislodged his authority.

The bottom-up pyramid shows the sets of explanations for the impacts of Society upon Individuals as viewed upwards from the societal dimension (8) knowledge, (9) regulating, (10) performance, (11) infrastructure.

Mao's policies stifled the advance of societal knowledge by his persecution of experts and professionals. Mao's policies also regulated social structure through the destruction of Chinese traditional cultural and family. The overall performance of Chinese communist society under Mao's leadership resulted in a major failure of agriculture during which several million peasants starved to death. Mao's policy of periodic mass campaigns destroyed the buildup of a competent infrastructure in China for education, industry, agriculture, government.

Political competence is about how to gain power; political wisdom is about what to do with power.

The fundamental problem with political systems is that leaders are selected directly upon their political competence but only indirectly (and often not at all) upon their political wisdom.

Summary

Using historical events as an empirical and normative source of societal nature, we have constructed a societal perceptual space in which to standardize the description of history around the three dimensions of: Individual and Society, Action and Reason, Group and Process. Next we have expanded this perceptual space into a topological graph of 15 explanatory binary relationships between the dimensional factors. The perceptual-space box provides a useful research technique for summarizing the critical factors in a historical event. The explanatory topological graph provides a useful research technique for identifying the explanatory connections between the historical critical factors.

This topological graphing technique can provide a methodology for analyzing social theory in historical events – in order to ground social theory in historical empiricism.

Notes

¹ There are many histories of China, one that focuses particularly upon the transition between the Quing and modern China is Spence (1999a).

² There are many biographies of Mao, including: Fenby (2008), MacFarquhar and Schoenhals (2006), Chang and Halliday (2005), Feigon (2002), Spence (1999b), Becker (1998), and Li (1996).

³There are many books about the Long March, including: Shuyun (2006), Yang (1990), Salisbury (1985), and Wilson (1971).

⁴There are many accounts of Mao's mass movements, including Dikotter (2010) and Lieberthal (1995).

⁵A biography of Peng is given in Domes (1985).

⁶A biography of Liu is given in Dittmer (1974).

⁷There are many biographies of Zhou, including: Gao (2008), Barnouin and Yu (2006), Han (1994), Lee (1994), and Wilson (1984).

Chapter 8

Redesigning Society

Introduction

We have seen that ideological dictators make up social theory and then force their society to live under such a theory, and punishing them when the theory does not work. This is the point about power and ideological societal modeling. For ideological dictators, if societal reality does not match their ideological social theory, then reality is wrong. People must be sabotaging the theory, and people must be pushed. This is how Mao ran Chinese society while he was in power and while he was alive. We follow Mao's life to continue to example the interaction between ideology and power.

Historical Event: Mao's Mass Campaigns

Mao's thinking led him to use his political technique of "stirring up" Chinese society with mass campaigns. Mao's Great-Leap-Forward was just one in the series of Mao's campaigns – as his form of policies for ruling China. Kenneth Lieberthal summarized this: "Campaigns, or *yundong*, were concentrated attacks on specific issues through the mass mobilization of the populace. Their broad goals were socio-political transformation and economic development." (Lieberthal 1995, p. 72) Mao continually launched mass campaigns as his policy tool for governing China (Lieberthal 1995, p. 66):

1950–1952	Land reform
1951	Suppression of counter-revolutionaries
1951–1952	Three antifive: thought reform of intellectuals
1955–1956	Agricultural collectivization
	Socialization of industry and commerce
	Anti-Hu Feng
	Su-Fan (against counter-revolutionaries)

(continued)

1957	Hundred flowers Antirightist
1958–1961	Great leap forward
1963–1965	Four cleanups Second three-anti
1966–1976	Cultural revolution
1968–1969	Shang San Xia Xiang (rustication of urban youths)
1973–1974	Anti-Lin Bao and Anti-Confucius
1976	Criticize Deng Xiaoping

The format of all campaigns was the same. They were organized around a broad theme, and documents were prepared by the Propaganda Ministry and sent to people to study. Politically, it was so important to understand the ideas of the campaign that people gave it their priority to meet in study groups – often neglecting work.

Next a policy directive would be issued by national authorities to target specific people and groups for correction and punishment. Mao's campaigns always targeted people. Mao did not think that politically "ideas" should be allowed to contend against (struggle with) other ideas. Mao believed that "ideas struggled with people." The identified people (individuals and groups of people) were then abused in "struggle sessions," undergoing relentless criticism and even beatings. They were forced to "confess" their transgressions. Next, individuals would be arrested by police and tried and imprisoned or executed. Donald Southerland estimated the following ranges of causalities in some of these campaigns:

Land Reform Campaign, 1949 – early 1950s

"The first people to die violently after 1949 were landowners ... To destroy the power base of the old landlord elite in the countryside, the regime ordered security police to arrange 'people's tribunals' to target at least one landlord in every village. Sinologists say at least 1 million people were killed; perhaps as many as 4 million died."

Drive to Suppress Counterrevolutionaries, 1950

"At a minimum tens of thousands of people were executed in a search ... for Nationalist Chinese sympathizers; some scholars say a million nor more died."

Great Leap Forward 1959–1961

"The greatest loss of life came in the Great Famine, a result of Mao's misguided industrialization effort ... For years many scholars said 20 million died. ... An even higher figure – 43 million – is now gaining some academic currency."

Cultural Revolution 1966–1976

"There have been wild fluctuations on death estimates – from hundreds of thousands to 20 million. Relying on official sources, some Western scholars have long accepted that half a million people died. Some, including Harry Harding of the Brookings Institution, believe about 1 million died. But as new evidence emerges, an even higher toll is likely."

(Southerland 1994)

Perceptual Space of Mao's Policy of Mass Campaigns

We can list the critical factors in Mao's series of campaigns in Fig. 8.1.

ACTION – Several mass campaigns from 1950 to 1976.

REASON – Campaigns constituted a policy tool for Mao to manipulate society, with broad policy goals of sociopolitical transformation and economic development.

GROUP – Landowners, intellectuals, technocrats, teachers, officials – all were targeted in different campaigns.

PROCESS – Campaigns were organized around a theme, and documents were prepared by the Propaganda Ministry and sent to people to study in study groups. Specific people and groups were targeted for correction and punishment.

SOCIETY – The targeted people and groups were then abused in “struggle sessions,” undergoing relentless criticism and even beatings, and forced to “confess” transgressions. They were then arrested and tried, imprisoned, or executed.

INDIVIDUAL – Mao Zedong.

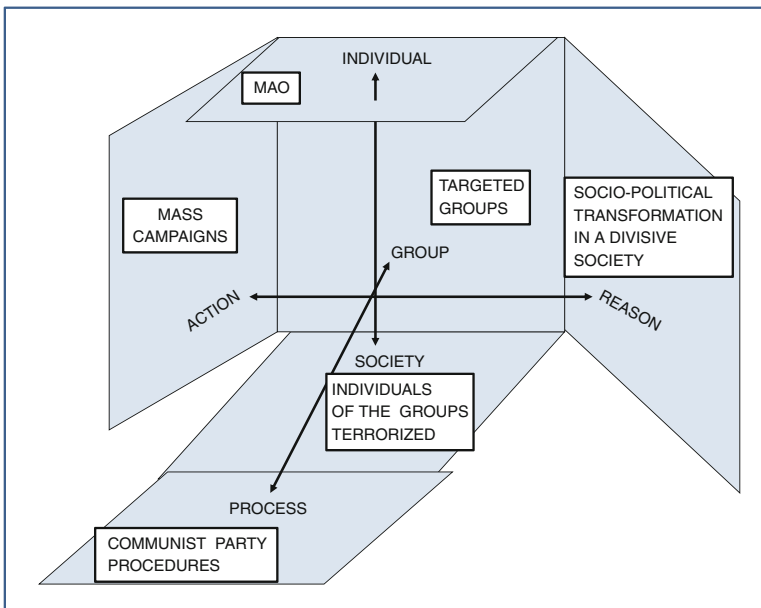


Fig. 8.1 Mao's mass campaigns

Historical Event: Mao's Cultural Revolution

Mao's Cultural Revolution followed the same pattern, except now all officials became the target. The whole social structure of China would collapse under the brutality. In August 1966, Mao was not in charge of government but still controlled the party organization, as chairman of the Central Committee of the Communist Party (CCP). He had the committee pass a resolution: "Decision Concerning the Great Proletarian Cultural Revolution. Although the bourgeoisie has been overthrown, it is still trying to use the old ideas, culture, customs, and habits of the exploiting classes to corrupt the masses, capture their minds, and endeavor to stage a comeback. ... our objective is to struggle against and crush those persons in authority who are taking the capitalist road, to criticize and repudiate the reactionary bourgeois academic 'authorities' and the ideology of the bourgeoisie and all other exploiting classes and to transform education, literature and art ..." (<http://en.wikipedia.org>, Cultural Revolution, 2009)

In an ideological dictatorship, the enemy is always ideas, since the legitimacy of the dictatorship is based upon an idea, the revolutionary idea in the ideology.

But in an ideological dictatorship, ideas are never confronted with other ideas, instead people are terrorized.

The two people Mao especially wanted terrorized were: Liu Shaoqi (who presently headed the government) and Peng Dehuai (who earlier as Defense Minister attacked Mao's Great Leap Forward as a failure and helped remove Mao from government). Since Mao was not the head of government, he was not able to have Liu Shaoqi directly arrested and killed. Nor could Mao have Peng Dehuai arrested. But the Red Guard, which Mao would next conjure from the Chinese youth, could do such jobs. And they did.

In 1966 when the new campaign began, Peng Dehuai was seized by a Red Guard group and beaten repeatedly (130 times). His back was broken and his internal organs crushed. Although severely injured, he did survive but was then under house arrest for the next 8 years (in 1974, he died of cancer). (Domes 1985)

Also in July 1966 as the campaign began, Mao had Liu Shaoqi removed as Premier, head of government and replaced by Lin Biao. The next year in 1967, Liu was arrested and imprisoned, where he died after torture in November 1969.

Mao's vindictiveness was aimed not only at his so-called "betrayers" but also at their families. Mao had Liu's wife, Wang Guangmei, also imprisoned. When she died in 2006, David Barboza of the New York Times wrote: "Ms. Wang was once widely known in China as its beautiful, articulate, sophisticated first lady. Liu Shaoqi was president from 1959 to 1967, when he became one of the first high-level officials to be denounced as a 'capitalist roader' ... Mr. Liu died in prison in 1969, after being beaten and tortured. Ms. Wang was also arrested and accused of being an American spy. In some of the uglier scenes of the decade-long Cultural Revolution. ... she was publicly humiliated at mass rallies by a group of Red Guards who forced her to wear a necklace of Ping-Pong balls. ... Ms. Wang spent about 12 years in prison, and her four children were also harshly treated." (Barboza, 2006)

One of the things seen in the historical perspective is the sheer effrontery of the blatant dictatorial falsehoods, the “big-lies” in which tyrants justify their policies of terror. Lenin and Stalin invented the falsehood of the “kulak” (rich peasant) to justify the Soviet confiscations of peasant grain and then peasant land. Hitler invented the falsehood of a Jewish-Communist conspiracy to justify his genocide of Jews. In the Cultural Revolution, Mao invented the falsehood of “liberal bourgeois” elements in the communist institutions to have his political opponents eliminated power. But factually in China by 1966, there were no more liberal bourgeois. All of that class (landlords and merchants) had all been killed by the communists in 1947 or had fled to Taiwan.

In 1966, in the Chinese communist party and government, there were only loyal communists. There were Mao's comrades, who had loyally fought the civil war and Japanese war with Mao. In truth, Mao called his own comrades “liberal bourgeois” simply to have them terrorized and murdered. Also the people in a dictatorial society at the time believe the big lie! Those who know better are terrorized into silence. Those who do not know better implement the terror. So in the big lie of “liberal bourgeois” from 1966 to 1976, Mao submitted the Chinese people to civil chaos and a reign of terror by gangs of young hooligans and ideological fanatics, his Red Guards.

But merely punishing those who removed Mao from government was not enough. Kenneth Lieberthal summarized Mao's goals: “First, Mao sought to change succession. As of 1965, his likely successor was Liu Shaoqi. But to remove a figure as deeply entrenched as Liu, who had been Mao's putative successor since the Seventh Party Congress in 1945, would require a major effort to blacken his name. Second, Mao wanted to discipline the huge bureaucracies governing the country. Third, Mao wanted to expose China's youth to a revolutionary experience to, in his words, ‘raise a whole generation of revolutionary successors.’” (Lieberthal 1995, p. 112)

Mao not only removed Liu but also had all officials punished, stirring up the youth into carrying out a civil war against their elders. This was Mao's idea to start another civil war. But this time it would be not a Marxist class war but a war of generations. This occurred as: “Red Guard groups quickly launched a reign of terror in most big cities. They waved the little red book of Mao quotations ... the Red Guards also attacked officials at all levels of the political system. Through the end of 1966, the military and police permitted this to unfold virtually without interference.” (Lieberthal 1995, p. 111)

It was at the May 1966 meeting of the Politburo of the Chinese Communist Party when Chairman Mao Zedong launched his new campaign to rid the party of “liberal bourgeois.” Then Mao's wife, Jiang Qing (whom Mao had appointed as Minister of Propaganda), formed a Cultural Revolution Group to implement the campaign. It, in turn, formed a “working group” to start at Beijing University. Youquin Wang wrote: “On 26 May 1966 at Beijing University, Nie Yuanzi and six others put up a ‘big character poster,’ (da zi bao) attacking authorities of Beijing University for being ‘members of a black gang,’ putting out a call to ‘firmly, thoroughly, cleanly and totally eliminate and ox ghosts and snake demons.’ On the evening of 1 June 1966, the Central People's Radio Station broadcast the text of this poster. ... the ‘working

groups' were sent to schools to replace the authorities of the schools and lead the Cultural Revolution there. ... The 'working groups' organized sessions to expose and to criticize teachers and divided all teachers into four categories: good, fair, those with serious errors, and antiparty, antisocialist rightists." (Wang 1997)

Violence was used. On June 8, three students, at the Middle School attached to Beijing University, beat Liu Meade, the deputy principle, "with a club two inches in diameter." On June 11, Dong Huaiyin, a lecturer of the Department of Mathematics was criticized and tormented, after which he later committed suicide. On July 3 at Beijing University, students tormented Wang Qian, a history professor, who committed suicide that night. On June 18, also at Beijing University: "Cheng Xiance, the secretary of the Part in the Chinese Department was chased and beaten. ... students took a garbage basket from the latrine, put it on the head of the Vice Chair of the Department, Xiang Jingjie, and then poured ink on him. ... Hu Shouwen a lecturer of the biology Department was dragged by a rope around his neck, leaving him half-conscious. More than sixty people from departments were violently attacked. Having been beaten and insulted, Yu Dayin, an English professor and a coauthor of the most widely used English textbook, committed suicide at her home that night." (Wang 1997)

Mao escalated the violence: "On July 28, 1966, according to Mao Zedong's instructions, the Party Committee of Beijing City issued the 'Resolution on Withdrawal of the Working Groups from Colleges.' ... student organizations as Red Guards filled the power vacancy. ... It is at this time that large scale beatings of teachers occurred. ... all people who were beaten to death by students died after the withdrawal of the working groups." (Wang 1997)

The first beating-death occurred on August 5, when: "Red Guards at the Girls Middle School attached to Beijing Teachers University beat their principle, Bian Zhongyun to death." (Wang 1997) Next Mao officially sanctioned beating-deaths of teachers by the Red Guard: "On August 22, 1966, the Central Committee of the Party approved the Public Security Bureau's 'Regulation of Strictly Restraining From Sending Out Police to Oppress the Revolutionary Student Movement.' At that time in Beijing, student violence had spread from schools to streets at large." (Wang 1997)

On August 16, millions of Red Guards from around China were transported with free train tickets to Beijing to celebrate Chairman Mao's Cultural Revolution. They marched in thousands through Tiananmen Square, holding high and waving their little red book of Quotations of Mao. Mao Zedong and Lin Bao appeared frequently on top of the gate at Tiananmen Square, basking in the adoration of the student mobs.

The violence of the Red Guards spread. Not only were teachers targeted for beatings and death but the Red Guard also attacked former factory and store owners and famous artists and writers. "... everyday hundreds of people were beaten to death in Beijing: on August 16, 126 people, on August 27, 228 people, on August 28, 184 people, on August 29, 200 people; on August 30, 224 people, on August 31, 145 people, on September 1, 228 people. In August and September 1966, in Beijing 1,772 people were killed, according to the Beijing Daily, the newspaper of the Party Committee of Beijing City." (Wang 1997)

Beatings-to-death or suicides-after-severe-beating became the rule of the Red Guard in Beijing: “No one took action to protest the brutality or criticize the violence in public. ... such protest was impossible. There were three reasons: (1) Police had received an order to ignore the student violence. (2) The violent students were members of the Red Guard. (3) any personal resistance could bring serious revenge and cause more deaths.” (Wang 1997)

Next Mao spread the violence of the Red Guard from Beijing: “Starting from August 1966, Red Guards received free train tickets to travel anywhere in the country and practice ‘great revolutionary networking.’ The Red Guards of Beijing brought the violence to the provinces. ... For example, in Wuhan ... Red Guards beat 62 people to death.” (Wang 1997)

In a historical study later in 1997, Youqin Wang described the ideological basis of the attacks by Red Guards upon the education officials: “Given the long-standing tradition of reference for teachers and respect for the institutions of education throughout Chinese history, the events of the summer of 1966 in which students tortured teachers in Chinese schools are unusual. ... In the summer of 1966, in all 91 schools my investigation reached, students physically attacked teachers. Eighteen educators in all were beaten to death by students. In other cases, teachers were seriously injured and some committed suicide after suffering humiliation and torture. In addition, at two of these schools, two students were beaten to death by their classmates. Shortly after the rise of campus violence, more people off campus were murdered by students as well.” (Wang 1997)

The violence of Red Guards lasted 2 years from 1966 to 1968. Finally the Army stopped it, for Red Guards had turned from beating teachers and government officials to invading Army posts. But even after the violence was ended, the Chinese infrastructure was nonfunctional for the next 7 years. There was no education given in the country, and the economy stagnated until Mao's death. No one other than Mao had the authority to restore Chinese institutions. Only the Army still functioned, and soldiers ran everything during this period. The decade of Mao's Cultural Revolution turned out to be 2 years of generational civil terror, followed by 8 years of societal stagnation. Mao had effectively deinstitutionalized China for a decade. The Cultural Revolutionary period ended in November 1976, when Mao died. We can indicate the main features of Mao's Cultural Revolution Campaign in Fig. 8.2.

INDIVIDUAL – The individuals running the campaign were Mao Zedong, Jiang Qing, and Lin Biao. It was Mao's idea, to remove Liu Shaoq and Deng Xiaoping from Governmental power. (After Mao's removal from the government in 1962, Liu was Premier, head of the government, Deng was Vice-president, running the government.) Mao's wife, Jiang Qing, ran the propaganda and organized the Red Guard movement. Lin Biao, as head of the Army, restrained police and military from interference for 2 years, until the Red Guards began harassing military officials. Then Lin suppressed the violence of the Red Guards, dispersed the youth into the country side, and had the Army run the country for next 8 years.

SOCIETY – Officials in education and government were tortured and murdered by Red Guard youth. Education was closed for a decade. Chinese institutions did not

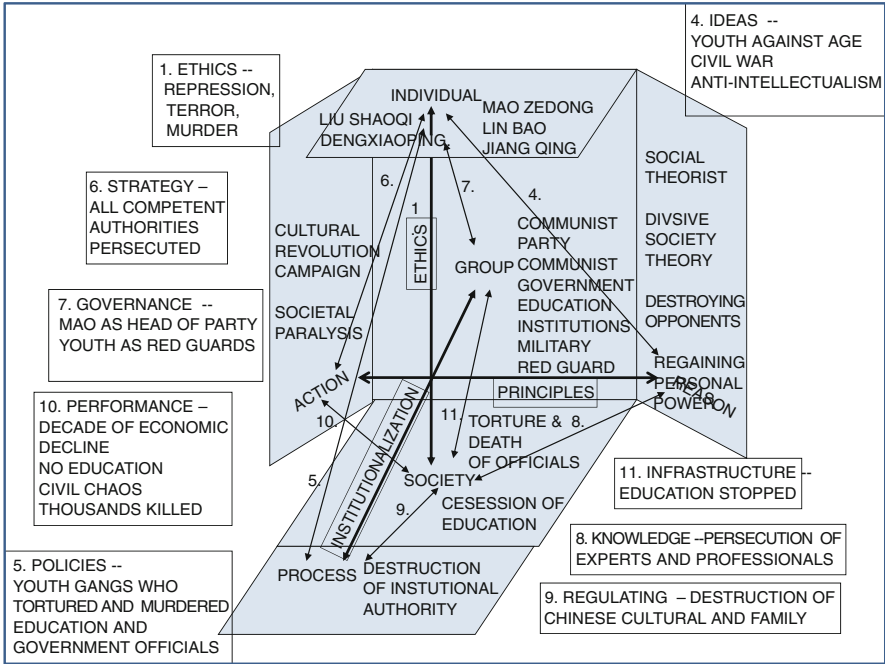


Fig. 8.2 Mao’s cultural revolution campaign

operate, and Chinese society stagnated for that decade. All educated officials suffered humiliation and persecution, along with their families. Liu Shaoqi was killed and his wife tortured and imprisoned. Deng Xiaoping was tortured and imprisoned, his mother killed, and his son paralyzed from being thrown from an upper story window.

GROUP – As Chairman, Mao controlled the Chinese Communist Party and had it institute the campaign. The Party first sent teams to schools to begin persecution of teachers. It then formed youth into Red Guard units, gave them Mao’s book, sent them to Beijing, and ordered them to persecute teachers and officials.

PROCESS – Mao began a civil war of youth against age, youth against authority. Mao sanctioned the use of violence as torture and murder for gangs of Red Guards to persecute any one the Red Guard leader wished. Denunciation, terror, torture, death, imprisonment by youth gangs was the social process of the Cultural Revolution.

ACTION – The action was an official communist party campaign begun by its Chairman, and violently enacted for the first 2 years. Since all officials had then been persecuted, except military officials, there was no one to run the country for the remaining decade, except the military. Accordingly, the head of the military, Lin Bao, expected to succeed Mao. But Mao outlived Lin, when Lin fled the country in 1971 and died in a plane crash.

REASON – The immediate reason for Mao to conceive and implement the campaign was to restore himself to government power, eliminating Liu and Xiaoping. The mediate reason was to destroy the authority of officials in education and government bureaucracy. The meta-reason was in implement again Mao's theory of society as a divisive class struggle in a society. But in the Chinese communist society without classes, Mao had to invent new communist classes – Youth against Age.

Chairman Mao's Thoughts

Now we can see how the topological theory we introduced in the previous chapter can make clear all the kinds of explanatory relationships which can occur in a complex historical event, Fig. 8.3. The complexity of a societal event occurs not only in its several factors but also in the many relationships between factors.

1. *Ethics* – Repression, terror, murder.
2. *Principles* – Social disorder as a stimulus to new order.
3. *Institutionalization* – Deliberate policy to destroy existing institutions.
4. *Ideas* – Youth against age, civil war, anti-intellectualism.

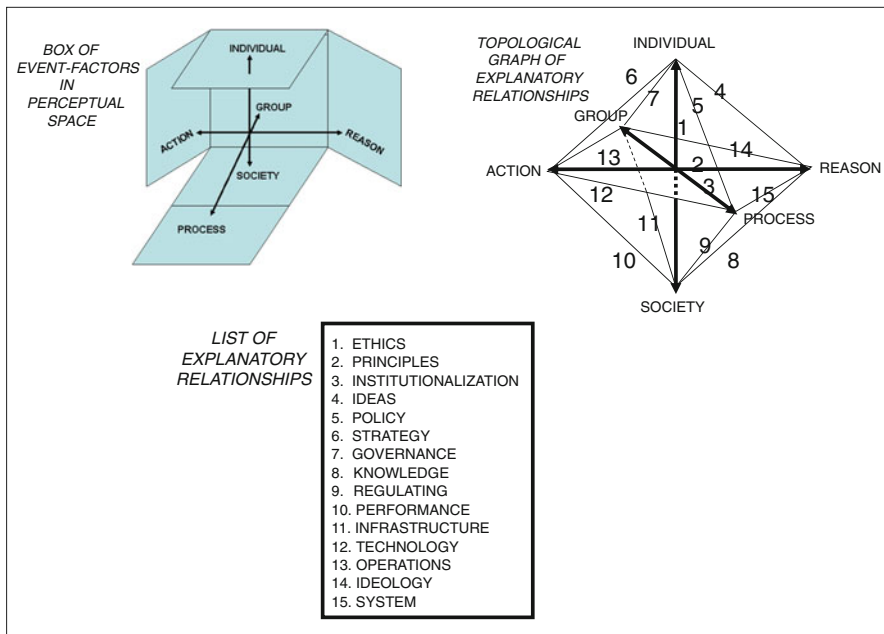


Fig. 8.3 Factors and relationships in a societal-event perceptual space

5. *Policies* – Youth gangs, torture and murder of education and government officials.
6. *Strategy* – Competent authorities were persecuted.
7. *Governance* – Mao as the head of party.
8. *Knowledge* – Persecution of experts and professionals.
9. *Regulating* – Destruction of Chinese cultural traditions and family.
10. *Performance* – Decade of civil chaos and economic decline and no education.
11. *Infrastructure* – Industry and education and government stopped.
12. *Function* – All societal functions ceased, except agriculture.
13. *Operations* – Central authority authorized independent punishment groups to act, without police control.
14. *Ideology* – Chairman Mao's thoughts disseminated a renewal of society through periodic destruction of societal order.
15. *System* – After 2 years of civil disorder, the army takes control of government and industry.

Mao's thoughts lay, not as a *factor* in perceptual space, but as an *explanatory relationship*, (4) *ideas*, connecting the two factors of individual-reason. Thus to explain Mao's ideas, we needed to look at the topological expression of the kinds of explanatory relations in an event. The event-perceptual-space provides a systematic way of labeling and displaying event factors along with a topological graph of all explanatory relationships.

First for labeling the dimensional factors in an event, we can list these factors upon a box around the three axis of the perceptual space.

Second for labeling explanatory relationships in an event, we can indicate which relationship it is in a topology of 15 binary relationships connecting any two dimensional factors.

Due to his position in power through (7) *governance*, Mao's (4) *ideas* had great influence upon the course of history of that time – through Mao's ability to make and exercise (5) *policy* for all of China. Mao's ideas conceived of the mass campaigns in China – all of which turned out to be terrible events for Chinese society. The Great Leap Forward was a terrible in the sense of gigantic incompetence of industrial policy. Mao's mass campaign of the Cultural Revolution was terrible in the sense of vindictive persecution of the old by the young. Historically it is still difficult to comprehend the sheer scales of incompetence and vindictiveness in a society which can result from an ideological dictator's ideas.

We recall that Mao's first idea about society was that society is basically a divided society (divisive society). Society divides into good and bad groups of people, which is basic Marist theory. In China, peasants are the good group of people, and landlords/merchants/intellectuals are bad groups. The twentieth century dictatorial ideologies, both communism and fascism, were all based upon such societal divisive theories – dividing people into groups of good and bad. In the Marxist ideology the good people were of the social position of laborers or professional revolutionaries; and the bad people were in the social positions of capitalists or independent peasants or non-Marxist intellectuals or communists who disagreed with the great leaders

policies. In the racist Nazi ideology, the good people were born German and the bad people were born Jewish or Slavs.

Divisive ideologies always divide people into the good and the bad.

Mao's second great idea was that the Marx's historical theory – that the communist state would be created by an uprising of the proletariat – did not apply to China. As Lenin had succeeded with his great idea of professional revolutionaries, so Mao had succeeded with a similar idea. In the Chinese civil war, Mao had mobilized his professional revolutionary communist party around a peasant base. By contrast, Chiang-Kai-Shek's Kuomintang movement mobilized around a landlord and merchant classes, a much smaller population base. Kenneth Lieberthal summarized Mao's ideas about peasants: "Mao Zedong abhorred the Confucian notion that rulers know what to do because of their knowledge of the classic doctrine and that the poorly educated masses must simply obey their superiors. This idea produced a passive population and a backward-looking leadership, just the opposite of what the activist society and dynamic leadership, which Mao believed were critical to the success of the revolution. Mao portrayed himself as more of a populist who believed in the inherent wisdom and power of the people. He also permitted no one to question his belief that he better than anyone understood the hearts of the Chinese peasantry. ..." (Lieberthal 1995, p. 64).

A fundamental tenet of the megalomania of dictators is this. No one knows better than the dictator the hearts of the people (and particularly not the people themselves). Lenin and Stalin knew best the hearts of the proletariat (even as only few proletariats existed then in Russia). Hitler certainly knew best the hearts of the German people. What is the basis of the certainty of leaders know best?

"Certainty" of a dictator's ideas arises from the "confidence" gained in political success of seizing (gaining) power.

Gaining power and holding power are forms of competence – political competence. Then in the following exercise of absolute power by a dictator such "political competence" might become seen a dictator as the equivalent of "political wisdom." We have seen in the case histories of ideological dictators that indeed the early rational basis for the later megalomania of these dictators was their earlier successful political ideas. But political competence is not the same as political wisdom. Nor is political competence the same as technological competence. From comparing the thinking of the ideological dictators of the twentieth century, perhaps the logical flaw in the reasoning of those dictators was an assumption that their earlier political competence made them later (in their absolute power) both technologically competent and politically wise.

Ideological dictators, exercising absolute power, come to see all their ideas as absolute wisdom. This is the megalomania of absolute power.

Mao's third great idea was about struggle and will. Both struggle and determination are the essential character of political success – political will. Political power always is gained in a context for power – struggle against opponents and

struggle against the world. Psychologists have traditionally seen “will” as a phenomenological aspect of the self when the intentions for action of the self encounter opposition from the world. Then the character of will is necessary to continue to exert personal effort (take action) to overcome obstacles in the world or opponents in the world. All successful politicians exhibit strong will, to have triumphed over political opponents. Kenneth Lieberthal summarized Mao’s ideas about will and struggle: “Mao scorned the Confucian ideal of harmony as an absolute social value. Mao did not totally eschew harmony ... (but) he did ... believe in the absolute value of tension and ... of struggle ... Struggle, he felt built courage and character in a people. ... Mao continually stirred up the social pot as a calculated part of his rule. ... Struggle (douzhen) consisted broadly of a politically motivated, direct act against another in massive violation of social conventions. It often entailed bringing down a person who formerly had high prestige and authority.” (Lieberthal 1995, p. 68).

And we have seen that all the ideological dictators never struggled against ideas but instead against people. What dictators destroy are not ideas but people. This was the empirical fact not only for Mao but also for Lenin, Stalin, and Hitler. Success in their careers came only after long times of struggle and relentless determination – against opponents. Strong political will is necessary for any politician to survive and conquer. But will does not replace competence in action. To strongly will an action may be necessary but insufficient to success. But political will of dictators is always exercised as destroying opponents. Authoritarian political will appears never to be exercised as an intellectual struggle – of a better technical idea replacing an inefficient technical idea as a means to solve a social problem.

Authoritarian political will is exercised as a kind of “people-struggle” – destroying people who oppose the dictatorial will.

Mao’s fourth great idea was that the fundamental basis of politics is to gain and keep political power against all opponents – political paranoia. Kenneth Lieberthal also summarized this about Mao: “Mao Zedong was only marginally an intellectual in the China of the 1910s and 1920s. He had obtained a solid education in both classical and “modern” learning, but he had not achieved high intellectual standing. ... throughout his life he detested the Chinese intelligentsia, which included doctors, scientists, engineers, and journalists, as well as scholars and creative writers. ... Intellectuals early on became key targets of struggle sessions. ... Repression of intellectuals cost the country dearly in developmental progress. ... The consequent economic losses and human tragedies assumed a scale that is difficult to comprehend. These disasters stemmed directly from the influence of Mao Zedong Thought.” (Lieberthal 1995, p. 6, 72).

As we have seen this too was true for Lenin, Stalin, Hitler. Upon seizing power, their first actions were to eliminate opponents, particularly intellectuals. Lenin hung kulacs. Stalin executed or imprisoned all rivals, real or potential, and even transported nationalities to gulag camps. Hitler immediately arrested and murdered opponents, first in concentration camps under the SA and then in execution squads and camps

under the SS. Characters with political paranoia may also be jealous of and fearful of anyone of superiority and independence, particularly in technical knowledge.

A political idea and a political will and a political paranoia – all three appear to be the three central characteristics of ideological dictators.

Social Theory of Ideological Dictatorship

We have systematically applied the perceptual-space methodology to studying four ideological dictatorships of the twentieth century. The empirical judgments we can make from these comparisons include the following:

1. *Redesigning societies constituted the most frequent and dramatic societal events of the twentieth century; and all the redesigns were done by ideological dictators.*

The dissolution of the older social order of feudalism and social impacts and dislocations of industrialization destroyed traditional forms of social regulation and opened to ideas that a social order could be complete deliberately and completely redesigned. Ideologies for improving societies ranged from (1) a *conservative* position that societies could not be designed but natural evolved to (2) *reform* of some but not all practices to (3) *radical* redesign to a social theory.

2. *Moreover, all these ideological dictators were social theorists.*

Ideological dictatorships arise from the radical redesign to a social theory, with fascism based upon a social theory of human race and communism based upon a social theory of divisive economic classes. All the dictators prided themselves on their intellectual superiority in formulating social theory (idealism) but practised a ruthless political power (realism) for absolute control and destruction of any opposition.

Marx and Engels were the intellectual “gods” of communist intellectuals. Marx claimed his social theory, dialectical materialism, was “scientific.” It was purported to be a materialist explanation of history as the exploiters of production (capitalist) against the exploited of production (proletariat) – along with a dynamics of historical determinism which would inevitably led to the exploited rising up in revolution against the exploiters. The empirical problem with Marx’s theory was that it did not fit facts. In the industrializing countries of capitalism, England and Germany and America, there had been no social revolutions. There were much and frequent and even violent political strife between bosses and labor, but no revolutions. And in the countries beginning to industrialize, Russia and China, there was almost no proletariat. Instead, there were many, many peasants.

Lenin’s intellectual contribution to Marxist social theory was to conceive that the proletariat were not needed for a revolution – a party of professional revolutionaries, a communist party, would do. Professionals could and did establish a dictatorship in the name of the proletariat – but not of the proletariat. Lenin laid claim to become the intellectual heir and leader of communism, in Marx–Lenin communist social theory.

Stalin's intellectual contribution to Marxist social theory was (1) to transform the peasants into an agricultural proletariat by "collectivizing agriculture," and (2) by moving capitalist ownership of industry to the state as "state capitalism." Stalin next laid claim to become the intellectual heir and leader of communism, in Marx–Lenin–Stalin communist social theory.

Mao liked both Lenin's and Stalin's social theories. Mao gained control of the professional revolutionary party of the Chinese Communist Party and won a civil war. Mao industrialized Chinese peasants into state-owned agricultural communes and established state capitalism in socialized industries and 5-year central economic plans. But what novel and creative idea could Mao add to communist theory? Proletariat peasants motivated to continual social change through mass campaigns of political struggle and persecution! This was Mao's great contribution to social theory, periodic mass campaigns of propaganda.

Mao next laid claim to become the intellectual heir and leader of communism – in Marx–Lenin–Stalin–Mao communist social theory. This is why Mao had his "little red book of Mao's quotations" compiled, printed, and distributed to the Red Guards. In that book and in the campaign of the Cultural Revolution, Mao would finally and forever establish his stature as a great Marxist social theorist – continual revolutions as the political nature of the socialist state! Of course, the problem with all that social theory was none of it worked in practice, in reality.

3. *Each dictator forcibly redesigned the society under control, according to his social theory.*

All the social theories were implemented by force (coercion) and none by consensus (cooperation). Purity in belief in the social theory became the test for a dictator of loyalty and submission of followers to the dictator's power and authority.

4. *Yet each of those social theories was amateurish and empirically nonsensical.*

In the social theories of communism based upon conflict between capitalism and labor, the empirical fallacy lies in the fact the conflict is economic and can be resolved (maintained) economically and need not necessarily result in social war. The second fallacy is that the prediction of Marx for inevitable class war never occurred historically in any industrialized society. The third fallacy was that leadership of proletariat political movements was never from the proletariat but only provided by groups of professional revolutionaries.

In the social theories of fascism based upon a racial superiority of the ruling caste, the empirical fallacy lies in the fact that there are no races differentiating skills in the biology of humanity, only one human species [probably descended 100,000 years ago from a common mother (tribe) and 50,000 years ago from a common father (tribe)]. Race is a political term and not a biological term.

5. *And each of their societal models was mean and cruel.*

Each social theorist as a politician used means of terror and brutality and murder as normal political practice. Lenin used mass executions as a means to invoke obedience. Stalin used secret arrests and executions, staged trials, a massive prison system (gulags), mass starvation to maintain power. Hitler used conquest

and slavery, concentration camps, and genocide to implement his policy of racial domination. Mao used mass executions, criticism sessions, imprisonment, mass campaigns of persecution and murder to maintain his power.

Each person's personality differs due to temperament, experience, and environment. But one shared experience of the dictators was in each imposing a "revolution from above" upon people. Another shared experience (and temperament) of each was paranoia.

It was in the political experience of all these dictators that revolutions did not arise from below, from the people. Instead it was a dedicated party of revolutionaries which created revolution and then imposed the revolutionary state upon the people – from above, from the professional revolutionaries. For example, Allan Bullock described Stalin's character: "The experience of the 'revolution imposed from above' left a permanent mark on Stalin. The result was not to create doubt or remorse, rather to strengthen the paranoid tendencies already apparent and contribute to the extraordinary episode of the trials and purges in the 1930s, ..." (Bullock, 1992, p. 360).

Seizing power and imposing revolutions from above always occurred in conflict with opponents, with political enemies. Paranoia, as the intense and continual suspicion, may actually function as a useful survival trait in politicians. Bullock commented upon Stalin and Hitler: "Without entering into a controversy about the validity of psychohistory, two points can be made ... first it is important to distinguish between a mental illness that incapacitates ... and abnormal states in which a person who displays psychopathic traits remains perfectly competent ... There is no question that it is this second state (competent), not mental illness, that is referred to in speaking of Stalin's – and Hitler's – paranoid tendencies." (Bullock 1992, p. 360).

The ideological dictators, Lenin, Stalin, Hitler, Mao were all mad (by normal standards, since we regard ordinary serial killers as psychotic and not normal). But none of the dictators were mad in the sense of being mentally incapacitated. They were all very clever, and they were extraordinarily competent about political power. Instead, their madness lay in their delusions of grandeur – their aspiration to infinite wisdom in knowing what a people deserve – their social theory. Their unethical behavior (evil) lay in their brutality – using mass terror and murder, to impose that social theory upon their people. Paranoia and delusion and cruelty were the character of their mad of their mad personalities and mad thinking. But it did not incapacitate them. It only incapacitated the people they ruled. Under persecution, imprisonment, murder, famine, war, millions of people were incapacitated in the twentieth century – murdered in "revolutions from above."

Moreover, the idea of a "bad conscious" for an average person does not apply to these extraordinary people – the grand social theorists. They were aware of the scale of persecution and suffering they ordered – but with no bad conscience. For example, Bullock commented upon Stalin: "The best known example of rationalization by Stalin's was in his initiative in admitting Lenin's criticism of his rudeness, at the same time as he turned it to his advantage as a proof of his zeal: 'Yes, I am rude, comrades – toward those who rudely and treacherously smash

and split the party.” (Bullock 1992, p. 361) Self-righteousness is the mark of an ideologist’s justification of brutality.

The term of “delusional paranoia” may even be too mild a term to describe the personality traits of these kinds of “Great Leaders” of the twentieth century. Delusional paranoia cannot begin to indicate the enormous scale and terrible consequences of their actions. A dictator’s thinking was delusional, paranoid, and backed by rationalization. But the power that person wielded was enormous. The paradox of the dichotomy of individual-to-society in a historical episode of a great leader is (1) how the pettiness of the leader’s character (2) coupled with the extent of the leader’s power (3) can produce such an enormous amount of human suffering in society.

A psychological description of Stalin’s and Hitler’s mental states still lacks the capacity to conjure the horror of their acts. For instance, Bullock wrote: “The commonest symptom of a paranoid state ... is the combination of delusions of grandeur with the conviction that one is the victim of ... conspiracy. ... In Stalin and Hitler ... the strength of such delusions was increased as the more they had a nucleus in fact. In Stalin’s case (it was) ... the tradition of conspiracy in Russian revolutionary politics. ... Stalin had always been suspicious, but during the experience of collectivization, his suspicions became obsessional. He projected the blame for everything that went wrong onto the victims.” (Bullock 1992)

This was the connection of a dictator’s reasoning to his personality. An ideological dictator’s social theory was never be wrong! His policy could never be in error! Any problems in the application of a dictator’s social theory were due to opposition to conspiracy. Thus, reduce all opposition into victims! Increase and extend persecution until everyone becomes a victim – except the great leader. Social theory, paranoia, delusion, brutality – all reinforce each other in the ideological dictator.

6. *Each imposed a social theory as a “revolution from above” – and each imposition ended by reducing everyone below into victims.*

The justification of imposing regulation on those down the political ladder by those on top of the political ladder was the “big picture” of society which could only be seen and known by those on the top – the top as a grand social theorist. The factual problem with this concept of “revolution from above” was imperfections in grand social theory. The theories were too simplistic and incomplete and often factually incorrect – about how a society can and does operate. Thus to fit societal-fact-at-the-bottom into the rigid mold of social-theory-from-above, those below were punished and reeducated or imprisoned or eliminated – to remold their thinking to correct thought – to Marxist–Leninism–Stalinism or to the ideas in “Mein Kampf” or to the “Thoughts of Chairman Mao.”

7. *The key to the mass terrors of the ideological dictators of the twentieth century was megalomania of leadership – an assumption of absolute wisdom gained in absolute power.*

Not all dictators are ideological. Some are just brutal. An ideological dictator is a particular dictator, who combines a social theory with brutality. In the twentieth

century, the several instances of imposing a “revolution from above” – all ended by reducing everyone below into victims. This was the key to the pattern of the mass terrors of the grand ideological dictators of the twentieth century – megalomania of absolute wisdom gained in absolute power.

In a dictatorship which is politically based upon a social theory (an ideological dictatorship), megalomania becomes a character trait due to several factors. First, there is in any successful politician, a bit of paranoia. As a bit paranoia is a useful political trait, since it facilitates a politician’s sensitivity and attention to enemies and potential betrayers. But paranoia extended by a paranoid leader into to a political system creates a bureaucratized system of terror and persecution.

Whereas a dictator privately practices political power by terror, the dictator publicly justifies power by ideology. Ideology is based upon a political social theory. As the dictator gains and holds absolute power (infinitely powerful), the dictator must become infinitely wise, in developing the ideological social theory and policies. In an ideologically-dictatorial society, these two factors together, institutionalized paranoia and infinite wisdom, encouraged the psychological development in the dictator of megalomania – cult-of-personality.

For example, a significant aspect of the personalities of the ideological dictators of the twentieth century was how their own view of the wisdom and infallibility brought them into conflict with experts and intellectuals. For example, we saw how just before the Great Leap Forward Campaign, Mao tested the technicians among his communist commissars as to their loyalty to Mao’s infallible leadership. He announced that criticism of communist policy was legitimate, to let a hundred flowers bloom. But thousands of criticisms budded, and Mao immediately “chopped down” that garden (so to speak). Thousands of technical experts were persecuted and imprisoned. So Mao turned to the uneducated, Chinese peasants for industrial development, His Great Leap Forward not only technically failed but also harmed agriculture – triggering great famines (not leap-forwards) in China for the next 3 years. When next Mao unleashed his final campaign, the Cultural Revolution, it was directly aimed at persecuting all competent officials – educational experts and officials in government and industry. This pattern turned out to be universal in the ideological dictators. They all aspired to intellectual leadership as social theorists but also hated intellectuals and experts.

Even in the case of Hitler’s antagonism toward intellectuals, Alan Bullock wrote: “Hitler showed the same inveterate distrust of experts, particularly economists, as Stalin did; in wartime this was extended to the German generals. Refusing to be impressed by the complexity of problems, he insisted that, if the will was there, any problem could be solved. Hitler, again like Stalin, congratulated himself on his gift of simplification.” (Bullock, 1992, p. 65) And we see the parallel to Mao in his Great Leap Forward. Mao insisted that if the peasants’ will could be motivated, then they would make the great economic leap forward. Expertise does not matter in solving problems, only political will.

Political will was the central concept in each of the ideological dictator approach to problem solving. Their infinite wisdom of their megalomania finally

always reduced to their “political will.” In the reasoning of ideological dictators, social theory and paranoia and delusion and brutally all finally are expressed as political will – and a political will of terror.

The historical facts indicate that the higher the idea of dictators, the lower, more despicable, more brutal their means to enforce the idea. This is the ideological justification of terror.

Human society requires leadership; but so much of the human condition in society then depends upon the leader’s character.

This is the paradox of the small and the large in natural history of human society.

Summary

We have seen how the technique of an analysis of “natural history” can be performed to ground the construction of social science generalizations and theory. This is the essential feature by means of which social theory can be distinguished from political propaganda. Proper social theory should be grounded in systematic historical studies of societal epochs. This is why natural history and social theory together are important. In the modern political world, ideology has replaced religion and tradition as the intellectual bounding of social cooperation. And ideology is based upon social theory. Political movements make up ideological social theory convenient for their seizure of power. But what we saw in the twentieth century was that ideological social theory resulted in mass terror and horror.

Natural-history-grounded social theory must be the intellectual antidote to the societal poison of ideological social theory.

Note

¹ There are many books on the Cultural Revolution, including: Clark (2008), Gao, Mobo (2008), MacFarquhar and Schoenhals (2006), Jin (1999), Spence (1999a), Thurston (1988), Yan and Gao (1996), Lee (1978), Chen (1975), Solomon (1971).

Chapter 9

Reforming Society

Introduction

We have talked about the history of the twentieth century as having many episodes of societal horror and yet sometimes ending in hope for society. We have seen how dictatorships left societal legacies of terror, destruction, social chaos, economic inefficiency, and politics of brutality and corruption. But then, the hope is this. All of those ideological dictatorships – of the “Great Leaders,” the grand ideological social theorists – all eventually ended.

Hitler’s Nazi regime ended violently in 1945 with the invasion of Germany by the Russian army from the east and the British and American army from the west. Hitler committed suicide, and some of the surviving Nazi officials were tried and convicted of ‘war crimes.’ Lenin’s and Stalin’s communist regime in Russia, the Soviet Union lasted with communist leader successors from 1923 to 1991. Then, under the reform efforts of Gorbachev, the Soviet empire dissolved, falling apart into separate nations.

Of these three – Russia, Germany, and China – only the communist government in China survived, through reform. Deng Xiaoping survived Mao; and Deng began a major social reform, away from the terrible social theories of the “Great Leader.” What we see is: (1) re-enforcing Mao’s dictatorial instinct was his top-down’ view society as a kind of “managed system”; while in contrast (2) assisting Deng’s reform instinct was his “bottom-up” view of society as a kind of “self-organizing system.”

Historical Event: Mao’s Succession

The impacts of the Cultural Revolution on Chinese officials and their families provided the stimulus for a reform movement under Deng Xiaoping. Kenneth Lieberthal summarized: “Between 1966 and 1969, the Cultural Revolution had

destroyed a great deal and produced little of long-term value. It had inflicted enormous violence on the population, especially in the cities, and had left deep scars and social fissures.” (Lieberthal 1995, p. 115) Millions of people had been persecuted; and the communist party apparatus stopped working, as its officials were among those persecuted. Government did not operate, and industrial production declined. Schools and colleges were closed. In 1968, the Army assumed control of the country, stopping the violence of the Red Guard. Youth were sent from the cities into the countryside to labor in agriculture. But the army could neither run the government nor industry properly. China would undergo a decade of stagnation and decline.

Politics within the higher ranks of the communist party became intensely personal: “The new Politburo membership ratified by the Ninth Party Congress in April 1969 reflected the growing importance of inner-court politics. Mao placed his wife, Jiang Qing, on this Politburo. Lin Biao’s wife, Ye Qun, also joined, as did Zhou Enlai’s wife, Deng Yingcharo.” (Lieberthal 1995, p 116)

Lin Bao, in control of the Army, was positioned to be Mao’s successor.¹ But Mao was not yet ready for any succession. In September 1971, Lin and his wife and son died in a plane crash in Mongolia. The official story was that Lin was fleeing the country after a failed coup attempt on Mao’s life. The event further disillusioned the people about Mao’s Cultural Revolution: “...Lin’s death discredited the Cultural Revolution itself and the national leadership...The people had been mobilized...to fight to the death to defend ‘Mao Zedong and Mao Zedong Thought’...Mao had fully backed Lin as his chosen successor, the one who best understood and applied Mao Zedong Thought. Suddenly, though, the propaganda organs put out the story that Lin had been a scoundrel all along and that Mao had always understood this... Even people who had been persuaded to regard Mao as virtually a god...did not believe this story. Lin’s treachery, whatever it might be, actually has been made cynics of many believers and greatly eroded the credibility of the entire leadership and its policies.” (Lieberthal 1995, p. 117)

In 1971 Zhou Enlai became premier, replacing Lin. Zhou asserted authority back over the military, and began removing army officers from positions in government administration. Zhou also had Deng released from prison and restored into the communist party.

In 1972, Mao suffered a heart attack. From 1972 to 1976, internal politics in the Politburo consisted of conflict between Zhou’s moderate faction and Mao’s wife Qing’s radical faction. In January 1976, Zhou died from cancer. Mao appointed Hua Gofeng as Acting Premier in February. Then in September of the same year 1976, Mao died.

At the time of Mao’s death, there were three groups contending for succession: (1) Hua Gofeng and Wang Dongxing, (2) Mao’s wife, Jiang Qing and her followers, called the “Gang-of-Four,” and (3) Deng Xiaoping.

Wang Dongxing was head of Mao’s special military force as his private guard. Wang immediately had his soldiers arrest Jiang Qing and her group. They were accused as bearing primary responsibility for the violent excesses of the Cultural Revolution, tried, convicted, and sentenced to prison.

Hua Gofeng was the Chair of the communist party and Premier (head) of the government. Hua selected Wang Dongxing and Deng Xiaoping, respectively, as vice chairs of the party and government. Hua's policies were to continue the Soviet-style leadership of Mao, which he called "The Two Whatever's" – whatever Mao said was correct; and whatever Mao did was correct. Hua had his picture posted beside Mao's pictures in all places and institutions in China.

Hua Guofeng (1921–2008) was born in Shanxi province. He had participated in the Long March of 1936 and served in the Red Army during the Sino-Japanese war from 1937 to 1946. In 1949, he entered Hunan with the Red Army and became a local official. In 1952, he was appointed secretary of a district, which included Mao's hometown of Shoshan. There he built a memorial hall, dedicated to Mao, which Mao visited in 1959. Hua participated in the 1959 Lushan Conference but sided with Mao, defending the communes and Great Leap Forward campaign. Then, Mao named him as a provincial party secretary. Mao promoted him to the party Central Committee in 1969 and elevated him to the Politburo in 1973. Mao appointed him Premier in February 1976, after Chou Enlai's death.

Lieberthal summarized the situation: "Mao Zedong's death on 9 September 1976 and the coup against Jiang Qing and her key supporters the following month left the Chinese political system in crisis. Mao's last years were especially pernicious for the long-term viability of the CCP's rule...Mao elevated his own role to the point where he personally, rather than the Communist party as an institution, defined the prevailing line...By late October 1976, China's leaders had to figure out how to repair the political system and to explain to the population what had gone wrong." (Lieberthal 1995, p. 122)

Hua Guofeng would not provide reform, as his policy was for status-quo, as a continuation of the Stalinist approach to agricultural communes and state industries (although they had failed in developing China). Deng and other members of the politburo who themselves had survived persecution in the Cultural Revolution wanted change.

A political struggle began between Hua and Deng, with Deng leading the faction for reform. Also a problem for Hua in the Politburo was that his own rise had been a result of the Cultural Revolution. In contrast, Deng had been persecuted in the Cultural Revolution in the 1960s. He had been rehabilitated into the communist party in 1973 by Zhou Enlai. Mao had purged Deng again after Zhou's death January of 1976. But after Mao's death in September, Deng was back in government as a Vice President. Hua needed Deng's support in the coup against Mao's wife, Jiang Qing.

But in the Politburo, Hua could not compete against Deng's reputation for competence and integrity and reform. Deng decided that only major reform could keep the communist party in power. Deng's career had been both in military and government affairs and he had backing of military officials. Deng's reforms would: (1) rehabilitate officials who had been persecuted in the Cultural Revolution, (2) reform the agricultural organization, (2) give priority to economic development, (3) stop mass campaigns of class struggles, and (4) open China to the world, especially Chinese businesses in Hong Kong and Taiwan (Lieberthal 1995, p. 129).

Deng Xiaoping (1904–1997) was born in Sichuan province.² In 1919, he graduated in 1919 from the Chongqing Preparatory School, and went to France in the work-study program.

The story is told that on the night before his departure, his father asked the young Deng what he hoped to learn in France; and Deng replied (as his teachers had taught him) “To learn knowledge and truth from the West in order to save China.”

In France, he worked at several hard jobs, earning little as a laborer. He worked first at the Le Creuset Iron and Steel plant, next as a fitter in the Renault factory in Paris, and then as a fireman on a locomotive, and also in restaurants. He later said that in these jobs, he learned how capitalist societies exploited workers. These experiences encouraged him to study Marxism in Zhou Enlai’s study group. From then, Deng was to be mentored by Zhou, and Deng joined the communist party in 1921.

In 1926, Deng went to Russian and studied in Moscow, afterward returning to China. In 1928, Deng led an uprising in Guangxi province of communists against the Kuomintang. He joined the Long March, serving as general secretary of the Central Committee of the Communist Party (CCCP). During the war with Japan, Deng served as a political commissar in one of the Red armies. He helped organize some of the important battles. In November 1948, when the final battles with the Kuomintang were being fought, Deng led the assault on Chongqing in Sichuan, where Chiang Kai-shek was encircled. When Chongqing fell to the communists, Deng became mayor of the city. Chiang Kai-shek’s remaining Kuomintang army retreated to Chengdu and finally fled to Taiwan.

It was the failure of the policies of the Great Leap Forward (and subsequent years of famine) which motivated Deng to support Liu and Zhou for Mao’s removal from government leadership. “In 1961, at the Guangzhou conference, Deng uttered what is perhaps his most famous quotation: I don’t care if it’s a white cat or a black cat. It’s a good cat so long as it catches mice.” (Zhisui, 1994) This has been interpreted to mean that being productive in life is more important than following an ideology.

During the Cultural Revolution, Deng and his family were persecuted by the Red Guards. His son was tortured and thrown from a fourth-story window. He broke his back and was paraplegic for the rest of this life. Mao removed Deng from his positions and expelled him from the communist party. Deng was forced to work as a laborer in a provincial factory for 4 years, until Zhou was finally able to rescue him and restore him to the party in 1971.

Under Zhou, Deng began to restore government order and run the country with civil authority again, removing army officers from civil positions. Then, in January 1976 Zhou died, and Mao again purged Deng. He had him criticized in the central committee and removed him from government office. Mao appointed Hua Guofeng as a compromise between his wife’s gang-of-four faction and the Zhou’s faction led by Deng. Then, in November 1976, Mao died.



Deng Xiaoping (<http://www.en.wikipedia.org>, Deng Xiaoping, 2009)

Mao's Idealism and Deng's Realism

It is interesting to compare the two different approaches to government between Mao and Deng along the balance between idealism and realism in politics, as listed in Fig. 9.1.

Because of Mao's ambition and commitment to his theoretical ideas about society, Mao operated politically as an extreme idealist. But in Habermas's terminology of "discourse-ethics," the only discourse-ethics allowed by Mao's idealism was discourse about how wonderful were Mao's thoughts and how brilliant was Mao. In the first year of the Cultural Revolution, Mao's self-centered idealism was vividly shown in a scene of July 1966, when thousands of young Red Guards marched through Tiananmen Square – each waving enthusiastically their little red books of Quotations of Chairman Mao. Overlooking that scene was the Chairman, waving back from his perch high on top of the gates. He was gazing fondly upon his mass of mobilized youth, knowing they were marching off to commit terror in his name. His Red Guard of youths were off to persecute, beat, and murder their elders – all in the ideal of protecting Mao's Thought as the doctrine of China!

In comparison, Deng could be placed across the balance toward realism in politics. He had witnessed Chinese society destroyed in that idealist Cultural Revolution of Mao. He and his family had suffered under that youthful terror of the Red Guards. Deng thought that after the Cultural Revolution, the Chinese communist party could

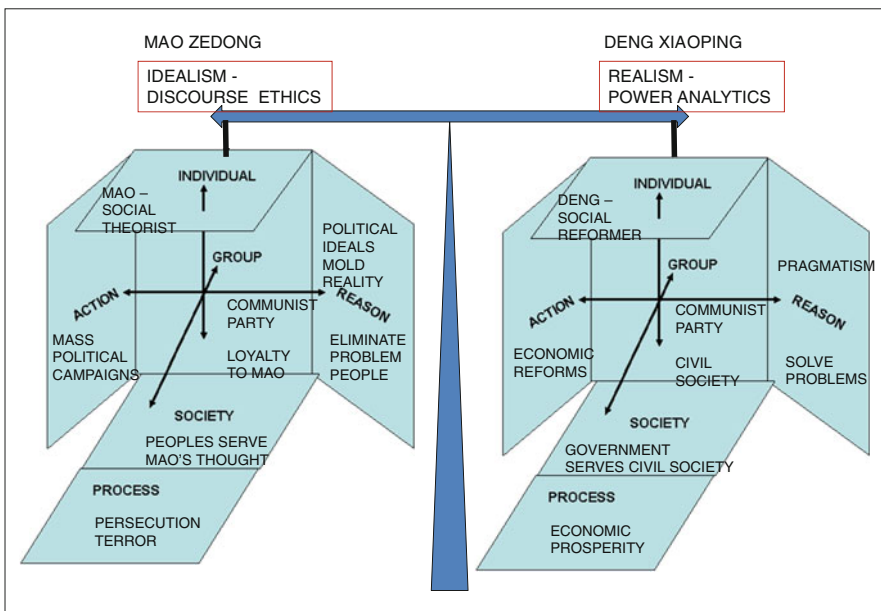


Fig. 9.1 Comparing Mao's thought to Deng's reforms

not realistically expect to remain in power unless it reformed Chinese society and solved the real problems of Chinese economic development.

ACTION – For Mao, his political actions consisted of a series of “mass campaigns” aimed at eliminating political opposition and solving problems by stirring up mass efforts for change (whether technically sensible or not). For Deng, his political actions were to reform the organization and procedures of Chinese agriculture and economic structures. He would never allow mass campaigns again in China.

INDIVIDUAL – Mao was an idealistic social theorist, conceiving how society ought to be and disdaining any history about how society actually was or is. The traditional China in which he grew up had been militarily and economically impotent against Western nations. Mao was convinced Chinese society had to change. He, in the intellectual tradition of Marx-Lenin-Stalin would design a new society through periodic “mass campaigns.” In contrast, Deng was a realist about society, also intending that communism would restructure China. He remained true to his youthful intention “to learn knowledge and truth from the West in order to save China.” He did not construct an ideal society for China but would implement solutions that worked for Chinese economic development.

GROUP – The Chinese communist party was the essential group for both Mao and Deng. But Mao saw the communist party only through loyalty to his ideas and leadership. Deng saw the communist party as an organization with individuals differing in views – but all party members striving for the same goal of Chinese progress – as long as the Party remained the sole political authority in China.

REASON – Mao believed in a single social theory of Marxism as society composed of divided war between classes. Mao did not believe in expertise to solve social problems, but in identifying classes of people as the source of the problems and eliminating them. In contrast, Deng’s reasoning was pragmatic. He identified all social problems as either economic or military problems. He chose practical policies which had been proven to facilitate economic and military development and technological progress.

SOCIETY – Mao believed that people in a society should believe in and serve government policies – but only policies of Mao Zedong. In contrast, Deng believed that government policies should serve people, enabling them to prosper and strengthen the nation economically and politically.

PROCESS – Mao believed in societal conflict between groups of people (Marxist class warfare as a permanent structure of society – the divisive society). Therefore, periodic persecution of groups and classes of people was necessary for the historic process of the socialist state. In contrast, Deng did not believe in Mao’s idea of “mass campaigns” as continuing revolutions. One civil war was sufficient for Deng to establish the communist party in power in China. Thereafter, Deng wanted the party to run the government of China in a cooperative political process. No more of Mao’s mass campaigns of disruption and civil wars. Also Mao, without any experience

in the West, isolated China from the world. Deng, with experience in the West, would open China to the West – particularly to the Westernized Chinese in Hong Kong and Taiwan.

Deng's Reformers: Zhao Ziyang and Hu Yaobang

In the process of reform, Deng had to construct a liberal faction of the communist party and then balance it off against the conservative faction. The liberal faction wanted reform, quickly and completely toward a market economy and democratization. They looked to Gorbachev's ideas for reform in the Soviet Union: *glasnost* (openness), *uskoreniye* (acceleration of economic development), *perestroika* (restructuring), and *demokratizatsiya* (democratization). Although the conservative faction also wanted no more mass campaigns, but they still favored a central command economy of socialized industry and control of the government by the Chinese Communist Party.

Deng was in the middle. With the liberals, he favored *glasnost* (openness), *uskoreniye* (acceleration of economic development), and *perestroika* (restructuring). But Deng did not want *demokratizatsiya* (democratization). Deng still wanted control by the communist party. He feared civil war. He feared the break up of China.

Although Hua Guofeng had appointed himself both Premier (head of the government) and Chairman (head of the communist party), Deng moved Hua out of power. Deng obtained a majority vote of the politburo to replace: (1) Hua as Premier by Zhao Ziyang and (2) Hua as Chairman by Hu Yaobang. Both were protégés of Deng, as a new generation of enthusiastic reformers. Deng remained Chairman of the Central Military Commission, retaining control of the military.

Zhao Ziyang

As Premier, Zhao began a policy of transforming the socialist industrial system. He assigned management of the industrial firms away from party commissars to managers. He reduced subsidies to state industries and ordered them to make profits, finance their investment needs from banks, and pay taxes. Zhao created special economic zones outside Hong Kong and in Shanghai. He encouraged the Hong Kong and Taiwan capitalists to invest in industrial production in China, run the businesses, and export Chinese produced goods. This began the rapid industrialization of China after 1985.

Zhao also disbanded the agricultural communes, allowing peasants to rent land and sell their crops in a free market. Agricultural production soared. This was when Deng was quoted as: "It is glorious to get rich." Zhao was implementing the economic policies Deng wanted for developing the Chinese economy.

Zhao Ziyang (1919–2005) was born to a wealthy land lord family in Henan province. In 1932, he joined the Communist Youth League. He served both in the Sino-Japanese war and in the civil war. Although his father as a landlord was murdered by the communist party after they gained power, Zhao continued to serve as a communist, rising as an official in Guangdong province. By 1962, he began to gain recognition for agricultural reforms. Under Liu Shaoqi as head of government, Zhao began to return land to peasants and disband the communes in Guangdong. He also punished officials who were corrupt. In 1965, Zhao was Party secretary of the province.

When Mao stated his Cultural Revolution, Zhao was removed from his position in 1967. The Red Guard paraded him through Guangzhou, wearing a dunce cap, denouncing him “as a stinking remnant of the landlord class.” The next 4 years he was forced to labor in a factory. Also several assassination attempts on his life were made by the “Gang of Four.”

Finally in 1972, Zhao was rehabilitated by Zhou Enlai and appointed to the Central Committee of the Chinese Communist Party and given again government responsibilities. In 1975, he was appointed by Zhou Enlai as party secretary in Sichuan province. Zhao introduced a market economy in Sichuan, beginning to repair the enormous economic damage to the province from Mao’s campaigns of the Great Leap Forward and Cultural Revolution. Deng Xiaoping saw Zhao’s market reforms in Sichuan as a model for reforming the whole of China and appointed him Premier in 1980.³



Zhao Ziyang (<http://www.en.wikipedia.org>.
Zhao Ziyang, 2009)

Hu Yaobang

As Chairman of the Chinese Communist Party, Hu Yaobang introduced reform within the party. In 1981, Hu continued Deng’s policy of the rehabilitation of people persecuted during the Cultural Revolution.

Next, Hu began reforming the Chinese policy toward Tibet. Earlier, Mao had ordered the Chinese Army to invade and occupy Tibet. Hu ordered the withdrawal of thousands of occupying Han Chinese officials from Tibet. He began providing aid and development of Tibet and permitted the revival of Tibetan culture.

Hu Yaobang (1915–1989) joined the communist movement as a teenager. He supported Mao Zedong in the southern region and then joined the Long March in 1934 to Yunan. He escaped death several times. He served the Red Army in the war with Japan and in the civil war with the Kuomintang. As a communist official, he was persecuted during the Cultural Revolution and also rehabilitated by Zhou Enlai in 1972.⁴



Hu Yaobang (<http://www.en.wikipedia.org>, Hu Yaobang, 2009)

Cycles of Reform

As implemented by Zhao and Hu, Deng's reform policies focused upon (1) depolarizing Chinese society from class-based divisions, (2) making market forces work in the economy, (3) diversifying Chinese industry from solely "heavy-industry" to light industry (consumer goods), and (4) opening China to the world and Hong Kong and Taiwan.

The political dynamics of reform under Deng oscillated from rapid reform to halting reform and to again rapid reform to halting reform again. Deng represented the liberal faction of the Chinese Polituro, while Chen Yun represented the conservative faction. Alternately, Deng pushed rapid reform, while Chen Yun pushed for halting reform: "This seesaw dynamic produced, in the terminology used by Chinese, alternate periods of 'loosening' (fang) and 'tightening' (shou)." (Lieberthal 1995, p. 137) But both Deng and Chen agreed that at no time should the Chinese Communist Party lose control of the government and country.

Chen Yun (1905–1995) was born in Shanghai and became a typesetter. He was a union organizer in the late 1920s. He participated in the Long March, and served on the CCCP from 1931 to 1987. After Mao's death in 1976, he helped rehabilitate Deng Xiaoping. In 1978, Chen also backed Deng in repudiating the Cultural Revolution and in promoting Deng to effective head of the regime. In July 1979, Chen became head of a new national Economic and Financial Commission, urging economic development. In 1981, Zhao Ziyang replaced Chen in leading economic planning. Chen retired in 1982, but remained active in helping to guide Chinese policy toward reform.⁵



Chen Yun (<http://www.en.wikipedia>, Chen Yun. 2011)

The first cycle of *fang* and *shou* occurred between 1977 and 1980. In 1977, Deng disbanded the communes and allowed Chinese peasants to lease land, grow crops, and sell their produce in the market. Agricultural production jumped and prosperity suddenly boomed in the countryside. However by 1980, this produced an inflation of prices as wealthier peasants wanted to buy consumer goods which the liberalization of industry had not yet had time to produce. Then, the Chen faction argued for slowing economic growth by reimposing government administrative control over heavy industry and decreasing the money supply. Deng agreed, but he kept the agricultural reforms going. Agricultural production continued to climb.

But as *fang* moved, so too reformers increased demand for democracy. In particular, Hu's reforms in Tibet began to worry conservatives. They understood Tibetan demand to throw off Chinese sovereignty might lead to the breaking up of the Chinese empire. Deng concurred. He too worried about recurrences of civil war and the breaking apart of China. (And under Gorbachev, this was then happening in the Soviet Union, the breaking up of the Soviet Union and dissolution of Soviet government.)

In January 1987, Deng had Hu resign as Chairman. Hu was criticized in typical communist custom and forced to admit his errors. Zhao Ziyang (Deng's protégé); became Chairman of the Chinese Communist Party; but Li Peng (Chen's protégé) became Premier of the Chinese government. Thus in 1987, Chinese Communist Party and Chinese government were evenly split between reformers and conservatives.

Historical Event: Tiananmen Square 1989

Two years later on 15 April 1989, Hu died of a heart attack. Since Hu represented the liberal faction advocating democratization, he had become popular with students who wanted a democratic process.

April 15 – At the announcement of Hu's death, small groups of people gathered at the *Monument to the People's Heroes* in Tiananmen Square to mourn Hu. Also students at Peking University and Tsinghua University posted eulogies inside the campus and erected shrines.

April 17 – About 500 students from the China University of Political Science and Law marched to the eastern gate of the *Great Hall of the People* in Tiananmen Square, continuing the mourning for Hu. Police tried to persuade the students to disperse but without success. People began making speeches commemorating Hu and talking about social problems in China. At midnight, some 3,000 students from Peking University marched from their campus to Tiananmen Square, joined on the march by students from Tsinghua University.

April 18 – Students remained in the square. Some began drafting a list of demands to which they wanted the government to respond. Other students began a sit-in in front of the *Great Hall of the People* (which is the office of the Standing Committee of the National People's Congress). Other students gathered in front of the Zhongnanhai building complex (the residence of government), trying to force their way in to confront government officials.

April 20 – Police used force to disperse the students from in front of Zhongnanhai.

April 21 – At midnight on the day of Hu's scheduled funeral, students marched en mass into Tiananmen Square.

The Tiananmen event escalated. Students called for a strike at universities. The Politburo met. Deng discussed the seriousness of mass student protests. The official newspaper, Peoples' Daily published a front page editorial: "Uphold the flag to clearly oppose any turmoil." Movements grew in other cities of China, focused around growing inflation and corruption in the new economic processes. Tiananmen Square remained occupied by students. In May, they began a hunger strike. International press was covering the events.

On May 19, General Secretary Zhao Ziyang and Premier Li Peng went to Tiananmen to see what might be done to defuse the situation. At 4:50 am, Zhao made a speech urging the students to end their hunger strike. But the students did not end it.

In the Politburo, discussions continued about what to do. Zhao Ziyang was not in favor of using force to end the demonstration. Li Peng argued for a crackdown. Deng agreed with Li – the student movement should be stopped, even with force.

To Deng, events might have appeared too much like the student masses of the Cultural Revolution – a breakdown of civil society. Deng was not going to again permit the country descend into chaos led by students. He ordered the 27th and 28th Armies to take control of Beijing. Lieberthal summarized: "On May 19, Zhao Ziyang was removed from power and martial law was declared in Beijing. When troops moved into the city, however, they found that virtually the entire urban population turned out to block their paths; they were stymied and eventually had to retreat. The situation then simmered for several weeks ...until on 3 June troops reentered the city in force, this time with orders to seize their objectives utilizing 'all necessary means'. In the early hours of 4 June widespread shooting began, producing a blood bath seen live on television around the world." (Lieberthal 1995, p. 142)

By June 4th, Tiananmen Square was cleared of students and workers, with deaths officially listed by the government as 241 with 7,000 wounded (with perhaps many more killed). Students and workers who had participated in the demonstrations were

arrested and imprisoned. Zhao Ziyang was placed under house arrest, which lasted until his death in 2005.

Li Peng remained Premier. Jiang Zemin, who was the Mayor of Shanghai, became General Secretary (replacing Zhao). The conservative faction ruled Chinese policy, *shou* (tightening), for the next 3 years. Further economic and agricultural reforms were halted. But policies were not turned back. Economic development continued. Taiwanese businesses continued to invest and build factories in Shanghai. Hong Kong businesses continued to invest and build factories in Guangzhou. The economic infrastructure was being established for very rapid industrialization in the 1990s.

Jiang (1926–present) was born in the city of Yangzhou.⁶ During the Sino-Japanese war, He enrolled in the National Central University in Japanese-occupied Japan. When the war ended, Jiang transferred to Shanghai Jiao Tong University, from which he graduated in 1947 with a Bachelors’ degree in electrical engineering. In 1950 in the new People’s Republic of China, Jiang was sent for training to the Stalin Automobile Works in Moscow. On returning to China, Jiang worked for Changchun’s First Automobile Works. Later, he was transferred to government services. He rose in rank to become by 1983 a member of the CCCP and Minister of Electronic Industries. In 1985, he was appointed Mayor of Shanghai, and then Party Chief of Shanghai.

In 1989, after suppression of the Tiananmen demonstrations, Deng appointed Jiang to replace Zhao as premier and head of government. In 1992, Deng pressured the government to return to reforms, and in 1993, Jiang coined the term “socialist market economy” – to develop a capitalist market within a communist government framework. Jiang was General Secretary of the Communist Party of China, 1989–2002, and President of China, 1993–2003.



Jiang Zemin (<http://www.en.wikipedia>.
Jiang Zemin, 2011)

In 1992 Deng decided to pressure Jiang to swing economic policy back onto a rapid reform track. He had retired in 1989 as Chairman of the Central Military Commission. But Deng remained influential, as one of the senior members of the communist party. Deng visited Guangzhou, Shenzhen, Zhuhai, and Shanghai. He made speeches for economic reform and criticized those who opposed further reform. Deng argued for the evolution of socialism toward a “socialist market economy.” Deng wrote articles for continuing reform, published in Shanghai’s newspaper, *Liberation Daily*.

Finally, Jiang Zemin understood he had to side with Deng if he was to remain in power. Jiang continued Deng's policies for developing economic market mechanisms in China – private ownership of businesses, stock organization of state industries, Shanghai stock market, banking systems, and legal reforms for business operations – even eventually allowing capitalists to join the Chinese Communist Party. Deng Xiaoping died on 1996, at the age of 92.

Perceptual Space of Deng's Societal Reforms

In a societal-event perceptual space, we can list factors in Deng's reforms, Fig. 9.2.

ACTION – The actions under Deng's reforms included: rehabilitation of officials persecuted in the Cultural Revolution campaign, disbanding of communes in the country to improve agricultural production, private business for light industry and retail activities, and special economic zones to encourage foreign industrial investment.

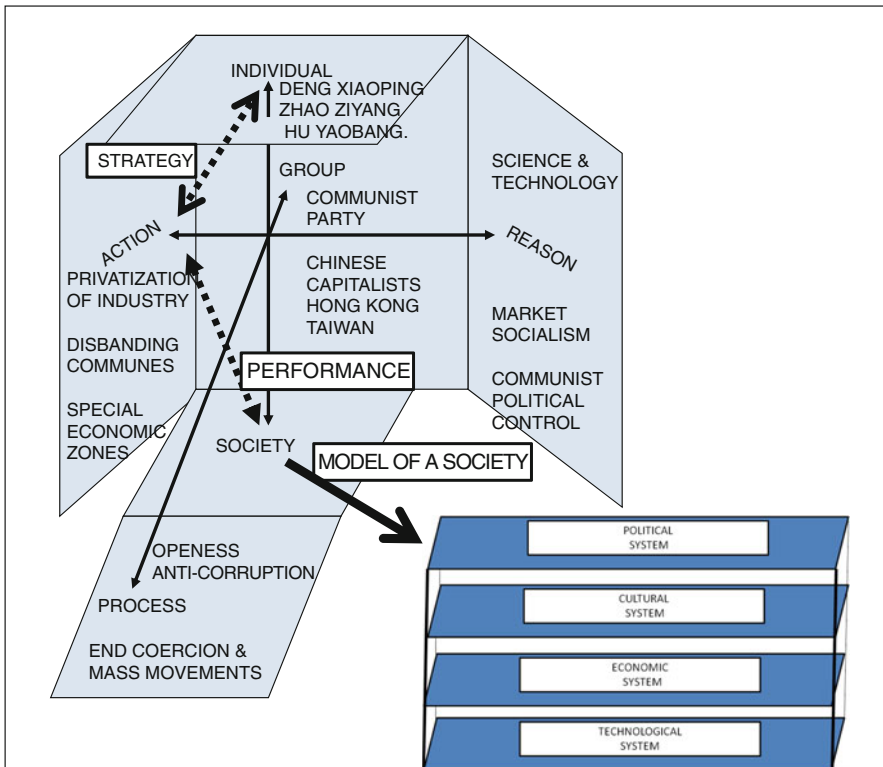


Fig. 9.2 Deng's societal reforms

INDIVIDUAL – The reformers of the government and communist party were Deng (Chair of the Military Commission) and his two protégés, Zhao (Premier of the Government) and Hu (Secretary of the Communist Party.).

GROUP – The central group was still the Chinese Communist Party, but wealthy capitalist Chinese investors from Hong Kong and Taiwan began building industry in China.

REASON – Deng’s economic reform was to introduce capitalist markets and management in the socialist economy without losing communist party control of government. Deng’s intellectual reform was to build education and research in China to achieve the level of international science and technology.

SOCIETY – Deng rejected simple models of society as socialist, communist, or capitalist. He wanted empirical models of societal processes that worked in the economy and science and technology – an empirical model of societal systems.

PROCESS – Deng’s policies were to end coercion and mass movements of social turmoil, replacing these political processes with openness of government. He favored reducing corruption but opposed democratization. Hu and Zhao favored democratization and were removed from power, when Deng felt their policies was encouraging loss of political control by the communist party and possible civil wars.

PERFORMANCE – We also see how Deng and Hu and Zhao were principally concerned with the Chinese party officials’ competence in performing government and industrial job. They were primarily concerned with performance of Chinese government and industry for creating economic prosperity and military strength in China.

Societal Models and Reforms

We see that Deng’s reforms were centered upon finding societal processes which empirically worked – developing national economic prosperity and military strength. Deng rejected the Marxist–Stalinist conservatives of the Chinese Communist Party, who followed Mao’s thought – a social theory of central–state planning imposed upon the people through coercion. What social processes really work, empirically? This is one goal of the disciplines of the social sciences – economics and sociology and political science and management science to learn how systems in a society really work.

Deng’s policies were specifically upon reforming (1) the economic system through changes in political policies, (2) science and technology system to improve the economic system, and (3) science and technology system to improve the military of the political system.

Let us first look again at Deng’s policies to improve the economic system. Lieberthal summarized: “Developing a more efficient economy that can produce

technological change, raise China's living standards, and bolster international security was at the core of the Deng-era reforms. These policies have in fact improved the standard of living of the vast majority of Chinese at a remarkable rate since 1979.... China during the 1980s and 1990s has been the world's fastest growing major industrial economy.... As a result, despite its enormous economic successes – indeed, in part because of these successes – China ...confronts potentially destabilizing challenges to its political order.” (Lieberthal 1995, pp. 243–244).

This is interesting in terms of the societal model of China for that period. Proper government policies of the Deng-era allowed huge economic growth and development of modern technologies. But these same economic and technological forces confronted the political system of Deng and his comrades with destabilizing forces. The Chinese Communist Party would endeavor to maintain a political system of communist party control over governance in an increasingly free-market and capitalistic economy. And so they did, from 1980 through 2010.

In the late 1970s, Deng had understood that China, under Mao, had fallen far behind the economic growth occurring in the Chinese in Hong Kong and in Taiwan. China's industrial and technological capability was far behind Japan and even South Korea and Singapore. China technologically was still behind Western powers and now even behind neighboring Asian countries. He selected Hu and Zhao as heads of party and government to open China to the world and become economically and militarily competitive. Hu and Zhao had shared and implemented Deng's vision.

Zhao had read Western books about the importance of technology to economic development. Zhao required all high-level government officials to read such books. Chinese government thinking turned toward viewing Western technology as the key to the future (as opposed to Mao's former policy of isolating China from the world).

Under Zhao, government planners of industry increasingly moved to let state-industry managers set their own targets of production, establish their own prices, sell into an increasing open Chinese market or into an international market, and raise their own investment finance from Chinese banks. Local Chinese party and government officials invested in or arranged loans for new businesses (which frequently failed to pay off government loans).

Government officials both promoted new private industry and (sometimes) corruptly benefited. Lieberthal discussed this touchy point: “There are no objective ways to measure the overall level of corruption in China (corruption, in operation, is secretive)...The nature of China's negotiated economy (negotiations between government officials and industrial officials and party officials) has created situations in which corruption carries few risks and pays large dividends, because government officials at all levels can use their offices to affect economic outcomes and have considerable discretion available in doing so.... At the end of 1992, China's government admitted that about US. \$8 billion that had left the country could not be accounted for.... The economic reform effort has thus led to deeply rooted corruption of the political system.” (Lieberthal 1995, pp. 268–269)

Hong Kong and Taiwan Chinese business families provided major foreign investment and management expertise for the rapid and extensive building of factories in

China, with low labor and capital costs. From 1985 to 2000, these factories produced and exported large quantities of high-quality, but cheap goods into American and European markets. The two groups were critical for that amazingly rapid development of China into a major manufacturing nation in just 15 years.

But to encourage such outside investment, Chinese government officials had to establish laws protecting private property, enforcing legitimate business contracts, and protecting international patents. Also the government had to allow private banks to be established, a capitalist stock market, and restructure state industrial firms as shareholder-owned organizations.

In summary, Deng's reforms focused upon: (1) removing Mao's mass campaigns from Chinese Communist Party political policy (2) transforming the socialist economy toward capitalism but within a communist government, (3) opening China internationally to gain technology, and (4) facilitating Hong Kong and Taiwan Chinese businesses into investing in mainland China.

One sees in Deng's reforms and their outcomes that models of how societies effectively work can be empirically found. The difference between the grand (and erroneous) social theories of the ideological dictators (Lenin, Stalin, Hitler, Mao, Pol Pot) and the effective reforms of societies (Gorbachev, Deng, Hu, and Zhao) is this. Social theories – not based on the empiricism and history of real, effective social systems – just do not work.

Unreal social theories imposed by force upon a society only create societies of poor and brutalized people.

Real, empirically based models of societal systems that historically do work provide the basis for societal reform, of even the poorest, most brutalized societies.

Summary

It is interesting to compare the two concepts of revolution-from-above with reform-from-below. These two different approaches to designing society do characterize the different political perspectives of Mao and of Deng. We can describe the impact of Mao's thinking on Chinese society in Fig. 9.3, as an example of revolution-from-above – popular with all the ideological dictators of the twentieth century.

The problem with this top-down approach is that the social theory of top-down control of a real society is too simplistic. The failures of a society-under-central-control to perform effectively is then seen by the ideologist as “opposition” – people opposed to the ideologist's ideas. Failed social solutions are then imposed by force upon society. We saw that Mao's idea of mass campaigns became a top-down way for Mao to impose his ideas on a society. But from the bottom-of-society-up, his ideological mass campaigns never improved Chinese society's agricultural or economic performance. They failed functionally and technically. In response, since Mao could never conceive his ideas as wrong, Mao would launch punitive campaigns to punish individuals – terror. Terror never improved societal performance but it did keep Mao in political control.

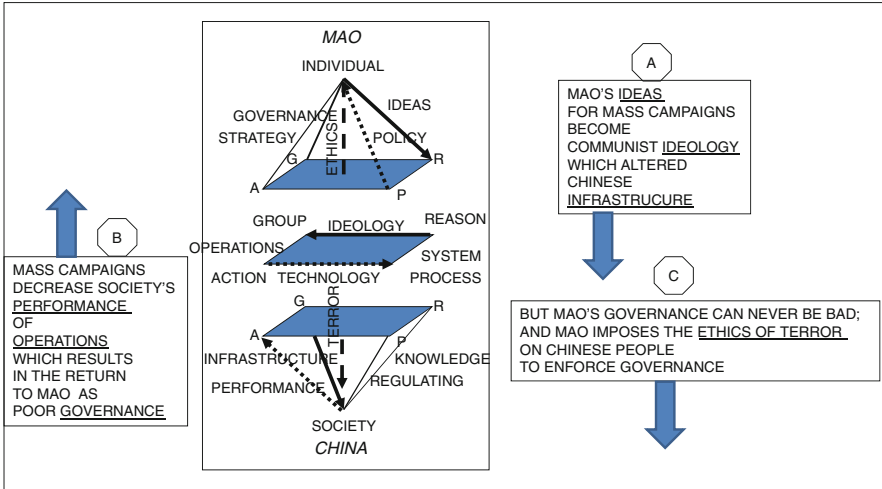


Fig. 9.3 Societal revolution from above: social theory ↓ societal performance ↑ terror ↓

A top-down strategy for control of a society presumes an individual can control the whole of a society.

A bottom-up strategy for control of a society presumes self-organizing systems in a society establish micro-centers of control, which can be regulated but not directly controlled.

In contrast to Mao’s top-down strategy, let us depict Deng’s approach to reform as a kind of bottom-up strategy by building up performance in the working sectors of society – agriculture and industry. This is depicted in Fig. 9.4.

Deng’s reform policies were to facilitate self-organizing activities in the bottom working sectors of society. Deng reduced and then abolished Mao’s agriculture communes (collectivized agriculture). Deng removed industrial control from party commissars and encouraged industrial managers to operate in a market economy. Deng opened the Chinese economy to private investment by Hong Kong and Chinese capitalists. The bottom-up self-organization of agriculture, industry, and finance worked Agricultural production soared. Industrialization developed with internationally competitive Chinese firms, exporting products into the world’s markets. The bottom-up activity then necessitated top-down policies by the government to develop internationally compatible financial and legal systems in China.

Thus, Mao’s view on societal control was that society should be managed by a single individual – in which *leadership and strategy and ideas and policy* of an individual were the principle relationships for controlling society.

We will call a social system which can be managed by a single individual with top-down authoritarian control a “managed social system.”

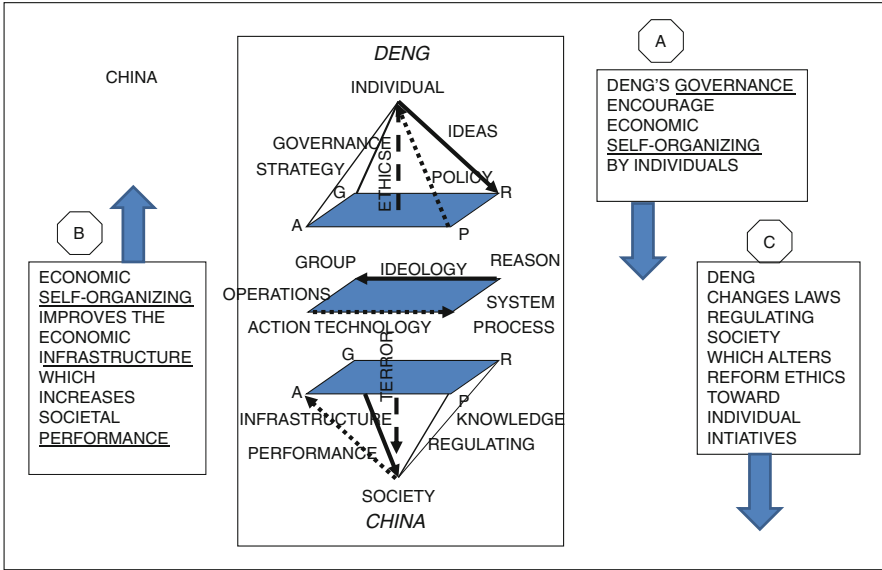


Fig. 9.4 Reform for individual initiative from below: policy for individual self-organizing ↓ improved societal performance ↑ reform ethics ↓

In contrast, Deng’s view on societal control was that society should be managed by the infrastructures of society itself – in which *knowledge, regulating, performance, and infrastructure* of a societal structure were the principle relationships for controlling society.

We will call a social system which can be managed by the infrastructures of society through bottom-up initiatives a “self-organizing social system.”

From these two perspectives on control, we identify two different views on the nature of control in society: (1) society as a managed system and (2) society as a self-organizing system.

In the case of ideological dictators, such as Mao (and Hitler, Stalin, and Lenin), their view is that society is a thing which can be controlled by the single vision (theory) of a single dominant, all-powerful, all-knowing individual (Great Leader, Furher, Chairman). This is a view on society that society can be controlled from above and managed by a single individual – society as a managed social system.

We take this term of a “managed-system” from sociology, particularly, organization theory. In organization theory, a managed-system is the proper form for describing an organization – a business organization, such as a corporation or a government organization, such as an agency. The question is whether a whole society can be realistically described as a kind of “organization,” as a managed system. The answer from history is ‘no’!

Conversely, Deng’s view was that individuals and groups in a society organized themselves for independent action beyond the control of any central authority.

This view on society is that of society as a self-organizing system. This means that individuals' activities cannot be managed by a central authority but should only be "regulated."

We return to these ideas of "control" in society in a later chapter, as they have turned out historically to be essential to the stability of modern societies.

Notes

¹ A biography of Lin Bao is (Jin 1999).

² There are several biographies of Deng, including (Yang and Yang 1998).

³ The diary of Zhao Ziang was published in (Zhao 2009).

⁴ An unpublished study of Hu is (Pang 1989).

⁵ There are many books about the Tiananmen event, including: (Cunningham 2010), (Zhang et al. 2002), (Wong 1997), (Calhoun et al. 1994), (Black and Munro 1993), (Binyan et al. 1989).

⁶ There are several biographies of Jiang, including: (Kuhn 2005), (Lam 1999), (Gilley 1998).

Chapter 10

Societal Stasis and Change

Introduction

In the historical examples we have examined, we have seen that societies can over time display a dynamics of stability and then change – stasis and change. How can we use methodology to express societal change and stasis?

Historical Event: Dissolution of Yugoslavia

The brief history of Yugoslavia provides a clear illustration of rapid change in societal dynamics, with the nation existing less than a century from 1918 to 1989. During this time, there were several major events, each of which dramatically changed the region, and, in between, different periods of stasis. But after 1989, Yugoslavia dissolved into six nations: Slovenia, Croatia, Bosnia-Herzegovina, Macedonia, Montenegro, Serbia (with Kosovo and Vojvodina as two autonomous provinces within Serbia).

In 1980, Josip Broz Tito, the President of Yugoslavia, died. At the end of World War II, when Italian and German forces were ejected from the Balkans, Tito had been leader of the Communist Partisans who had battled against the invading forces during that war. Tito re-founded the nation of Yugoslavia, but then under the government of the Socialist Federal Republic of Yugoslavia. Tito was a nationalist and a communist and a pan-Slavic, believing in different ethnic groups living together in Yugoslavia. In 1974, Tito created a group to succeed him in rule as a group of eight heads-of-state – one each from the six republics of Yugoslavia: Slovenia, Croatia, Bosnia-Herzegovina, Macedonia, Montenegro, Serbia (and two from the provinces of Serbia, Kosovo, and Vojvodina). Each head would act as Yugoslav President for a year, with rotation among them.

Yugoslavia dissolved violently. Slobodan Milosevic became President of Serbia. Franjo Tudjman became President of Croatia. Bosnian President Alija Izetbegović

became President of Bosnia-Herzegovina. Lojze Peterle became Prime Minister of Slovenia. Radovan Karadžić led the Bosnian Serbs.¹



Milošević

Tuđman

Izetbegović

Karadžić

The violence in the separation was because each leader appealed for their power to the idea of an ethnically homogeneous-territory as the ideological basis for a nation. But in fact no territory in the former Yugoslavia was ethnically homogeneous. Over the previous 400 years, all the regions of Yugoslavia had every ethnic group living in different regions of Yugoslavia. Consequently upon separation, civil wars broke out between Slavic militia, Croatian militia, and Bosnia militia, which were brutal and murderous. They called it “ethnic cleansing,” but it was really just a form of genocide.

Why did the civilized nation of Yugoslavia break up in terror and genocide? And this occurred even after the destruction of the one government in the twentieth century with policies dedicated to genocide – Hitler’s Nazi government. Had the world learned nothing? Is there over all societies, merely a veneer of civilization? Beneath that veneer does there always lurk the societal monster of genocide?

Stability and Change in Society

We have seen that instability in society allows major structural changes to occur in societal order. The military and economic disasters in Russia from 1915 to 1917 resulted in the Tsar’s abdication and the seizure of government by the Bolsheviks – which then totally changed Russian society. Similar disasters in Germany from 1918 to 1933 resulted in the Kaiser’s abdication and Hitler’s Nazi government putsch which then changed German society. Thus, societal change can result in different societal structures. Next let us see how we can use the methodology of perceptual space and societal models to describe successive societal conditions of change and stasis.

For this, we return to the idea of a meta-space, a meta-logic to the logic embedded in the idea of a perceptual space. We recall that we used a meta-space to indicate perspectives in the construction of a perceptual space. One example was the different historical perspectives on Stalin’s history as perceived by Stalin and later by Khrushchev and by later historians. The concept of a “meta-space” around a perceptual space enables one to express systematic changes in the construction of a perceptual

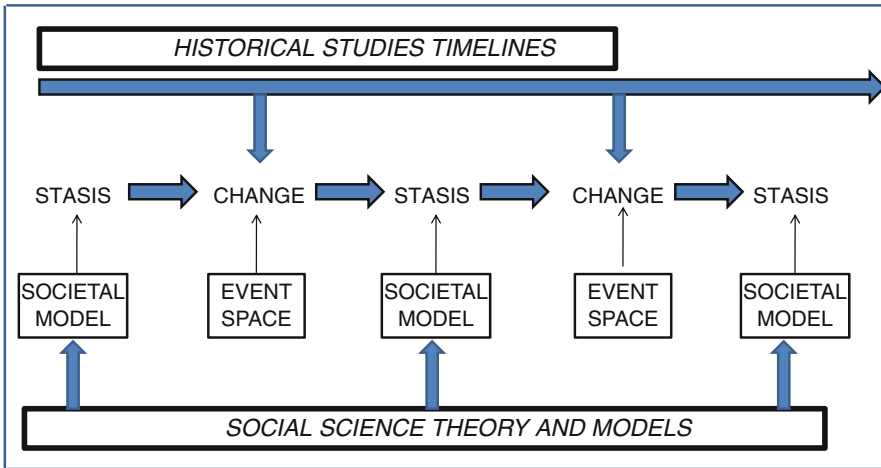


Fig. 10.1 Perspectives of societal dynamics: history and social science

space due to differing perspectives of the observer constructing a perceptual space. (We will review more completely this concept of a “meta-space” as a meta-logic-to-observation in the final Chap. 13.)

One can display a perspective for viewing “societal-dynamics-as-a-succession-of-perceptual-spaces” in terms of a meta-space of historical time, which relates historical perspectives and social science perspectives – as shown in Fig. 10.1.

When we look at societal dynamics this way, we can see clearly an important relationship of the discipline of history to the discipline of the social sciences.

Historians tell of the change in societies, whereas social scientists tell of the stasis in societies.

Social sciences create theories of stasis in societies, stable social structures and processes existing in a society.

History and the social sciences are complementary, telling the dynamical story of a society as both successive change and stasis.

In this way, the disciplines of history and the social sciences can be intellectually integrated as the description and theory of societal dynamics.

Historical Event: Balkans

The cultural roots of Yugoslavia went back to late Roman times (late 300 A.D) when Slavic tribes (Slovenes and Croat/Serbs) began to arrive and settle in Illyria. Illyria was the western region of the Balkan Peninsula above ancient Greece and Macedonia. In 395 A.D., Rome divided into Western and Eastern Roman empires. Rome remained

the capital in the West and Latin its language. But the Eastern Roman Empire established its capital in Constantinople on the Bosphorus and used Greek as its language. The Western Roman Empire collapsed in 475 A.D, but the Eastern Roman Empire continued on as the Byzantium Empire until 1450 A.D.

In the Balkans, the division of language and religion separated two Slavic tribes into two cultures, Croatian and Serbian. Although their spoken languages had the same Slavic linguistic basis, Croatians came to write in a Latin alphabet and Serbs in a Greek-derived alphabet. The Croatians became Roman Catholic Christians, while the Serbians became Greek Orthodox Christians. In the middle ages, Croatia was briefly an independent kingdom around 900 A.D.; while Serbia was an independent kingdom from about 1169 to 1389 A.D.²

Then, in 1389, a major event occurred in the Battle of Kosovo Poljed. The Ottoman Army under Sultan Murad defeated a Serbian army led by Prince Lazar Hrebeljanovic. Afterwards, the Balkan peninsula would all exist as provinces in the Ottoman Empire. Some Serbs and Croats converted to Islam, the religion of the Ottomans. In 1453, the Ottomans completed the conquest of the Byzantium Empire, and Constantinople became Istanbul, the capital of the Ottoman Empire. Then there were three religions in the Balkans: Catholic, Greek Orthodox, and Islam. Balkan cultures were divided by language and religion.



Murad I Topkapı. Palace Museum in Istanbul. Old Russian Miniature Source: (http://www.srpski-srednji-vijek.blogspot.com/2009_02_01_archive.html Srpski Srednji Vijek)



Lazar Hrebeljanovic. Source: http://www.varvar.ru/arhiv/gallery/manuscripts_russian/lit_svod/14.html



1389 Battle of Kosovo Polje Old Russian Miniature (<http://www.en.wikipedia.org>, 2010, Battle of Kosovo Polje)

Later in 1718, Austria defeated the Ottoman Turks and gained control of northern Serbia. In 1800, the French Army under Napoleon defeated Austria and took control of Croatia. The ideas of nationalism and reform of Feudal structures spread throughout Europe under Napoleon's military successes. The Ottoman Empire continued to decline in military might throughout the 1800s. In 1877 in a Russo-Turkish war,



Fig. 10.2 Austrian empire (<http://www.en.wikipedia.org>, Austria-Hungarian Empire, 2010) (Source: Austria-Hungary_map_new.svg)

Russian armies fought Ottoman armies in the Caucasus and in the Balkans. Russia obtained the Budjak region of the Danube Delta and provinces in the Caucasus. Romania, Bulgaria, Serbia, and Montenegro became formally independent of the Ottoman Empire. Austria-Hungary occupied Bosnia and Herzegovina (and had earlier incorporated Croatia). Figure 10.2 sketches the Austria-Hungarian Empire in 1900. By 1908, Croatia-Sloania, Serbia, Boznia and Herzegovina had all been annexed into the Austria-Hungarian Empire. But nationalist aspirations (as linguistic and religious groupings) opposed to Austrian occupation continued in the Balkans. In 1914, a group of Serbians (under a “Black-Hand” terrorist group) assassinated the heir to the Austrian-Hungarian throne, and World War I began.³

Societal Dynamics of Change in the Balkans

In the stasis (stability) of early Balkan societies, the major change occurred in 1389 when the Ottoman Empire conquered the Balkans. Centuries later a second major change in Balkan societies occurred around the time of the Russo-Turkish war in 1887. After this the Austrian-Hungarian Empire began annexing Croatia-Slovenia, Serbia, Bosnia-Herzegovina, and Montenegro. We can depict these changes in two event spaces, as shown in Fig. 10.3.

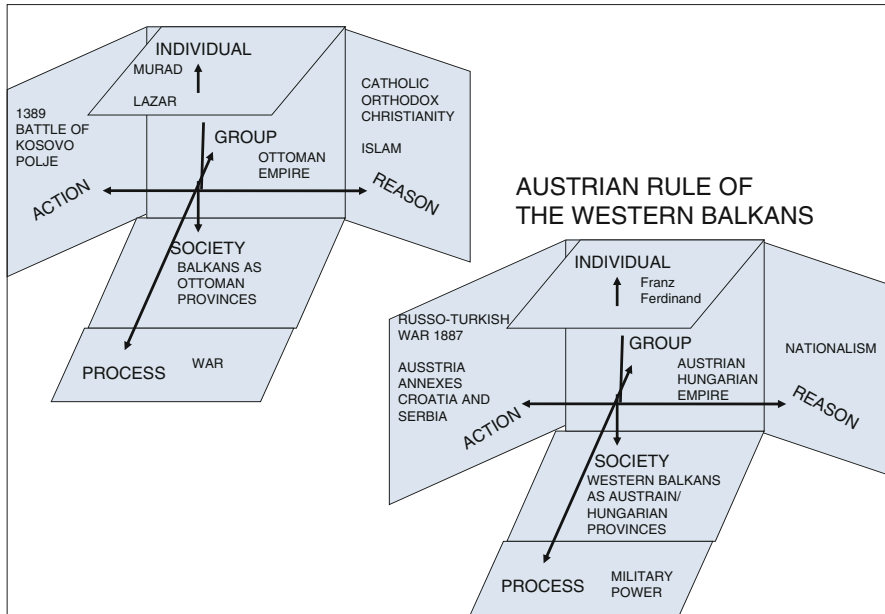


Fig. 10.3 Ottoman rule of the Balkans

ACTION – Battle of Kosovo Polje, 1389

REASON – Conquest

INDIVIDUAL – Sultan Murad defeats Sebian Prince Lazar Hrebeljanovic

SOCIETY – Balkans under Ottoman Rule

GROUP – Ottoman Empire

PROCESS – Military power

ACTION – The Russian war with Turkey in 1887 broke the power of the Ottoman Empire in the Balkans. Austrian-Hungarian Empire annexes Western Balkans.

REASON – In 1800, the French under Napoleon defeat Austria and took control of Croatia, introducing the ideas of nationalism and reform.

INDIVIDUAL – Arch Duke Franz Ferdinand was assassinated, leading Austria to declare war on Serbia and World War I began.

SOCIETY – Western Balkans

GROUP – Austrian-Hungarian Empire

PROCESS – Military power

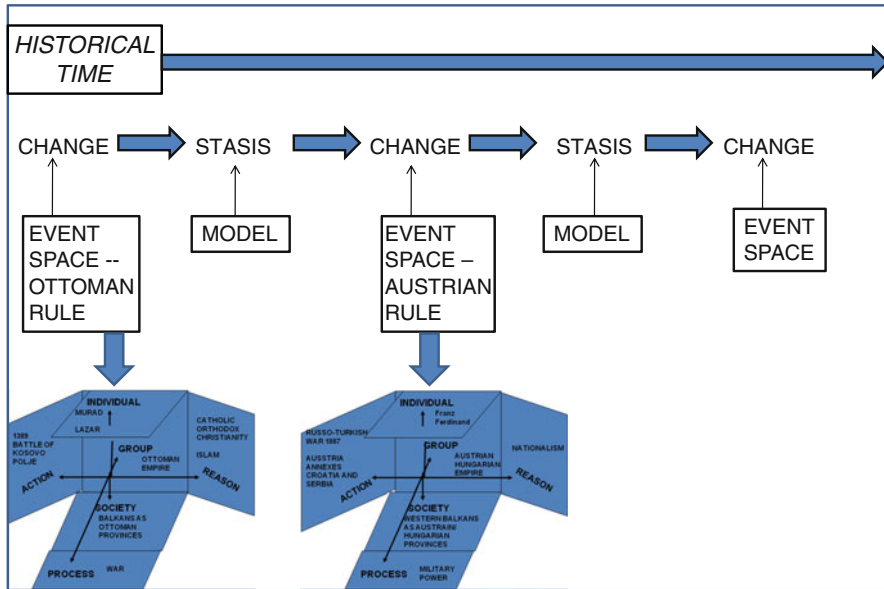


Fig. 10.4 Societal dynamics: history leading to Yugoslavia

We can place these perceptual-space event boxes within a societal dynamics timeline, as shown in Fig. 10.4.

The first event space which alters Balkan Society in 1389 is the Battle of Kosovo Polje, after which Balkan societies are administered as provinces in the Ottoman Empire. Later in the 1800s, an event space of the Russo-Turkish of 1877 alters Balkan societies, which then are administered as provinces in the Austrian-Hungarian Empire.

Societal Models as Stasis

We can now see how to connect social science models of a society to historical descriptions of events in that society. We earlier described a model of a society as a system in terms of four interacting subsystems (economic, cultural, political, and technological), as shown again in Fig. 10.5.

The societal-event perceptual space can formally describe a historical event in a society; and at that time the societal model can describe the existing systems of the society. The impact of the historical event upon the societal structure results in changing the structure of the society, as illustrated in Fig. 10.6.

We can now emphasize the important connection between history and social sciences. At any point in time, the structure and processes (system) of a society is likely to be in a steady state, stasis. This stasis can be changed by a historical event, describable in a societal perceptual space. Then a new stasis of a society may result.

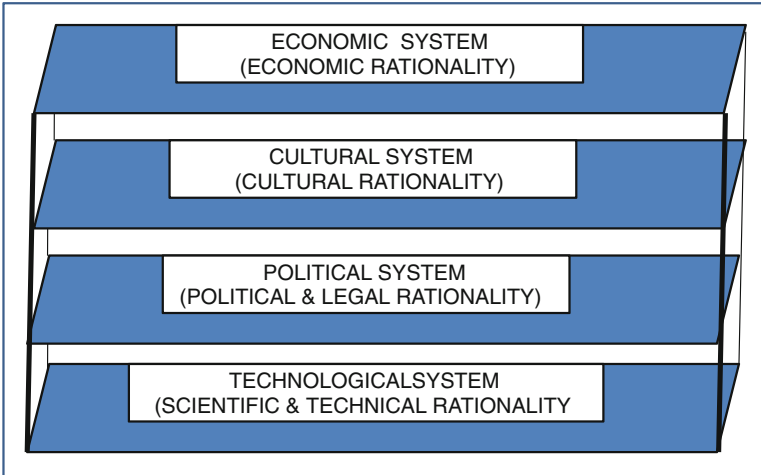


Fig. 10.5 Topological graph model of society as interacting subsystems

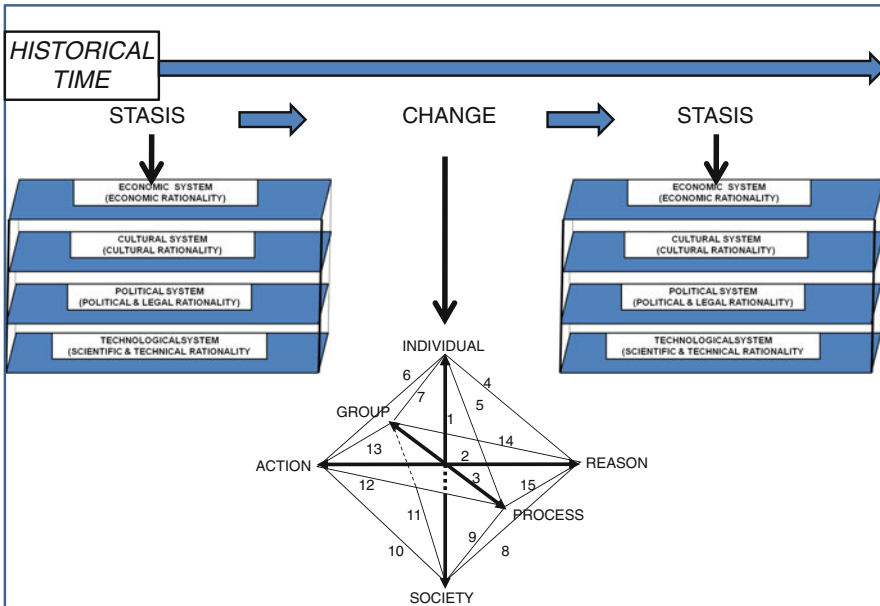


Fig. 10.6 Societal dynamics: historical events can alter societal systems

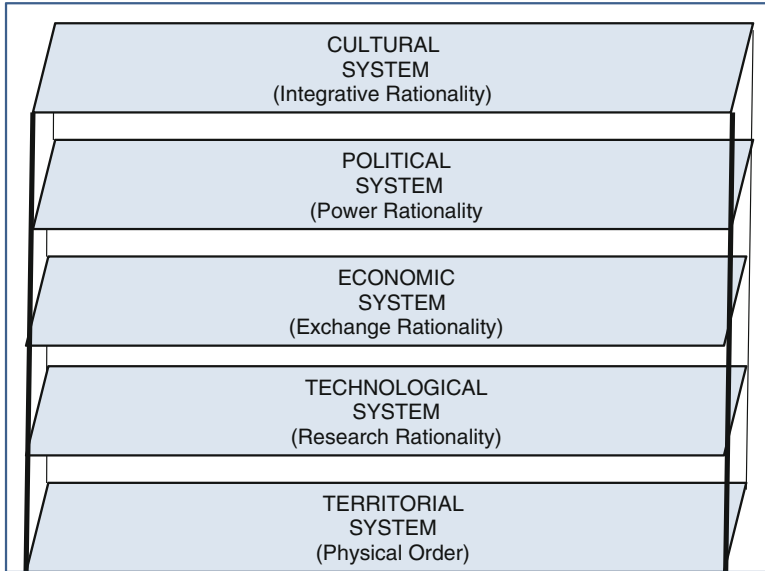


Fig. 10.7 Topological graph of societal stasis

Social sciences describe the model of a society as stasis, steady. History describes the changes in stasis, as the systems in a society are changed by historical events.

This connection between history and the social sciences can describe the dynamics of societies as alternating stasis and change.

Also as shown in Fig. 10.7, one can add into a topological model of society a fifth plane depicting “territory” – in order to indicate the territory in which the society is located.

Societal Stasis in the Balkans

What about the models for the stasis of Balkan societies after these historic events which changed them? We can show this in Figs. 10.8 and 10.9, respectively, as the stasis models for Balkan societies: (1) under Ottoman Rule in the 1400s through 1700s and (2) then under the Austrian-Hungarian Rule from the late 1878 through 1918.

What we see in this comparison was that the political system in Feudal or Monarchical governmental forms was not dependent upon religion or linguistic culture. A feudal king or a monarchical kingdom could encompass territories of different religious or linguistic affinities. Under the monarchical Ottoman Empire, the cultural system of religion assisted in the rule as an Islamic state; but Christians and Jews were tolerated and taxed with additional fees. In the monarchical Austrian-Hungarian Empire, different linguistic groups (Germans and Hungarians) were ruled by the same government and their peoples were all citizens of the Empire.

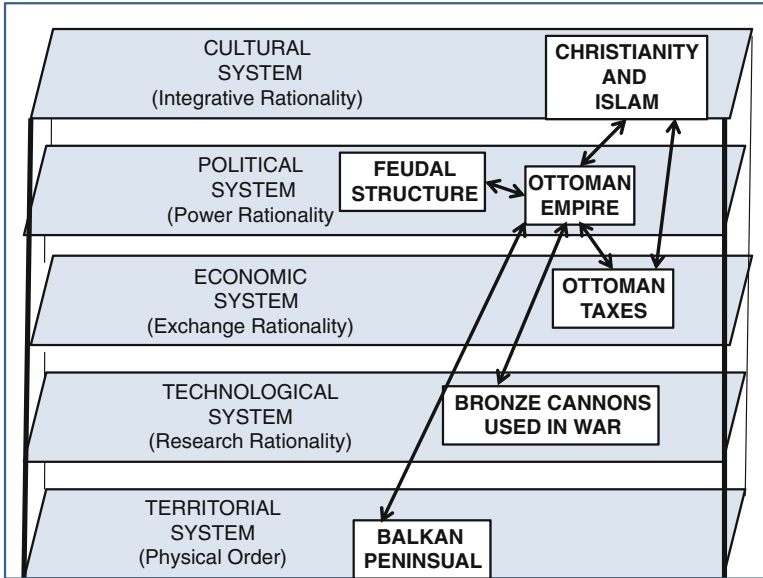


Fig. 10.8 Topological graph of societal stasis of the Balkans under the Ottoman Empire

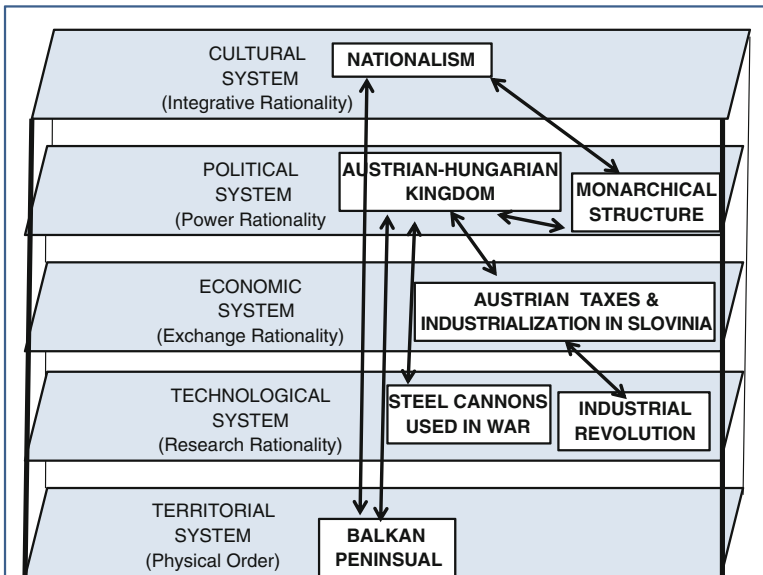


Fig. 10.9 Topological graph of societal stasis of the Balkans under the Austrian-Hungarian Kingdom

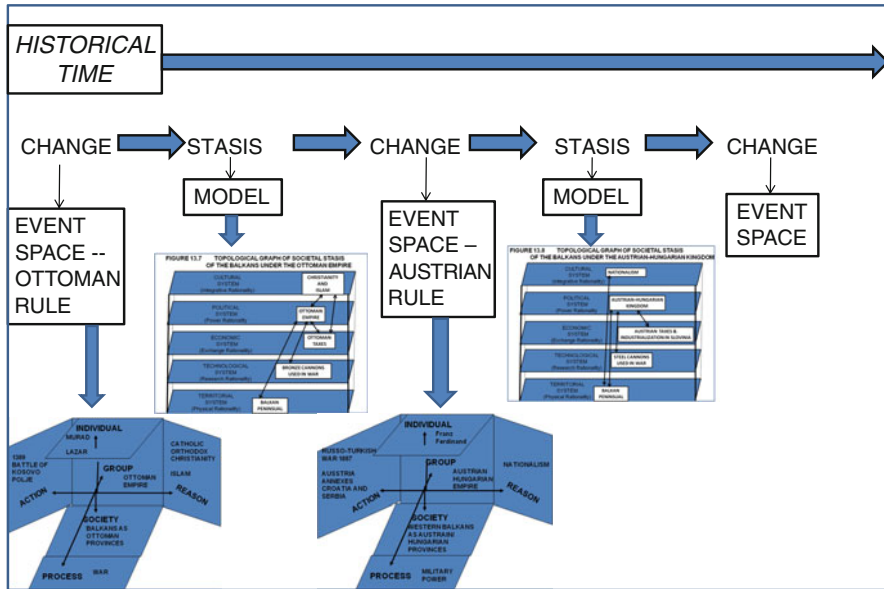


Fig. 10.10 Societal dynamics: history leading toward Yugoslavia

A second comparison between these two eras in the Balkans was the increasing progress in technology of the Austrian-Hungarian Empire and the lagging behind in technology of the Ottoman Empire. In the 1400s, the military strength of the Ottoman Empire had used the new bronze cannons and rifles innovated after the fifteenth century. But in the late 1800s, new steel cannons enabled the Russians and Austrians to defeat Ottoman armies.

Also early industrialization in the 1800s enabled the Austrians to field stronger armies over the Ottomans. The Ottoman Empire began to seriously lag behind Europe in the 1700s and 1800s in the new sciences and technologies of Europe.

Also in Europe, a new cultural of nationalism emerged with the French Revolution, overthrowing the Feudal ideas of government by aristocracy. The ideas of nationalism began to circulate in Europe. But for most of society, the idea of nationalism would be a cultural idea centered around a common language and/or a common religion. The monarchical government of the Austrian-Hungarian Empire was unable to tap into the loyalty of their common subjects, who partitioned into self-identified linguistic and religions groups.

To use Habermas’s jargon, this difference between the “discourse-ethics” of the masses (culture as linguistic/religious identity) and the preferred “discourse-ethics” of the government (loyalty to the government) was the *fault line* in the Balkan regions that divided all the governments from their people from 1450 to 1989 – throughout five centuries in the tragic historical case of Yugoslavia.

In Fig. 10.10, we can begin to depict the changes in the stasis (structures) of Balkan society when the historical event of the Austrian rule of the western Balkans

altered the stasis of Balkan society (changing the model of the societal system from a prior societal stasis (Ottoman territory) to subsequent stasis (Austrian territory).

In a societal-dynamics time-line, *events creating change* in a society can be depicted by its historical event-factors shown on a *societal perceptual-space box*.

In a societal-dynamics time-line, the *stasis of societal forms* between times of change can be depicted by managed-system models expending from factors of a topological graph of societal self-organizing system.

Historical Event: Creation of Yugoslavia

Nationalism of Serbs and Croats and Slovenes continued to ferment in the Balkan region during World War I. After the defeat of Germany and the Austrian-Hungarian Empire at the end of World War I, the Austrian-Hungarian Empire was dismantled by the Allies of France, Britain, and the USA. They decided to assemble the western Balkan provinces into a new nation called Kingdom of Serbs, Croats and Slovenes, Yugoslavia. The Kingdom of Yugoslavia was established under Alexander I in the name of his father King Peter I.⁴

Alexander Karađorđević had been born in 1888. His father, Peter I, had been nominally King of Serbia and his mother was a princess of Montenegro. During World War I, a Serb army under Alexander had rebelled against the Austrians in 1912 but then suffered losses. Regrouped it participated on the side of the Allies in the final battles of 1918. In 1921, King Alexander inherited the Yugoslav throne from his father. Nationalistic agitation by some Croats and Slovenes against the Serbian rule continued. In 1934, during a visit to France, King Alexander was shot in Marseille by an assassin from the Macedonian Revolutionary Organization, cooperating with the Ustase, a Croatian fascist organization. Alexander's eldest son, Peter II, was a minor; and a regency was established under a cousin of Alexander, Prince Paul.



King Alexander I



Prince Paul



King Peter II

In 1941 after World War II had begun (with Germany’s conquest of Poland, Norway, Denmark, Netherlands, Belgium, and France), Prince Paul signed a treaty with Germany and Italy. Opposing this fascist alliance, a Yugoslav Army General Simovic seized power and ended Prince Paul’s regency, giving the rule to King Peter II. But then Italy attacked Albania and was stopped by Greece; and Germany invaded Yugoslavia. Hitler divided up Yugoslavia, especially establishing a State of Croatia to be ruled by a fascist Croatian militia called the “Ustase.”

Yugoslav resistance forces to the fascist occupation centered in two groups: (1) a communist Partisan Group led by Josip Broz Tito and a royalist Chetnik group led by Draza Mihalic. Guerrilla battles occurred between these groups and the German Army and the Ustase through 1945 (as well as battles between the Partisans and the Chetnik).

Perceptual Event Space in the Creation of Yugoslavia

The perceptual event space of Yugoslavia from the end of World War I through World War II is depicted in Fig. 10.11.

ACTION – At the end of World War I, the Austrian-Hungarian Empire was dissolved and the Kingdom of Serbs, Croats, and Slovenes (Yugoslavia) was created.

REASON – The reasoning of individuals and groups in the event of the creation of Yugoslavia consisted of the idea of feudalism in establishing a monarchical form of

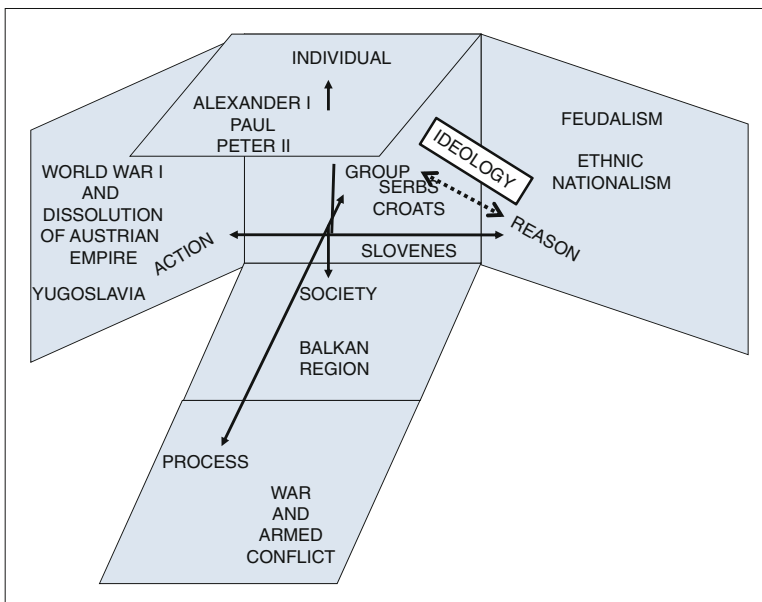


Fig. 10.11 Kingdom of Serbs, Croats, and Slovenes

government which came into conflict with the ideas of ethnic nationalism based upon ethnic/linguistic divisions of society in Yugoslavia.

INDIVIDUAL – The key individuals in the formation and governance of Yugoslavia were King Alexander, Prince Paul, and King Peter II. Alexander was assassinated, Paul signed into a fascist alliance. But Peter never had a chance to rule, because of the German army invasion.

SOCIETY – The western Balkan regions were united in Yugoslavia, but with ethnic and historical divisions between Slovenes, Croats, Serbs, Montenegrans, and Macedonians.

GROUP – Different nationalist groups strove for power, including the Macedonian Revolutionary Organization (whose member assassinated Alexander), the Croatian Ustase (which collaborated with Germany occupation of Yugoslavia), communist Partisans, and Monarchist Cheniks.

PROCESS – The processes of war and armed conflict dominated the actions in Yugoslavia through World War II.

IDEOLOGY – The relationship between groups and reason dominated the actions in Yugoslavia for the formation and justification of political groups, with ideologies of monarchy or ethnic nationalism or communism or fascism.

In the cultural system of the western Balkan regions, the government organized upon the culture of the political ideologies of monarchism or communism; whereas the common people continued to culturally identify around linguistic and religious communities.

Principles-of-order for the political unity of a modern nation operate culturally as ideologies of the groups striving for power in the nation.

But such governmental-focused cultural ideologies may not match with the linguistic/religious cultural identities of the governed peoples.

Historical Event (Continued): Democratic Federal Yugoslavia

Josip Broz (1892–1980) was born in Kurovec (now part of Croatia). His father was Croat and his mother Slovene. From 1900, he attended the first 4 years of primary school in Kurovec; and in 1907, he went to Sisak becoming a machinist's apprentice. In 1910, he joined the union of metallurgy workers. In 1913, he was drafted into the Austro-Hungarian Army. In 1915, his unit was sent to Galicia to fight against the Russian Army, but he was wounded and captured by the Russians. After recovering, he was sent to a Russian work camp in the Ural Mountains. In February 1917, after the abdication of the Russian Tsar, workers broke into the prison, freeing the prisoners. Broz joined a Bolshevik group and participated in the uprising in Petrograd in July 1917. After the successful Bolshevik revolution in November 1917, Broz joined the Russian Red Guards. In the spring of 1918, he joined the

Yugoslav section of the Russian Communist Party and married a Russian wife. In 1920, he returned with his family to Yugoslavia, joining the Communist Party of Yugoslavia. He worked again as a machinist, participated in labor strikes and was arrested in 1928 for communist activities and imprisoned for 5 years.

After his release in 1933, Josip Broz adopted new names (including “Walter” and eventually “Tito”) and was then sent to Vienna and appointed to the Central Committee of the Communist Party of Yugoslavia. In 1935, Tito went to the Soviet Union and worked in the Balkan section of the Russian Comintern. In 1936, Stalin sent Tito back to Yugoslavia to purge the Yugoslavia Communist Party, becoming its Secretary General. In 1937, Tito led Yugoslavian communists in participating in Spain’s civil war.

In April 1941 after the German Army invaded Yugoslavia, King Peter II and his government went into exile. Tito formed the communist Yugoslav Partisans and retreated into the mountains in Yugoslavia to continue resistance. A Serbian group, the Chetniks, led by Draza Mihajlovic, also resisted the German Army. Battles occurred not only between the German Army and the Partisans and Chetniks, but also between the Partisans and Chetniks. In 1944, Tito’s Partisans were recognized by the Allies. In 1944–1945, the Partisans expelled the German Army from Serbia, and the USSR assisted in the liberation of Belgrade.

In March 1945 with the Partisans dominant, Tito formed a provisional government of the Democratic Federal Yugoslavia (DFY). In November 1945, a national election was held. Tito became Minister and Minister of Foreign Affairs of DFY. The DFY was organized into six federal states: Federal State of Bosnia and Herzegovina, Federal State of Croatia, Federal State of Macedonia, Federal State of Montenegro, Federal State of Serbia, and Federal State of Slovenia. The communist party was official, and all other parties banned.

The DFY was established as a communist government. Under Tito, the Yugoslav government initially allied with the Soviet Union; but Tito refused to subordinate his policies to Stalin. In 1948, the Soviet Union formally broke with Yugoslavia. The country was then isolated from Russian assistance and began trading with the USA. Tito adopted a neutral position in the cold war between the USA and the USSR.

Some economic reform and political liberalization began in Yugoslavia. However, liberalization encouraged ethnic nationalism. In 1980, Tito died and the ethnic nationalism took over. Yugoslavia would break up into independent states.



Josip Broz Tito (<http://www.en.wikipedia.org>, Tito, 2010)

Perceptual Event Space and Stasis

The perceptual event space of the war years in Yugoslavia is depicted in Fig. 10.12.

ACTION – German Army invaded the Balkans in World War II.

REASON – The ideologies of fascism and communism were contending in Europe as a basis for a government.

INDIVIDUAL – Tito led the Partisans and Mihajlovic the Chekists.

GROUP – The Partisans was a communist resistance group and the Chekists was a monarchist resistance group.

SOCIETY – At the end of war Tito formed and led the Democratic Federal Yugoslavia, which although called a “democracy” was in fact a communist state.

PROCESS – A war of invasion and guerrilla resistance.

Under Tito, the stasis of Yugoslavia was organized as a communist state, as depicted in Fig. 10.13.

We see that Tito organized the Democratic Federal Yugoslav government around the ideology of communism. Yet the organization of the government in territorial

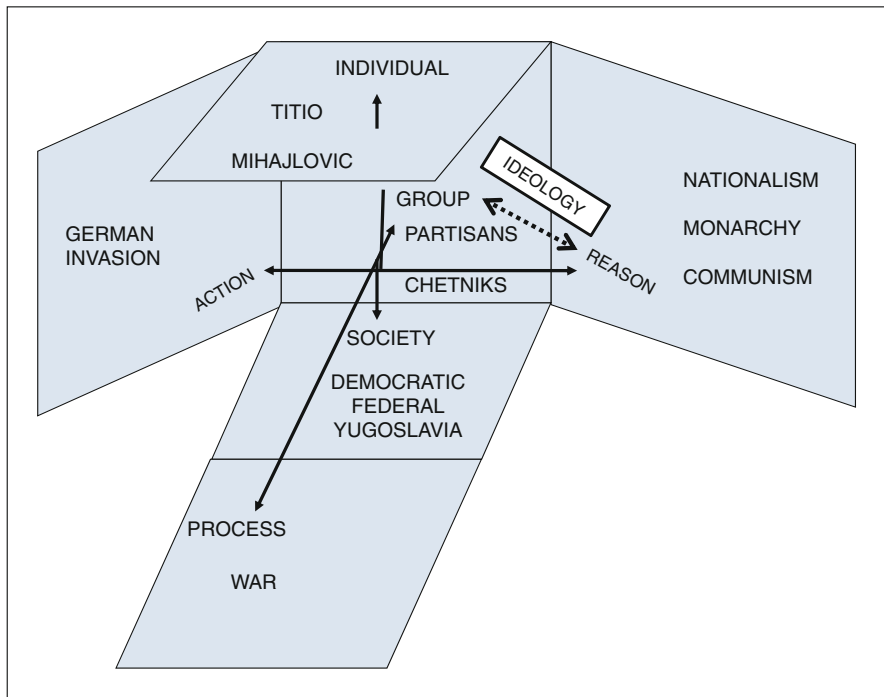


Fig. 10.12 Democratic federal Yugoslavia

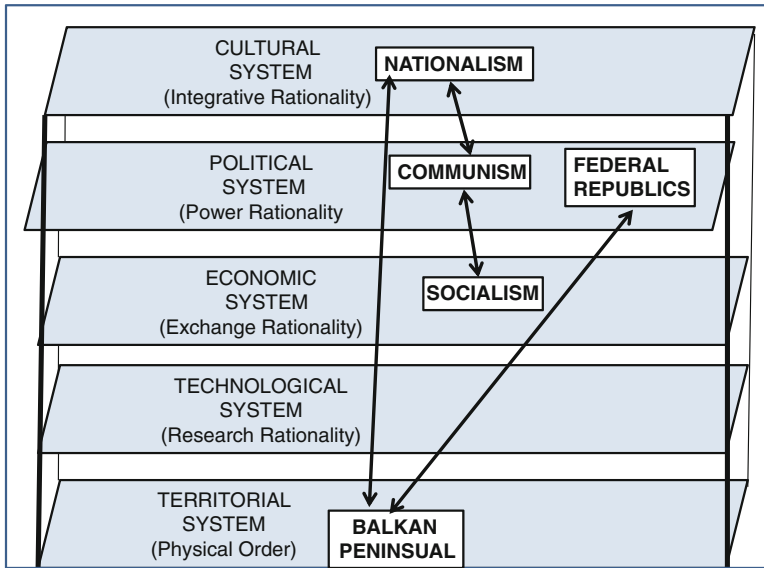


Fig. 10.13 Topological graph of societal stasis of the Balkans under democratic federal Yugoslavia

boundaries continued principally around linguistic/religious communities. Tito had focused so much of Yugoslav identity around communism, and his government never completely integrated the different linguistic/religious groups of Slovenes, Croats, Serbs, Muslims. In the societal dynamics of the Balkans, one can now add another historical event of Tito’s communist Yugoslavia, in alternating between stasis and change and stasis in the history of Yugoslavia. In Fig. 10.14, we add the communist model of society which Tito introduced into Yugoslavia at the end of the Second World War.

Historical Event (Continued): Dissolution of Yugoslavia

Tito did attempt to find an organizational solution to the cultural division in Yugoslavia between an ideological-communist nation and a Federation of linguistic/religious republics. In the 1970s, Tito established a collective form of presidency as a council with representatives as the presidencies of each republic in Yugoslavia. One would serve as the President of Yugoslavia for a year on a rotating basis.

On May 4, 1980, Tito died. A funeral train transported his coffin across the extent of Yugoslavia with masses coming out to show their sorrow.

His collective presidential council with rotating presidents lasted until 1989. But in that year, Mikhail Gorbachev’s reforms in the Soviet Union for glasnost (openness) and perestroika (restructuring) stimulated desires for reform (and nation-

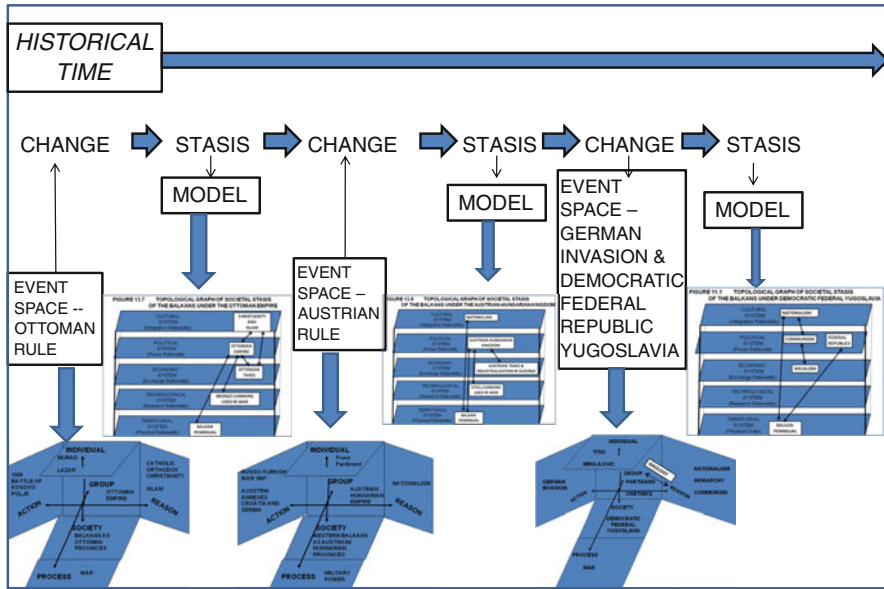


Fig. 10.14 Societal dynamics: history leading toward Yugoslavia

alist feelings) in all satellite communist states – and also in each of the Yugoslav republics. The Yugoslav President was Slobodan Milosevic, who also was the President of the Republic of Serbia. In December of 1989, leaderships in Communist Parties in Serbia and in Croatia called for reform for a multiparty system of government. Jeffrey Symnykwyicz nicely summarized the impact of reform upon the Communist control of Yugoslavia: “The League of Communists would not be able to withstand the rising tide of nationalism within Yugoslavia. Nor would it be able to resist the rising tide of democracy that swept Central and Eastern Europe in the fall and winter of 1989.” (Symnykwyicz 1997).

In January 1990, the Fourteenth Congress of the League of Communists was held in Belgrade. The Yugoslav President Milosevic resisted proposals for reform of the party system, arguing that such would divide the country. With their proposals for reform rejected, the Slovenian delegation walked out of the meeting.

In April 1990, the Republics of Slovenia and Croatia held free elections. In Slovenia, Milan Kucan was elected President of the Republic of Slovenia, and he resigned from the Communist Party. In Croatia, Franjo Tudjman became President of the Republic of Croatia. On December 9, 1990, Serbia held elections and Slobodan Milosevic was elected President of Serbia.

Then on December 21, 1990, Slovenia’s parliament, which was alarmed at Milosevic’s election in Serbia, passed a resolution that the Slovenia Republic’s laws took precedence over Yugoslav’s laws. Seeing this, Serbs living in Croatia were

afraid about Croatia next becoming independent from Yugoslavia and formed a Serbian Autonomous Region in Croatia. Seeing these moves toward the partition of Yugoslavia, the military leaders of Yugoslav People's Army (JNA) wanted the Yugoslav government in Belgrade to demand the disarming of militias in the republics of Slovenia and Croatia.

In May 1991, Slovenia and Croatia held respective plebiscites about independence, with both votes affirming independence. On June 25, Croatia and then Slovenia seceded from the Federal Republic of Yugoslavia. The problem with these declarations of national independences was that while most Slovenes lived in Slovenia, many Serbs lived in Croatia and many Croats lived in Bosnia.

The Yugoslav Army (JNA) opposed the secessions and moved its tanks through Slovenia to take control of the border posts of Slovenia with Austria. But Slovenia militia fought the JNA troops. Representatives from the European community negotiated a ceasefire, and JNA withdrew their troops from Slovenia. Militarily the Yugoslav army JNA then ceased to exist as an army of Yugoslavia and became the army of Serbia.

A civil war began in Croatia between Croat and Serb militias. The boundaries of the Yugoslav republics had placed the south-eastern part of Slovenia within the republic of Croatia; but Slovenia and Croatia each had a large population of Serbs (and Slovenia before the First World War had been considered a part of Serbian territory). On March 17, 1991, Serb leaders in Krajina declared a Serbian autonomous region in Slavonia; and fighting broke out between Croatian and Slovenian-Serb militias. By August, with the assistance of Serbian JNA units, Serbian militias had captured much of the northeastern region of the Republic of Croatia.

War then broke out between Croatia (led by Franjo Tudjman) and Serbia (led by Slobodan Milosevic). Battles included a long siege of Vukovar (on the boundary between Croatia and Serbia) by the Serbian army. There also occurred a naval bombardment of Dubrovnik by the Serbian JNA. European nations attempted to arrange ceasefires between Croatia and Serbia without success. Fighting between Croatia and Serbia finally ended in 1992: "For 7 months, fighting had raged in Croatia. At least 10,000 – by some estimates as many as 25,000 people – had been killed. A quarter of a million people (100,000 Croats and 150,000 Serbs) had been forced from their homes." (Symynkywicz 1997, p. 80) In January 15, 1992, European nations recognized the independence of Slovenia and Croatia from the former Yugoslavia.

Meanwhile civil war also had begun in Bosnia-Herzegovina. Earlier in October 1990, Serbs in Bosnia-Herzegovina had met as a Serb National Assembly and formed a Serb National Council for Bosnia, headed by Radovan Karadzic. Karadzic declared that Serbs in Bosnia-Herzegovina were independent of the Bosnia Republic and its President Izetbegovic. Also in March 1991, the president of Croatia, Tudjman had met with the president of Serbia, Milosevic, and agreed to divide most of Bosnia-Herzegovina between them. In December 1991, as the war between Croatia and Serbian was ending, the Bosnian parliament declared its independence. But on March 6, 1992, Karadzic, leader of Bosnian Serbs, declared: "We are not going to accept an independent Bosnia-Herzegovina." (Symynkywicz 1997, p. 85).

The government of Bosnia-Herzegovina was located in Sarajevo; and on March 7: "... Karadzic's forces began massive mortar attacks and artillery fire against Sarajevo. Aircraft from the Serbian JNL Federal Air Force began to bomb the Bosnian capital. Thousands of JNA troops, now loyal to the Bosnian Serb Republic, launched an attack across the Drina River... The army would move across Bosnia,..." (Symnykiewicz 1997, p. 86).

Karadzic's goal was to force all Croats and Muslims from Bosnian territory, as a policy of "ethnic cleansing." "In many localities 'ethnic cleansing' followed the same general pattern. Irregulars" from the militias... would enter each village... terrorize the Muslim population... Muslim women and children were herded onto trucks and shipped out of the country. Muslim men of fighting age were either killed or imprisoned. When most of the Muslims were gone, the official army would enter the town and place its administration under Serb control." (Symnykiewicz 1997, p. 87).

The civil war went on until September 1995, after the international community tried several times to negotiate a peace. In the internationally recognized agreement, Bosnia-Herzegovina remained a separate state, with Serbs controlling 70% of the territory and a Muslim-Croat Federation the remainder.

In 1993, because of the "ethnic cleansing" policies, the United Nations established an international court to prosecute war crimes: The International Tribunal for the Prosecution of Persons responsible for serious violations of International Humanitarian Law Committed in the Territory of the Former Yugoslavia since 1991. Trials began in November 1994. Then 161 individuals were indicted by the Tribunal and 100 cases completed. Of these, five individuals were acquitted and 48 sentenced. Included in the indictments were Radovan Karadžić (former President of the Republika Srpska), Ratko Mladić (former Commander of the Bosnian Serb Army), and Ante Gotovina (former General of the Croatian Army).

Perceptual Event Space and Stasis

The perceptual event space of the dissolution of Yugoslavia is depicted in Fig. 10.15.

ACTION – Under plebiscites in the different Republics, Yugoslavia dissolved into separate nations but in civil wars between contending ethnic groups. United Nations International Tribunal was established to try war criminals.

REASON – The idea in the actions was that of having ethnically homogeneous nations, sharing the same language and religion.

INDIVIDUAL – Leaders in the civil wars were Slobodan Milosevic (President of Serbia), Franjo Tudjman (President of Croatia), and Radovan Karadžić (Leader of Bosnian Serbia).

GROUP – The groups involved were different ethnic militias and the former Yugoslav Army (JNA); also the international community as European and American nations and the United Nations were involved in peace negotiations.

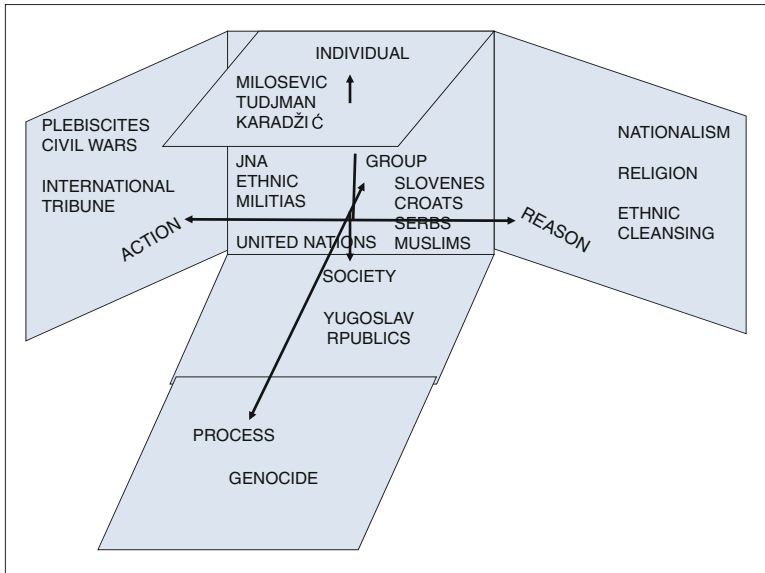


Fig. 10.15 Dissolution of Yugoslavia

SOCIETY – The republics which composed of Yugoslavia voted in plebiscites to become independent nations, with mixed ethnic groups in most national territories.

PROCESS – The Croatian and Serbian governments decided to partition Bosnia with ethnic militias and to do so by committing genocidal actions upon civil populations.

Societal Structure and Change

In Fig. 10.16, one can see the continuing alternation between stasis and change and stasis in the history of Yugoslavia – as one adds the event of the violent break-up of Yugoslavia when the Soviet Union collapsed.

Thus, what we have seen in this history of Yugoslavia is that the structures of society in a region can change under the collapse of the government of the region and replacement by new government. In such times of societal change, five factors were especially important in establishing the future structure of the society: quality of leadership, quality of governance, quality of technology, quality of institutionalization, quality of performance, and quality of ethics.

In Yugoslavia, the quality of leadership of the Ottoman Sultan and the progress in the technology of bronze cannon enabled the Ottoman Empire to conquer the Balkans and establish an Ottoman sovereignty over the region. The Ottomans institutionalized a high quality of administration to run the Empire and a high-quality

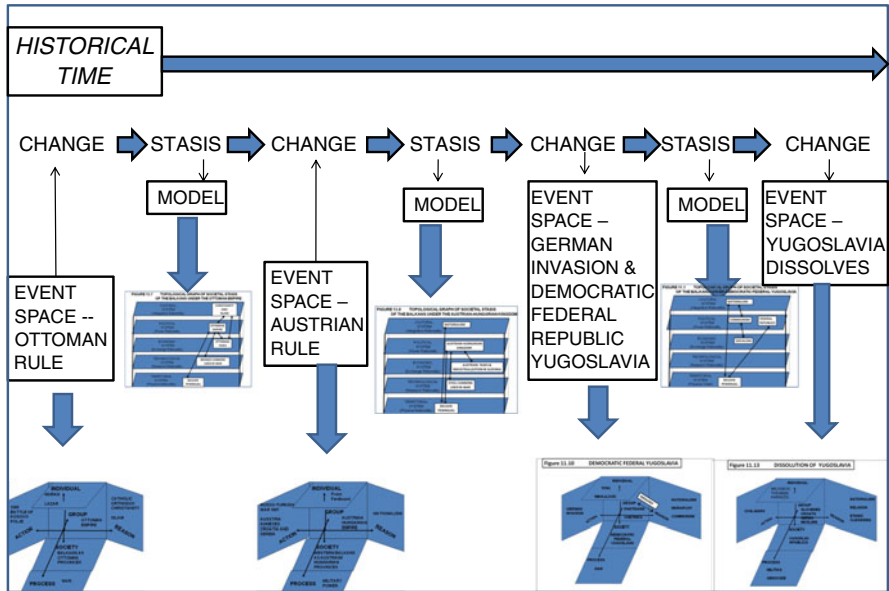


Fig. 10.16 Societal dynamics: history leading toward Yugoslavia

professional army to create and control the Empire. Also a high quality of ethics of the Ottoman Empire allowed all ethnicities and religious groups to exist within the empire as long as they were loyal subjects and paid proper taxes. The performance of the society, economically and militarily was strong until their technology began to lag behind Europe in the 1700s.

Next in Yugoslavia, the quality of leadership of the Austrian-Hungarian Empire and the newer technology of steel cannon enabled the Austrian Army to defeat the Ottoman Army in the Balkans, extending Austrian sovereignty over the western Balkans. The Austrians institutionalized a high quality of administration to run their empire and a modern professional army to defend the Empire. The high quality of ethics in the Austrian Empire allowed all ethnicities and religious groups to exist within the empire as long as they were loyal subjects and paid proper taxes. The performance of Austrian society, economically and militarily, became stronger as European technology rapidly progressed from the 1700s on.

When the nation of Yugoslavia was established after the First World War, the quality of leadership by the Yugoslav King failed in dealing with the ethnic nationality movements in the Balkans. Next the superior military technology of the German Army enabled the conquest of Yugoslavia. Also the monarchy failed to build effective administrative and military institutions. But the high quality of ethics of Yugoslav monarchy allowed ethnicities and religious groups to exist within the country as long as they were loyal subjects and paid proper taxes. The performance

of the Yugoslav society, economically and militarily, was developing with Austria but still behind other parts of Europe, notably Germany.

Under the German Army occupation, the bad quality of ethics of the Nazi regime encouraged genocidal policies of the puppet Croatian Ustase government against Jews and Serbs.

After the defeat of the Germans in the Second World War, the quality of the leadership of Tito enabled the establishment of the government of Federal Yugoslavia and the rule of the country peacefully across the ethnicities of Slovenes, Croats, Serbs, and Muslims. However, Tito's principle focus upon the ideology of Communism for organizing the government of Yugoslavia failed to create an effective economy. It failed to integrate the ethnic divisions in Yugoslavia. After this death, they would tear the country apart. The performance of the society economically continued to fall behind recovering Western Europe due to Tito's communist economy.

After Tito's death and the collapse of the communist USSR, the Yugoslav republics each voted for independence, breaking up the country. But then the bad quality of leadership of the Croatian and Serbian presidencies introduced policies of ethnic cleansing in the division of Bosnia-Herzegovina in genocidal terror. No proper institutionalization of military power prevented genocide. The ethnic militias were armed and encouraged to loot, rape, and murder.

Eventually, the good ethics the international community emerged, when countries outside the Balkans were repelled by the terror and genocidal acts of Serbian and Croatian militia and former Yugoslavian Army (JNL). Then the European Community and NATO facilitated negotiations to formally divide the regions and end the armed conflicts. Also a UN tribunal was institutionalized to try case of war crimes in the former Yugoslavia. The civil wars destroyed Croatian and Serbian economies.

Figure 10.17 emphasizes how important in societal change are these five factors in the graphical theory of societal dynamics of: (7) leadership, (9) regulating, (12) function, (3) institutionalization, (10) performance, and (1) ethics.

A good quality of leadership and of governance in institutionalizing societal organizations which promote both technology and ethics can result in high performance of the society.

Herein lie the essential connections between the historical-sociological concepts of an "Individual" and a "Society."

Under stable social conditions with good societal performance and technology, societies provide the ethical context for individual behavior within a societal structure, through institutionalization and governance.

But under unstable social conditions with poor societal performance and technology, in such times of societal change, the leadership of an individual in a position of authority can (1) alter a societal structure through governance and institutionalization of new structures and (2) thereby change the ethical context of a society.

Societal performance and technology influence the stability or instability of a societal structure; and leadership for governance and institutionalization influences the ethical contexts of society.

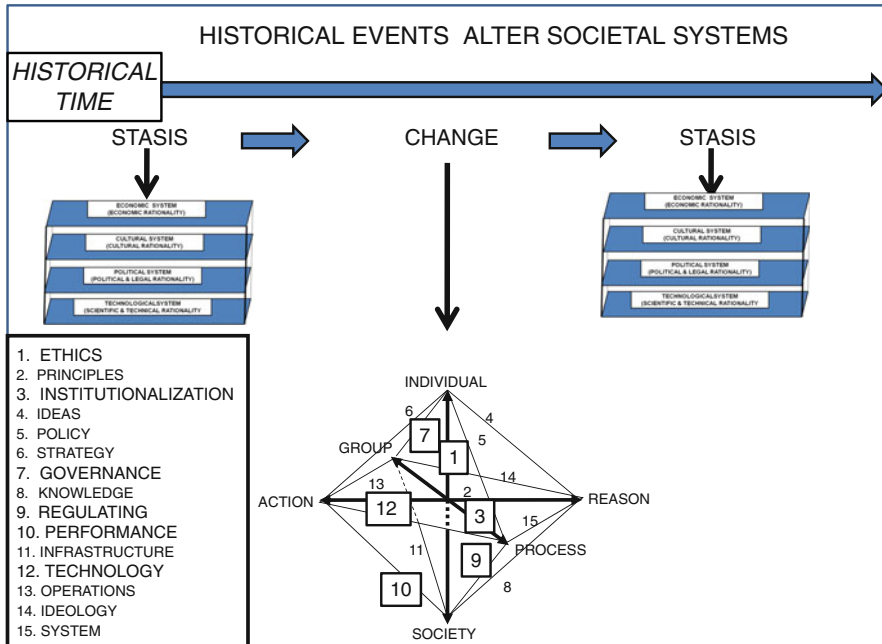


Fig. 10.17 Societal dynamics: critical factors in historical events alter societal systems

Summary

We have developed a methodology for comparing and analyzing historical examples of societies and changes in societies. This methodology is applicable to any society at any time in history; but we have chosen to focus upon the examples of ideological dictatorships of the twentieth century. There were reasons we made this choice: (1) methodological issue of grounding social theory in historical empiricism and (2) the thin veneer of civilization over society.

On the methodological issue we used both the idea of a formal perceptual space in which to describe and explain historical change of a society and the idea of a societal model in which to describe and explain societal structures and processes (societal systems) during historical times of stasis (stability) in a society. Thus, the dynamics of a society (both change and stasis) could be represented (described and explained) by a topological societal theory (perceptual space and societal model). We show again in Fig. 10.18 how this topological theory of societal dynamics can represent the stasis and change in a society.

A societal model can be used to represent stable societal infrastructures and processes in a society.

A societal perceptual space can be used to represent change in societal infrastructures and processes.

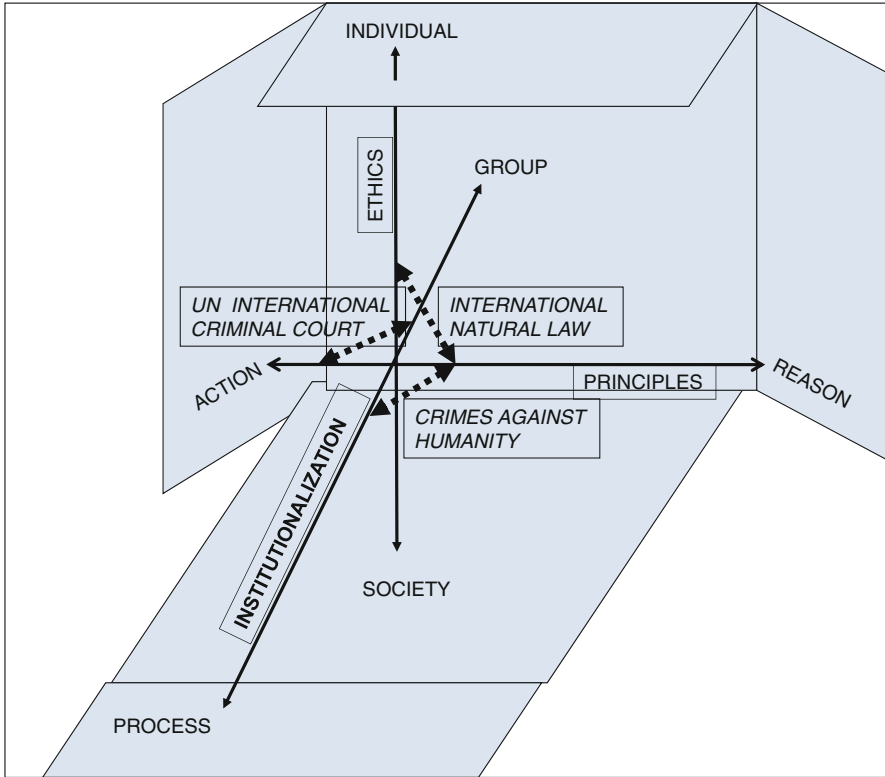


Fig. 10.18 Societal dynamics: how historical events can alter societal systems

Notes

¹ There are many books on the breakup of Yugoslavia, including: Radan (2002), Woodward (1995), Almond (1994), Duncan and Holman (1994), Mojzes (1994), Magas (1993).

² There are many histories of the Balkans, including: Mazower (2000), Stoianovich (1994), Jelavich (1983), Dvornik (1962), Stavrianos and Stoianovich (1958).

³ Histories of the later period of the Austria-Hungarian Empire include: Cornwall (2002), Sked (1989), Macartney (1969), Jászi (1956).

⁴ Histories of Yugoslavia include: Allcock (2000), Lampe (1996), Ramet (2006).

Chapter 11

Civilization and Society

Introduction

We have developed a societal perceptual space theory for analyzing a natural history of society. Can we apply this theory to contemporary problems of societal control? Failure of proper control in the systems of a society is an important issue. We have seen how poor economic performance or the break-down of military/economic systems has created political chaos in societies – during which tyrants have taken control. Let us next look at the challenges of proper control in the complexity of modern societal systems.

Traditionally, the term “civilization” has been used to denote a high “form” of a society – a form of sophistication, complexity, effectiveness, and ethics. Here we are using the term in this antiquated meaning of a sophisticated society – the term derived from the Latin “civilis,” meaning “citizen” or “city-state.” Much traditional European history has been told from a myopic perspective of a “Western Civilization.” In that tradition, modern Europe saw the history of the Roman Empire falling to invading barbaric tribes. Of course, this view of history is outdated and certainly not “universalized.”

Writing his dictionary in 1772, Samuel Johnson used the term “civility” as opposed to “rudeness.” In 1775, Ast’s dictionary used the term “civilization” as the state of being civilized. Adam Smith used the term civilization in his seminal work on economics, *The Wealth of Nations*. (Smith 1977/1776)

However, archaic a term (“civility” or “civilized” or “civilization”), one does need a word to indicate the vision of, the hope for society to be in a high state – high in ethics, in knowledge, in wisdom, in the institutionalization of effective and fair societal system. Yet in reviewing ideological dictatorships, we saw that civilized societies do not just happen. Brutal and ineffective and inefficient societies can and do happen under dictators. Accordingly, civilized societies must be deliberately constructed and operated, if we wish to live in a “humane” society – a society humane both to people and animals, as well as nature. Governments of the inhumane sort have systematically used terror, brutality, and genocide as official policy

Even though antiquated, we will use the term “civilized” to indicate the conditions of a “high” society, a “humane” society. Dictators’ societies have been inhuman: Lenin’s and Stalin’s terror, Hitler’s racial genocides, Mao’s preference for violent campaigns of brutality and indifference to famine, Milosevic’s, Karadzic’s, Tudjman’s policies of “ethnic cleansing.” This is the big question. Why were so many modern societies in the twentieth century inhuman instead of civilized?

Why, so far, have modern societies historically displayed so much technical knowledge and so little civilized wisdom?

Societal Control

To examine this, we will investigate the issue of control in society. How are societies run? Who and what exercises which kind of societal control? As shown in topological societal theory (Fig. 11.1), one can see three directions for control in a societal event: (1) top-down, (2) bottom-up, and (3) side-ways:

1. From the bottom-up, we will call this “control in a self-organizing system”
2. From the top-down, we will call this “control in a managed-system”
3. Middle, we will call this “control in a socio-technical system”

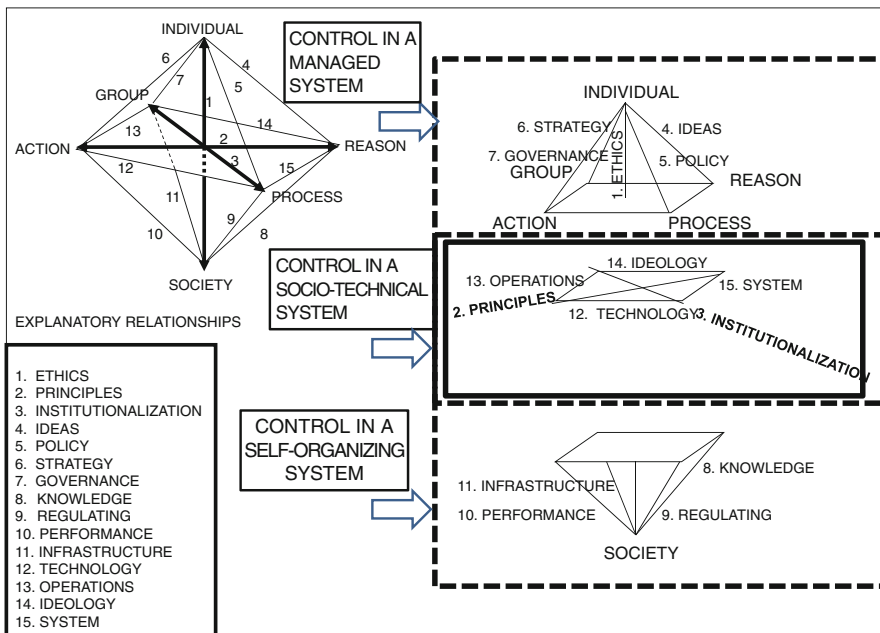


Fig. 11.1 Directional controls in society

These terms of “self-organization” and of “managed-system” and of “sociotechnical system” have long been discussed in the sociological literature on organization theory. We will next explain these three ideas as they are central to this problem of the *civilization and society*.

We recall how Mao believed in controlling society purely as an individual – having a vast and wise view down upon society so only he, Mao, could clearly see the vision of the whole society. This controlling vision was expressed as “Mao’s Thoughts.” Yet historically whenever Mao’s big-picture vision was expressed in mass campaigns, his campaigns harmed rather than helped Chinese society. We call this top-down way of controlling a whole society by a authoritarian vision a kind of *managed social system*. In contrast, we saw that Deng perceived that control in society should be in initiatives taken by individuals in society in a regulatory framework. Deng thought that top-down policy should facilitate self-organizing operations at the working levels, regulating but not directing individual actions. We call Deng’s view of society as that of a society which is not centrally managed but is constructed as a collection of individuals in a *self-organizing social system* – ‘*bottom-up*.’

Mao’s theory of how to control a society and Deng’s theory depended upon looking at the Individual-Society dimension from different directions: (1) top-down control by Mao’s campaigns or (2) bottom-up control in Deng’s reforms. Thus, looking at the societal perceptual space in a kind of directionality of top-down versus bottom-up was useful in explaining how these two leaders reasoned differently about society (different social theories). Next we will see how these ideas of top-down and bottom-up control of societal systems can explain failures of modern societal systems, such as the global financial collapse in the first decade of the twenty-first century.

Historical Event: Collapse of the Global Financial System in 2007

In 2007–2008, banks failed and banking stopped on the global scale.¹ We look at this historical failure of a modern societal system due to bad leadership and bad regulation – failure of proper control in managed-systems and in proper control in self-organizing systems.

June 2007

Then an article of The New York Times summarized the crisis: “The first shoe (of the global financial implosion) to drop was the collapse in June 2007 of two hedge funds, owned by Bear Stearns, that had invested heavily in the subprime market.” (NY Times, Dec 2008). Banks, such as Bear Stearns had been making up bonds to be sold as a Collateralized Debt Object (CDO). But these CDOs contained both

good, low-risk “prime” mortgages and bad, “risky” subprime mortgages. The banks had deliberately mixed prime with subprime mortgages in their bonds to increase the size and number of mortgage bonds. This resulted in all CDOs being contaminated with high risk. The buyers of the bonds had not known that. It was banker’s greed that made them mix the risks. And worse at the time, they told the people who were buying the CDOs that they had no risk because that mixture of primes and subprimes had “spread the mortgage risk.” Yet in reality it had increased the mortgage risk. The hedge funds of Bear Stearns had been set up to buy the CDO derivatives from mortgage bonds Bear Stearns concocted. Instead of “spreading risk,” Bear Stearns increased its own risk – leveraged its way to bankruptcy. Stupid? Yes. Impossible? No, it happened. Why?

March 2008

It would take 9 months, from June 2007 to March 2008, for the “financial dominoes” to begin falling: “Bear Stearns kept reporting larger and larger losses on mortgage bonds. Bear Stearns was on the verge of bankruptcy, because it did not have sufficient reserve funds to satisfy Federal regulations to continue being chartered as a bank. Then on March 2008, the Fed staved off a Bear Stearns bankruptcy by assuming \$30 billion in liabilities (of Bear Stearns) and engineering its sale to JPMorgan Chase.” (NY Times, Dec 2008) The price of that sale was at \$10 a share, when only months earlier shares had been in the \$100 range. Chase had acquired Bear Stearns “for a price that was less than the worth of Bear’s Manhattan skyscraper.” (NY Times, Dec 2008) This was only the first bank that would fail to meet its banking-reserve requirements and fail. Several more were to follow and around the world. The uncertainty about value precipitated a collapse of the market, so that temporarily they had no value at all – temporarily unsellable. Market value includes the factor of “timing.”

August 2008

Next the two giant semipublic mortgage companies in the USA, Fannie Mae and Freddie Mac, would fail. “In August, government officials began to become concerned as the stock prices of Fannie Mae and Freddie Mac, government-sponsored entities that were linchpins of the housing market, slid sharply.” (NY Times, Dec 2008).

These companies had been earlier established by the government to maintain liquidity in housing market. When a bank lent a mortgage, its capital in the loan would be tied up for 20–30 years, making it unable to use that capital to make further loans. Fannie Mae and Freddie Mac would buy these long-term mortgages from the bank. This enabled to the bank to obtain its loan capital immediately back to make another loan. Banks made money through the commissions earned on making a

loan. Fannie Mae and Freddie Mac made money on the interest paid over time on their acquired mortgages. To return their capital and to continue to buy mortgages, they packaged mortgages together into bonds, and sold bonds to long-term investors. Since these bonds were legally backed by the US Federal Government, they were seen as safe, low-risk investments. But the greed of the executives of Fannie Mae and Freddie Mac to pay themselves, big annual bonuses led them also to buy subprime mortgages and mix them together with prime mortgages – and sell these mixed-risk bonds as low risk.

But if Fannie Mae and Freddie Mac failed, then the whole US mortgage industry would actually end. As in Bear Sterns, it was executive greed which led to the failure of two more banks. Earlier the Federal government had guaranteed their bonds, but then the government directly nationalized both companies: “On Sept. 7, the Treasury Department announced it was taking over (nationalizing) Fannie Mae and Freddie Mac.” (NY Times, Dec 2008) (Fannie Mae and Freddie Mac had special corporate status with specific US government backing of their issued bonds.)

September 2008

In the same month, a second major investment bank fell: “On Sept. 12, top government and finance officials gathered for talks to fend off bankruptcy for Lehman Brothers. The talks broke down, and the government refused to step in and salvage Lehman as it had for Bear Sterns. Lehman’s failure sent shock waves through the global banking system...” (NY Times, Dec 2008) Lehman Brothers could not meet bank-reserve requirements, having borrowed too much to buy mortgages, which they assembled into CDOs that became unsellable.

Also in that same month, it was revealed that a stock brokerage firm, Merrill Lynch, had also been buying large numbers of subprime mortgages to make up mortgage bonds as CDOs. Merrill Lynch was forced to sell itself to the Bank of America.

Who was next? “On Sept. 16, American International Group (AIG), an insurance giant on the verge of failure because of its exposure to exotic securities known as credit-default swaps, was bailed out by the Fed in an \$85 billion deal.” (NY Times, Dec 2008). AIG had been issuing insurance on all those CDOs; all of which AIG could not pay if the CDOs failed.

That September, all the stock exchanges in the world imploded, with the prices of shares falling precipitously: “...Stocks plunged, with the Standard & Poor’s 500-stock index losing nearly 9%, its worst day since Oct. 19, 1987.” (NY Times, Dec 2008).

October 2008

“The U.S. Treasury Secretary, Henry M. Paulson Jr., publicly announced a three-page, \$700 billion proposal that would allow the government to buy toxic assets from the nation’s biggest banks, a move aimed at shoring up balance sheets and

restoring confidence within the financial system....Many Americans were angered by the idea of a proposal that provided billions of dollars in taxpayer money to Wall Street banks, which many believed had caused the crisis in the first place. U.S. government intervention to save the U.S. banking industry was underway...(but) it was still unclear how effective the bailout plan would be in resolving the credit crisis.” (NY Times, Dec 2008).

The banking crisis spread around the world. “Banks in England and Europe had invested heavily in mortgage-backed securities offered by Wall Street.... Over the weekend that followed the (U.S.) bailout’s passage, the German government moved to guarantee all private savings accounts in the country, and bailouts were arranged for a large German lender and a major European financial company.” (NY Times, Dec 2008).

But stock markets around the world continued to plunge. The central banks of many nations cut their prime interest rates to lower lending costs. Still the credit crises had not ended. The government investments in their banks increased: “... after a week in which stocks declined almost 20% on Wall Street, European and American officials announced coordinated actions that included taking equity stakes in major banks, including \$250 billion in investments in the United States.” (NY Times, Dec 2008).

The impact of the credit crisis spread from banks to stock markets to exchange rates and even the price of oil: “The volatility in the stock markets was matched by upheaval in currency trading as investors sought shelter in the yen and the dollar, driving down the currencies of developing countries and even the euro and the British pound. Oil-producing countries were hit by a sudden reversal of fortune, as the record oil prices reached over the summer were cut in half by October because of the world economic outlook.” (NY Times, Dec 2008).

By then all economists were acknowledging a global recession which the falling stock markets in the world had been anticipating: “But as the prospect of a severe global recession became more evident ...two days later, after Ben S. Bernanke, the Federal Reserve chairman, said there would be no quick economic turnaround even with the government’s intervention, the Dow plunged 733 points.” (NY Times, Dec 2008).

November 2009

The US elections were held in November 2008; and the new President Barack Obama was inaugurated in January 2009. The US government changed: “The credit crisis emerged as the dominant issue of the presidential campaign in the last two months before the (U.S. presidential) election. The weakening stock market and growing credit crisis appeared to benefit Mr. Obama, who tied Mr. McCain to what he called the failed economic policies of President Bush and a Republican culture of deregulation of the financial markets. Polls showed that Mr. Obama’s election on Nov. 4 was partly the fruit of the economic crisis and the belief among many voters

that he was more capable of handling the economy than Mr. McCain.” (NY Times, Dec 2008).

Perceptual Space of Global Financial Debacle

We can summarize these many factors in the financial event in a societal perceptual space as shown in Fig. 11.2.

Group

Commercial banks in the USA are institutions which act as a financial intermediary between savers and borrowers – aggregating the savings of many depositors to make loans to borrowers. The profit margin in this kind of banking is not large – the difference between the interest rate collected from the borrowers and the interest rate paid to the savers. But the loan procedures should be established to minimize risk – lend only to borrowers who have a good record of repayment.

To increase investment profit margins, new kinds of financial investment groups were formed, called “hedge funds” in the USA to invest principally in financial market transactions – and not in loans to businesses or individuals. Initially, these

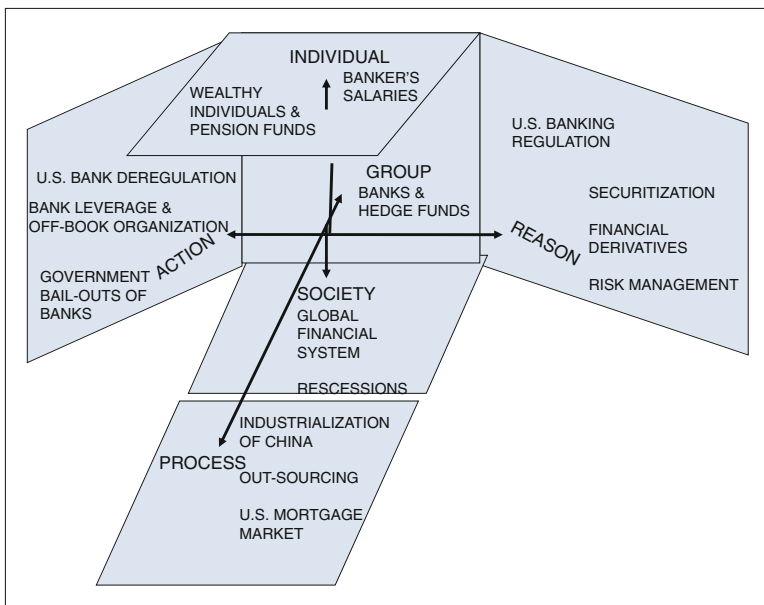


Fig. 11.2 2007–2008 global financial crisis

funds made investments on both sides of a financial market transaction, said to “hedge their risk.” In the 1980s and 1990s, some hedge funds made risky investments in financial markets that still paid off and compiled a record of high financial returns. Then many U.S. institutions (such as pension-fund managers or university endowment-fund managers or managers of the investments of wealthy clients) began investing in hedge funds and their investment funds ballooned. Soon many hedge fund managers began seeking ways to invest moving from hedging financial transactions to buying up companies to leveraging derivative markets.

In early 2007, assets in hedge funds had grown to nearly two trillion dollars, whereas the whole US banking system then had assets of about ten trillion dollars – so the hedge fund industry held 20% of US capital assets. If this 20% began to fail, the whole industry could fail. And it did. We recall that it was the failure of two hedge funds in the investment bank of Bear Sterns that triggered the financial debacle.

Action

Deregulation of the US Banking Industry. Also this whole “shadow-banking industry” of hedge funds was unregulated by the US government. Nor was the emerging derivatives market to be regulated. For example, in 1997, the then Federal Chairman of the US Federal Reserve, Allen Greenspan, argued against any regulation of the derivatives market. The US Congress and President enacted the Commodity Futures Modernization Act of 2000, in which the derivatives market was not regulated.

In addition, a long-standing US regulatory law – the Glass–Steagall Act of 1933 to separate commercial banking from investment banking – was repealed in the Gramm–Leach–Bliley Act of 1999. In the 1930s, there had been many failures of banks in the USA, when depositors withdrew their savings, fearing the failure of a bank – called a “run-on-a-bank.” To prevent this from happening again, the Glass–Steagall Act required commercial banks to be separate from investment banks. Then the deposits in a commercial bank would be guaranteed by the Federal government, so that depositors would not lose their savings, even if a commercial bank failed. But investment banks paid their bankers more bonuses than did commercial banks. So commercial banks lobbied the US government to repeal the legal separation – which Congress did in 1999. In effect, the Federal government would guarantee commercial banks deposits, even if commercial banks took crazy risks (which they did in the derivatives market in 2004–2007). Investment bankers were then able to take risks with “other people’s monies” – monies deposited in commercial bank accounts and guaranteed by the Federal Depositor Investment Commission (FDIC). These risks were taken to earn big bonuses for the investment bankers.

Bank Financial Leveraging and Off-Book Accounting of Liabilities. But to take risks and make lots of money, leveraging your assets is the way to do it. In sum, the actions of the banking system, particularly in the USA was to allow and encourage increased risks and high leveraging of assets – destabilizing the banking structure,

so that financial mistakes could bring down a whole bank, and then all of the banks – which happened in 2007.

Government Bailout of Banks. In the historical event of the Global Financial Debacle, a final action occurred when national governments rescued many of their private banks. The previous failure of proper regulation of banking systems by the respective governments finally cost those governments large sums of tax-payers money to prevent collapse of national financial systems.

Reason

Securitization. In many aspects of life, great ideas often begat more great ideas. And in finance, great ideas are about how to make more money. Securitization was one of these great financial ideas of the 1990s – how to make more money speculatively, if you cannot make more money productively. Capital is increased in two ways in an industrial society – through productive investments and through speculative investments. Both production and speculation are necessary investment ideas in an economy.

Production investment is the use of money (capital) to build a new business or to expand an existing business. For example, one must spend money to produce goods before money can be earned by selling goods; and this is called an inventory cost which must be financed. Speculative investment is the use of money (capital) to finance the flow of trade in a market. For example, the commodity market provides current finance for future trade by buying a “commodity future,” which is a contract to sell a given amount of a given commodity at a fixed price on some future date.

Securitization was a financial idea to facilitate speculation in the trading of debt (based upon a underlying asset). In the mortgage-asset debt-base, private banks purchased long-term mortgages and bundled them into collectivized debt object (CDO) – just as Freddy Mac and Fannie Mae were doing. But such bonds (made up by the private banks, such as Bear Sterns or Lehman Brothers or Bank of America, etc.) were not guaranteed by the USA. They could not be sold in the financial market (too long-term debt) – yet their derivatives could be sold.

Financial Derivatives – To solve this long-term debt problem, the hedge-fund idea was to sell not the bonds but interest from the bonds as “derivatives.” Then buyers of the derivatives would not care about the duration of the bonds but only if the derivatives could be resold – a financial derivatives market. But how could they create a derivative market? By attaching insurance to the derivatives, called “credit-default swaps” (CDS). The seller of a CDS promised to pay the full amount of a CDO if the underlying mortgage-asset base failed. And the US insurance company AIG happily sold a trillion dollars worth of CDS to banks such as Chase and Bank of America – which of course, AIG could not pay when the CDO’s failed.

Risk Management. As opposed to reasoning (thinking things out), rationalization (justifying a thing) often occurs when an idea (a reason) does not really work in reality. This is what happened in the reasoning of the financial community about derivatives. Rationally, financial derivatives increased risk by removing collateral from the investment. So how could a financial sales person rationalize a more risky investment as a “less-risky” investment to sell it? Hedge-fund managers came up with the following rationalization. They said a derivative lowered risk by “spreading the risk” over both the bond-holder and the derivative-investor. In reality of course, the derivative spread no risk but only increased risk by separating collateral from interest. But a marketer sells things. This is the power of economic “rationalization” in a market when only selling something matters – as opposed to economic “rationality” in a market (which is the trading of real utility between buyer and seller). The investment bankers and their hedge funds were “rationalizing” their increased-risked mortgage-financial-derivatives as “risk-spreading.” They lacked basic business integrity in their marketing of the derivatives. Still the rationalization convinced buyers then that there would always be a market for the derivatives and so they would be “liquid” (sellable) in the future. This is why the market froze – when investors finally realized the derivatives could no longer be sold.

When a bank makes a loan, the way to reduce risk is to own an asset more valuable than the loan, if the borrower fails on the loan. And this is called collateral on the loan. For example, a bank will make a loan to purchase a car at less than the purchase price and more than the used-sale price and place a legal lien on the car until the loan is paid. Then if the car owner defaults on the care, the bank seizes the car and sells it to reclaim the debt.

But if a derivative does not have collateral, then insurance on the debt is essential. But how can one judge the proper insurance on a CDO if it is composed of mortgages of different risk? Obviously, one cannot except by adding in a weighted manner, the risk on each mortgage. But doing this would expose the real risk. So they made up a risk-management model – a mathematical theory to estimate risk. This was included under the topic now called “risk management.” Mathematical models can capture reality or miss it. The risk-management models used in those derivative ratings caught not even a glimpse of reality. Instead those models turned out to be only a mathematical “rationalization” of the value of the product – not a real quantitative evaluation but only a mathematical rationalization.

But who would buy a mathematical model based upon rationalization and not empiricism. Bond raters did, since hedge fund managers paid them to rate their CDOs on the basis of their mathematical models. (It is interesting what commissions can buy.) For example, George Soros commented: “The super-boom got out of hand when the new products (derivatives) became so complicated that authorities (bond raters) could no longer calculate the risks and started relying on the risk-management methods of the banks themselves. Similarly, the rating agencies relied on the information provided by the originators of synthetic product. It was a shocking abdication of responsibility.” (Soros 2008)

The risk-management scheme of the financial derivatives turned out to be simply a kind of “con game.” And as in any confidence game, the point the con is to

obscure the action – to misdirect the attention of the victim away from the con. The scheme of “quantitative risk management” was used by the bankers simply to hide their con – the con of bundling in subprime mortgages and modeling the bundle as AAA low-risk.

US Banking Regulation. The US government agency responsible for regulating the business practices of public stock companies is the Security Exchange Commission (SEC). In 2004, the Security and Exchange Commission relaxed the net capital rule about the ratio of liquid-capital-to-loaned-capital, which a bank had to maintain. This ratio indicates how much liquid capital a bank should have to cover bad loans. Also to help banks increase their money leverage, accounting practices in the USA adopted a standard of allowing banks to move loans for which they were responsible “off their books” – pretending to not to account for liabilities to which they were really liable. (Lax accounting standards in US accounting firms allowed this misuse of accounting principles.)

The result was that when large amounts of bad loans failed, the banks did not have sufficient liquid capital to meet even the lowered SEC standards (and so would lose their banking license and fail). We recall this happened in the “fire-sale” of the investment bank, Bear-Sterns, to the commercial bank, Bank of America. But then even Bank of America did not have sufficient capital to meet Federal requirements and so had to be “bailed out” by the Federal Government (purchasing stock in the bank).

Individual

Banker’s Salaries and Bonuses. In the USA before the 1990s, most executive compensation was in the form of salaries and perks. But in the late 1980s, executive compensation moved increasingly to bonuses in the forms of cash or stock. The reason for this was that control over corporate boards passed from independent shareholders to corporate executives. They then argued to the compensation committee of the boards they controlled that they should be paid for short-term corporate performance in the stock market. Give them large blocks of stock options and they would drive the share price up the next year to be able to cash in their bonuses for hundreds of millions of dollars. And so they did.

Also hedge-fund managers were compensated as a percentage of asset appreciation in the funds (usually 20% of the increase). They could quickly become multimillionaires. So why should not the presidents of America’s banks also become multimillionaires every year in bonuses?

The effect of bonus compensation of executives in large corporations (banks and other firms) is to focus executive action upon rapid increase of stock price over the next couple of years and quickly cashing in as multimillionaires. Then if the firm fails in the long term (more than 2 years), the executives are already multimillionaires and did not need their jobs very long anyway. Only shareholders and

employees (and not executives) lost when a firm failed. (And this did occur in the case of Bear Sterns and next in Lehman Brothers.)

The result of this policy of short-term multimillion dollar bonus compensation was to encourage the executives of banks to ignore any long-term risks their employees were taking in making loans. Commissions from making the short-term loans increased revenue to fuel their short-term executive bonuses. This is why banking executives in many of the major commercial and investment banks in the USA turned to a *bad banking practice* called: “borrowing-short and lending-long” in their CDO financial activities. If you borrow short-term money to make a long-term loan, then you must keep re-borrowing the short-term money until the long-term loan is repaid. This is a very foolish banking practice; and yet this is exactly what Bear Sterns’ hedge funds were doing in February 2007.

Wealthy individuals in Sovereign Oil Companies were also involved in the financial fiasco as major purchasers of the CDOs. From 2006 to 2008, world oil prices quintupled from \$30 a barrel to \$150 a barrel. The rapid rise in prices was due to market speculation that commodity prices would increase due to the market demands of China’s rapid industrialization and India’s economic growth due to information technology. In terms of oil supply, governments controlled 70% of the oil in the world – Russia, Saudi Arabia, Nigeria, Kuwait, Iran, Libya, Nigeria, Venezuela, etc. Most of the oil in the world was produced by national oil companies, “sovereign” companies’. And in the economies of these sovereign countries, much wealth was being accumulated by individuals, which needed places for investment. “Large and growing amounts of foreign funds (capital) flowed into the USA.... This created a demand for various types of financial assets ...Foreign investors had these funds to lend, either because they had a very high personal savings rate or because of high oil prices. Bernanke referred to this as a saving glut. A ‘flood’ of funds reached the USA financial markets” (Bernake 2007).

Industrialization of China. The rapid economic growth of China required great capital investments. But most of this capital was being provided internally in China and externally from Hong Kong and Taiwan. Some external capital was flowing into China, but China still had a communist government and state-owned industry. In the 2000 decade after the formation of the Shanghai stock market, the Chinese government still owned 60% of the shares of heavy industry firms. Equity investment from foreign capital still had to consider a possible 60% dilution of stock equity, when the government sold its shares. Moreover, the central bank of China was still primarily concerned with protecting China’s government’s income from exports, investing in foreign government bonds as safe investments. In 2005, the Chinese government had purchased 70% of the US government bonds issued. Thus, while the industrialization of China required capital investment, that investment was primarily internal from the Chinese government. And because China was still a communist government, it was not receiving a lot of the investment funds from the world (floating around looking for investment and which instead had been funneled into the US derivative market).

Outsourcing. Opportunities for financial investment in industrial growth in the Western economies had been limited by the extensive global corporate business

practices in America and Europe in the 1990s of “outsourcing” the production of goods to China and the delivery of information technology services to India. Due to this outsourcing, industrial growth in goods production in America and Europe slowed in the 1990s. That lack of industrial growth failed to provide opportunities for productive investment, and US financial markets turned to fabricating speculative investment.

US Mortgage Market. And as a asset basis for speculative investment, US banks and hedge funds turned to the US mortgage market. The reason they turned to this market was that a quasi-government agencies, Freddy Mac and Fanny Mae had been explicitly set up to “lend-long and borrow-short” – but with an explicit US government guarantee that they would never go bankrupt. The reason these government agencies were created was to fund the growth of the real estate industry, through providing loans to US veterans returning from World War II. Then the Federal Veterans Administration set upon a loan fund to provide 30 year mortgages to veterans so they could buy homes and start families. This program was so successful in growing the domestic housing industry that later the long-term mortgages were extended to the general population.

The loan process was that a local bank would review and provide a long-term mortgage loan to a home buyer. This term could be from 15 to 30 years. Of course, a bank could not hold many loans for this length of time and so must sell the mortgage to reclaim capital to make more mortgage loans. The bank made money on the commissions on making the loans and not interest paid by the loans. Then Freddy Mae would buy residential mortgages, and Fannie Mae would buy commercial mortgages from banks. These would then issue 5- and 10-year bonds paying the interest from the long-term mortgages. These bonds would be guaranteed by the US Federal government and so were deemed safe (event though Freddy Mac and Fannie Mae were “lending-long-and-borrowing-short”). Freddy Mac and Fannie Mae made a profit on the commissions from selling their bonds. So the whole US real estate market was operating upon government-guaranteed privately sold bonds. And as a financial process, it was working until executives at Freddy Mac and Fannie Mae decided they too wanted to get rich quick, like the hedge fund managers in the US shadow-banking business. And Freddy Mac and Fannie Mae then began buying subprime mortgages and bundling them into their bonds, converting low-risk bonds into high-risk bonds. They did this to increase revenue so as to pay their executives an annual multimillion dollar bonus. Their CEOs were fired by the Federal government in 2008. Yet by then, they already were multimillionaires, and so no longer really needed jobs.

Society

The economic systems of many nations of the world were tied together by banks and stock markets operating in different nations, and together forming a global financial market. Failure of this financial system tipped their economies into economic recession.

Principles

We see how the economy theory (of a “free market” as perfect and not requiring any regulation) was not working in the empirical reality of the financial derivative market. Lack of proper regulation in a market can allow corrupt and greedy sellers make a market imperfect, a failed market.

Regulating

Regulating (or lack of proper regulation) was an important explanation on how the event occurred. The US Government had seriously de-regulated bank activity in the previous decade. In 1995, the US Government repealed an important law regulating banks, the Glass–Steagall Act. This allowed investment banking and commercial banking to combine so that investment banking acts could use commercial banking deposits (guaranteed by the US Government) for speculation. *In gambling behavior, individuals often take bigger gambling risks with other people’s money than they would with their own money.* It was this gambling instinct that encouraged investment bankers to take risks with commercial bank depositors’ monies to securitize subprime mortgages – for payoffs to themselves as big bank bonuses – even at the risk of bringing the whole banking system down. The bank executives profited from poor business practices, from which the American tax payer bailed them out.

The banking industry is part of a self-organizing financial system providing financial services in national economies and international trade. But the honesty and effectiveness of the industry needs to be regulated by government agencies to ensure that the self-organization provides a socially useful function to society. This historical example provides empirical evidence for how important proper governmental regulation is to economic self-organizing activities. Self-organizing societal systems do not require dictatorial central direction to properly operate, but they do require proper governmental regulation.

Control in Societal System

We began by distinguishing the idea of a “higher” form of society from just any state of a society in general – high in ethics, in knowledge, in wisdom, in the institutionalization of effective and fair societal system. For this, we used the archaic term “civilization.” We have seen in this historical example that in the decade of 2000, the global financial system was not civilized. It was highly technical but not wise. It operated with technical knowledge but not on societal wisdom. In fact, the financial market of mortgage-based financial derivatives was fraudulent and harmful – so unwise as to have pushed economies of the world into economic recession. This is not “high” society but “low” society – an “uncivilized” global

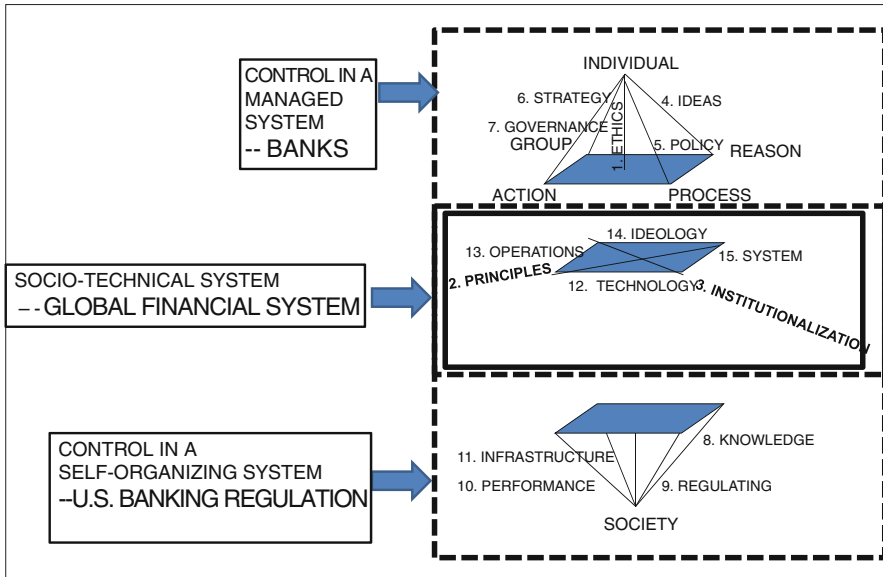


Fig. 11.3 Global financial system as a sociotechnical system

financial system – an knowledgeable but unwise financial system. Let us now translate these archaic terms of “civilization,” “knowledge,” and “wisdom” into modern system terms of “sociotechnical,” “technology,” and “control.”

A civilized society has effective socio-technical systems to provide basic functions to the society.

Societal knowledge lies in the kinds and levels of science and technology in the society.

Societal wisdom lies in the proper control of the social-technical systems to fairly provide basic functions across society.

To examine “societal wisdom” as a kind of system-issue of “control,” we look at the societal topological theory in terms of top-bottom-middle systems, as shown in Fig. 11.3. Therein the control issues in the financial event can be partitioned into control of banks (managed-systems), control of financial market (self-organizing systems), and control of financial function (sociotechnical system).

Control of Sociotechnical Systems

The global financial system is an example of what has been called a sociotechnical system.

A socio-technical system provides a function to a society.

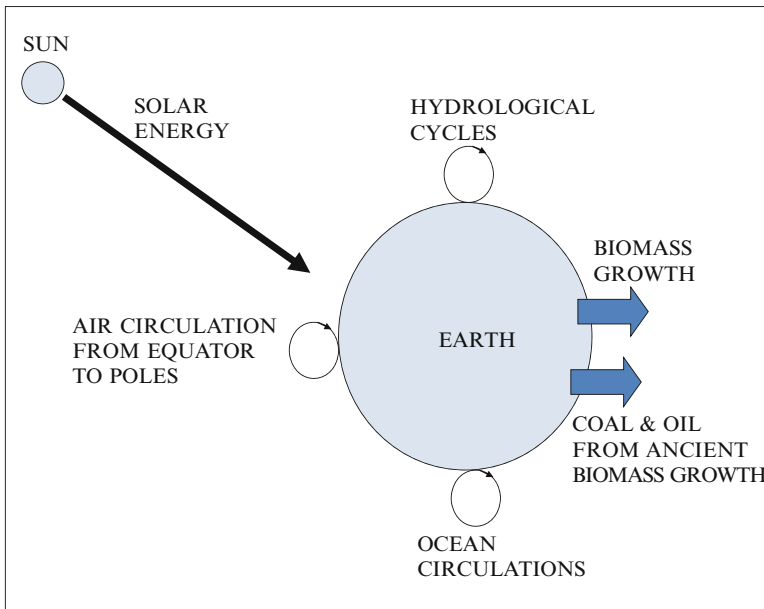


Fig. 11.4 Natural systems and energy systems

Let us illustrate the idea of a sociotechnical system with a more familiar example (than that of the financial system as a sociotechnical system). A familiar example of a sociotechnical system is the energy system which provides energy to a society. The energy sociotechnical system is based upon a natural system of energy generated ultimately from nuclear-fusion process in the Sun, as sketched in Fig. 11.4.

Radiant energy from the sun powers the weather cycles on earth that transfer water in a hydrological cycle from the oceans to land and back to the oceans again. Radiant energy from the sun plus rainfall from the hydrological cycle powers the growth of biomass. Biomass, ancient and modern, provides energy sources to society in the form of coal, petroleum, gas, wood, and biodiesel. In addition, the hydrological cycle provides energy in the form of hydroelectric power as rivers return water to the ocean. Also wind and wave motion can provide energy sources. (The exception to this sun-power energy source is nuclear energy. Nuclear energy uses the radioactive element of uranium. This was created in previous stellar furnaces; as all elements heavier than hydrogen were created in ancient, ancient stars.)

The description of a natural system (a system of nature) uses the physical and biological sciences for system description.

Figure 11.5 shows how the sociotechnical energy system uses natural resources to provide the function of energy production for society.

This involves a sequence (chain) of industrial sectors to acquire energy, process energy, and distribute energy to consumers in an economy. One industrial-sector in

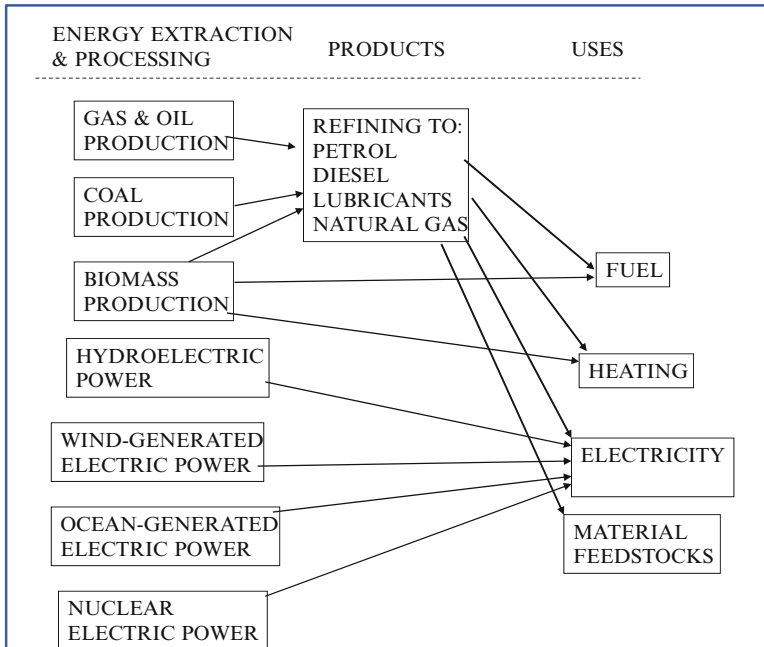


Fig. 11.5 Sociotechnical system of energy

the energy-chain is the energy-extraction industrial sectors of coal mining, petroleum exploration and production, timber, or wind/wave farming. Other industrial sectors process energy for an economy in the form of (a) electrical utilities that produce electricity from burning, coal, uranium, or petroleum, (b) oil refineries that process petroleum into gasoline, diesel fuel, and petroleum lubricants. Then another set of industrial sectors distributes energy through (a) electrical power transmission networks, (b) gasoline and diesel petroleum distribution stations, (c) fuel oil distribution services, (d) natural gas distribution networks. Through this complicated scheme of natural cycles and industrial sectors, economies acquire energy from nature. Thus, energy production involves two kinds of systems: (1) *natural system* to create the sources of energy and (2) *sociotechnological system* to extract, process, and distribute energy to an economy.

Global Financial System 2007–2008 as a Sociotechnical System

We return to the global financial system but now as a sociotechnical system. The natural system underlying the financial system is the social behavior of individuals in economic trade (a natural aspect of the societal subsystem of economic rationality).

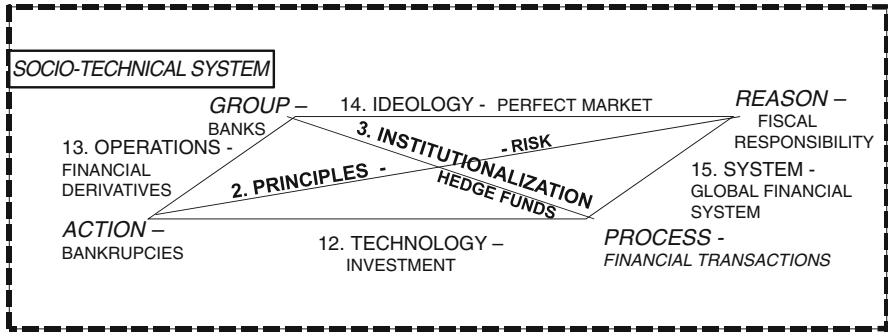


Fig. 11.6 Failure of social-technical financial system

The sociotechnical system of finance is constructed of money and the institutions (private and governmental) which provide and ensure money – banks and financial regulatory agencies. In the years of 2000–2008 in the global sociotechnical system of finance, there failures of proper regulation in the societal self-organizing system which tripped the freezing-up of the sociotechnical financial system. Figure 11.6 emphasizes the failure of the financial sociotechnical system due to failures in the self-organizing system from below.

The sociotechnical financial system consisted of a global banking system (15 System); operating with financial derivatives (13 Operations) constructed and sold the technology of the Internet. The Group performing these derivative operations consisted of banks in different countries, selling the derivatives in financial transactions (Process). But the investments were not safe because they violated basic principles of risk management (2 Principles) by including high-risk subprime mortgages in the assets of the derivatives. The Action in forming and selling the mortgage-based derivatives resulted in the beginning of a string of bankruptcies of banks, into which governments had to intervene to save their economies. The rationale (14 Ideology) used to justify these operations was that all markets were perfect and required no regulation. The (3 Institutionalization) of hedge funds into the financial/banking system created a wholly unregulated part of the US banking system, some of which turned to selling fraudulent strategic investment vehicles (SIVs) based upon leveraged-short-term financing.

The self-organizing aspect of the graph involved both banks and hedge funds (11 Infrastructure) without proper governmental regulation (9 Regulating). In society, the proper theory of financial integrity (8 Knowledge) was corrupted by greedy schemes of fraudulent misrepresentation of risk – all of which resulted in spectacular

failure (*10 Performance*) of banking system that collapsed several national economies and triggered economic recessions.

A socio-technical system is a system of institutional components and their connections providing a societal function. The key explanations for understanding socio-technical systems are: (2) principles, (3) institutionalization, (12) function, (13) operations, and (14) ideology, and (15) system.

Self-organizing Systems

We next turn to this concept of the bottom-up view of societal control – the self-organizing system. This idea of a “self-organizing system” became only recently an important concept in science. In the late 1970s and early 1980s, the idea of self-organizing systems emerged in the physics scientific community and then entered the biological scientific community and then the social science communities. The term was first used by W. Ross Ashby in 1947 in a new area he called “cybernetics”; and later Norbert Wiener in 1961 also used the term. (Wiener 1961) Next in the 1970s, the study of complex systems began in physics, chemistry, and biology.

The idea of “self-organization” within a system is that the principles-of-order of the system are local at every point within the system.

At each point within a system, order in the system appears in each neighborhood of every point. For example, in astronomy star formation can be described as self-organizing. In chemistry, molecular structures can be described as self-organizing. In biology, the spontaneous folding of proteins is a self-organizing phenomenon. In social biology, flocking behavior is described as self-organizing. In sociology, crowd behavior is seen as self-organizing. Human networking, such as those in the Internet application of “Facebook” is self-organizing. In economics, the perfect market is viewed as a self-organizing process. For example, an action of producing a product by a business and selling such a product to a customer is a single instance within the whole of an economic system. But taken collectively, all the millions of economic transactions by individuals and individual businesses together constitute the economic system at a given point in time. How all these economic acts are structured together into an economic system is called a “self-organizing system.”

Figure 11.7 shows how in the proper control of a self-organizing system in a society, the key relationships for explaining how a self-organizing system properly (or improperly) operates are: (1) ethics, (8) knowledge, (9) regulating, (10) performance, and (11) infrastructure.

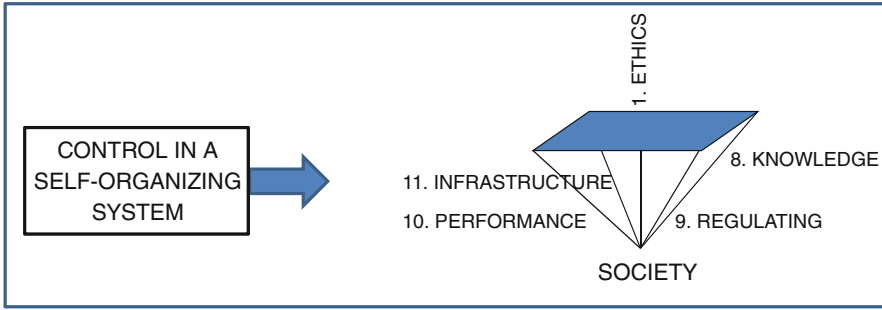


Fig. 11.7 Key explanatory relationships for control in a self-organizing system of a society

Failure of Regulation in the Self-Organizing US Financial System

In the repeal of the US Glass–Steagel Act in 1995, the US had de-regulated the US banking system to allow the merger of two kinds of banks, investment banks and commercial banks (which previously the Act had forbid). Investment banks arrange financing for companies, in public offerings and in mergers and acquisitions and also do financial trading. Commercial banks accept deposits from customers and invest the funds and invest the deposits in preferably low-risk investments, such as mortgages; and the depositor’s funds are then guaranteed by the US Federal Deposit Insurance. The repeal of the act allowed investment banking and commercial banking to merge. One undesirable effect of this integration was to allow access by investment banking to funds in the commercial deposit accounts. This facilitated the phenomenon of “gambling with other people’s money” by the investment bankers. They could take high investment risks with despositor’s monies. Accordingly, investment banks took such big risks with subprime mortgage securitization that some banks failed and all others had to be bailed out by the government. This is pictured in Fig. 11.8.

Failure of proper government regulation of the self-organizing system of managed-system-banks allowed executives of the banks to manage badly (selling fraudulent financial products).

Banks as Managed-Systems

The groups using the top-down control of managed-systems were the major banks involved in the scandal. Let us next turn to the theory of this kind of control-issue of managed-systems – banks as managed-systems. The issue about control of managed-systems is illustrated in Fig. 11.9.

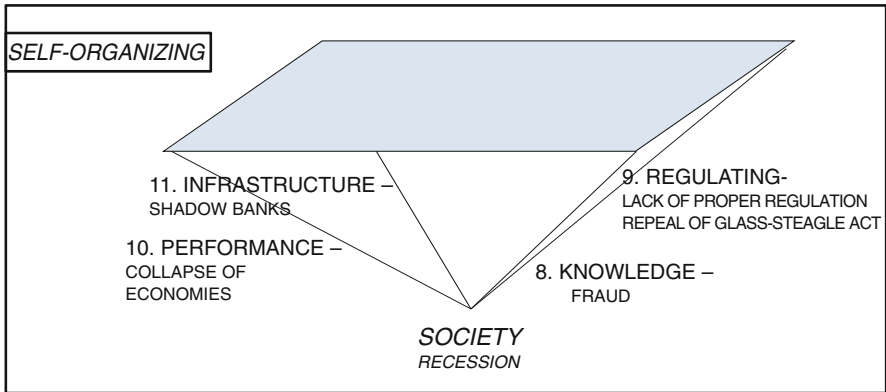


Fig. 11.8 Failure of regulation in the US self-organizing financial system

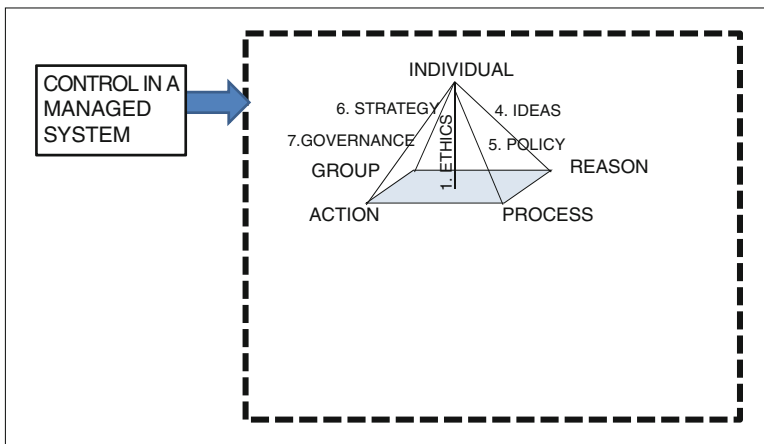


Fig. 11.9 Systems failures in 2007 global financial crisis

There is both an idealism in management theory and also a reality. The idealism of bank management should have been for prudent and transparent financial investment. Instead the reality was imprudent and obscure investment. Unfortunately, the reality of bad management has often happened in business history. Empirical reality in business management has often historically deviated from normative reality (idealism versus realism). The story of financial derivatives in the decade of 2000 is a case of realism of management practice as cupidity and stupidity – cupidity in banking officials for creating fraudulent derivatives and stupidity in buyers of derivatives.

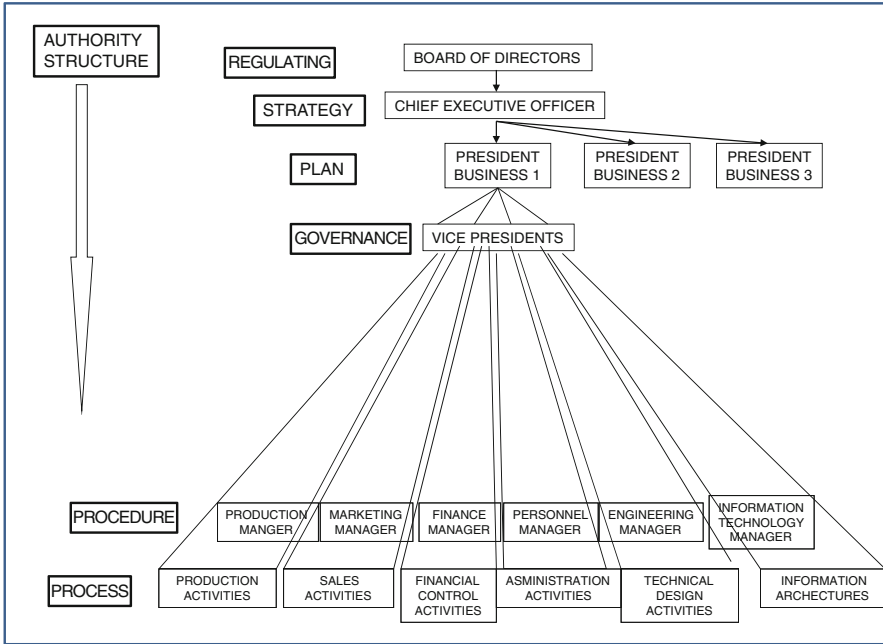


Fig. 11.10 Authority structure of a corporate organization

Let us review the idealistic theory of management – the normative theory of business management – modern organizational theory (the theory of managed-systems). One can model any large organization, such as a bank, as an organizational managed system in the following way with two dimensions, a vertical authority dimension and a horizontal operational dimension. The vertical dimension expresses a hierarchical authority structure of relationships in the organization (often called an “organizational chart,” as in Fig. 11.10).

Typical authority structures within a business are organized by business function with a manager for each function: Production, Marketing, Finance, Personnel, Research & Engineering, Information Technology. The authority structure of an organization assigns power and accountability to operate in divisions-of-labor over the operations structure. In a diversified firm, there are usually at least six levels of management hierarchy:

1. Board Level – Board of Directors
2. Corporate Level – Chief Executive Officer (CEO)
3. Business Level – President
4. Group Level – Vice Presidents
5. Division Level – Division Directors
6. Office Level – Office Managers

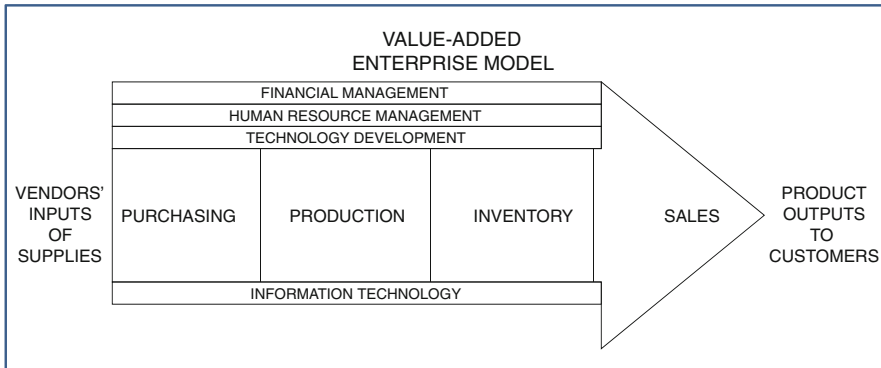


Fig. 11.11 Horizontal operations structure as a value-added business enterprise “arrow”

Each of these levels exercise different kinds of authority in leadership:

1. Board Level – Governance
2. Corporate Level – Strategy
3. Business Level – Plans
4. Group Level – Policies
5. Division Level – Procedures
6. Office Level – Processes

Working back up the authorization ladder:

6. Processes are the activities which directly produce the value-added transformation of the organization (e.g., production and sales).
5. Procedures control the processes by specifying how the activities are to be run.
4. Policies control the procedures by specifying the ends the procedures are to attain.
3. Plans control the policies by specifying the goals of the policies.
2. Strategy controls a plan by specifying the mission and direction for the plan.
1. Governance controls strategy through the appointment of (CEO) of the organization.

Through a delegated authorities and responsibilities, the authority structure of an organizational managed system controls the operations of the system by means of an ascending logic of responsibilities.

The descending levels of authority provide a hierarchy of “leadership” to groups in the organization.

In a horizontal operations structure, the value-adding activities of the organization occur to acquire resources and transform these into products. A way to picture this value-adding operation was imagined by Michael Porter’s (Porter 1985) as an “enterprise arrow,” as shown in Fig. 11.11.

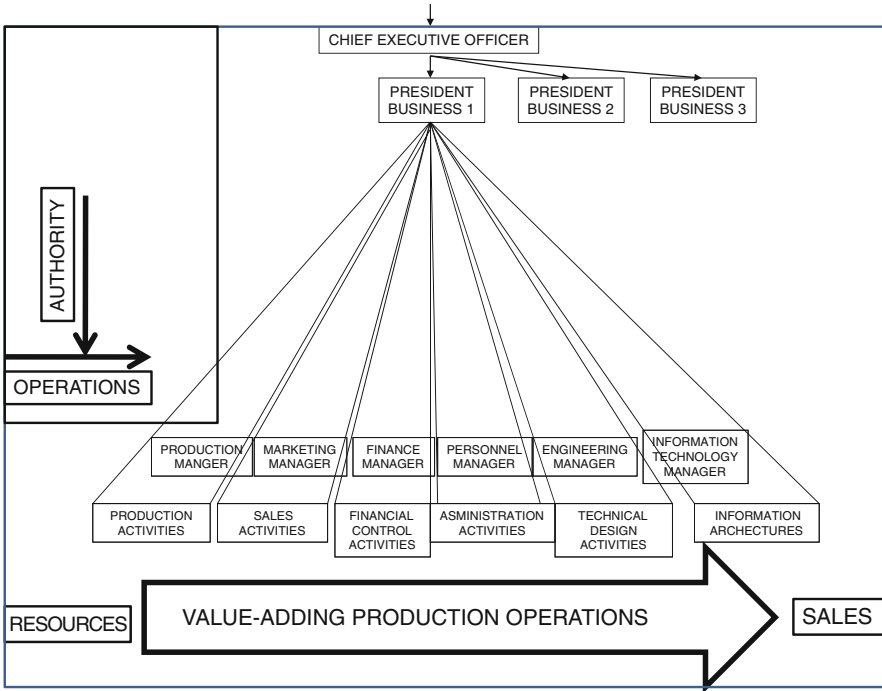


Fig. 11.12 Organization: authority and operations structures

The operations which directly contribute to any organization’s production are those of acquiring resources (purchasing), producing products (production and inventory), and selling products (sales). The overhead functions in an organization contribute indirectly to production. The banking operations which led to the collapse of the global financial system consisted of: (1) purchasing US mortgages as resources, (2) production by assembling these into mortgage bonds and securitizing the bonds into CDOs by stripping the interest from the bonds, (3) holding the CDOs in an inventory of a SIV financial contract, and (4) selling the SIV to customers by hedge funds.

A complete description of any organization as a managed-system requires both structures, vertical in authority and horizontal in operations, as pictured in Fig. 11.12.

This theory of organizations is an ideal-type theory – how organizations ought ideally to be structured (authority) and run (operations).

Historical Event: After the End of Washington Mutual Bank

In such an idealized theory of the management of organizations (managed-systems), how can it be that managers can lead badly? As managers, bankers are supposed to practicing sound banking with prudent finances and diligence in properly estimating risk in investments. Yet in the decade of 2000, many banking executives led and

executed stupid and fraudulent financial practices – and at a big enough scale to bankrupt their own banks and also bring down the world financial system. Why did such bad leadership occur in the management of banks? None of the bank CEOs were stupid people; yet they did stupid things. Many US banking leaders in the decade of the 2000s did incredibly incompetent jobs (and even fraudulent jobs). Why?

An insight upon that performance can be seen in the former leadership of the failed Washington Mutual Bank. Floyd Norris commented on this bank: “... Washington Mutual ... in 2008 became the largest bank failure in American history. What went wrong? The chief executive, Kerry K. Killinger, talked about a bubble but was also convinced that Wall Street would reward the bank for taking on more risk. He kept on doing so, amassing what proved to be an almost unbelievably bad book of mortgage loans. Nothing was done about the (Washington Mutual) office where fraud seemed rampant.” (Norris 2011, p. B1)

Norris’s comments were made in 2011 when the leadership of former Washington Mutual Bank was being sued: “WaMu, as the bank was known, is back in the news because the Federal Deposit Insurance Corporation sued Mr. Killinger and two other former top officials of the bank last week, seeking to hold these three highly paid senior executives, who were chiefly responsible for WaMu’s higher-risk home-lending program, accountable for the resulting losses.” (Norris 2011, p. B6).

What makes this case particularly interesting was that at the time, WaMu bank executives did have information about the problematic mortgages of the time. Norris wrote: “As it happens, there was a bank chief executive (at WaMu) whose internal forecasts now seem prescient. ‘I have never seen such a high-risk housing market,’ he wrote to the (WaMu) bank’s chief risk officer in 2005. A year later he forecasted that the housing market would be ‘weak for quite some time as we unwind the speculative bubble.’” (Norris 2011, B6).

Also within WaMu, there had been some awareness about problem mortgages: “At that same bank, executives checking for fraudulent mortgage applications found that at one bank office 42% of loans reviewed showed signs of fraud, ‘virtually all of it attributable to some sort of employee malfeasance or failure to execute company policy.’ A report recommended ‘firm action’ against the employees involved.” (Norris 2011, B6).

Yet problem mortgages continued to be made and no action was taken against employees for failing to execute company policy. So despite proper information, the leadership of WaMu still promoted improper strategy: Norris asked: “What went wrong? The (WaMu) chief executive, Kerry K. Killinger, had talked about a (financial) bubble but was also convinced that Wall Street would reward the bank for taking on more risk. He kept on doing so, amassing what proved to be an almost unbelievably bad book of mortgage loans. Nothing was done about the office where fraud seemed rampant.” (Norris 2011, B6) Norris judged that WaMu leadership had been primarily motivated by personal greed rather than by ethical service to bank shareholders and depositors.

And even outside WaMu, some officials were aware of the improper products and activities of banking in the mortgage market: “In addition to such internal foresight and vigilance, that bank (WaMu) had (government) regulators who spotted

problems with procedures and policies. ‘The regulators on the ground understood the issues and raised them repeatedly,’ recalled a retired bank official ...” (Norris 2011, B6).

But local regulators were not encouraged to take action by central government regulation. Norris wrote: “The regulators ‘on the ground’ saw problems, as James G. Vanasek, the bank’s former chief risk officer, told me. But the ones (regulators) in Washington saw their job as protecting a ‘client’ and took no effective action. The bank promised change, but did not deliver. It installed programs to spot fraud, and then failed to use them. The board told management to fix problems but never followed up.” (Norris 2011, B6).

The normative conflict was between greed and responsibility. Norris wrote: “Senate Permanent Subcommittee on Investigations held hearings on WaMu last year. Mr. Killinger wanted both the loan book and profits to rise rapidly, and saw risky loans as a means to those ends. Moreover, this was a market in which a bank that did not reduce lending standards would lose a lot of business. A decision to publicly decry the spread of high-risk lending and walk away from it – something Mr. Vanasek proposed before he retired at the end of 2005 – might have saved the bank in the long run. In the short run, it would have devastated profits.” (Norris 2011, B6).

In the actual practice of management, there can exist an ethical conflict between “short-run” greed and “long-run” responsibility.

Both short-run and long-run rule is supposed to be within the area of corporate governance. What was the quality of corporate governance at WaMu? Norris wrote: “Mr. Killinger’s lawyers (argued) ...that ‘Washington Mutual’s management structure was a model of corporate governance...The mortgage lending practices of the bank were established by a professional corps of bankers and risk managers with extensive experience in home lending.... But other observers saw the governance differently. Senator Levin’s view of the bank is more pithy. ‘It was a model, he (Levin) said, ‘of corporate ineptitude, greed and wrongdoing.’” (Norris 2011, B6).

Idealism and Reality in the Governance of Managed-Systems

In terms of the control of banks as managed-systems, such poor banking leadership is pictured in Fig. 11.13.

The understanding the proper control of an organizational managed-system in a society requires explanation in the key relationships for explaining how individuals properly (or improperly) exercise power are: (1) ethics, (4) ideas, (5) policy, (6) strategy, and (7) governance. All needed to explain in a particular context, as to the idealism of the relations and the realism of implementation. The implementation determines the actual quality of implementation – real practice as opposed to stated idealism.

Control in organizational managed-systems depends upon the quality of character in the leadership and in the quality of governance of the organization – real as opposed to stated ideals.

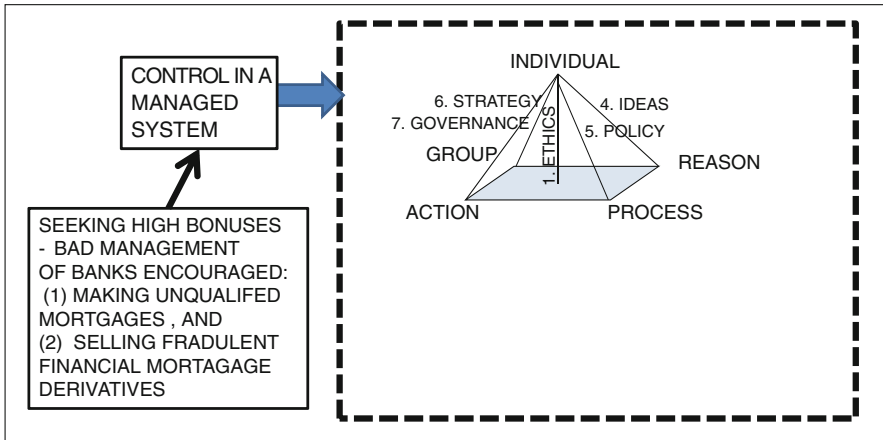


Fig. 11.13 Systems failures in 2007 global financial crisis

The quality of the character of an individual in power is expressed as (1) ethics, (4) ideas, and (6) strategy – both ideally expressed and really practiced.

The quality of governance in an organization is expressed in (1) ethics and (5) policies – both ideally expressed and really practiced.

In the control of a managed-system (top pyramid), the critical relationship in control is in ‘governance’ – how a group selects its individual as a leader and how that leader formulates the group’s policies. In modern business jargon, this issue of control of a managed-system by leadership is called “corporate governance.”

In organization theory, the normative theory (ought-to-be) of corporate governance is that the shareholders of a corporation elect a board of directors who hire a corporate executive officer (CEO). Thus, in prescriptive normative theory, the shareholders should control a corporate organization. This is a kind of Habermas “discourse ethics” which justifies share-holder power over a business organization – the shareholders should control the corporation since they own it – owner’s should control their property.

But this normative prescription is not always empirically true for corporations, especially for most large corporations. In large publically held corporations most of these are instead controlled by the CEO (who selects the corporate board, rather than the shareholders selecting the board). How occurs is the following way. When shareholders number in the thousands, most shares are voted as “proxies” by the management of the corporation. Since management has the list of shareholders, management can solicit proxies from its shareholders. Management through proxy-control can control the vote for the board. In effect, the CEO controls the Board rather than vice versa. This is a kind of Michael Foulcault “power analytics” of

reality in corporate control (in contrast to discourse ethics of corporate idealistic control). Thus, the empirical reality of corporate governance is often opposite to the normative ideal of the business theory.

A problem in the control of managed-systems is that – contrary to economic theory in which corporations are controlled by shareholders (discourse ethics), – large corporations are often controlled by management rather than by owners (power analytics).

When this happens, the societal performance of its infrastructure can become focused upon benefiting only the individuals controlling its organizations and failure to perform for the greater good of the society. We saw this in the global financial crisis when bank officials rewarded themselves with huge bonuses while selling fraudulent financial products to society – which finally caused the whole socio-technical financial system to collapse. Then national governments bailed out the banks, and banking officials continued to award themselves massive bonuses.

While this issue about governance is between shareholders and management, there is the another issue between management and workers in the share of corporate benefits. Managers manage an organization but do not perform the work which directly produces the products/services which the organization sells. Workers, laborers do the direct productive-work, while management does the indirect work (overhead). Both are important. But how important are they respectively in the share of corporate wealth? This is a second fundamental issue in corporate governance about the distribution of corporate wealth – first between management shareholders and second between management and labor.

In the power analytics of corporate governance when the twenty-first century began, power tilted toward rewarding management greatly above both shareholders and labor. Corporate practice for most large global corporations to pay their CEOs millions of dollars (or British pounds) while workers earned salaries of a few thousand dollars (or pounds).

For example, in 2010, the chief executive officer (CEO) of JP Morgan Chase earned \$17.5million, compared to an average employee salary of \$0.177 million, for a CEO/employee salary ratio of 150 to 1 (Dash and Craig 2011). This implies that the contributory work of one CEO was worth that of 150 Chase executives. But this was only in executive salaries. If one went down to the work level of a bank teller in Chase, one would find a salary of about \$.036 million – resulting in a CEO/teller salary ratio of 486 to 1. And such large salary ratios of CEO/labor around 400 to 1 were common in large US corporations, even outside of the financial sector. The distribution of wealth in a corporation is primarily determined by the distribution of power, not by the importance of the work. This is the “power analytics” of corporate governance. In modern corporations, the high cost of labor was not at the worker level but at the executive level.

From a society’s perspective, corporate governance should have three prescriptive (normative) goals: (1) to produce competitive, effective, and safe products, (2) to provide reasonably paying jobs in a national economy, (3) to provide financially sound returns to investors, and (4) finally to properly reward executive initiative. The first normative goal is for a society’s consumers, the second for society’s working

population, the third for society’s wealth, and the fourth for management wealth. These are the kinds of normative goals by means of which to judge the power analytical reality of corporate governance in a society at any time in its history.

Systems Failures in the Global Financial Crisis

We have seen that in trying to understand the stability of a society’s societal systems, one must examine three kinds of systems and their control: managed-systems, self-organizing systems, and sociotechnical systems. In the historical example of the global financial crisis, all three system controls failed (Fig. 11.14):

1. Banking organizations (as managed-systems) failed in bankruptcy, such as Lehman Brothers, and Merrill Lynch, AIG, Royal Bank of Scotland, Bank of Ireland, General Motors, Chrysler, etc. – requiring government intervention.
2. Nations (as self-organizing societal systems) fell into severe economic recessions – requiring government intervention.
3. The global financial system (as a sociotechnical system with the function of providing finance) seized up and stopped functioning – requiring several governments coordinated intervention.

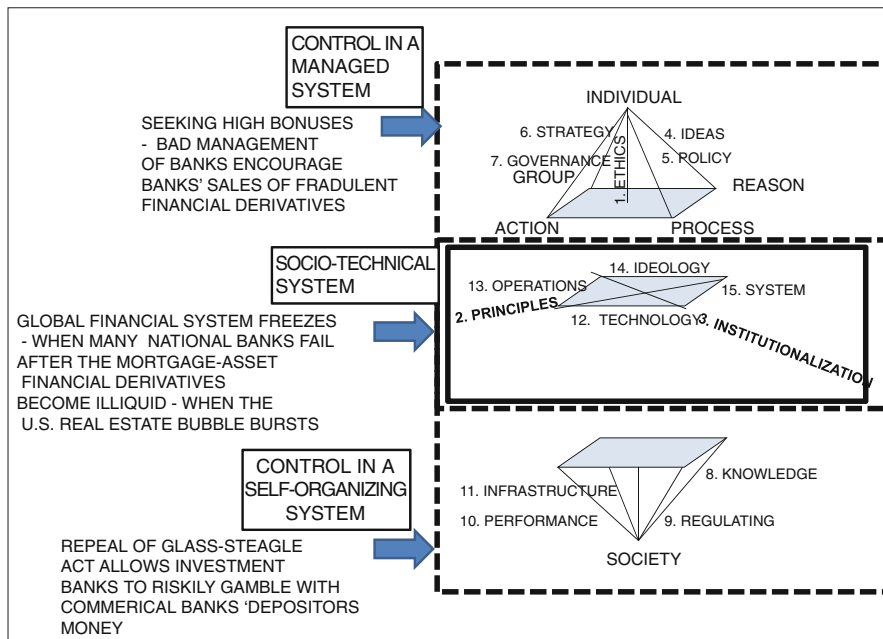


Fig. 11.14 Systems failures in 2007 global financial crisis

We saw that all the organizations and national economies were connected into a global financial sociotechnical system providing financial credits and investment contracts. Banks of the world were connected together by electronically enabled transactions which provide a financial system for the world – a global financial sociotechnical system.

In the system-model-of-society, we saw how a modern society has infrastructures devoted to economic or cultural or political or technology processes. Moreover, each of these infrastructures are run by different principles-of-order for reasoning of actions in these subsystems: principles-of-order as economic rationality, cultural rationality, political rationality, and scientific-technological rationality. Thus, at any time in a society, such infrastructural processes should operate normatively according to each rationality – *ideally*. But such processes may or may not always operate so rationally – *empirically*.

We saw in the global financial crisis that the financial market sector of the global economic system should have normatively operated with financial integrity. But it did not. Instead greed was the motive to corruption and fraud in billions of dollars of bad investments (US mortgage-based financial derivatives). The reason that the financial system did not operate normatively to the principles of financial integrity was that the governmental subsystems of the US government had failed to properly regulate banking activities (for integrity and honesty).

Thus, in a self-organizing system in a society, proper interactions between societal subsystems are necessary for the rationality of any subsystem to empirically operate to normative principles-of-order. Proper regulation of a societal system may be necessary to ensure individuals empirically do what they normatively ought to do. Such regulation is often called the “rules-of-the-game,” within which people play the game.

Proper ethical relations between the Individual & Society does depends upon the real working (empirical) of the rational principles (normative) of the subsystems of a society.

The agents of action in a self-organizing system are individuals and groups. In the case of the global financial crisis, the individuals who initiated the actions which led to failure were banking executives, who encouraged the sale of financial derivatives. Individuals which allowed this kind of improper banking activity to occur were members of the government in the Clinton administration who encouraged the repeal of the Glass–Steagall Banking Act. Thus, there were failures of leadership in the managed-systems of banks and in the managed-systems of government organizations. And we saw all these problems of societal control occurring in the history of the 2007 global financial crash:

1. The failure of proper regulatory control in the self-organizing financial sector of the US economy was
2. Created by failure of individual fiscal responsibilities in the managed-systems of banks, which
3. Triggered a freeze-up (institutional shut-down) of financial exchanges between banks in the sociotechnical system of global finance.

The historical evidence here is that we, in a global financial civilization, have not yet learned how to *integrate* proper controls for the socio-technical system of finance.

Thus conditions in a sociotechnical system can sometimes allow bad management practices in managed-systems. For example, the mortgage-based CDO-derivative was a scheme temporarily operated under special economic conditions then in the world in the decade of 2000. There was the combination of unusually low interest rates, rapidly increasing oil wealth, huge leveraged investments, global manufacturing outsourcing, and no proper government regulation of banking practices. These special conditions could be exploited for large-scale financial fraud because the instruments could be globally sold due to the new Internet connections of investment practice.

The new derivative financial market grew in 5 years from millions of dollars of contracts to trillions of dollars. This was an enormous financial leveraging upon a relatively small asset base of a US mortgage market – attracting billions and billions of capital from around the world. Even one of the richest oil sheiks in the world lost at least a quarter of wealth in the debacle (\$2.4 trillion dollars).

If all that appeared complex and difficult to understand, it was meant to be. In any confidence scheme in which a trickster takes money from a fool, that fool, the “mark,” is meant to be wholly confused during the play. A new financial device (asset derivatives) – made possible by information technology applied in financial markets – was applied in a fraudulent manner.

Ethics in the Global Financial Crisis

For example in 2009, one contemporary economist who actually used the term “fraudulent” in making a normative judgment on that bank management was the Nobel Prize economist, Paul Krugman, who wrote: “America emerged from the Great Depression (1930s) with a tightly regulated banking system, which made finance a staid, even boring business. Banks attracted depositors ...used the money thus attracted to make loans, and that was that. ... After 1980 a very different financial system emerged. In the deregulation-minded ...era, old fashioned banking was increasingly replaced by wheeling and dealing on a grand scale.... Underlying the glamorous new world of finance was the process of securitization. Loans no longer stayed with the lender. Instead, they were sold on to others, who sliced ...individual debts to synthesize new assets.... And financial wizards were lavishly rewarded for overseeing the process. But the wizards were frauds ...and their magic turned out to be no more than a collection of cheap stage tricks. Above all, the key promise of securitization – that it would make the financial system more robust by spreading risk more widely – turned out to be a lie. Banks used securitization to increase their risk, not reduce it, and in the process they made the economy more, not less, vulnerable to financial disruption. Sooner or later, things were bound to go wrong, and eventually they did. Bear Stearns failed; Lehman failed; but most of all, securitization failed” (Krugman 2009).

Bad management in the managed-systems of bank organizations formulated and sold fraudulent financial products.

The investment banks had gone to bond-rating agencies (such as Moody) and paid for the highest bond ratings – triple-A – meaning such bonds were practically risk free. And such high ratings were given to mortgage bonds, even through the investment banks deliberately included high-risk subprime mortgages in the bonds! And the rating agencies complied, giving high ratings – since their fees depended upon satisfying their bank customers. This was the fraudulent activity – deliberate misrepresentation of the quality of the product.

Later in September 2009, the head of Goldman Sachs (a lead banker in the scheme) also admitted poor normative judgment (without going so far as “fraudulent”). Patrick Jenkins wrote: “Lloyd Blankfein, chief executive of Goldman Sachs ... admitted that banks lost control of the exotic products they sold in the run-up to the financial crisis, and said that some of the instruments lacked social or economic value... Mr. Blankfein said: “The industry let the growth and complexity in new instruments outstrip their economic and social utility as well as the operational capacity to manage them....” The Goldman boss, who himself received total compensation of more than \$70 million in 2007, said multi-year bonuses should be outlawed and senior staff should receive large proportions of pay in stock, rather than cash” (Jenkins 2009).

Improper regulation in the exercise of the government bailout money also occurred. For example, Gretchen Morgenson wrote about the initial payments with the US Treasury made to AIG, writing: “Every day, insurance companies sell policies to homeowners to cover the cost of damage in the case of fire. Why would those companies agree to pay out in full to a policyholder even if a fire had not occurred? That is the type of question being asked about the federal government’s bailout of American International Group in which the insurance company funneled \$49.5 billion in taxpayer funds to financial institutions, including Deutsche Bank, Goldman Sachs, and Merrill Lynch. The payments, which amount to almost 30 percent of the \$170 billion in taxpayer commitments provided to A.I.G. since its near collapse last September, were disclosed by the company on Sunday.... The criticism surrounds the action taken by the government on credit insurance that A.I.G. had written and sold to large and sophisticated investors, mostly financial institutions. The banks that did business with A.I.G. bought credit insurance to protect against possible defaults on debt securities they held or had underwritten.... The top three recipients of money from the government related to the credit insurance A.I.G. had written are Société Générale, a French bank, at \$11 billion; Goldman Sachs, at \$8.1 billion; and Deutsche Bank, at \$5.4 billion” (Morgenson 2009).

Were there possible conflicts of interest in the governance of the fund? Other reporters from the news agency, Reuters, also raised troubling ethical issues about the governance of the US Treasury’s bank bailout fund: “American International Group (AIG.N) funneled over \$90 billion of taxpayer bailout funds to various US and European banks, but the biggest beneficiary was politically connected Goldman Sachs Group Inc. (GS.N). Suspicions of potential conflicts of interest and favoritism have been fuelled by \$12.9 billion AIG paid to Goldman Sachs – where then-Treasury Secretary Henry Paulson had previously worked as chief executive – in the

months after the insurer was rescued by the government last September. Goldman, for its part, has insisted it did not need the bailout money because it was “always fully collateralized and hedged.” In recent years, many former Goldman executives have moved into government. Paulson left Goldman in 2006 as chief executive. The chairman of the New York Federal Reserve is former Goldman Chairman Steve Friedman.” The person that should be subpoenaed is Hank Paulson. How do you go from running Goldman Sachs in ‘2005’ and ‘2006’ and making all of these bets with AIG’s financial products unit and then end up in the government guaranteeing those bets and not have a conflict of interest? Stansberry asked” (Reuters 2009).

Conflicts of personal (individuals) interests in between the officials of the managed-systems of government agencies and of executives of the managed-systems of banks also encouraged unethical actions, in not protecting the public interest.

A common consensus about bad performance (“lacking social or economic value” or “cheap stage tricks”) emerged. But no executive went to jail.

Failure of proper control of the managed-systems of the bank created fraudulent financial products sold into the socio-technical system of the global financial market.

Summary

We have seen how the issue of “control” in a given society is complicated. It consists of three kinds of control: (1) control in a managed-system of a given organization, (2) control in the regulating activities of a self-organizing societal system, and (3) control of a sociotechnical system.

In the control of an organization as a managed system, the key relationships of the control are: (1) ethics, (7) governance, (4) ideas, (6) strategy, (5) policy.

In the control of a society as a self-organizing system, the key relationships of the control are (1) ethics, (8) knowledge, (11) infrastructure, (9) regulating, and (10) performance.

In the control of a sociotechnical system, the key relationships of the control are: (2) principles, (3) institutionalization, (12) function, (13) operations, (14) ideology, and (15) system.

Control of a whole society is complex because it involves three different systems of control: self-organizing societal systems, organizational managed-systems, and functional socio-technical systems.

Societal theory is normative in form (ideal-type theory) expressing the “discourse ethics” of ideally proper societal activity.

Normative, societal theory becomes only real in the contexts of historical settings, the “power analytics” of context.

Note

¹ Books on the 2007–2008 global financial crises include: Morgenson and Rosner (2011) and Sorkin (2009).

Chapter 12

Normative Societal Theory

When we began this methodological journey, we first acknowledged that modern society has made great progress in societal knowledge (science and technology) but less progress in societal wisdom (politics and ethics). As in societal knowledge, we assumed that progress in societal wisdom could be facilitated by proper methodology in the social sciences. In contrast to the physical and biological sciences with a “value-free” methodology, the social sciences needed a “value-loaded” methodology. Moreover, a value-loaded methodology might yield empirically grounded understanding about universal human values. To do this:

1. The social sciences need to be methodologically integrated (as are the physical and biological sciences) – since all societies exist as a whole and not simply in disciplinary slices (of sociology, economics, political science, etc.).
2. Social science theory must be empirically grounded (as are the physical and biological sciences) – and grounded upon societal histories, as history depicts the natural experiments in human societies.
3. Social science theory must also be normatively grounded over a universal “family of humanity” – normative social theory (judgments of value) needs to be generalized over all societies and all times.
4. The discipline of history needs a formal analytical structure (perceptual space) to properly analyze the evidence necessary to the empirical and normative grounding of societal theory.

We have proceeded to develop this methodology for integrating history and social science methodologies through the research concepts of (1) perceptual spaces, (2) meta-perceptual space of perspectives, (3) topological societal theory, (4) societal models, and (5) societal stasis and change, and (6) societal-systems control issues.

A general societal perceptual space for describing historical events was constructed from three basic social science dichotomies of Individual-Society, Group-Process, and Action-Reason.

A theory for explaining the course of historical events was constructed in that societal perceptual space as a graphical theory (topological theory), which provided 15 forms of explanations in analyzing historical events.

A model of a society in stasis can be constructed as economic, cultural, technological, political, and territorial subsystems.

The historical dynamics of a society can be described in a timeline as alternate periods of stasis (societal model) and change (societal perceptual space event).

Also we saw that such a methodology could assist not only in the analysis of historical events but also in contemporary events. Now let us examine exactly how historically normative societal theory can become universalized as a kind of natural history – scientifically grounded normative theory (a theory of how should be a given society).

History: Magna Carta and the U.S. Constitution

To illustrate this methodological challenge, we examine the modern political theory of democracy. The basic theory in the modern discipline of political science is that of a representative and constitutional government. This is the ideal of democracy. It is both a normative ideal and also a practical applied theory. Historically, the United States of America was the first nation to establish as practice this theory of government.

As a practical social theory, representative democracy had its principles inscribed in the constitution as a legal document of the U.S. Federal Government. Its reasoning “evolved” in the history of English and American societies: evolving not as biological principles (e.g., Darwinian) but as rational (logical) principles (e.g., political science). This theory of political governance as a “constitution of governing principles” was certainly empirical, since it arose in the natural phenomena of human history. Also the theory is certainly a kind of “phenomenological law,” for as it provides the principles for determining legal status of laws and governmental authority in the United States. Those who constructed the social theory were not social scientists but political and legal practitioners, politicians, and lawyers. But social theory is tested for objectivity and validity in practice; so social theory can be constructed not only by social scientists but also by practitioners.

In 1776, the U.S. Constitution was formulated and passed by a Continental Congress of 13 American states.¹ Where did this sociological idea arise of an ideal-type of governance as a “constitutional government?” This idea of basing a national government upon a written constitution was a novel political idea in 1700s. But the historical roots for this societal idea went back to the 1200s in Europe. In the history of the political ideas that informed the U.S. framers of the constitution in 1776, there were two critical sources of their ideas: (1) the Magna Carta in the British governmental tradition and (2) Rousseau’s idea of a “social contract.”

We jump back in time to 1215, when the Magna Carta was written in a historical event of English society.² King John of England had incurred the rebellious wrath of English Barons. John had lost control on England over his ancestral territories in Normandy, France. This disgraced him militarily to his English barons. Adding injury to insult, John repeatedly increased taxes on the English barons to replace lost

taxes from his former Norman barons. In addition, he angered the bishops of England by interfering with the Pope's appointments in England; and as a result John was forced to submit to the Roman Pope's edict. To his English barons, this further showed him as a weak and ineffectual ruler.

By 1215, the English barons had enough. They entered London in force on the 10th of June. The barons forced concessions from John, to restrain the King's power. These were written as the "Articles of the Barons." John agreed and attached his Great Seal to the document in a meadow at Runnymede on June 15. In return, the barons renewed their oath of fealty to John. A month later, the royal chancery recorded the agreement in a formal document called the Magna Carta (Great Charter).

Throughout later epochs of English history, this Magna Carta was periodically reissued – as a continuing affirmation of the King's political power restrained by Law in English government. This was a principle-of-order, which had emerged in English history as a rational political idea, the political ideal of a written law, which can limit the absolute power of government. The Magna Carta became a British political tradition between a King and a Parliament, bound under Law. This was the central idea for the principle-of-order in the political rationality – toward an ideal of constitutional government.

Next in the historical epoch of the evolution of this societal rationality, the English philosopher John Locke (1632–1704) popularized the further idea of "natural rights" of individuals in a society. This extended the idea of the rights of barons (in the Magna Carta) to rights of any citizens in a society. Jacques Rousseau (1712–1778) then extended the idea of citizens' rights into that of a "social contract" between a people and their government, in *Du Contract Social* (Of the Social Contract).

The idea of a social contract became the intellectual foundation of a new government in 1776, written as the Constitution of the United States of America. James Madison (1751–1836) was a principal author of the document. Madison had been influenced by English tradition of the Magna Carta and by the writings of John Locke and Jacques Rousseau.

The first attempt at formulating a new government for the former colonies was the Articles of Confederation. Madison argued for a stronger form of central government than a mere confederation of states. In 1787 at the Constitutional Convention; in Philadelphia, Madison formulated a three-sector form of government (Legislative, Executive, Judicial) with powers prescribed as a Constitution.

We see that these Federalist ideas came from several historical epochs – societies in England, France, and America. We also see that the logic (principle-of-order) for political reasoning was developed throughout these epochs – empirical basis of the developing social theory. But the theory was normative – what ought to be. First this occurred as a principle of bounding a king's power by a written agreement (expressed as the Magna Carta). Next this principle became an English political tradition – a logic with the force of historical precedent extending over English history through time – from epoch to epoch. And this universalized the value of law-limiting-the-exercise-of-political-power over all future time for English society. Next in the new American nation, this principle was universalized as a political idea for that or any

society in any time as a “social contract.” And this principle was tested in practice by founding a new government entirely based upon a written social contract – a constitutional government.

Methodologically, one can view this history-of-an-idea both empirically and normatively. It is a natural history about how participants in a society *empirically* extracted a *normative* law about social nature. This normative law was that all government should be representative and founded upon a constitution as a social contract – a normative social theory.

Ideal-Type Social Theory

What can one call such a normative social theory? A normative social theory is a prescription of what “ought-to-be” in a society, in contrast to an empirical social theory of “what-is” in a society. In the history of sociology, Max Weber proposed that a normative social theory could be called an “ideal-type” social theory. Weber suggested that the “principles-of-order” in a societal process could be described as a normative theory for that society. And he suggested that descriptions of a social epoch would include both a historical reality and a rational ideal.

We recall that Weber was focused not only with empirical descriptions of actions in a societal era but also what people thought they were doing as they acted. Weber proposed: (1) the idea of historical epochs as empirical bases in the social sciences and (2) the idea of “ideal-types” as a normative social theory. (Weber, 1897) Thus a description of a social epoch should include both a historical “reality” (empiricism) and a historical “rational ideal” (normative judgment).

The historical “reality” of an era is a description of the “power-analytics” of the era – empirical description of the times.

The historical “rational-ideal” of an era is a description of the “discourse-ethics” of the era – normative judgment about values (ideal-type theory).

As an example of a normative theory in modern social science, Weber wrote that modern economic theory was one of these – an “ideal-type” of social theory: “We have in abstract economic theory an illustration of those synthetic constructs which have been designated as ‘ideas’ of historical phenomena. It offers us an ‘ideal picture’ of events on the commodity-market under conditions of a society organized on the principles of an exchange economy, free competition and rigorously rational conduct. An ideal-type of a commodity market’s relationship to the empirical data consists solely in the fact that where the market-conditions are *discovered to exist in reality*, we can make the characteristic features of this relationship clear and understandable *by reference to an ideal-type*... In its conceptual purity, this mental construct (of an ideal type) cannot be found empirically anywhere in reality. It is a *utopia*.”(Weber, 1897)

One observes the normative aspirations of participants in the historical situation; and analyses the underlying principles of their normative aspirations.

In this way, an ideal-type theory is an abstraction of the *principles-of-order* that can be empirically observed in a historical social situation.

Ideal-types are abstractions and do not exist completely in reality except as a desire, a hope, a value; but such principles-of-order may be wholly or partly implemented in real practice (or many not).

An “ideal-type” social theory is not merely an empirical description of *what* people are doing in a society and *why* they think they are doing that – but also *how* they thought they should think. It is a generalization of the *principles-of-order* that they should have been following toward what they wished to accomplish.

Weber’s example an economic “commodity-market” as an “ideal type” explains not only the *what* (commodity market) and the *why* (utility) of economic exchanges in a market-organized society but also the *how* (supply-equal-demand) – all as perceived by the participants in the economy.

Furthermore, Weber thought that if this ideal-type of a commodity-market not only operated in historical epochs of particular societies, it might also operate in a present or future society – for economic benefit of present or future societal inhabitants. The principles-or-order empirically observed in societal-historical-epochs might be universalized over the human family of societies as a prescriptive injunction.

So order your economy as to have supply-equal-demand for an optimal pricing of commodities in your society.

Weber argued that a generalization of an “ideal type” inherently occurs in any historical study that attempts to explain historical events from the perspective of the historical participants: “Every conscientious examination of the conceptual elements of historical exposition (empiricism as societal history) shows that the historian, as soon as he attempts to go beyond the bare establishment of concrete relationships and to determine the *cultural significance of ... (historical) events* must use concepts ... in the form of *ideal types*.” (Weber, 1897)

Weber proposed – in describing as social theory the “cultural significance of historical events to participants” – such social theory could be can be expressed as a model of social rationality, which was seen as “ideal” to those participants. In literature this is sometimes written as a utopia – how people in a society should reason. (An example in English literature of this is Thomas More’s *Utopia*.)

Weber’s distinction between an empirical reality and idealism was the basis for the later developments in political science methodology, such as Habermas’ and Foucault’s different approaches to political science methodology. Jurgen Habermas described the principles-of-order for democracy as a consensual process around the ideas of a value consensus – discourse ethics. In contrast, Michel Foucault’s emphasized that practice of power was focused upon conflict which violated such principles – realism of power – power analytics.

Ideal-type social theory is a generalization of the *principles-of-order* that a society in a particular historical situation thinks people should be following in their reasoning.

The *ideal type* in a social theory is an abstraction of the *universal intentions of that society*.

Universal intentions in an Ideal-type are expressed as *principles-of-order to guide social behavior*.

The principles-or-order empirically observed in societal-historical-epochs over the human family of societies might be *universalized* as a prescriptive injunction.

Historically, Weber's concept of an "ideal-type" social theory was a significant method in modern sociology. Sociology has focused upon the "social" interactions in a society.³ The term is derived from the Latin term "socius" for "companion," indicating the sociology is the knowledge of companionship, social interactions. The first to popularize this term was Auguste Comte (1798–1857), suggesting that social ills could be solved by scientifically understanding human nature, as a positive advance in knowledge beyond theology and metaphysics.

Institutionalizing sociology in academia began when Émile Durkheim (1858–1917) established the first European department of sociology at the University of Bordeaux in 1895; and in 1896, Durkheim started a sociology journal *L'Année Sociologique*. In America, sociology courses were begun in universities in 1875; and in 1884 the first sociology department was established at the University of Chicago. In England in 1904, a sociology department was established in the London School of Economics and Political Science.⁴

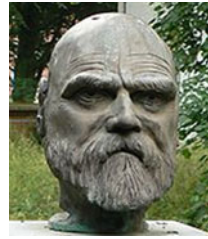
In Germany in 1909, Ferdinand Tönnies and Max Weber founded the German Sociological Association. In 1919, Weber established the first German sociology department at the Ludwig Maximilian University of Munich.



Auguste Comte



Émile Durkheim



Ferdinand Tönnies



Max Weber
(<http://en.wikipedia.org>, Sociology 2010)

Historical Epoch: King John of England

We look in more detail how this political theme entered English history – that principle-of-order asserting that a monarchy-should-be-restrained-by-law. It was on June 15, in a meadow outside London at Runnymede, when King John attached his Great Seal to the document, making it law. John was the fifth and last legal son of King Henry II. Henry II was the great-grandson of William the Conqueror.⁴

It had been in 1066 in the Battle of Hastings when William of Normandy landed his French knights in England and defeated King Harold. William's French-speaking knights seized the estates of Alfred's defeated Saxon knights. Then a feudal Lord was neither French or English or Italian nor any of our modern national designations.

A seigniorial lord was defined by feudal loyalties and inheritance. William's claim to the English throne had been through his maternal grandmother Matilda of Scotland, providing William descent from the kings of Scotland.

After the death of William the Conqueror, his son, Henry I, inherited the English throne. Henry's daughter was also named Matilda, and she was to inherit after him. Matilda married Henry V, Holy Roman Emperor, but they had no children. In 1141, Henry I died, but Matilda ruled England only for a few months. Stephen of Bois, a grandson of William the Conquer, seized the throne from his aunt Matilda. Matilda, widowed, retreated to France and married Geoffrey of Anjou. They had three sons, of whom Henry II was the eldest, born in Le, Mans, France.

Through his mother Matilda, Henry II claimed the English throne. In January 1153, Henry II assembled a force of French knights to invade England (as earlier had his great grandfather William). Henry II defeated Stephen's armies and controlled England. In that year, Stephen's son and heir, Eustace, died. Stephen signed a treaty, naming Henry II as his successor. The next year in December 1154, Stephen died, and Henry II became king, establishing the Plantagenet line of English Kings.

Henry II had conflicts with the Roman Church. Thomas Becket was murdered by Henry's knights in Canterbury Cathedral. Henry II is said to have complained: "With miserable drones and traitors have I nurtured and promoted in my household who let their lord be treated with such shameful contempt by a low-born cleric." Or more famously: "Will no one rid me of this turbulent priest?" For this act, Henry II was excommunicated by the Roman Catholic Church and forced to confess.

Henry II also collected a tax (scutage) on English Nobles, who wished to avoid military service. Henry II used the tax to hire mercenaries and strengthened his military position over his vassals. (This was the tax, which would later get his son, John, in trouble.)



Henry II (<http://en.wikipedia.org>, 2010)

In 1152, Henry II married Eleanor of Aquitaine, adding to his territories in France those of Anjou, Aquitaine, and Gascony. Henry II and Eleanor had children: William, Henry, Richard, Geoffrey, Matilda, Eleanor, and John. After Henry II's death, a conflict to succeed him occurred among his sons (of which John was the youngest son).

William died as an infant and Henry (the second son) was to inherit the English throne. But Richard and Geoffrey would not give their elder brother feudal loyalty. They all quarreled and fought battles in France. Richard proved to be the strongest military leader. In 1183, his elder brother Henry died; and Richard became the heir. In 1186, Geoffrey (the fourth son) died. This positioned the youngest son, John, as successor to his older brother Richard.

Then Richard was King of England and Lord of Ireland. But also in France, Richard was Duke of Normandy, Duke of Aquitaine, Duke of Gascony, Count of Anjou, Count of Main, and Count of Nantes. Richard preferred France, except for a short visit to England to raise money. Then Richard was off crusading.

On the way to Jerusalem, Richard conquered Cyprus. There he married Berengaria, daughter of the King of Navarre. But there was no issue, and his brother John remained heir to the English throne. While Richard was on crusade, John was in England, ruling in Richard's name.

In 1191, Richard landed at Acre, heading for Jerusalem. Richard quarreled with Leopold V, Duke of Austria, and Leopold V left the crusade. Then from Acre, Richard fought several skirmishes with Saladin, the Arab ruler of the territory. Richard realized that even if he was able to take Jerusalem from Saladin, he could never hold it. Richard gave up the crusade. Returning to Europe, Richard's ship was forced by a storm to land in Leopold's territory of Austria (the Leopold he had quarreled with in Acre). Near Vienna, Leopold discovered Richard's party and seized them. Leopold held Richard as a captive in the castles of Durnstein and Trifels. To collect a king's ransom, Leopold assigned Richard over to his seigniorial lord, Henry VI, who was Emperor of the German Holy Roman Empire.

Richard's mother, Eleanor of Aquitaine raised the ransom for her son. (In contrast, Richard's younger brother, John, offered ransom to Henry VI not to release Richard.) When King Richard returned to England, John begged his forgiveness. Richard named him as his heir, instead of a nephew (who also had been conspiring against Richard).

Then Richard returned to France to battle Philip of France, who was contesting Richard's Angevin lands. In March 1199, Richard was suppressing revolts in his French lands, laying siege to the Castle of Chalus-Chabrol. An arrow from a cross-bow up on the castle wall wounded Richard in the shoulder. The wound festered. On March 25, 1199, Richard died.



Richard I (<http://en.wikipedia.org>, 2010)

John became King of England. His first royal challenge was retaining his inherited French feudal territories. The French King Philip Augustus (who had once been Richard's crusading comrade) wanted them. In 1202, John married Isobel of Angouleme. But she had previously been affianced to Guy de Lusignan. Lusignan appealed to the French King Philip II that John had violated his feudal rights. Since in France, Philip was Seigneur (Lord), John there was formally a vassal to Philip. This was the pretext, Phillip needed. Phillip summoned John to his French court to answer Lusignan's charges. King John refused to appear. King Philip claimed all John's French territories as forfeit (due to failing his feudal duties in France). Philip assigned Henry's French lands to Arthur, Richard's nephew and John's rival claimant to the English throne.

In 1203, King John assembled an English army and invaded France. He defeated Arthur's forces in a battle at Mirebeau. Arthur was captured and imprisoned in Rouen, where he died. But battles over John's French territories continued. Finally in 1214 at the Battle of Bouvines, Philip's army defeated John's army. Philip gained John's northern French territories.

The English barons were disgusted King John's loss of French territories (which included Normandy, William the Conqueror's ancestral fiefdom). In addition to declining support of his barons, John was also in conflict with the Catholic Church of Rome.

In 1205, after the Archbishop of Canterbury died, King John selected a candidate to succeed him. But the priests of the Chapter of Canterbury Cathedral choose their own candidate. Both candidates traveled to Rome to have their respective appointment confirmed by the Pope. But the Pope selected a third, his own candidate, Stephen Langton. Angered, John expelled the Canterbury Chapter in 1207. Angered in turn, the Pope placed an interdict on giving church services over the whole English kingdom. Angered again, the King closed down the churches and confiscated church property. Angered in turn, the Pope excommunicated John in 1209.

In February 1213, the Pope threatened to excommunicate all the English, including the barons. King John capitulated. The Pope's penitence for King John required him to yield England and Ireland to the Church as Papal territories. John was to pay an annual fee of feudal service to the Pope of 700 marks for England and 300 marks for Ireland.

So it had happened that in 1213 King John yielded England and Ireland to the Pope. The next year in 1214, John lost his French territories. The English barons were furious with their King. Then it was on June 10, 1215, that the English barons marched in force into London, and Londoners eagerly opened their gate.

On that June 15, the barons met with King John in that meadow outside London at Runnymede and presented him with their written demands, as the "Articles of the Barons." A key clause established a council of barons who could meet at any time and overrule the will of the King. This limited the absolute power of the monarchy. King John soon renounced the Charter, and civil war broke out (First Baron's War). King John traveled around the country to fight rebel forces. On October 18, 1216 John died, having become sick while traveling through marshes in East Anglia.



King John (<http://en.wikipedia.org>, 2010)

Nine years old at the time, King John's son became King Henry III of England. His regents reissued the Magna Carta on November 12, 1216 (with some clauses omitted). When King Henry III turned eighteen years of age, he reissued the Great Charter in 1225 (shortened then to 37 articles). Later the Charter was ignored but became a key charter in the English civil wars in 1625. After that, the principles-of-order established by the Magna Carta was the thematic basis for creating a constitutional monarchy in Britain – with governing power in an elected Parliament and guaranteeing fundamental rights of individuals as English citizens (such as habeas corpus).

Societal Perceptual Space for the Historical Event of the Magna Carta

In this example of the reigns of Kings Henry II, Richard, and John we saw that the social structure of a feudal society consisted of a military aristocracy and peasants. The peasants were constrained to an estate as serfs, without any legal rights against the aristocrat ruling the estate. Aristocracy ruled by might. Contexts over territory among aristocracy were settled peacefully by inheritance rights and marriage and/or by military might. All territories were feudal fiefdoms, and whoever conquered the territory had the right to it. We can depict these ideas as a societal perceptual space for a feudal society, Fig. 12.1.

The principle-of-orders in a feudal society are (1) military might (might makes right) and (2) kinship rights of inheritance.

The institutionalizations in feudal structures consist of (1) peasant serfdom and (2) feudal loyalty of vassals to a lord.

The ethical-context in a feudal structure is a religious church is to establish standards of conduct based upon judgments in a life-after-death.

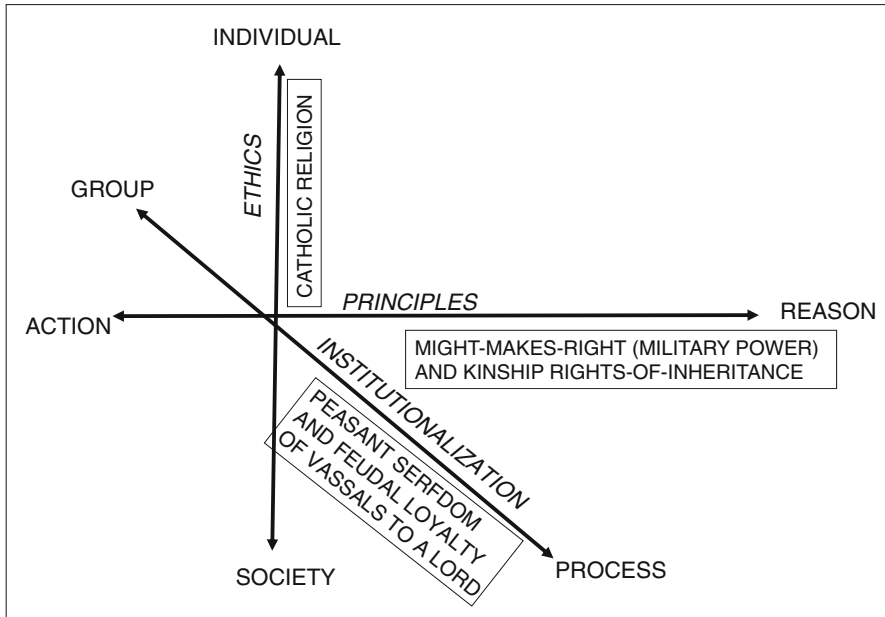


Fig. 12.1 Societal-event perceptual space of a feudal society

Explanation in Science

We are looking at how to ground social sciences theory normatively as well as empirically. Physical sciences theory is grounded only empirically, theory grounded upon experiment. All empirical generalization, empirically grounded theory, is grounded in experiment and natural observation. But how can normative theory be grounded? Empirical theory is about facts; while normative theory is about ideals, about values.

One of the important methodological issues illustrated by the history of the Magna Carta is that “ideas” may influence societal events but they *do not cause* societal events. Ideas contribute as a *theme-but-not-as-a-cause* to the action. We pause and examine this important methodological issue in scientific explanation:

Methodologically, there is causality in physical science laws, but no causality in social science laws.

For this assertion, let us briefly review what exactly is the concept of “causality” is in modern scientific method – cause and effect. Physical science formulates regularities discovered in nature as natural laws which are causal – “phenomenological laws” (laws-in-a-phenomenon-of-nature) There are many phenomenological laws in the physical sciences, including:

Thermodynamic Laws
Four laws of thermodynamics

Gas Law

(Pressure times Volume times Temperature of a gas is Constant)

Mass and Energy Conservation Law

(Total mass and energy is conserved in any physical interaction.)

Special Relativity

(Speed of light is the same to any observer in the universe.)

Galileo and Newton's Laws

(A body in motion remains in constant motion unless acted upon by an external force. Equal action and reaction in a force interaction.)

Quantum Laws

(Planck's quanta of energy and Heisenberg's Uncertainty Principle.)

All these phenomenological laws occur in the physical sciences because physical nature interacts in causal forces. The forces of gravity, electromagnetism, weak nuclear forces, strong nuclear forces – are all forces acting as a cause producing an effect – causality.

But must all relationships between objects in nature be causal? No, particularly not in societal relationships! For example, we just saw that the idea of restricting the absolute power of a monarchical government (Magna Carta) did have an impact upon history, but not as a causal factor. It was a theme, but it was not a causal force. The Magna Carta *did not cause* constitutional monarchy in the history of England. The idea of limiting-monarchical-power-under-law became a continuing political theme in the subsequent history of English/British government – but not as a “cause-effect,” only as a “theme.”

What other kinds of relations (laws) can there be in scientific methodology, other than causal relations? We can find these by doing a logical analysis upon the idea of “causality.” What in the physical sciences we mean by causality is the following concept: For two physical objects to causally interact by physical forces means that logically:

1. Cause (A) must precede in time an effect (B);
2. When effect B has occurred, then cause A must have previously occurred – A is necessary to B;
3. Whenever cause A does occur, then effect B always follows – A is sufficient to B.

To generalize on the methodological idea of a “natural law,” one can take all the logical possibilities in the relationships of a previously occurring event A and a subsequently occurring event B, according to the logical conditions of necessity (N) and sufficiency (S) – as shown in Fig. 12.2.

Physical sciences use the *causal relationship (N&S)* between physical objects. Physical forces are both necessary and sufficient for physical objects to change their motions in a space-time framework. Phenomenological laws in the physical sciences are due to causal forces (necessary and sufficient in cause-effect). All physical laws are thus context independent. Gravity works the same whether one is on Earth, in Space, on the Moon, on Mars, etc. Physical laws do change by scale. Quantum mechanics works at the atomic scale of nature; Newtonian mechanics at the earthly

<i>RELATIONSHIP</i>	<i>NECESSITY</i>	<i>SUFFICIENCY</i>
CAUSAL	NECESSARY (N) &	SUFFICIENT (S)
PRESCRIPTIVE	NECESSARY (N) &	NOT-SUFFICIENT (<u>S</u>)
ACCIDENTAL	NOT-NECESSARY (<u>N</u>) &	SUFFICIENT (S)
THEMATIC	NOT-NECESSARY (<u>N</u>) &	NOT-SUFFICIENT (<u>S</u>)

Fig. 12.2 Modality of explanatory relationships in science

scale of nature; and General relativity at the cosmological scale of nature. But within a scale of space, all physical laws are context independent.

In contrast, biology, social science, and historical explanation cannot use causal explanations. Instead, these can use a *prescriptive relationship of(not-N&S)* between functional objects. For example in biology, connecting a function to a mechanism in biology requires that the mechanism object be necessary for the functional value to a biological thing but not sufficient. There may require other mechanisms for sufficient occurrence of the function. A second example of function and mechanism can be seen in engineering design wherein also one mechanism may be necessary but not be sufficient for a function to be completed.

In contrast to the physical sciences, all explanations in social and historical phenomena are context dependent.

These are the two important methodological differences between physical and social sciences:

1. context-free laws in physical sciences versus context-dependent laws in social sciences;
2. “value-free” and “objective” laws in the physical sciences versus “value-loaded” and “universal” laws in the social sciences.

In the physical sciences, phenomenological laws are causal in form. In the social sciences phenomenological laws are never causal in form – but are either prescriptive, accidental, or thematic in form.

In the historical example of the Magna Carta, we next will see that the principle of subordinating monarchy to parliamentary government was necessary for Parliament to rationally justify the rule of parliament and a constitutional monarch. But it would not be sufficient. For sufficiency in historical explanation of the triumph of the ideas of parliamentary government, we will next see that historically this also required contexts: (1) the events of successive military successes in a decade-long civil war to institutionalize parliamentary government in England and (2) Monck’s restoration of King Charles II as a constitutional monarch.

Historical explanation can use the following forms of explanatory relationships between historical events:

1. prescriptive relationships (N & not-S)
2. accidental relationships (not-N & S)
3. thematic relationships (not-N & not-S)

Historical Event: Parliament and the English Civil War

As we saw in the history of John and the Magna Carta, the dynamics of feudal societies in Europe in the early middle ages was as a feudal society. Until recently (last five hundred years), all societies on Earth had been either tribal or feudal (or feudal empires). This ending of feudal society in Europe began only a century later after King John's rule. This change was due to technology, to the European innovation of the gun. It was this weapons technology that eventually ended all feudal societies on Earth. Today, the societies on earth are (1) either industrialized or industrializing societies or in civil war and (2) either democracies or dictatorships or theocracies or tribal warlords. But there are no more feudal societies, as the gun had abolished the military role of any feudal aristocracy.

Also we should note how relatively unimportant towns were in feudal societies. Peasants lived in villages spaced approximately a day's walk from each other. In a day, a peasant had to walk from village to field, work in the field and walk back to the village by night fall. Towns were spaced on important trading routes, and centered around an institution (such as a major religious church (cathedral, mosque, or temple) or a local castle (fortification)). The larger cities were fortified sites of major rulers (such as barons or kings) and often control river routes or ocean harbors.

Villagers brought agricultural produce and products to towns and cities to sell. The economic production function of towns and cities was to provide a sufficient concentration of aristocratic customers to purchase hand-crafted artifacts. Thus towns and cities were locations for a third feudal class of artisans and merchants – above the class of peasants and beneath the class of aristocracy.

By time of Charles I, new technologies of the gun and printing press and ocean voyaging had together been dramatically changing the societal order in England. There was the rise of a new powerful mercantile (capitalist) class from the earlier feudal artisan groups (guilds). Political ideologists of this new mercantile class then used the thematic explanation of the idea of the Magna Carta to challenge the traditional monarchical form of English government. They wanted to change the Absolute Monarchy into a Constitutional Monarchy. In 1625, the new English mercantile class demanded of King Charles a new political power for themselves in the form of a representative parliament. But Charles I continued to demand his right to rule as an absolute monarch. This political conflict between King Charles and his Parliament erupted into civil war.

Charles was the second son of King James VI of Scotland.⁵ In 1603 on the death of Queen Elizabeth James became King James I of England. In 1612 Charles became

James “heir when James” elder son, Henry, died at the age of 18. In 1625 Charles married Henrietta Maria, and she was Catholic. When James I died in 1626, Charles became King of England, Charles I.

Earlier In 1613, Charles sister, Elizabeth, had married Frederick V, Elector (Prince) of the German state of Palatine along the Rhine River. Frederick’s and Elizabeth’s rule of Palatine ceased early in the Thirty Years War in Germany. The German Holy Roman Emperor Ferdinand II seized Palatine. Frederick V and Elizabeth went in to exile in France, seeking aid to gain back Palatine.

In 1627, Charles sent an army to the aide of his sister, declaring war on Spain. Charles hoped to make the Spanish King Philip IV force Ferdinand II to give back the Palatine to Frederick V and Elizabeth. Charles I appointed the Duke of Buckingham to lead the war, but the war went badly as that Duke was an incompetent military leader.

In 1628, Charles summoned Parliament to raise taxes for the war. Parliament raised the money. But it also adopted a “Petition of Right,” calling upon the King to acknowledge Parliament’s sole right to levy taxes. In January 1629, Charles opened a second session of Parliament, but again Parliament asserted its sole right to raise taxes. Charles dissolved the Parliament. He would not convene Parliament again for the next eleven years. Charles raised taxes by monarchal fiat, decreasing his popularity with the mercantile class.

Also the religious division in England created political problems for Charles. Protestantism had grown among the mercantile classes, after King Henry VIII separated the Anglican Church of England from the Roman Catholic Church. Charles’ wife was Catholic, and Charles preferred Catholicism (although he was officially head of the Anglican Church). He wished to tilt Anglicanism back toward Catholicism.

In 1633, Charles appointed William Laud as Archbishop of Canterbury. Laud was strongly opposed to the protestant Calvinist theology – which was becoming popular, particularly in Scotland. Laud insisted a Book of Common Prayer be used in all Anglican services. He instructed the Court of High Commission and the Court of Star Chamber to punish offenders. Defendants in the Star Chamber were tortured into confessions.

In 1638, King Charles ordered the use of the new prayer book by Scottish Bishops. But the General Assembly of the Church of Scotland abolished Episcopalian governance (church governance by bishops) and replaced it with Presbyterian government (governance by deacons). Charles saw this as a rebellion against his authority, as head of the Episcopalian Church. Charles sent troops to Scotland in 1639 to put down the rebellion (First Bishops’ war), but they failed.

After eleven years in May 1640, Charles I reconvened Parliament to raise taxes. Government was in a financial crisis due to the costs of the war. But Parliament wanted to scold Charles about his abuse of power. Charles dissolved Parliament again. Charles sent more troops to Scotland, who again lost their battle. Charles was forced to sign a humiliating treaty with Scotland, requiring him to pay the costs of the Scottish army, who had just defeated him.

Broke, Charles had to call another Parliament in November 1640. The first thing that Parliament did was pass a law (Triennial Act) forbidding the King to dissolve it

and requiring it to be reassembled every three years. By November 1641, Parliament had forced several concessions. Charles had to abolish the Courts of High Commission and Star Chamber. Charles had to authorize the execution of William Laud.

But Charles heard a rumor that some in Parliament wanted to impeach his Catholic Queen. That was too much! Charles signed a warrant for the arrest of five leading members of Parliament. But they fled before they could be arrested, and civil war began.

Since London was the stronghold of Parliament and its mercantile base, Charles left London and set up his court in Oxford. Charles raised an aristocratic-based army against Parliament.

Parliament raised militias. The first battle of the civil war occurred at Edgehill in October 1642. It was evenly fought between Royalist forces and a Parliamentary militia. During the year of 1643, Royalist forces won several victories, which were not decisive. In the following year of 1644, Parliament forces won victories, which also were not decisive.

Then in 1645, Parliament reordered all militias and commands into one army, called the New Model Army. Parliament appointed Sir Thomas Fairfax in command and Oliver Cromwell as second-in-command. Also Cromwell was in command of the cavalry.⁶



Charles II



Oliver Cromwell
(<http://en.wikipedia.org>, 2010)

In war at that time in England, cavalry played an important role. Contending armies faced each other in two lines of musket-bearing soldiers, and one line advanced. Both fired their muskets. But as muskets were slow to reload, soon the lines closed and began battling sword against sword. In that melee of sword-fighting combatants, a properly led cavalry charge could then flank the enemy and break the enemy's line of battle – winning the battle. Cromwell turned out to be an extraordinarily competent commander (first of the cavalry and later of the entire army).

In April 1645, the New Model Army went into action, having then a numerical superiority of two to one over the number of soldiers in the Royalist army. In June 1645, it routed the Royalist forces at Naseby. In July, it defeated the last sizable

force of the Royalists at Langport. Fairfax. The New Model Army then besieged and recovered: Bridgwater, Sherborne, Bristol, Devizes, and Winchester. It defeated the last royalists in Devon and Cornwall. In May 1647, Charles surrendered to a Scottish Presbyterian Army, which then delivered him to Parliament.

Parliament was split over the issue of whether or not to restore Charles I to the throne. In June 1647, a troop of Royalist cavalry liberated Charles. In 1648, a second phase of the civil war began. There were several Royalist uprisings and an invasion of England by a Scottish army. (We recall that Charles was the son of a former King of Scotland, James.)

Now in command of the New Model Army of 9,000 troops, Cromwell subdued a Royalist uprising in Wales. Then he marched north to face the pro-Royalist Scottish army. In August, Cromwell defeated that Scottish army of about twice the size.

Yet some in Parliament still wanted to restore Charles I as ruler. But Cromwell had decided that the civil war would never end as long as Charles I lived. Cromwell marched his soldiers to Parliament in December 1648. His officer, Thomas Pride, arrested 45 members of Parliament and restrained 146 from entering the chamber. The remaining 75 members of Parliament were charged by Cromwell (as Head of the Army) to have Charles tried for treason. Fifty-nine parliamentary members, acting as judges, found Charles guilty. Charles I was beheaded on January 30, 1649.

But the English civil wars were still not finished. Cromwell went to Ireland to put down an Irish rebellion along with English Loyalists. Also a new army of Highland clans and Scottish “Covenanters” attempted to place Charles’s son, Charles II, on the throne. Cromwell defeated it at Carbisdale in Ross-shire on April 27, 1650. In June, Charles II landed in Scotland and assembled another army of Covenanter allies and occupied Scotland. In July, Cromwell laid siege to Edinburgh and, by the end of the year, occupied south Scotland. The next year in July 1651, Cromwell defeated a Scottish army at Inverkeithing. Cromwell finally defeated all of Charles II’s forces at Worcester on September 3, 1651. Charles II fled England, and the English civil wars were finished.

Parliament was now the English government, but it was not united. Cromwell assumed the position of Lord Protector and ruled England from 1653 to 1658. In 1657, Cromwell was offered the crown by Parliament but refused it. In 1658, he died.

His son, Richard, then succeeded him as Lord Protector. But George Monck was then head of the New Model Army; and Monck decided that Richard would not make a good ruler. In May 1659, Monck marched regiments of his army to London. Monck took control of Parliament and restored the monarchy by inviting Charles II back from exile. Then Charles II held the monarchy, but dependent upon Parliament. Charles II was the first of Great Britain’s constitutional monarchs.

After the restoration of the monarchy, Parliament’s factions organized into two political parties, becoming eventually the Tories and Whigs. Government was now run by an elective parliament, with the prime minister selected from the largest elected party. The Magna Carta had become the symbolic principle for the rule of parliament, and a monarchy bound by principles of a constitution.



Charles II
<http://en.wikipedia.org>,
 Charles II, 2010)



George Monck, 1st Duke of
 Albemarle <http://en.wikipedia.org>,
 Monck, 2010)

The Magna Carta was not a “cause” of the constitutional monarchy. It was a theme in the normative theory of society, which Parliament implemented in England after winning the civil wars. Thematically, this arose from a power conflict between the ideology of monarchy (aristocracy) against a new ideology for representative government (mercantile class). *Prescriptively*, the military triumph of the parliamentary army over the King’s army implemented the *thematic* principles of the Magna Carta as the basis for new British government. This was a discourse ethics of Parliament implemented by power analytics of Parliament’s army – ideals implemented by power. Ideal-type normative theory was implemented in empirical reality.

In English history, the political-science theory of constitutional-monarchy-under-the-rule-of-parliament (ideal-type social theory) was (1) grounded normatively (by successive English Parliaments) and (2) grounded empirically (by the time of the English civil wars).

This is an example of the methodological use of history to ground a social science theory.

Societal Perceptual Space of the English Civil War

We can summarize the events of the English civil war in Fig. 12.3.

ACTION – The political crisis of government in England was resolved in a civil war of many battles between royalist and parliamentary forces over 10 years from 1641 to 1651. The civil war was fought in three phases. The first phase ended in a preliminary defeat of royalist forces. This second phase consisted of renewed uprisings by royalist forces again ending their defeat and the beheading of Charles I. The third phase was a Scottish rebellion, attempting to put Charles II as king, which also was defeated by Cromwell. Cromwell then ruled England for a decade as Lord Protector (dictator) until his death. Then the Head of the Army, George Monck, restored Charles II to the throne, but as a constitutional monarch, with parliament in charge of government.

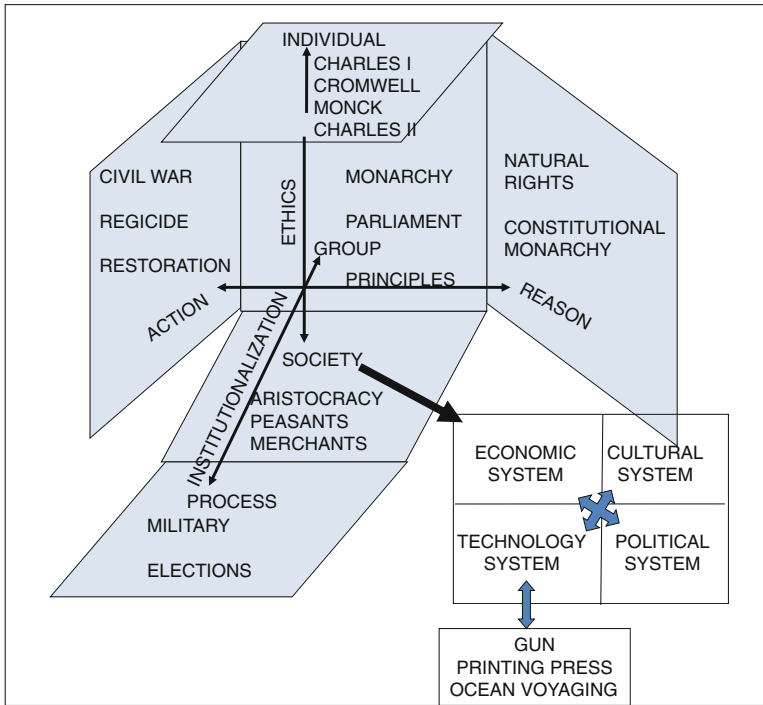


Fig. 12.3 Rise of English parliament

INDIVIDUAL – The key individuals in the conflict were King Charles I (absolute monarch) and his son King Charles II (constitutional monarch). Opposing them were members of parliament and their successful military commander, Oliver Cromwell. Cromwell would rule England for a decade as Lord Protector. George Monck, next leader of the Army, would, upon Cromwell’s death, restore Charles II to the English throne.

GROUP – The groups involved in the conflict were the Royal government under Charles I, several parliaments, Royalist and Scottish forces, and the New Model Army of Parliament. Monarchy had been the form of peacefully reconciling feudal conflict within a feudal territory; whereas parliamentary government would become the form of peacefully reconciling economic conflict within a national territory.

REASON – The principles-of-order in the conflict were about the nature of government, either as monarchy or as a parliamentary form. The rationale on the side of monarchy was the feudal tradition of rule by kings. The rationale on the side of parliamentary government was the idea of natural rights of all citizens in a nation, whose interests are served by a representative government of parliament. The rationale for “English tradition” on the side of parliament was the Magna Carta signed between an English king and his feudal barons to restrict absolute rule of even a feudal monarch.

SOCIETY – By 1600, English society was transforming from a feudal form toward a monarchical-mercantile form. This was occurring due to the impact of the new technologies of gun, printing-press, and ocean voyaging. The technology of the gun had made obsolete the feudal military role of an aristocracy. The technology of the printing press was facilitating exploration of ideas in emerging mercantile and artisan classes, and enabling rapid progress in technological and scientific knowledge. The ocean-voyaging technology was facilitating ocean-crossing trade and international military and economic activities. All together, the new technologies were facilitating (1) the decline of societal importance of an aristocracy caste and (2) increasing the societal importance of mercantile production/trade/finance class.

PROCESS – The process of the English civil wars was to establish the power of different forms of a government through the triumph of military force. The New Model Army – under Cromwell’s competent military leadership and Parliament’s successful financial support – defeated Royalist forces in many battles over the time of a decade of civil war. *All governments to survive must have the backing of a superior military force.* We recall that when military forces fail, as in Russia and Germany in the twentieth-centuries First World War, then governments fall (abdications of the Tsar and Kaiser). And also when new governments are established, they must first militarily survive by successful support of a competent army, as in the Bolshevik’s successful Red Army in the Russian civil war and in the Germany Army supporting Hitler’s seizure of power in the Nazi government.

This ideal-type societal theory (concerning the Magna Carta) is a *contextually dependent theory*. In each historical era, the idea of the law-constrained-authority was a prescriptive explanation – but prescriptive in different historical contexts. As a prescriptive explanation, the explanation about action influenced by the theory (idea) was necessary but not sufficient to determine action. The context of each historical era supplied the sufficient conditions for explaining action.

For example in the feudal times, the English barons needed to assemble a military force (and enter London as an armed group) to make King John sign the Magna Carta limiting his authority – a explanatory context of military force. Next in parliamentary times, the English merchants needed to fight and win a civil war against King Charles I to impose a constitutional monarchy on his son. Then in the American colonial times, the American revolutionaries need to win a war of independence from the British government to establish a constitutional representative government for the new country of the United States of America. In each era, military force provided the explanatory sufficiency to the prescriptive necessity of the idea of constitutionally limited-executive-power in government.

Providing an historical context to a prescriptive explanation in any historical action is needed in order to provide sufficient conditions for a full historical explanation.

Now how does such a context-dependent prescriptive idea act as explanation across all these contexts? This kind of prescriptive idea operating across all contexts of history becomes an thematic explanation – a theme in the history of ideas. This

theme of ideal reasoning in government to limit power by law is a theme in the history of the principles of government – a societal theory in political science. Yet for example, such an idea as in the Magna Carta idea never was historically not necessary nor sufficient to explain the course of English and (later) U.S. governmental history. This is the curious explanatory status of themes – of ideas across history – ideas may in any historical epic influence the course of events but never necessarily nor sufficiently.

Themes occur in historical explanation of societal events as not-necessary and not-sufficient explanations – but important explanations.

Accidents occur in historical explanation as not-necessary and sufficient explanations of an action.

Prescriptions occur in historical explanation as necessary and not-sufficient of an action.

Causality never occurs in historical explanation of societal dynamics; causality (necessary and sufficient) occurs only in the explanations of physical nature

Democracy as an Ideal-Type Societal Theory

The political ideals in the British establishment of Parliament on the principles of the Magna Carta and United States Constitution were both a practical implementation of a *universal ideal* of a the normative theory of democracy. The principle-of-order begun in the Magna Carta was universalized down through history. Several historical epochs in several societies in England, France, and America all were involved in universalizing this idea. The U.S. Constitution was formulated as principles-of-order for an ideal political system. These principles-of-order became the ideal rules for governing succeeding generations in that country for the next two centuries.

The principles of the Magna Carta and the U.S. Constitution illustrate the basic theme of a modern democracy – a representative government whose rulers are themselves subject to the rule of law. Through history this theme has become a “thematic” explanation in the discipline of modern political science. Also historically, the theme as a normative political theory has found additional empirical grounding with the fall of the Soviet Union and the later Arab uprising. In 1989, peoples in the dictatorship of the Soviet Union preferred democracy, once the terror of oppression was lifted. In 2011, peoples in the Arab states of the Middle East revolted against dictatorships.

The U.S. Constitution expressions of principles of a constitutional democracy (rule of law) by dividing government into separate branches: Legislative, Executive, Judiciary, and Military. This division is to divide the powers of government in order to provide “checks” and “balances” among these four institutions of power. The U.S. Constitution specifies the authority and responsibility of each branch.

In the U.S., the Legislative Branch is divided into two units: the Senate (with two positions allocated to each State in the Union) and the House (with positions allocated to each State proportional to its population). In the U.S., the Executive Branch

is headed by a President, also elected by the population (but indirectly through an electoral-college process). In the U.S., the Judicial Branch is organized into Federal courts, with a hierarchical appeal process up to a Supreme Court. All Federal judges are appointed by the President with the consent (vote) by the Senate. In the U.S., the U.S. President is the Supreme Commander of the Military Branch, appointing the generals of the armed services and commanding all military actions.

The Legislative Branch has the power of enacting legislation and raising taxes and formulating government budgets. This legislative power is “checked” by requiring a Presidential (Executive) authority to “sign” legislation before it can become law (but a Presidential veto on legislation can be overridden by two-thirds vote of the Senate). Legislative power to make laws is also checked by the Judicial Supreme Court, which can invalidate a law as “unconstitutional.”

The Executive Branch has the power of administering the Federal laws and appointing all officials in the executive, judiciary, and military. This power is checked by Legislature controlling the Federal Budget and having the sole right to declare war.

The Judicial Branch has the power to adjudicate conflicts in the application of law and to invalidate a Federal law as not in compliance with the principles of the Constitution. Its power is checked by the Executive Branch in controlling all judicial appointments.

The Military Branch has the power to make war and physically enforce societal order. Its power is checked by reporting the authority of the President as Commander-In-Chief.

In the representational process, Federal elections are held every two years, with appointment terms of members of the House as two years, members of the Senate as four years, and president as four years (with a two-term limitation).

This formal description of the U.S. Federal Government is in the terms of a “discourse ethics” – how things should be – normative theory. However there is also an informal description of governmental processes in terms of a “power-analytics” – how things really happen in context. For example, the U.S. election processes are expensive and funded principally by donations from wealthy citizens and corporation – whose funding can influence the successful selection of politicians. In addition, the legislative process is complicated and can be influenced by lobbyists paid by organizations interested in particular legislative bills and regulations. Election financing and lobbyist activities create a “power-analytics” context of actual political processes in the U.S.

In history, there were different contexts, historical realities, different “power-analytics” of each era. There were different kinds of “rational-ideals” in each era as their “discourse-ethics”: Feudal Loyalty, Monarchical Loyalty, National Patriotism. But the theme common to each discourse-ethic was the idea of “absolute-power-limited-by-law.”

An ideal-type-social-theory is a descriptive abstraction of the *principles-of-order* that can be empirically observed in a historical social situation.

Ideal-types are abstractions, which express principles-of-order that have (or could) *operate* in a society.

The logic in a political idea can be universalized over time and place, so that a political ideal in one society at one time of history can be transferred and transformed as an ideal for all societies at all times – a universalization of a societal “ideal.”

Establishing an “ideal-type” societal theory universally can provide an empirical/normative ground for a normative societal theory – for all societies for all time.

Summary

An *ideal-type theory* is a descriptive abstraction of the *principles-of-order* that can be empirically observed in a historical situation. It is an abstraction of the *social intentions existent* in a society at a given time. Ideal-type social theory is a generalization of the principles-of-order that a society thinks it should be operating in a given historical situation.

The empirical validity of the normative reasoning (principle-or-order) in the ideal-type theory can be tested in different times and/or different societies, across different historical contexts. If so tested and perceived valid by the societies in the different historical contexts, the principle-of-order may in this way be universalized. For example, we saw a dramatic example of the intentions to universalize democracy as a societal ideal in the many movements toward national independences and democracies after the Soviet Union dissolved.

But democracy as an *ideal-type societal theory* is always an *idealism*, a Habermas *discourse ethics*. The power analytics and reality of democracy in any society at any time is how such a government actually runs. Is a democracy really broadly representative of the populace, or representative only of a few, an oligarchic democracy? Is the democracy only representative of the wealthy, a plutocracy? This is the power-analytics of the political ideal-type theory of democracy.

The methodological importance of recognizing any normative societal theory as “ideal-type” theory is that contexts of application can test the empirical reality of the idealism.

When societal theory is formulated as an “ideal-type,” then practices derived from it can be tested – the extent to which the principles-of-order (logic) in a given historical epoch from which the model was abstracted is useful. How useful is it to future decision-making by participants in future times and different places of society? This future-application of societal logics provides a means of social science to generalize its empiricism over the “Family of Humanity.”

The empirical “rationality” (empirically observed historically in a particular social system and expressed as an ideal-type theory) can be normatively evaluated, as to its objectivity and universality, in the theory’s application in practice and policy to another society in another time.

This is why history is essential to social science integration – only historical studies can provide the scientific ground of normative societal theory

Notes

¹ Histories focusing upon the U.S. Constitution include: (Maier, 2010), (Amar, 2005), (Countryman, 1999), (Bailyn, 1993), (Bernstein, 1987).

² Histories focusing upon the Magna Carta include: (Clanchy, 1997), (Holt, 1992), (Poole, 1993), (Powicke, 1962), (Thompson, 1948).

³ A history of sociology in the twentieth century is (Mitchell, 2007).

⁴ Histories of the medieval English Kings Henry II, Richard, and John include: (Hosler, 2007), (Huscroft, 2005), (Barber, 2003), (Bartlett, 2000), (Barlow, 1999), (Gillingham, 1994), (Poole, 1993).

⁵ Biographies of Charles I include: (Cust, 2005), (Coward, 2003), (Carlton, 1995), (Quintrell, 1993), (Hill, 1991), (Ashley, 1987).

⁶ Biographies of Cromwell include: (Smith, 2003), (Davis, 2001), (Young and Holmes, 2000), (Kenyon and Ohlmeyer, 2000), (Mason and Leonard, 1998), (Gaunt, 1996), (Adamson, 1990), (Hill, 1970).

Chapter 13

Influence, Ideology, and Corruption

Introduction

We have seen how ideology has been used by dictatorships to cover brutality and terror. But what about democracy? Can ideology be used for bad, as well as good, in a democracy? As we saw in the historical example of the Financial Crisis of 2007–2008, even democracies must always guard against abuse, fraud, and corruption. How could this have happened? What precisely were the mechanisms of influence and corruption which enabled such a massive fraud in a self-organizing market system? From economic theory, such markets (i.e., the financial market) should have been perfect markets, operating efficiently and honestly. But they did not. How was personal influence used in the operations of the financial system to cover fraud? Let us next look at how ideology can be used in a democracy not for good government but as a cover to corruption.

We recall that the challenge of distinguishing valid social theory from ideology is the aim of historically-grounded societal theory.

Historical Event: Fannie Mae

Earlier, we reviewed the historical event of the collapse of the global financial system. But leading up to that event is a longer history of changes to the US financial system which created the conditions for the collapse. One of the first histories to appear about the events leading up to the collapse was by Gretchen Morgenson and Joshua Rosner (Morgenson and Rosner 2011). In their explanation, they focused upon the US financial institution of Freddie Mae. They argued that it was the management of Freddie Mae and their interaction with the US regulatory system which prepared the way for the collapse. As any history, this story is also complicated – with some of the complexity shown in the following model of societal stasis around the US financial model – Fig. 13.1.

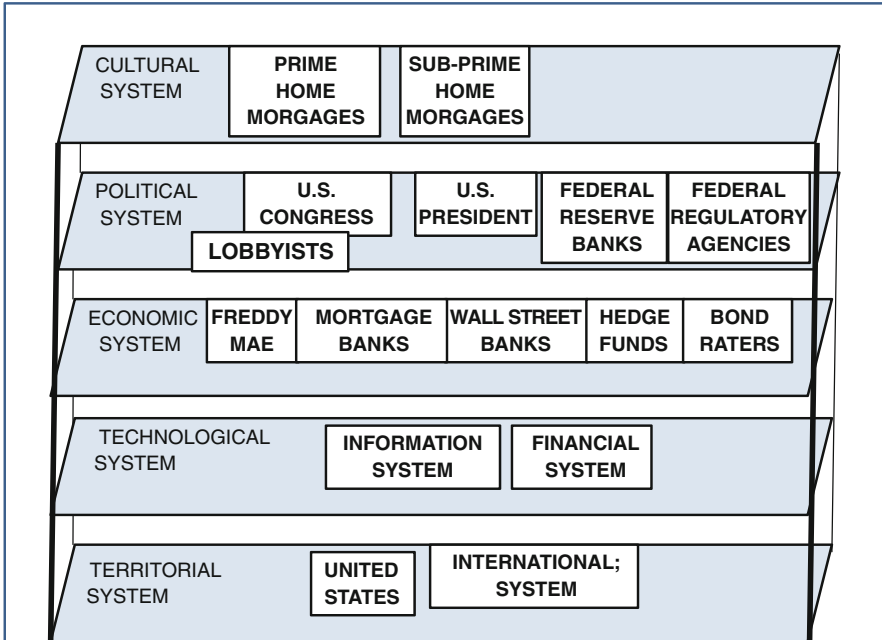


Fig. 13.1 Topological graph of societal stasis leading to the US financial crisis 2007–2008

The events leading to an alteration is the social stasis of the US financial system that involved several different societal systems. All this occurred in the territorial system of the USA, but also involved other nations in the international system. In the US economic system, the key groups involved in going toward and triggering the financial collapse were Fanny Mae, mortgage banks, Wall Street banks, hedge funds, and bond-rating firms. In the cultural system, customers for prime mortgages and subprime mortgages represented different socioeconomic classes in the US society. In the political system, groups involved included the US Congress, Lobbyists, the Presidency, Reserve banks, and Federal regulatory agencies. In the technology system, technologies in the information system and the financial system were important.

Chronology of the Lead-Up to the US Financial Collapse

It is helpful to tell the story chronologically, since many events occurred over time to drive the financial system over the edge in 2007. That chronologically began back in the early twentieth century.

1913: Federal Reserve System

In the US Financial sociotechnical system, a major involved group is the infrastructure of the Federal Reserve System. This infrastructure was created in 1913 in the enactment of a US law establishing a central banking system.¹ This law was triggered by a financial panic in the USA in 1907. Among the purposes of the Federal Reserve System are to serve as a central bank, regulate banking institutions, influence interest rates, and address banking panics. The Federal Reserve System consists of (1) a Board of Governors (Federal Reserve Board), (2) Federal Open Market Committee (FOMC), and (3) twelve regional Federal Reserve Banks. Members of the Federal Reserve Board are appointed by the US President. It serves as a central bank for the USA. It can create money by offering banking institutions additional credit on the reserves held by the Federal Reserve System. These Federal loans must be approved by the US Treasury; and the Treasury audits operations of the Board. The Federal Open Market Committee is responsible for setting monetary policy. There are 12 Federal banks, each run as a private corporation.

1932–1999 Glass–Steagall Act

This Act (sponsored by legislators Carter Glass and Henry B. Steagall) established the Federal Deposit Insurance Corporation (FDIC), which guarantees certain levels of depositors funds deposited in the US commercial bank accounts. It also separated commercial banking from investment banking. Commercial banks accept savings deposits from customers and make mortgage investment and provide business loans. Investment banks (1) assist corporations in raising capital and issuing stocks and (2) trades in various financial markets.

In 1999, the Gramm–Leach–Bliley Act repealed the separation of commercial and investment banking. This allowed a merged commercial–investment bank to trade with depositors’ funds – greatly opening up the risk to funds guaranteed by the FDIC. One of the bankers lobbying for this change was Stanford Weill. At the time, Weill was Chief Executive of Travelers Group (an insurance company) and wished to merge it with a commercial bank Citibank. Previously, Glass–Steagall had barred insurance companies from being joined with commercial banks. The ideology of the Gramm–Leach–Bliley Act was “deregulation” – banks need little regulation as the banking market performs as a “perfect market” – self-regulating. Weill then became CEO of the merged company as Citibank. Morgenson and Rosner wrote: “Happily for Weill, he had friends in positions of power to help him overcome these legal obstacles. Robert Rubin (was) the Secretary of Treasury, and former head of Goldman Sachs ... Rubin left Treasury to return to corporate America. He landed a cushy job as vice chairman of Citigroup ... Over the following decade Rubin pocketed more than one hundred million dollars as the bank sank deeper and deeper into a risky morass of its own design ... Glass–Steagall’s demise ... opened the door to greater risk taking among banks.” (Morgenson and Rosner 2011, p. 108)

Networks of Individuals and Influence

In informal networks, some individuals associate with others for cooperation in getting certain actions done. One can indicate this on the societal graphic theory by adding two kinds of network models for *individuals* and for *groups*, as shown in Fig. 13.2. The idea of social “networks” is a standard idea in sociological theory; and networks can be formal or informal. A formal network is organized explicitly (such as a scientific society). An informal network is not explicitly organized (such as an invisible college among some scientists). A networking plane can be added about the dimension of *individual* to describe an individuals network (formal or informal); and another networking plane can be added off the dimension of *group* to describe a network of groups or organizations (formal or informal).

The insurance/banker Weil had an informal network of friends who shared an ideology of “deregulation” for the banking industries. This network included Rubin, who at the time was Secretary of Treasury, and the three legislators, Gramm, Mitchell, Leach, and Bliley, who sponsored repeal of the Glass–Steagall separation of commercial and investment banking and insurance. Gramm, Leach, and Bliley provided the (7) leadership for governance in Congress (group) to change (5) policy of the Glass–Steagall Act.

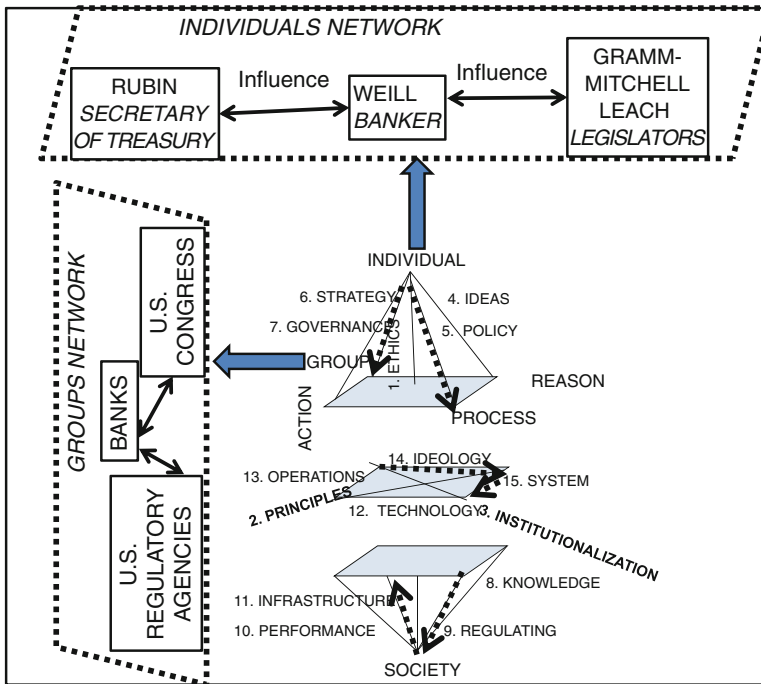


Fig. 13.2 Influence and societal impact

They used the (14) ideology of deregulation to change the US financial (15) system, which decreased bank (9) regulation and altered the banking (11) infrastructure of the USA. The shared ideology in the informal network of individuals about the economic benefits of deregulation facilitated Weil's ability to influence the government officials to support banking deregulation.

An informal network of friends can facilitate cooperation in changing societal standards and processes – particularly when the network assists in the lobbying for legislative changes in government policies.

Above the dimension of Individual, a network (which connects individuals in the network) can express “influence” of individuals within the network.

A shared ideology facilitates the ability of one individual to influence others within a network.

Chronology of the Lead-Up to the US Financial Collapse (Continued)

1938: Federal National Mortgage Association (Fannie Mae)

A National Housing Act was passed in Great Depression and established FNMA, familiarly called Fannie Mae.² Its purpose was to buy house mortgages from lending banks, so as to free up bank capital to issue new mortgage loans. The US house mortgages were long term, and Fannie Mae could issue long-term bonds to finance their purchase. Fannie Mae long-term bonds were marketable because the US Federal Government backed the bonds. Fannie Mae enabled working-class families to buy homes with long-term mortgages, lasting up to 30 years in duration. In 1968, a law changed Fannie Mae into a private corporation, yet still had the Federal Government backing its bonds.

In 1991, James Johnson became CEO of Fannie Mae. He succeeded the former CEO, David Maxwell, who had left Fannie Mae financially sound. Then, a major change occurred in the management of Fannie Mae in 1992 when Johnson persuaded the Board to compensate executives upon a single goal alone (increasing revenue). Morgenson and Rosner wrote: “For years, Fannie Mae’s compensation structure had been a conservative one, with executive pay linked to a wide range of performance measures ... but after Johnson took over the company, Fannie Mae’s executive pay structure changed. Compensation became tied to earnings growth. As Johnson increased sales, executive pay would raise from 1993 to 2000 from \$8.5 million to \$35.2 million, quadrupling executives’ pay.” (Morgenson and Rosner 2011, p. 23)

This incentive stimulated Johnson to rapidly and continuously increase revenue – purchasing more mortgages and selling them as mortgage bonds. But how to do this? The prime mortgage market was growing slowly in the 1990s. Then, an idea occurred. What about subprime mortgages?

This idea was encouraged in 1992 by a new law. The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 was passed by Congress to avoid banking failures. It established a new regulator over Fannie Mae, the Office of Federal Housing Enterprise Oversight (OFHEO) under the Department of Housing and Urban Development (HUD). It required an increase of capital requirements. But it also ordered a new goal for Fannie Mae – to serve the housing needs of low-income and underserved families. Targets for Fannie Mae were to have at least 30% of new mortgage purchases from loans to low–moderate income groups. But to do this, subprime mortgages would have to be made. For approval of such mortgages, loan underwriting standards would have to be lowered. Fannie Mae used the ideology (of increasing access to housing loans) to justify lowering lending standards: “... Fannie Mae spent \$7 billion between 1994 and 1997 on “underwriting experiments” ... code words for loosening underwriting standards and lending to people whose incomes, assets, or abilities to pay fell far below the traditional homeowner ...” (Morgenson and Rosner 2011, p. 35).

To generate subprime mortgages in large volume for Fannie Mae to purchase, Johnson next encouraged business with a major subprime mortgage lender, Country Wide Financial, run by David Loeb and Angelo R. Mozilo. Johnson and Mozilo became friends: “To strengthen its (Fannie Mae’s) ties with the growing Countrywide, Johnson went about courting Mozilo ... The two men did share a love of golf ... Johnson showcased Mozilo at corporate retreats ... Mozilo returned some of these favors. He allowed Johnson frequent flights on Countrywide’s corporate jet and provided Johnson with cut-rate loans on the many properties the Fannie Mae chief owned” (Morgenson and Rosner 2011, p. 54).

Also to facilitate the rapid processing of subprime mortgages, lenders, such as Countrywide, resorted to a new metric introduced by credit-rating agencies (such as Equifax Inc). A credit score could easily substitute for the larger administrative effort needed to learn whether or not a borrower was really financially eligible for a loan: “Models like those used by Equifax had already begun to find a real foothold with smaller mortgage brokers and lenders. While it once had taken hours to process a loan application, credit check and ... models ramped upon up production to fifty or so loans a day. Johnson’s incentives for executive pay would raise from 1993 to 2000 from \$8.5 million to \$35.2 million, quadrupling their pay.” (Morgenson and Rosner 2011, p. 57)

In 1999, Johnson retired from Fannie Mae, although continuing to consult for Fannie Mae. In 2001, he also joined a private equity firm: “... Jim Johnson, the former chief executive of Fannie Mae and architect of the public-private homeownership push, still enjoyed the respect of many in Washington and the business community.” (Morgenson and Rosner 2011, p. 299) But Morgenson and Rosner saw his stewardship of Fannie Mae as troubling: “His strategy of promoting Fannie Mae and protecting its lucrative government association, largely through intense lobbying, immense campaign contributions, and the assistance given to members of Congress would be mimicked years later by (other financial) companies ...” (Morgenson and Rosner 2011, p. 10).

Countrywide made large volumes of subprime mortgages and sold them to Fannie Mae. The arrangement was nice for Countrywide, which made commissions from originating a mortgage. It never had to worry about whether or not a subprime mortgage might fail (in making payments), as the subprime loan had already been sold from Countrywide's books. Consequently, Countrywide was happy to lower lending standards: "Certainly, Countrywide jumped on the lax lending bandwagon ... Countrywide acknowledged that the debt-to-income ratios of borrowers could not be calculated because of a lack of documentation." (Morgenson and Rosner 2011, p. 192)

Ideologically, some members of the US Congress also assisted lowering standards for broadening home ownership: "In an April 2003 hearing sponsored by the Committee on Financial Services, Maxine Waters, a Democrat from California, implored the housing finance industry to eliminate down payments ..." (Morgenson and Rosner 2011, p. 192). Countrywide responded by issuing subprime mortgages with no down payments and also began making "adjustable-rate mortgages" and "balloon-payment mortgages."

To help influence government's favor for lowering standards and in backing Fanny Mae, Mozilo also cultivated friendships: "... Countrywide mimicked Fannies' influence-peddling ... Records from 2004 show Countrywide granting twelve special loans to members of (former Senator Robert Bennett's) staff ... Countrywide also hired children of politicians and others in power ..." (Morgenson and Rosner 2011, p. 192).

As Johnson had grown wealthy from large volumes of subprime mortgages, Fanny Mae purchased and bonded, so too Mozilo became wealthy: "Mozilo of course, generated immense wealth for himself at Countrywide. From 2003 through 2006, he received \$123 million in compensation ..." (Morgenson and Rosner 2011, p. 196).

The subprime mortgages grew from \$40 billion in 1994 to \$160 billion in 1999 to \$1,600 billion in 2008. These became the "toxic" mortgages which would collapse the financial market in 2008 (Morgenson and Rosner 2011, p. 117).

Networks of Individuals and Influence (Continued)

As leaders in the (7) governance of their corporations, Johnson and Mozilo had their respective companies (Groups: Fanny Mae and Countrywide) to make, buy, and sell subprime mortgages in large numbers to generate large revenues and compensation. They used (14) the ideology (of expanding home ownership) to justify increasing risk (2 principles) in the financial system. This would degrade financial performance (10) in society through the lack of proper regulation (9) of the financial system (15).

In friendly networks, Johnson and Mozilo cultivated influence with some members of Congress and some administrators in Regulatory Agencies to use the (14) ideology of home ownership to justify increasing financial risks as (2) principles for banking (13) operations. This resulted in lowering lending standards (13 operations) to having no documentation about the real ability of a lender to pay. It also wrote mortgages

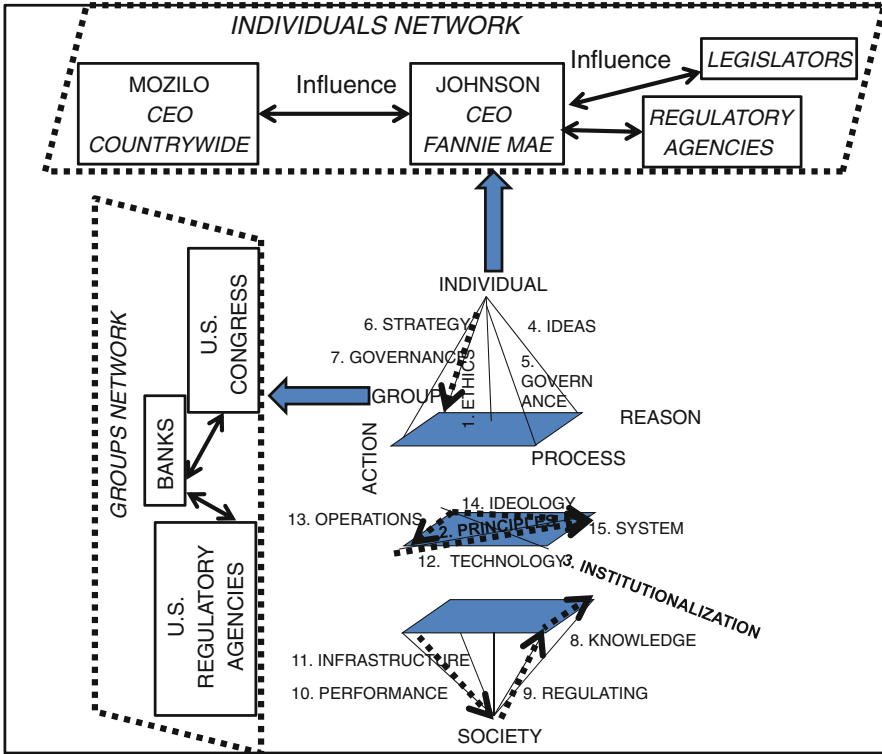


Fig. 13.3 Historical perspective: Discourse ethics and power analytics

very difficult to actually pay off (such as adjustable-rate and balloon-payment mortgages). These changed operations altered the banking (11) infrastructure, encouraged banks to issue and move onward in the financial (15) system massive amounts of subprime mortgage due to (9) deregulation. This set the direction toward an unstable condition in the US financial sociotechnical system.

Influence can operate under the cover of ideology to justify poor operations and lowered infrastructure standards in the self-organizing structures of a society.

Chronology of the Lead-Up to the US Financial Collapse (Continued)

But the improper influence and operations of only a couple of organizations in a society cannot bring down the systems of a society. There has to be a social “lemming” effect when most of the other organizations follow in a wrong direction. The bad operations which Fannie Mae and Countrywide initiated would be followed by a hoard of banks – all running toward the precipice of the financial crisis of 2007–2008.

1995–2005: Financial Bubbles and Economic Policy

It was an earlier financial stock-market bubble which set the stage for the later housing-market bubble. Back in 1995, at the time of the commercialization of the Internet, there also occurred (coincidentally) a US Government deregulation of the US telecommunications business. It was in both the deregulation and the new Internet that many entrepreneurs saw new business opportunities. They launched both new telecommunication businesses and many new businesses in electronic commerce, “dot.com businesses.” In the 1990s, the rapid growth of the Internet had been very exciting.

The Internet stimulated an economic expansion in the US economy. Venture capital funds poured huge amounts of capital into hundreds of ideas for new dot.com businesses, and immediately took many of these public as initial public offerings (IPOs). From 1997 to 2000, the excitement over the Internet and the new dot.com businesses drove the US stock markets to new highs. Business pundits then wrote that the Internet was creating a “new economy,” for which one need not worry about profitability of a new business but market growth.

But in the year 2000, this stock bubble burst. The so-called new economy fell back to the principles of the old economy, which require profitable businesses. The many new unprofitable dot.com businesses collapsed. The NASDAQ average dropped 65% early in 2000. Following the Internet stock-bubble bursting in 2000, there was a rash of major corporate failures – due to the greed and misdeeds stimulated by the bubble. Some of the failed companies included Enron, WorldCom, Global Crossing, Andersen, and so on. Historically, the Internet stock bubble was just one of the many examples of excessive financial enthusiasm about technological innovation. (An earlier example in the late 1800s in the USA was a financial bubble in railroad stocks.)

One of the impacts of this “technology–financial bubble” was that in the early years of the decade of the 2000s there were no industrial productive investments for investors.

Accordingly, the US financial market turned to investing in housing – helping to create the next financial bubble – the US “housing bubble” from 2004 to 2005. This was unfortunately assisted by the terrorist attack upon New York in 2003, after which the Secretary of Treasury, Allen Greenspan, lowered the Federal Reserve banking interest rate to 1% and left it there. There was much oil money to invest from the sovereign oil companies, and no where to invest it at a reasonable rate of return.

So in 2004, Wall Street banks took up “securitization” of mortgage bonds to absorb the money floating in the world. This was made easier to exploit because (as we recall) in 2000 Allen Greenspan had argued against any regulation of the derivatives market (when the US Congress and President enacted the Commodity Futures Modernization Act of 2000). The growing US financial derivatives market went unregulated.

Securitization of the subprime mortgage bond market could create the volume of new financial products to be sold in the world – with too much oil money to invest and too little productive investments to be found in the world.

China was growing in manufacturing but as a communist country, it was too risky to invest money there safely.

The way to make big money in securitization process was through “leverage” – borrowing money short-term to buy long-term loans. Thus, banks encouraged and loaned money to hedge funds and their strategic investment vehicles (SIVs). This was the “cheap money” which Greenspan had created. Wall Street marched right behind, accelerating and expanding enormously the previous Fannie Mae and Countrywide march toward ruin.

Wall Street banks purchased mortgages, prime and subprime, and mixed the two into mortgage bonds. They sold the interests paid to the bonds as a financial derivative to an SIV, which they set up as an off-book unit. This meant that the financial obligations in the bonds would not be counted against the capital requirements for the bank. In this way, banks leveraged (borrowed) their way toward insolvency (having borrowed 30–40 times their capital). They were allowed to do this by failure of Federal banking regulatory agencies to enforce capital liquidity ratios.

Morgenson and Rosner noted: “All this is highly esoteric, of course. But the result was that Citigroup and other financial institutions were allowed to set up special investment vehicles, or SIVs, that raised money by borrowing from investors for short periods and investing the proceeds in investments with longer terms. The SIV would pocket the difference between the income generated by the mortgage and the amount paid out to investors who bought its obligations.” (Morgenson and Rosner 2011, p. 235)

We had earlier noted that traditionally this is a very bad banking practice: “borrowing short and lending long.” But his was the “lemming strategy” that Wall Street followed (even a large bank as Citi Bank). In 2007, this crashed: “This game worked while the mortgage mania was raging, but in 2007, when losses in subprime mortgages began to spook the markets, investors fled SIVs in general and Citi’s in particular ... Suddenly, Citi was left with mortgages ... (which) had to be either sold or brought back onto Citi’s balance sheet at massive losses.” (Morgenson and Rosner 2011, p. 235)

For example, we recall that it was the collapse in June 2007 of two Bear Stearns hedge funds invested in the mortgage securitization market which triggered the collapse of Bear Stearns. At the time, the “better” hedge fund (rated as AAA low risk) had earlier claimed that it had only 6% exposure to subprime mortgages, but, when exposed, was found to have in reality 60% of its mortgages as subprime. Bear Stearns had only \$20 million of its money in the fund, but the fund had created a \$1.5 billion liability for Bear Stearns (Cohan 2010). When Bear Stearns could not borrow money to continue operations, it collapsed.

This was why Wall Street crashed – all that extraordinary borrowing of “cheap money.” This leveraging created the “moral hazard” for the banks. When lenders called the loans, banks could not sell their CDOs and did not have the billions of dollars to pay back their loans. All that borrowed money had purchased worthless mortgages (subprimes). This was the “lemming greed,” by which all the Wall Street banks had followed Fanny Mae’s earlier example of securitizing subprime mortgages.

The Federal Government moved to bail out the Wall Street banks in 2008. Morgenson and Rosner provided this metaphor for Wall Street: “Of all the partners

in the homeownership push, no industry contributed more to the corruption of the lending process than Wall Street, If mortgage originators like NovaStar or Countrywide were the equivalent of drug pushers hanging around a schoolyard and the ratings agencies were the narcotic cops looking the other way, brokerage firms providing capital to the anything-goes lenders were the overseers of the cartel.” (Morgenson and Rosner 2011, p. 263)

Societal Dynamics: The Power Analytics Shadow Graph

This example is that of a “dark side” in describing societal dynamics. When ideology claims that a societal system is operating in an idea mode but the contextual reality of the society is that it is operating in a much-less-than-ideal mode, there are two representations which can be made of societal operations – an ideal-type representation and a power-analytics representation. How does one observe the power-analytics representation – the dark side?

What is particularly interesting in the previous story is *how* Morgenson and Rosner documented the influence of individuals upon a societal system (to corrupt the appropriate operation of the system – dark side). They were writing, one as an investigative journalist and the other as a financial analyst. They were not writing as professional economists. The reason for this approach is that the story had been hidden from public view, until it all crashed. Then, the story had to be reconstructed by investigative journalism or financial analysis or by historians.

Society had not really operated according to normative financial theory – with the principles of sound financial management. This is the difference about how a societal event should be operating (normative depiction) and how it actually worked in a given historical context (empirical depiction). We can show this difference in a metaspaces perspective of two societal topological graphs, one apparent (discourse ethics) and the other hidden (power analytics). We can distinguish these as an *ideal normative-societal graph* and as a *real shadow-societal graph* – Fig. 13.3.

In any historical societal event, there are two *sets of explanations*: (1) normative as the operations of a society according to societal theory as discourse ethics (idealism) and (2) empirical as the context as power analytics (realism). Accordingly, there can be in the same societal meta-perceptual space of explanation, two topological graphs: a normative-ideal graph and a shadow-real graph – Fig. 13.4.

In the perceptual space of a society’s dynamics, the societal-ideal-graph depicts the relationships in a society as they should be – normative description of the event.

All societal events can be described in two forms: normative description of what-should-be (idealistic) and empirical description of what-was (realistic).

In the perceptual space of a society’s dynamics, the societal-real-shadow-graph depicts the relationships with a society as they really were – empirical description of the event.

The “ideal” societal-graph is constructed according to societal theory as how a society should operate, according to universalized, normative ideal-theory.

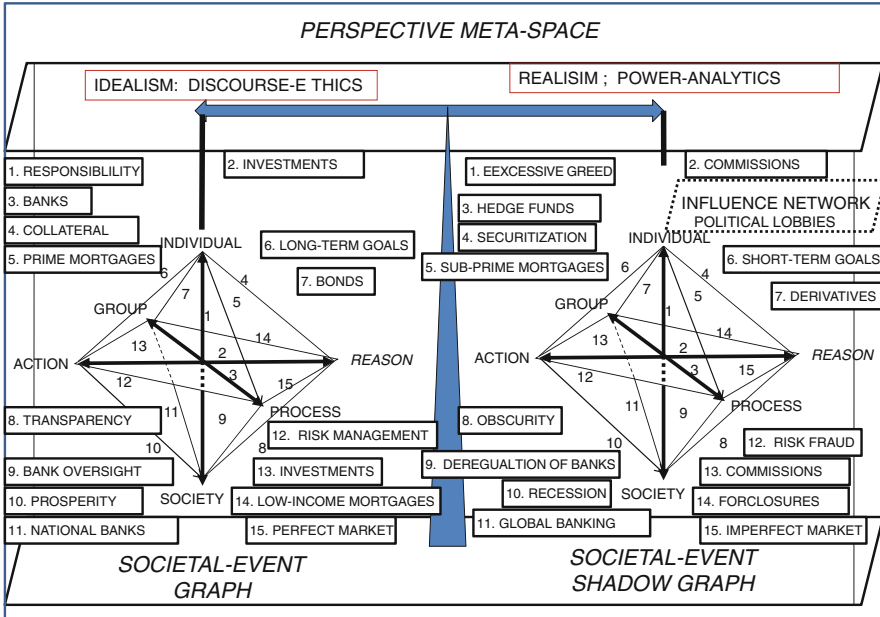


Fig. 13.4 Historical perspective: Discourse-ethics and power-analytics

The “real” societal–shadow-graph is constructed according to the context of the power-analytics around the discourse-ethics ideal-social theory – the historical context of the events.

For a proper validation of ideal-type societal theory, a historical context of power analytics can depict whether or not and how a societal system based upon a democratic discourse ethics can be corrupted by individual greed and abuse of ideology. One can see why societal events are difficult to explain. One needs thirty explanations – fifteen idealistic normative explanations (discourse-ethics) and fifteen realistic empirical explanations (power-analytics).

Quantifying the Societal Matrix

This societal–perceptual–space theory is in the form of what is called a “topological” theory, a theory in the form of a graph with nodes and connections between nodes. In the societal theory, the 6 dimensional nodes (individual, society, action, reason, group, process) are connected in binary pairs by the 15 explanatory relationships. Any topological theory has also an equivalent expression in a matrix form. To use quantitative expressions in a topologically expressed theory, one can transform a topological graph into its associated graph matrix. To construct such a graph matrix, one lists each node horizontally along the top of the matrix and each node vertically along the left side of the matrix. This is shown in Fig. 13.5.

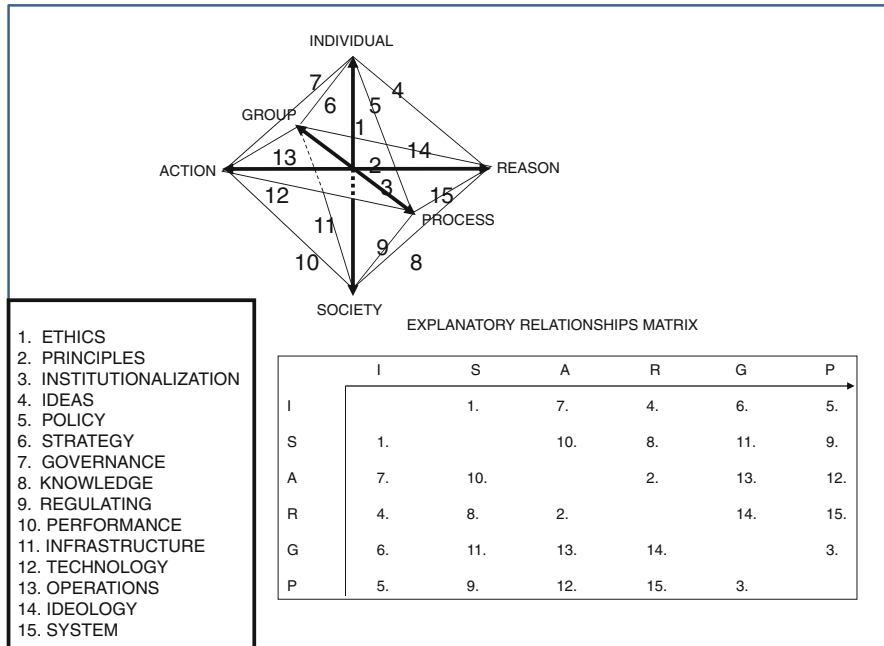


Fig. 13.5 Topological theory matrix (directional relationships)

Directionality in an explanatory relationship can be shown by directional entries in the topological matrix, Fig. 13.6.

Also such societal matrices can express quantities, if one introduces measurements onto the explanations. This is shown in Fig. 13.7, where each matrix component M_{ij} expresses a quantity.

Note that there are diagonal elements in the full topological matrix; and these diagonal elements can represent networks at a dimensional factor.

For example the matrix element M_{11} can express the network of individuals needed to explain “influence” in the societal shadow-graph.

Also directionality can be expressed by positive or negative signs on the elements. For example, suppose in an explanation of a historical situation in (1) ethics between individual and society, the degree of ethical responsibility varies between individual responsibility and societal context. One might measure this variation by a number M_{12} , running from (+10 to -10). If the individual were completely free, such as Hitler, to play his own ethical responsibility, then that $M_{12}=+10$. But if an individual had no ethical freedom, such as a Jewish German under Hitler’s Government, then that $M_{12}=-10$. In this way, the directionality of an explanatory relationship can be expressed quantitatively, with positive numbers pointed toward one dimensional factor (e.g., individual ethics) and negative numbers pointed toward the opposite dimensional factor (e.g., societal-ethical context).

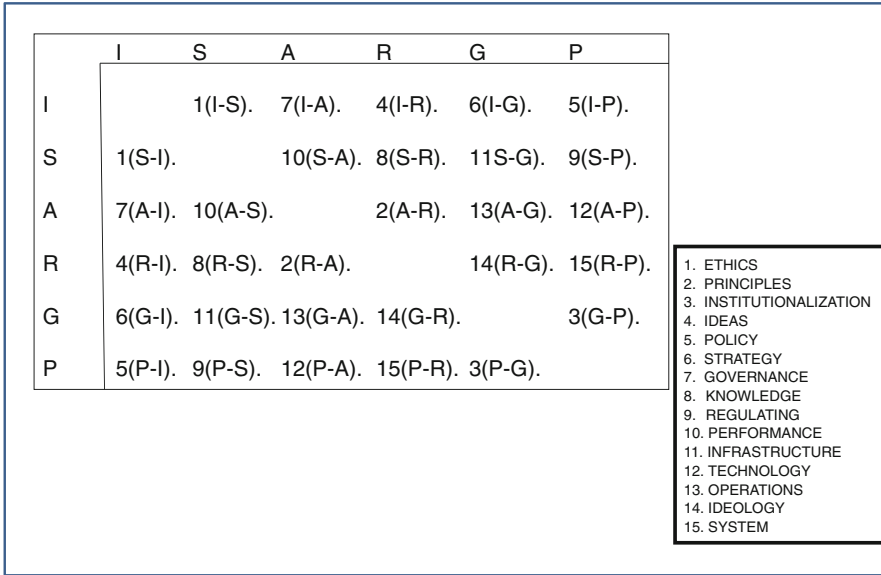


Fig. 13.6 Topological theory matrix

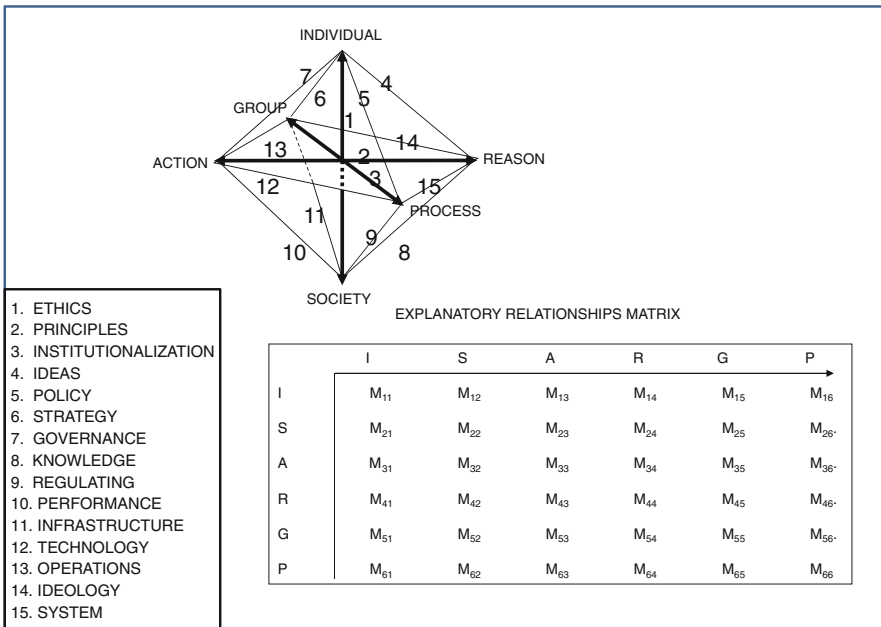


Fig. 13.7 Quantitative Matrix Topological Graph

Comparing Societal Ideals and Societal Reality in Topological Matrices

Accordingly, we can represent any societal event in both its normative (ideal) depiction and its empirical (real) depiction. Using the graph matrices, one can construct both an ideal-normative societal event topological matrix (M_I) and a “shadow” reality/contextual societal event topological matrix (M_R), as shown in Fig. 13.8.

The diagonal matrix elements can express networks for each of the dimensional factors (e.g N-I expresses an Individuals network).

One can use these two topological matrices (normative and shadow reality) to quantitatively compare (1) the ideal normative theory in a historical event with (2) the actual context of power-analytics reality – through subtracting the societal reality matrix from societal ideal matrix (using matrix algebra):

$$M_I - M_R = \text{differences between ideal and real in a societal event.}$$

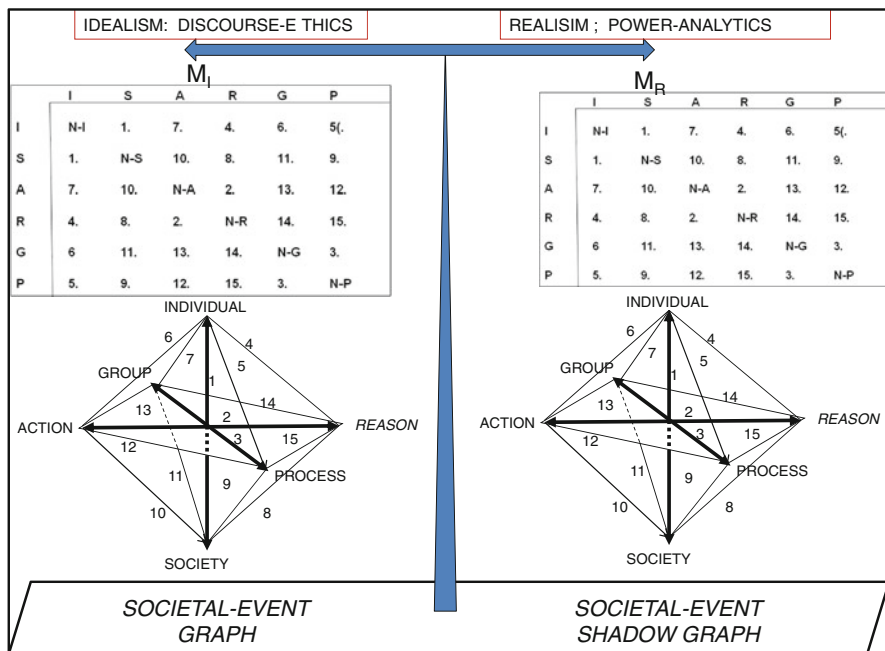


Fig. 13.8 Dual representations of a societal event as either realistic (Empirical) or idealistic (Normative)

Historical Event: Economic Theory and the Global Financial Crisis

Normative depictions of a societal event used normative theories. Empirical depictions capture the context of power analytics. How have these different descriptions (ideal and real) been used in some contemporary social science theory? In this regard, we can use this event of the global financial collapse to examine the methodological approach of contemporary economic theory. We have emphasized contemporary economic theory as a normative ideal-type theory – focusing upon the idealism of markets (how any market should be a perfect market, matching supply to demand for optimal prices). How did this normative theory work then in the real context of the power analytics of the US financial markets when the twenty-first century began? The answer is not well. It was not empirically valid. The financial mortgage market was not perfect – corrupted in its context by lack of proper regulation, lowered lending standards, and misrepresented financial risk. Also did modern economic theory anticipate the crisis? Also, no. One prominent economist publicly anticipated the crisis, but many did not. Did modern economic theory propose a proper prescription to solve the crisis? No. Economists divided among themselves about effective prescriptions and about economic theory as to which was at fault – empirical reality or normative theory?

To review this, it is convenient to quote again from the Nobel prize winning economist, Paul Krugman. A columnist then for the New York Times, Krugman extensively discussed this topic in his public columns:

“It’s hard to believe now, but not long ago economists were congratulating themselves over the success of their field. Those successes – or so they believed – were both theoretical and practical, leading to a golden era for the profession. On the theoretical side, they thought that they had resolved their internal disputes ... And in the real world, economists believed they had things under control: the ‘central problem of depression-prevention has been solved,’ declared Robert Lucas of the University of Chicago in his 2003 presidential address to the American Economic Association. In 2004, Ben Bernanke, a former Princeton professor who is now the chairman of the Federal Reserve Board, celebrated the Great Moderation in economic performance over the previous two decades, which he attributed in part to improved economic policy making. Last year (2007), everything came apart.” (Krugman 2009)

One value of scientifically explaining natural phenomena is the ability to anticipate a future natural occurrence. Had the economists been able to anticipate that 2007 global credit crisis? Krugman wrote: “Few economists saw our current crisis coming, but this predictive failure was the least of the field’s problems. More important was the profession’s blindness to the very possibility of catastrophic failures in a market economy.” (Krugman 2009)

The problem was economic theory, as Krugman wrote: “During the golden years, financial economists came to believe that markets were inherently stable – indeed, that stocks and other assets were always priced just right. There was nothing in the prevailing models suggesting the possibility of the kind of collapse that happened last year.” (Krugman 2009)

In science, when theory is contradicted by experiment, then theory is re-examined.

This is what is meant by the scientific method creating ‘empirically-grounded theory’ – theory constructed upon experimental evidence and validated by empiricism.

In science, if there is a conflict between empiricism and theory, it is theory that is reconstructed, not empiricism.

Scientists do not divide into schools; they reconcile differences by grounding theory in empirical reality.

But this scientific approach of experiment and theory had not occurred in the discipline of economics.

Instead of being scientific, economists had divided into two schools: two opposing camps of idealists and realists.

Krugman wrote: "... macroeconomists were divided in their views; ... the main division was between those who insisted that free-market economies never go astray (idealists) and those who believed that economies may stray now and then (realists) but that any major deviations from the path of prosperity could and would be corrected by the all-powerful Fed. Neither side was prepared to cope with an economy that went off the rails despite the Fed's best efforts." (Krugman 2009)

Did the harsh empiricism of the financial collapse then make all economists become realists? Not according to Krugman: "And in the wake of the crisis, the fault lines in the economics profession have yawned wider than ever. Lucas says the Obama administration's stimulus plans are "schlock economics," and his Chicago colleague John Cochrane says they're based on discredited "fairy tales." In response, Brad DeLong of the University of California, Berkeley, writes of the "intellectual collapse" of the Chicago School, and I myself have written that comments from Chicago economists are the product of a Dark Age of macroeconomics in which hard-won knowledge has been forgotten." (Krugman 2009)

The idealistic economists remained idealistic. For them, economic theory could not be wrong – even if it did not appear to work in the real world. Why? Krugman explained the idealism in economists as being based upon aesthetics rather than empiricism, writing: "As I see it, the economics profession went astray because economists, as a group, mistook beauty, clad in impressive-looking mathematics, for truth. Until the Great Depression (1930), most economists clung to a vision of capitalism as a perfect or nearly perfect system. That vision wasn't sustainable in the face of mass unemployment. But as memories of the Depression faded, economists fell back in love with the old, idealized vision of an economy in which rational individuals interact in perfect markets, this time gussied up with fancy equations." (Krugman 2009)

Methodological problems occur when a normative ideal-theory is not expressed with an accompanying real historical context.

Krugman wrote: "Unfortunately, this romanticized and sanitized vision of the economy led most economists to ignore all the things that can go wrong. They turned a blind eye to the limitations of human rationality that often lead to bubbles and busts; to the problems of institutions that run amok; to the imperfections of markets – especially financial markets – that can cause the economy's operating system to undergo sudden, unpredictable crashes; and to the dangers created when regulators don't believe in regulation." (Krugman 2009)

But in 2008, harsh empirical economic reality had recurred, as Krugman wrote: "By October of last year, however, Greenspan was admitting that he was in a state of 'shocked disbelief,' because 'the whole intellectual edifice' had collapsed. Since this collapse of the intellectual edifice was also a collapse of real-world markets, the result was a severe recession – the worst, by many measures, since the Great Depression. What should policy makers do? Unfortunately, macroeconomics, which should have been providing clear guidance about how to address the slumping economy, was in its own state of disarray." (Krugman 2009)

We see in this description of economists' reaction to the global financial crisis how economic theory (about a "perfect market") is a normative theory, an idea about how markets should work. It is a utopian theory, ideal-type idea. The idealistic economic school (Monetarists) believed in economic theory as a utopia of perfect markets. But there are no "utopias" in reality, no pure instances of Habermas's idealistic discourse ethics. In reality, there is always a context to any discourse ethics. In the contexts of reality, Foucault's power analytics operates – providing a real historical context for any theoretical idealism.

Context-Dependent Societal Theory

We have seen examples of normative theories of the social sciences which were not valid empirically in all the times and places. Economic theory failed in that history of the global financial crisis. The normative economic theory of a perfect market failed in the context of the 2007 US banking system: (1) a *power analytics* of improper influence on financial regulators, (2) a misuse of the ideology of free-market capitalism, and (3) the corruption of banking executives who marketed fraudulent products to obtain unearned bonuses.

There is always an empirical context of history in the application of any normative theory to society – which determines the realism of an ideal-type theory.

We have emphasized that in the social sciences explanations can never be (1) causal, as both necessary and sufficient (N&S) in explanation. Social science explanation can only be (2) prescriptive, as necessary and not sufficient (N & notS); (3) accidental as not necessary but sufficient (notN & S); or (4) thematic as not necessary and not sufficient (notN & notS). Accordingly, social science explanation is always a contextually dependent explanation – must always have a context around an explanation. Historical contexts around each kind of explanation is needed in social science to complete that explanation – in necessity and/or in sufficiency.

This is why history is always empirically important to social science theory – providing the context of the power-analytics in the application of normative societal theory to reality.

Methodologically, future economic theory needs to add to its normative economic theories (discourse-ethics) the contexts of their occurrences (power-analytics of historical context).

Summary

The social sciences should methodologically integrate with historical studies. The disciplines of the social sciences construct idealistic normative theory (Habermas' discourse ethics); but these theories methodologically can never completely explain

societal reality. There should always be a historical context for empirical validation (Foucault's power analytics), which must complete the normative explanations in historical context.

The social sciences can construct scientifically general normative theory about society.

Historical studies can explain the reality of the application of these theories in real contexts.

Without such historical-reality-tested-and-grounded context-dependent normative societal theory, then social science prescriptions (e.g., economic theory) can leave societal practices (societal wisdom) open to abuse.

Ungrounded social theory can be abused by individuals and groups as ideology – for terror or for corruption.

Context-dependent-and-ideal-type theory can separate real social science from ideology, through proper methodology.

The methodology of a societal-perceptual space and typological theory provides a proper and formal way of analyzing history in constructing and validating societal theory.

Notes

¹There are many books on and histories of the Federal Reserve System include Wicker 2005; Wells 2004; Meltzer 2004–2009; and (Greider 1987).

²A history of mortgage markets is Fabozzi and Modigliani 1992.

Chapter 14

Research Technique

Introduction

We summarize the techniques we have developed for understanding the dynamics of societies, under the following research questions:

1. What is scientific method?
2. How can one analyze the dynamics of whole societies?
3. How can one analyze a historical event of a societal change, to generalize upon history?
4. How can one analyze the stasis of a society between times of change?
5. How can one use ground social sciences theories in the empiricism of history?
6. How can one scientifically ground normative judgments (value judgments) about society?
7. How can one use valid social science theories to guide good governmental practice?

What Is Scientific Method?

Scientific method is the grounding of *theory construction* based upon *experimental data*, as sketched in Fig. 14.1. This distinctive approach of science can be called “empirically grounded theory.”

Empiricism in scientific method consists of abstracting particular facts observed (or experimented with) in nature.

Empirical research techniques consist of: experiments, instruments, measurements, perceptual space.

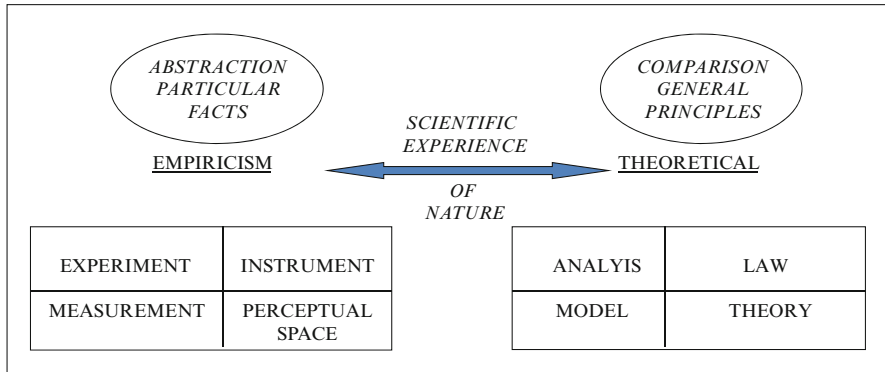


Fig. 14.1 Empirically grounded theory

Theoretical in scientific method consists of comparing across sets of facts about nature to generalize principles which guide the natural appearance of such facts.

Theoretical research techniques consist of: analysis, laws, models, theories.

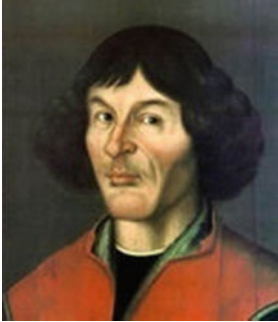
It is useful to see this methodology in an actual case of science. We briefly review the first instance of modern scientific research – when Isaac Newton constructed a gravitational model of the Copernican solar system. As we have emphasized, social science methodology must significantly differ from physical science methodology. Yet the great success of physical science methodology sets a methodological standard to which all sciences must aspire – “empirically grounded theory.” So it is useful to be familiar with where, how, and why modern scientific method evolved.

Modern science began in the 1600s in Europe and in the intellectual conjunction of the research of six individuals: Copernicus, Brahe, Kepler, Galileo, Descartes, and Newton. Why this particular set of people and their work? For the first time in history, all the component ideas of scientific method came together and operated fully to create empirically grounded theory:

1. A theoretical model that could be verified by observation (Copernicus).
2. Precise instrumental observations and to verify the theory (Brahe).
3. Theoretical analysis of experimental data (Kepler).
4. Scientific laws generalized from experiment (Galileo).
5. Mathematics to quantitatively express theoretical ideas (Descartes and Newton).
6. Theoretical derivation of an experimentally verifiable model (Newton).

The parts of scientific method had come together historically in the following way:

1. Copernicus (a theoretician) proposed a sun-centric theoretical model which could be experimentally tested against an older earth-centric model of Ptolemy;



Nicolaus Copernicus (<http://en.wikipedia.org>, Ncolaus Copernicus, 2007)

2. But existing astronomical measurements of annual planetary motions were not accurate enough to determine which model more exactly fit the data, and Brahe (an experimentalist) constructed larger astronomical measuring instruments to obtain more accurate data;



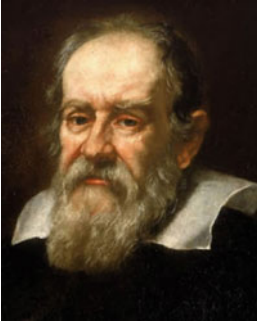
Tycho Brahe (<http://en.wikipedia.org>, Tycho Brahe 2007)

3. Brahe hired Kepler (a mathematician) to analyze his measurements to determine if they fit a Copernican model; and Kepler found that an analytical pattern of elliptical planetary orbits did exactly fit the data;



Johannes Kepler (<http://en.wikipedia.org>, Johannes Kepler, 2007)

- Galileo (an experimentalist and theoretician) experimented with motion of physical bodies and induced three laws of motion (theories) governing mechanical behavior;



Galileo Galilei (<http://en.wikipedia.org>, Galileo Galilei, 2007)

- Descartes (a mathematician) invented new mathematics, analytical geometry, to extend Euclidian geometry;



Rene Descartes (<http://en.wikipedia.org>, Rene Descartes, 2007)

- Newton (a mathematician and theoretician and experimenter) invented differential calculus to extend analytical geometry in order to apply this to the description of spatial motion; and Newton also discovered the quantitative form of the gravitation force and applied all this to derive the Copernican solar model in the physical framework of Galileo's laws of motion;



Isaac Newton (<http://en.wikipedia.org>, Isaac Newton, 2007)

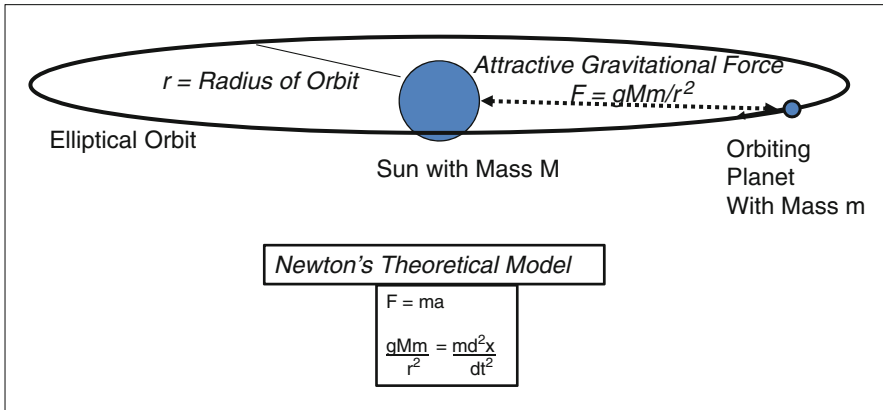


Fig. 14.2 Copernican solar system planetary model

7. After Newton’s grand synthesis of mechanical theory, the new scientific disciplines of physics and chemistry were begun, describing material behavior in the new Newtonian mechanics. Figure 14.2 sketches Newton’s scientific model (empirically grounded theory) of the Copernican Solar System.

Newton published his seminal work in 1686; and over the next two centuries (1700s and 1800s) rapid scientific progress occurred in the development of the disciplines of physics and chemistry and mathematics and biology. This was due to the use of Newton’s approach as scientific paradigm of “mechanism,” using a physical perceptual space of space-time. Further major theoretical developments continued to occur in the 1900s in physics and chemistry and biology. Science is still progressing. Also in the twentieth century the interaction of science and technology continued with the invention of the computer and the creation of computer science and also the founding of molecular biology and the development of biotechnology.

As shown in Fig. 14.3, one can use the concept of scientific methodology as an empiricism–theoretical scheme to summarize all the research techniques used in the construction and validation of Newton’s model of the Copernican solar system.

1. Copernicus provided a scientific model that could be verified by observation – theoretical.
2. Brahe developed instruments and made more precise measurements to verify the model – empirical.
3. Kepler made a theoretical analysis of experimental data, developing a phenomenological law about planetary motion – empirical.
4. Galileo performed physical experiments and formulated scientific laws generalized from the experiments – empirical and theoretical.
5. Descartes integrated geometry and algebra and Newton created differential calculus to provide new mathematics for describing and modeling physical events – theoretical.

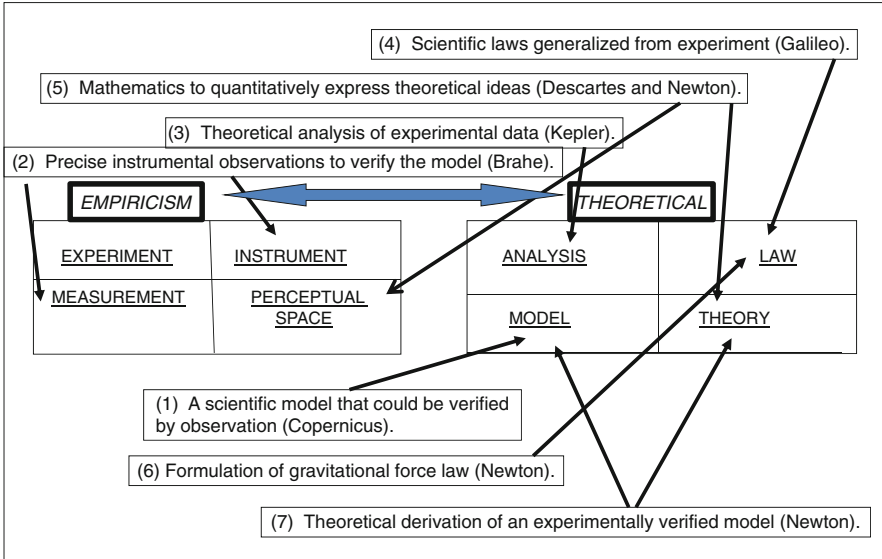


Fig. 14.3 Research techniques in empirically grounded theory

6. Newton formulated a phenomenological law of gravitation as a force varying inversely with the square of the distance – empirical.
7. Newton theoretically derived Copernicus’s solar model as a consequence of his newly formulated mechanics – theoretical.

We see that scientific method involves several kinds of research techniques, some empirical and some theoretical, which integrated together create scientific progress. Thus, each research sees a piece of the puzzle of nature, which eventually needs to be analyzed and integrated in a scientific model. In Fig. 14.4, one can sketch the particular views of the different participants in construction of the scientific theory of the solar system.

Copernicus imagined that if earth circled the sun, then the calculations for an astronomical almanac could be simplified from a theory that the sun circled the earth. Copernicus proposed a *theory* of a sun-centric planetary system. Brahe decided to put Copernicus’s theory to an empirical test by improving upon the astronomical measurements of the appearance of the planets, Mars, Jupiter, Venus, throughout the year, *measuring* their planetary positions. Brahe hired Kepler to try to fit these planetary data to circular orbits around the Sun. The data did not fit a circular orbit but did fit an elliptical orbit. Kepler *analyzed* the data, proposing a *phenomenological law* (Kepler’s law) about planetary motion. Newton developed new mathematics (differential calculus). Newton also proposed a *theoretical law* for gravitation (varying as the inverse square of the distance) – inductive inference. Newton *modeled* the solar system and created a *theory* of mechanics (Newtonian mechanics).

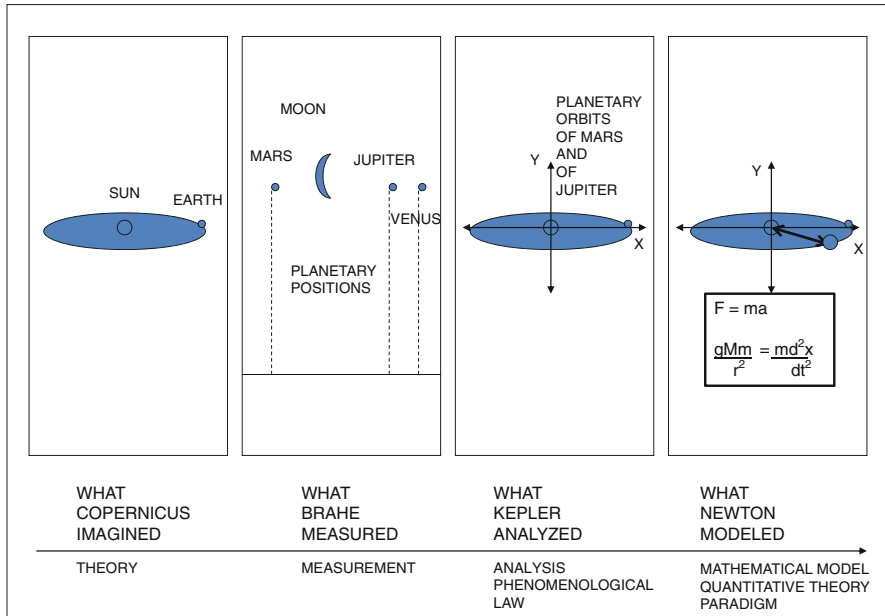


Fig. 14.4 Empiricism and theoretical model of the solar system

Central to the scientific method is the construction of theory of nature based upon and validated upon experimental observations of nature.

Knowledge which is not “empirically-grounded-theory” is not scientific.

One calls the research approach of experiments-on-nature as an “empirical approach” in scientific research – empiricism.

One calls the research approach of theory-construction about nature a “theoretical approach” in scientific research – theoretical.

Historical examples of progress in science, such as Copernicus to Newton, all show methodologically a circularity in research techniques between empiricism and theory, as sketched in Fig. 14.5.

We have noted and emphasized that the physical/biological sciences differ from the social sciences. The physical sciences observe in the physical perceptual space of *Space-Time*. For this reason, the physical sciences use the scientific paradigms of “Mechanism” (e.g., Newtonian mechanics or special relativity) and of “System.” In contrast, the social sciences do not use the scientific paradigm of “Mechanism”; instead they use the scientific paradigms of “Function,” “System,” “Logic.” Hence, physical science explanations are causal (cause-effect); whereas the social sciences do not use causality in explanation. Instead the social sciences and history use explanations which are prescriptive, thematic, or accidental. Also the social sciences and history can use the societal perceptual space of: *Individual–Society, Group–Process, Action–Reason*.

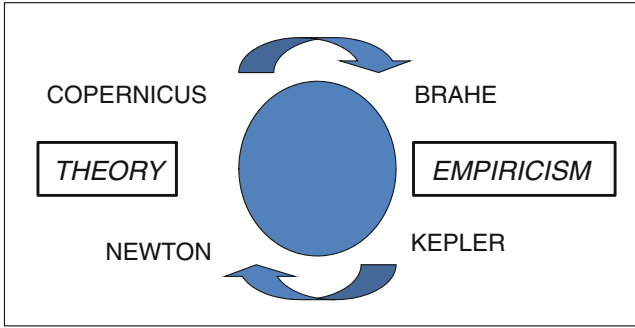


Fig. 14.5 Circularity in historical interactions between research techniques

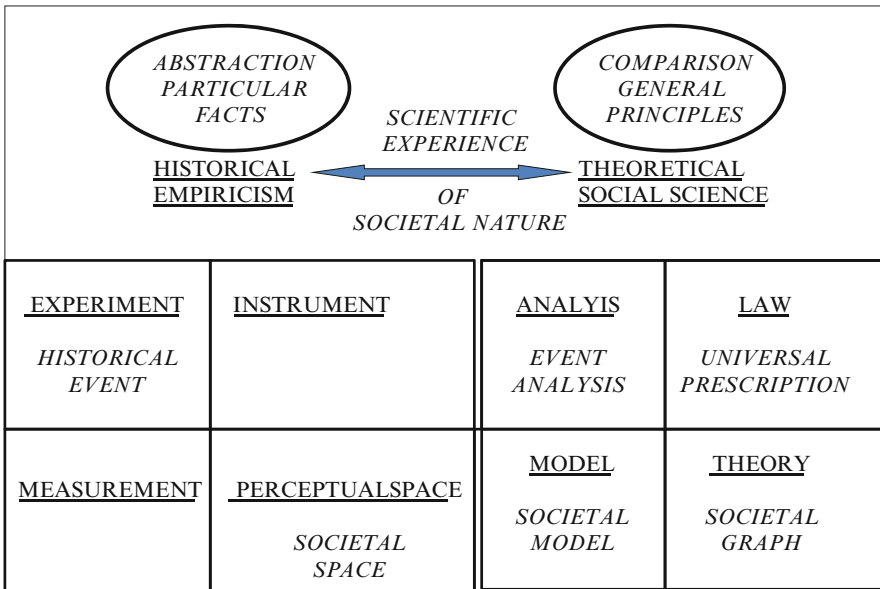


Fig. 14.6 Historical empirically grounded social science theory

Scientific method consists of empirical and theoretical research techniques which result in the construction and validation of empirically-grounded theory.

Methodologically, the physical/biological disciplines provide a scientific understanding of the whole of physical and biological nature.

Methodologically, the social science disciplines should provide a scientific understanding of the whole of societal nature.

The discipline of history should relate to the social sciences by providing a scientific grounding of social science theory.

Here, we have focused upon methodologically for history/social-sciences is providing new research techniques focused upon: experiment, perceptual space, analysis, model, law, theory, as shown in Fig. 14.6.

We have not discussed the social science research issues of instruments and measurement, because there are many good books on measurement and observational instruments (surveys, interviews, etc.) already in the research methodology literature for the social sciences and also in the research techniques for historians. The challenge we undertook was (1) to create a common perceptual space (social perceptual space) for historians and social sciences and (2) to see what kind of analysis and theory can be constructed in such a space (historical event analysis and societal topological theory).

How Can One Analyze the Dynamics of Societies?

We now proceed to summarize the methodology we have developed for integrating historical and social science researches. The dynamics of a society consist of alternating periods of stability and change. Instability in society can allow major structural changes to occur in societal order. The methodology of perceptual space and societal models can describe successive societal conditions of change and stasis, as shown in Fig. 14.7 (earlier Fig. 10.1).

Looking at societal dynamics this way, one sees an important relationship of the discipline of history to the discipline of the social sciences.

Historians tell of the change in societies, whereas social scientists describe stasis in societies.

Social sciences create theories of stasis in societies, stable social structures, and processes existing in a society. History and the social sciences are complementary, telling the dynamical story of a society as a succession of change and stasis.

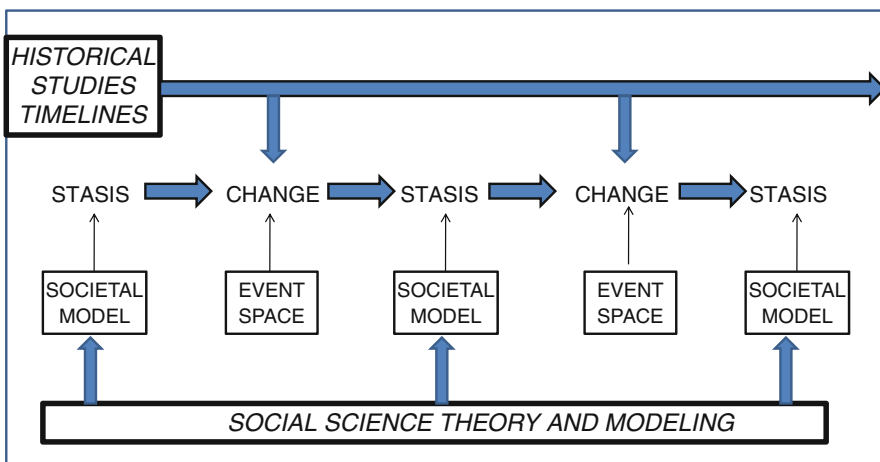


Fig. 14.7 Societal dynamics: history and social science

How Can One Analyze a Historical Event of a Societal Change, in Order Generalize History Across Different Times and Different Societies?

The methodology for integrating historical and social science analysis of societal dynamics is this.

1. Summarize a historical event.
2. Analyze the event factors and explanatory relations in a societal perceptual space.
3. For the policy relationship in individual-process connection, examine policy attitudes according to an idealism (discourse-ethics) and realism (power-analytics) balance.
4. For both empirical and normative explanations, construct “ideal-type” theory describing both empirical events and normative perspectives in the historical episode.
5. For issues about control, examine the three different kinds of systems in the society: managed-systems of organizations, self-organizing systems in societal sectors, and functional socio-technical systems.
6. Generalize normative social theory through systematic and comparative explanations of the courses of events in similar sets of historical cases.
7. Test the validity and ethical universality of societal theory in the practices of the governance and system control of societal systems.

Societal Perceptual Space Technique

1. This methodology is built on the technique of a *societal perceptual space* for analyzing principle factors in historical events – using the three sociological dimensions of *individual–society*, *group–process*, and *action–reason* – as shown in Fig. 14.8 (earlier Fig. 1.2).
2. The perceptual space can be used to systematically identify major factors in an historical event, as expressed in Fig. 14.9 (earlier Fig. 13.3).
3. There are three levels in the methodology from perceptual space and up to meta-space and below, as shown in Fig. 14.10 (earlier Fig. 4.9).
 - (a) There is the historical event level in which a perceptual space analyzes the societal factors and explanatory relations in the event.
 - (b) There is a meta-space above the event space – in which a balance between idealism and realism provides an analysis of the rational orientation of participants and/or observers of the event.
 - (c) There is a subspace below the event space – in which system models of a society analyze the societal processes underlying an event.

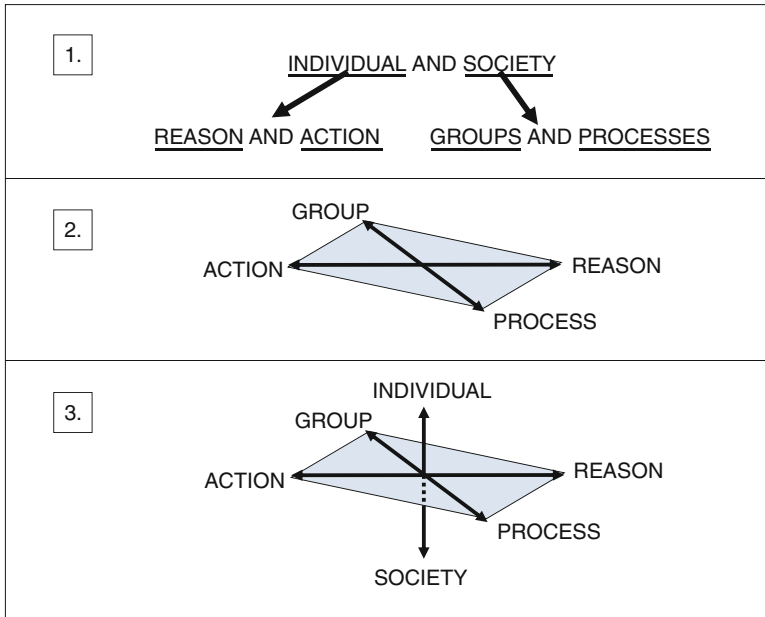


Fig. 14.8 Basic sociological dichotomies

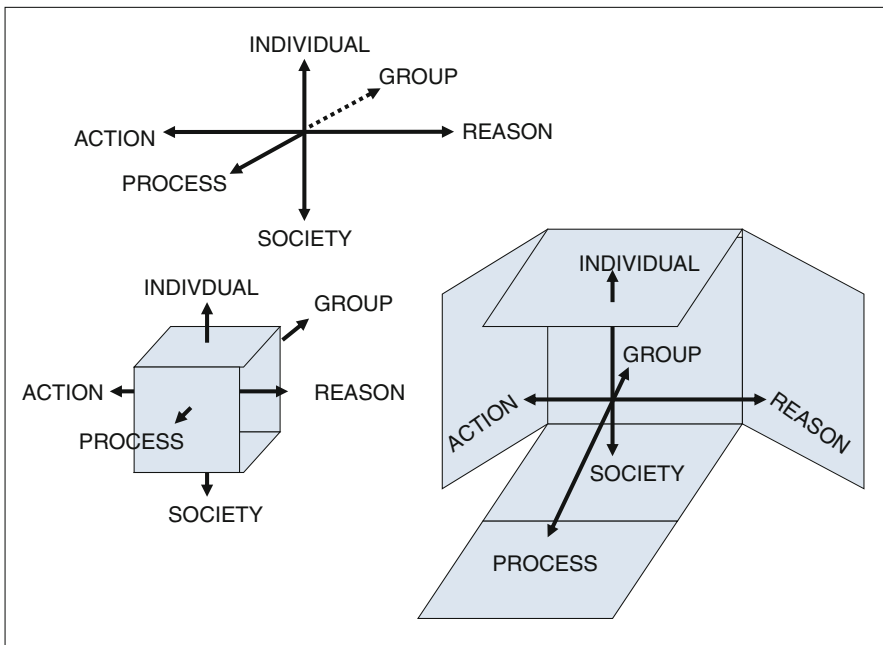


Fig. 14.9 Societal-perceptual-space event box: interactions of an individual and society are mediated through reason and action and through groups and processes

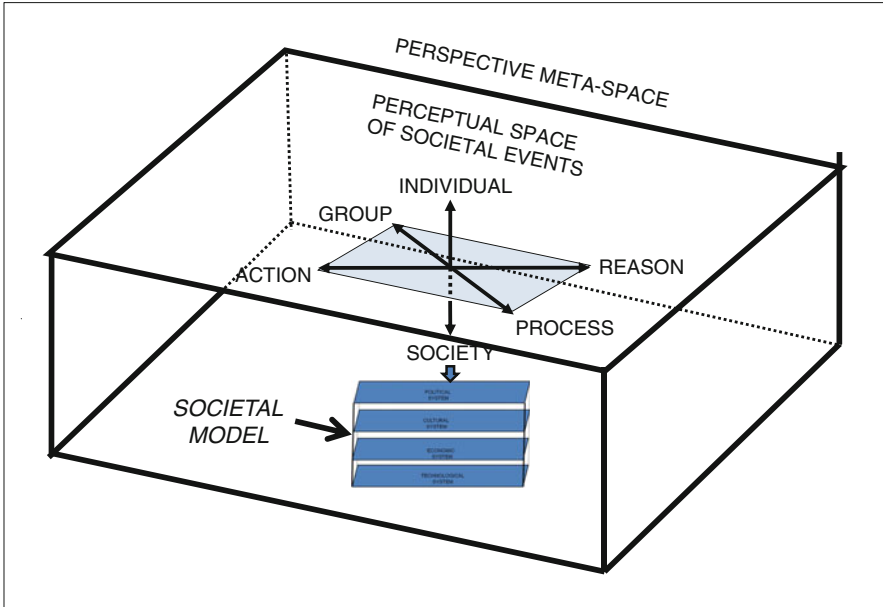


Fig. 14.10 Perspective meta-space surrounding a perceptual space in which a model of society is depicted

Topological Societal Theory

Binary relations for the explanation of a historical event (as analyzed in a societal perceptual space) can consist of explanations of fifteen relations as shown in Fig. 14.11 (earlier Fig. 11.1)

1. *Ethics*. The societal dimensional relation of *Individual-to-Society* lies in the *ethics* (and *ethical contexts*) which societies provide for individuals' behaviors. In historical explanation, *ethics* provide a *thematic relationship* (not-necessary and not-sufficient) in explaining why some individuals behave in societal contexts.
2. *Principles*. The societal dimensional relation of *Action-to-Reason* lies in the *principles* which rationally guide the action. In historical explanation, *principles* provide a *thematic relationship* (not-necessary and not-sufficient) in explaining why some actions were deliberately pursued by groups or individuals.
3. *Institutionalization*. The societal dimensional relation of *Group-to-Process* lies in the *institutionalization* of group processes in societal organizations. The concept

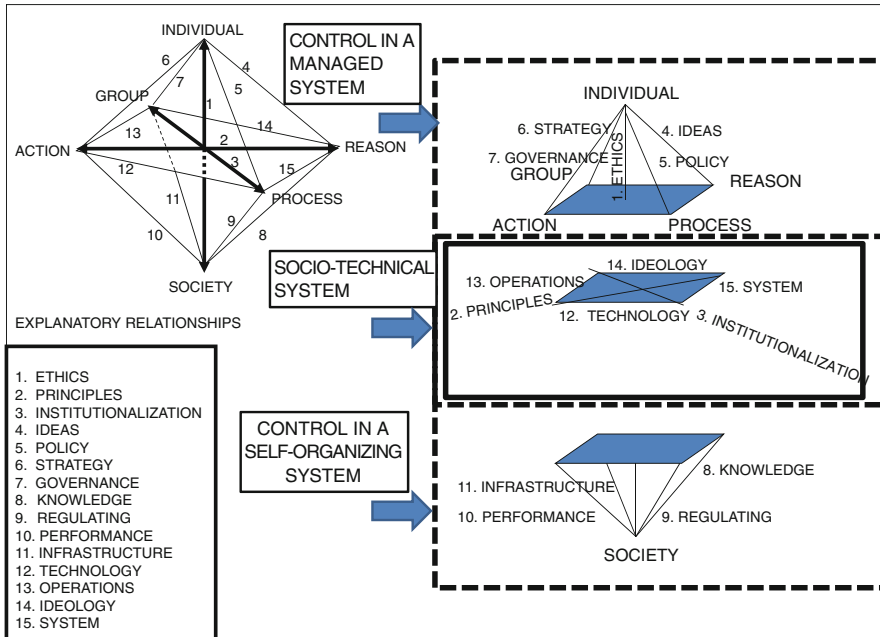


Fig. 14.11 Relationships in systems: managed and self-organizing

of an organization is that of a formal kind of groups – groups structured formally with rules for membership and leadership and function. “Institutions” are organizations with regularity of practices and perceptions of reality which shape the behaviors of members. In historical explanation, *institutionalization* provides a *thematic relationship* (not-necessary and not-sufficient) in explaining common patterns of behavior of individuals in organizations, in accordance with formal policies.

4. *Ideas*. The societal dimensional relation of *Individual-to-Reason* lies in the *ideas* in which individuals conceive of the world and think about it. Ideas about society is an important factor in explaining the relationship between particular individuals and their reasoning (thinking). In historical explanation, *ideas* provide a *thematic relationship* (not-necessary and not-sufficient) in explaining why some individuals pursue some policies and others other policies. In the economics discipline the idea of a “perfect market” dominates economic reasoning (economic theory).
5. *Policy*. The societal dimensional relation of *Individual-to-Process* lies in the *policies* which individuals in positions of power formulate to control societal processes. Policies in the management/administration of organizations in society are

an important factor in explaining the relationship between particular individuals and their decisions of leadership. In historical explanation, *policies* provide a *prescriptive relationship* (necessary but not-sufficient) in explaining why/how an individual impacted governance in a society.

6. *Strategy*. The societal dimensional relation of *Individual-to-Action* consists of the decisions made by leadership in a group which selects actions by a group. In historical explanation, *actions* provide a *prescriptive relationship* (necessary but not-sufficient) in explaining why/how an individual formulated the actions of a group.
7. *Governance*. The relation of *Individual to Group* is expressed in the (9) *leadership* between the head individual of the group and the followers in the group. The head of a group provides leadership through the policies the leader decides for the group. The selection procedures by means of which an individual becomes a leader is an important aspect of governance in a group. In historical explanation, *governance* provide a *prescriptive relationship* (necessary but not-sufficient) in explaining why/how an individual formulated the policies for a group. In contrast in historical explanation, *the selection of leaders by a group* provides a *thematic relationship* (not-necessary and not-sufficient) in explaining why a particular individual becomes selected as leader.
8. *Knowledge*. The relation of *Society-to-Reason* is expressed in the *knowledge* present in a group of in a society. In historical explanation, *knowledge* provides a *thematic relationship* (not-necessary and not-sufficient) in explaining what and how knowledge is created or used in a group/society.
9. *Regulating*. The relation of *Society-to-Process* is expressed in the (9) *regulation* that controls the processes occurring in a society. Older informal regulation of processes in a traditional societal are traditions, when done generation after generation. New regulation of societal processes break older traditions. In historical explanation, *regulations* provide a *prescriptive relationship* (necessary but not-sufficient) in explaining why/how government agencies impose rules upon actions by individuals and/or groups in a society.
10. *Performance*. The relation of *Society-to-Action* is expressed in the *performance* of in the actions of societal processes guided by policies. In historical explanation, *performance* provide a *prescriptive relationship* (necessary but not-sufficient) in explaining why/how societal systems attain or fall short of attaining societal goals (as articulated in the ethics of a society).
11. *Infrastructure*. The relation of *Society-to-Group* is expressed in the *infrastructure* of groups/organizations which provide a societal function. In historical explanation, *infrastructure* provides a *thematic relationship* (not-necessary and not-sufficient) in explaining what and how functions and performance are accomplished by the systems of a society.
12. *Function*. The relation of *Action-to-Process* is expressed in the *function*, which explains the purpose of the action as kind of process. In historical explanation, *function* provides a *prescriptive relationship* (necessary but not-sufficient) in

explaining (1) why/how an action implements a process or (2) conversely what kind of action a process prescribes.

13. *Operations*. The relation of *Action-to-Group* is expressed in the *operations*, by means of which a group acts in running an organization. In historical explanation, *operations* provide a *prescriptive relationship* (necessary but not-sufficient) in explaining what actions do and should a group repetitively perform and why.
14. *Ideology*. The relation of *Group-to-Reason* is expressed in *ideology* which the group uses to justify its existence and right-to-power. In historical explanation, *ideology* provides a *thematic relationship* (not-necessary and not-sufficient) in explaining why a group thinks its existence and is legitimate and just.
15. *System*. The relation of *Reason-to-Process* is expressed in the *system* which explains the totality of a process. In historical explanation, *system* provides a *prescriptive relationship* (necessary but not-sufficient) in explaining (1) the totality of a process or (2) conversely the kind of totality required for an effective process.

This topological graph approach allows one to see clearly the different kinds of explanations needed to view society from an individual's or a society's perspectives. Just as the societal context of an individual was important to full explanation of the impact of an individual on society, so too is the relational context of a society needed for a full explanation of society's impacts upon individuals.

Topological Societal Matrix

This societal–perceptual–space theory is in the form of what is called a “topological” theory – in the form of a graph with nodes and connections between nodes. In the theory, the six nodes (Individual, Society, Action, Reason, Group, and Process) are connected in binary pairs by the 15 relationships. Any topological theory also has an equivalent expression in a matrix form; and in order to use quantitative expressions in a topologically expressed theory, one transforms such a graph into its associated graph-matrix. To construct such a graph-matrix, one lists each node horizontally along the top of the matrix and each node vertically along the left-side of the matrix. This is shown in Fig. 14.12 (earlier Fig. 13.7).

Such societal matrices can be used quantitatively, if one introduces measurements onto the explanations, where each matrix component M_{ij} can express a quantity in an explanation.

How Can One Express Different Perspectives on History?

The meta-space form allows the expression of different historical perspectives. Figure 14.13 (earlier Fig. 6.1) shows the different perspectives on Stalin.

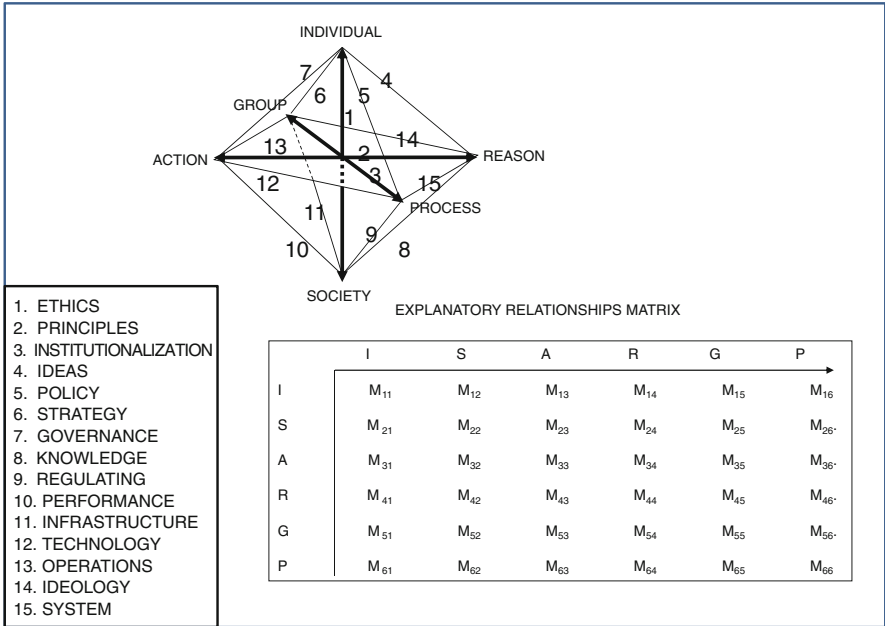


Fig. 14.12 Topological theory matrix

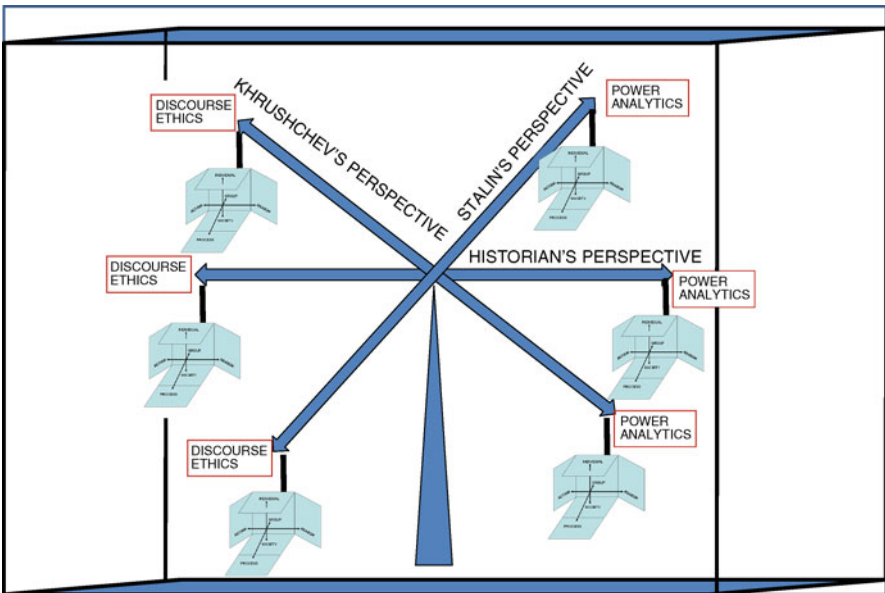


Fig. 14.13 Perspective meta-space showing different perspectives on Stalin

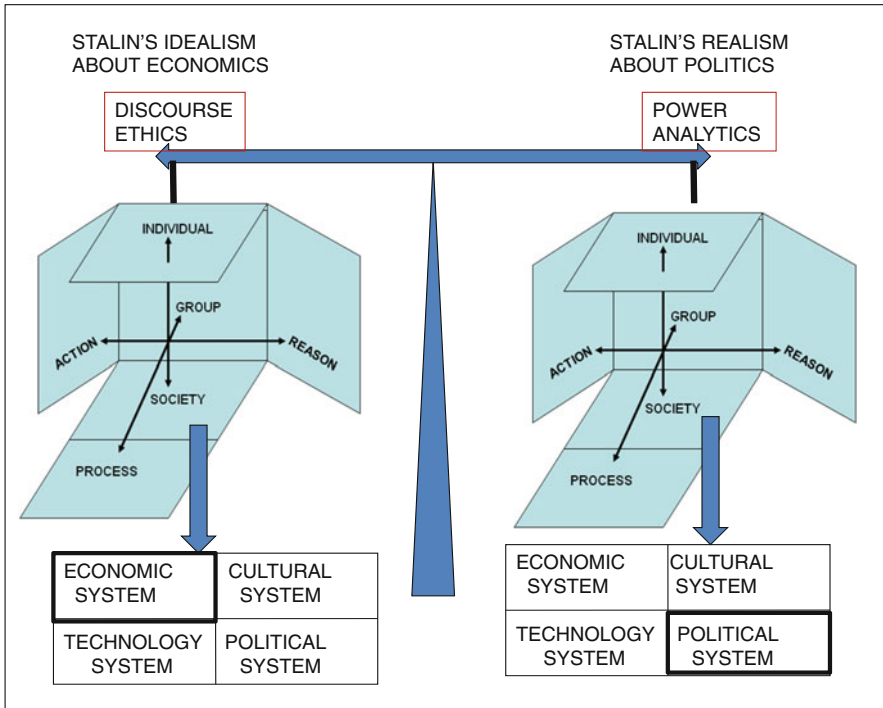


Fig. 14.14 Stalin’s policy idealism and realism

Idealism and Realism in Explaining Individual’s Leadership

The perspective meta-space is also useful in historical explanations of individual leadership in historical events. Figure 14.14 (earlier Fig. 4.13) displays Stalin’s idealism and realism instincts in his formulation of economic and political policies.

How Can One Analyze the Stasis of a Society Between Times of Change?

In the societal model subspace under the event-space, system models of the different sectors of a society need to be constructed – to analyze the impact of policy decisions upon society in the interactions of the economic system, political system, cultural system, and science/technology system of a society.

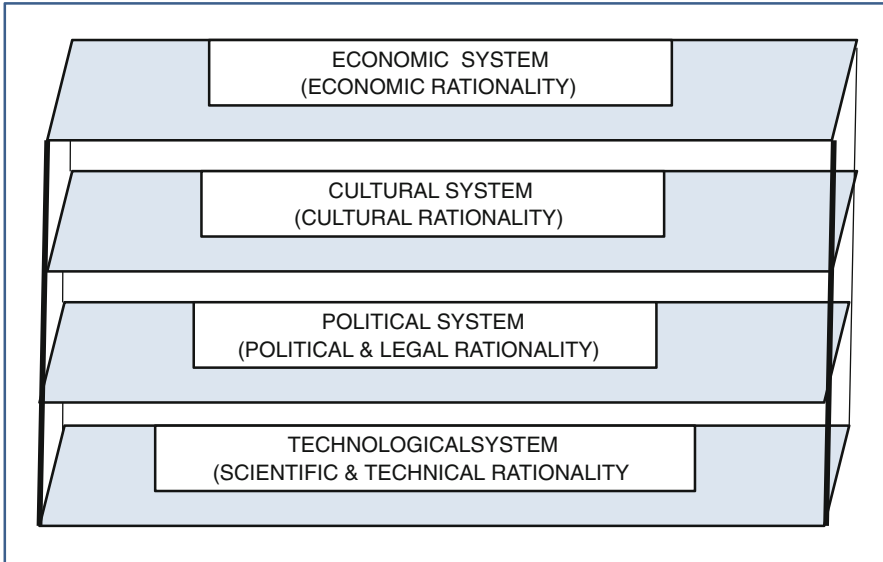


Fig. 14.15 Topological-graph model of society as interacting subsystems

Models of society need to be constructed to analyze the impact of policy decisions upon society, in particular the economic system, political system, cultural system, and science/technology system of a society – and the interactions between these systems. We constructed a model of society from Max Weber’s sociology theory. Weber wrote that in any social interaction, participants can hold four kinds of expectations about that interaction: (1) utility or identity and (2) reciprocity or authority. (Weber 1947) We used Weber’s two sets of dichotomies (utility & identity and reciprocity & authority) to construct a four-category taxonomy, as shown in Fig. 14.15 (earlier Fig. 10.5).

What Are the Critical Relationships for Proper “Control” in a Society?

One can look at issues about control in a society as three kinds of issues: control of managed systems, control of socio-technical systems, and control of self-organizing systems. We can see how the topological societal theory depicts these three areas for control, as shown again in Fig. 14.16 (earlier Fig. 11.3). As we earlier saw illustrated in Chap. 10, the failures of societal control in the historical event the global financial crisis of 2007–2008 were of three kinds of systems failures:

1. *Managed Organizational Systems* – The failure of proper leadership by banking executives, through their encouraging the formulation and sale of fraudulently rated financial derivatives.

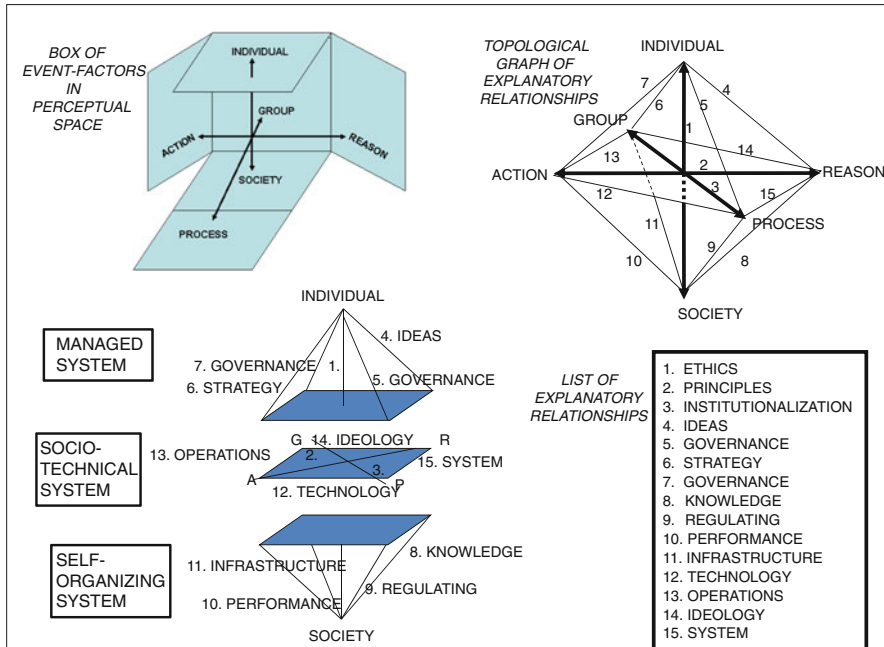


Fig. 14.16 Factors and relationships in a societal-event perceptual space

2. *Self-Organizing Societal Systems* – Because of the failure of proper regulatory control in the self-organizing financial sector of the US economy which allowed banks to gamble with depositor’s monies (repeal of Glass-Steagle Act).
3. *Socio-Technical System* – This triggered a freeze-up (institutional shut-down) of financial exchanges between banks in the socio-technical system of global finance.

In the control of a managed system (top pyramid), the critical relationship in control is in ‘governance,’ how a group selects its individual as a leader and how that leader formulates the group’s policies. In modern business jargon, this issue of control of a managed-system by leadership is called “corporate governance.”

In control issues about self-organizing systems, one can see at the bottom pyramid of the societal topological theory that three critical relations are (10) performance, (9) regulating, and (8) knowledge. Earlier, we reviewed how the performance of systems in society (economic, cultural, political, technological) are critical to societal stability. When a society’s economic system breaks down, the society’s political system become unstable (e.g., the Russian Revolution 1917). When a society falls behind other societies in technology, then that nation can fall to superior military/economic forces (e.g., the fall of the Ottoman Empire 1918).

For control issues in a socio-technical system, the important relations are (2) principles, (3) institutionalization, (12) function, (13) operations, (14) ideology, (15) system. Control in socio-technical systems can be distorted to subordinate (2) principles to (14) ideology so that (13) operations of a (15) system do not achieve a desired (12) function. Socio-technical systems operate properly only when principles control operations efficient and effective to achieve a function.

How Can One Use Ground Social Sciences Theories in Historical Events?

In this methodological approach, what is observable and describable and partially objective in social theory are not only the actions but also the intentions and rationalizations of participants in a society. Generalizations of theory across different times and different societies result in “phenomenological laws” describing the nature of societal action and intention and rationality.

The methodological form of such social science “phenomenological laws” can be prescriptive or accidental or thematic – depending upon the contexts of necessity and sufficiency in the phenomenal relations, as summarized again in Fig. 14.17 (earlier Fig. 12.2).

Theory in the social science disciplines should be grounded both empirically and normatively. Empirical grounding of social theory is provided by comparative historical examples of people in different societies doing similar actions for similar reasons – empirical ground of what people do similarly in different societies. Normative ground of social theory is provided by comparative historical examples of what people in different societies thought they should do in performing similar actions – normative ground of prescriptions for actions.

<i>RELATIONSHIP</i>	<i>NECESSITY</i>	<i>SUFFICIENCY</i>
CAUSAL	NECESSARY (N) &	SUFFICIENT (S)
PRESCRIPTIVE	NECESSARY (N) &	NOT-SUFFICIENT (<u>S</u>)
ACCIDENTAL	NOT-NECESSARY (<u>N</u>) &	SUFFICIENT (S)
THEMATIC	NOT-NECESSARY (<u>N</u>) &	NOT-SUFFICIENT (<u>S</u>)

Fig. 14.17 Modality of explanatory relationships in science

Empiricism is about facts and normativism is about prescription. In Foucault's terminology, "power analytics" in societal action provides the empirical description of what people actually do. In Habermas's terminology, "discourse ethics" in societal action provides the normative description of what people think they ought to do. Earlier Max Weber had urged that social theory describe both what people do and why people rationalize their action – empiricism and normativism in social theory. Weber called the normative theory an "ideal-type" theory – idealization of people's rationalization of their behavior.

1. An ideal-type (in a Weberian form of social theory) is a descriptive abstraction of the *principles-of-order* that can be empirically observed in a historical social situation.
2. Ideal-types are abstractions and do not exist to total in reality. But such ideal-type-abstractions do express principles-of-order which can *actually operate* in a society.
3. There is no single causal factor (relationship) in explaining societal events in history, but there are sets of explanatory factors – each factor in the form of a prescriptive, accidental, or thematic explanatory relationship.

Idealism and Realism in Explaining Societal Operations

There is always a "dark side" in describing societal dynamics. When ideology claims a societal system is operating in an idea mode but the contextual reality of the society is that it is operating in a much-less-than-ideal mode, there are two representations which can be made of societal operations – an ideal-type representation and a power-analytics representation. The meta-societal space can also be used to represent and examine influence and corruption in societal operations, as shown in Fig. 14.18 (earlier Fig. 13.4).

Accordingly, there can be in the same societal meta-perceptual space of explanation, two topological graphs: a normative-ideal-graph and a shadow-real graph.

In the perceptual space of a society's dynamics, the societal-ideal-graph depicts the relationships in a society as they should be – normative description of the event.

In the perceptual space of a society's dynamics, the societal-real-shadow-graph depicts the relationships with a society as they really were – empirical description of the event.

The "ideal" societal-graph is constructed according to societal theory as how a society should operate, according to universalized, normative ideal-theory.

The "real" societal-shadow-graph is constructed according to the context of the power-analytics around the discourse-ethics ideal-social theory – the historical context of the events

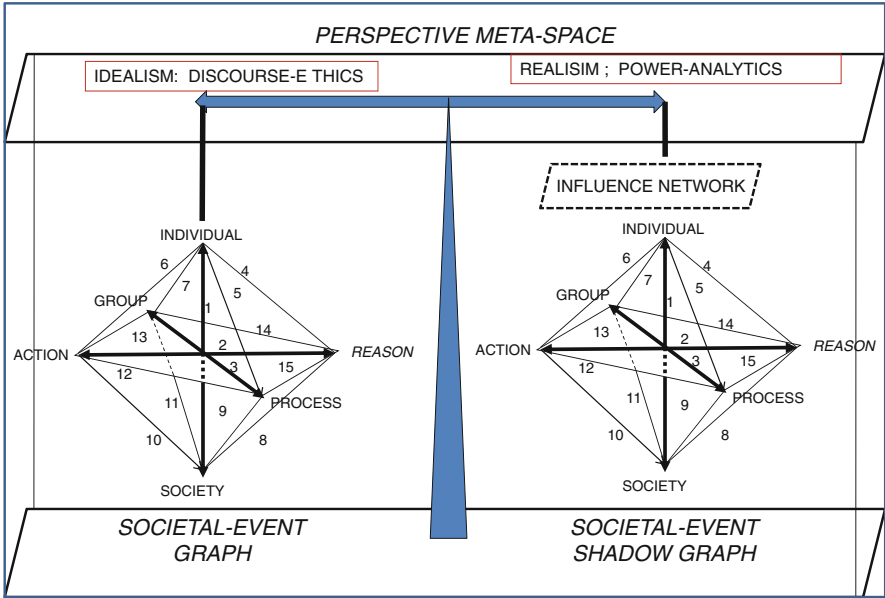


Fig. 14.18 Historical perspective: discourse-ethics and power-analytics

How Can One Use Historically Grounded Social Science Theories to Guide Practice in the Governance of a Society?

Empiricism in the physical sciences had a similar challenge to social science as needing to always observe nature from some perspective. Any observation of nature in time and space occurs from some position and at some time of a physical scientist (perspective of the observer). Yet in the physical sciences, a theoretical requirement is that all physical laws must be formulated to be independent of any perspective – invariance of laws over observer perspectives. In contrast to an ‘invariance of “physical laws,” Weber proposed a kind of “universality of social laws.” Evaluative ideas (values) are implicit in the methodological choices of any observation in the social sciences. But these evaluative ideas can be generalized over the “family chronicles of all humanity. Can there be a ‘universality’ of evaluative ideas” useful for all humanity?

In a consulting assignment, a social science consultant can empirically observe a client’s action and intention and (sometimes) see when the outcome of action did not meet intention. Empirically, a client’s action may not be attaining what the client thinks it is attaining. So a social science consultant can describe the action and function of the action differently from how the client saw it. Then a consultant might be able to show to the client disconnection between intention-and-results – when the client’s action is not really attaining the client’s purpose. Next a consultant could

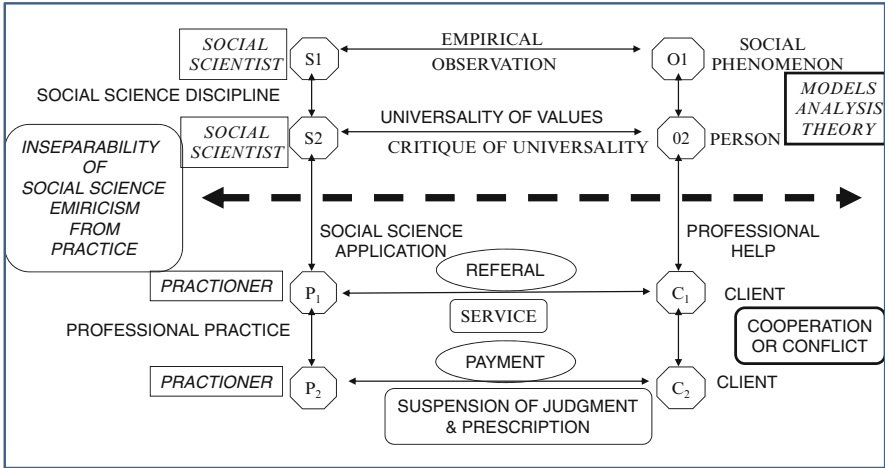


Fig. 14.19 Methodological inseparability of social science and practice

shift to a normative mode and tell the client how to modify action to better attain intention – change the action of the client.

This shift by a consultant/practitioner from empiricism to normative advice can connect social science to practice – a temporary and partial objectivity in social science.

A consultant’s temporary assumption of the client’s values to prescribe more efficient and effective action to the client is universalizing a social science prescription from one client to another – toward a universal “family of clients” – so to speak.

In consultation, the practitioner is temporarily suspending the partial separation between empiricism and normative judgment. All social science practices consist of prescriptive aides to improve the decision-making capability of a client to better attain a client’s purpose.

The more practice is based upon scientific knowledge, the more likely prescription will be technically effective toward attaining a client’s purpose.

The importance of social science theory to societal policy is to draw inferences from past events that can be useful to policies for controlling future events.

One can diagram a scheme for connecting social science to practice, Fig. 14.19. The flow of the information in the social sciences is to consulting practice, in applying social science knowledge to policy situations. In consulting, a client seeks services from a consultant and pays a fee to the consultant for the services, often on an hourly basis or upon a project basis. As a consultant, the practitioner must temporarily adopt the values of the client and prescribe solutions to the client’s problems which will effectively help the client to attain his values.

In the social sciences, science in application is not transformed into technology but into consulting. Social scientists consult when applying social science to societal

problems. And in such consultation, a specific client is served and pays for the consulting. Consultants must adopt the values of the client during a consulting service – or the consultant will not be paid by a client. The value of consultation in the social sciences to a client may be of two kinds: (1) description and (2) prescription.

Description

Empirical observations by a practitioner – of the consequences of a client’s action – may show that the client’s actions may not be attaining the client’s intention.

Prescription

A practitioner might suggest a different course-of-action to the client – a prescription for action.

Science-Based Prescription

If such a prescription is science based, it is more likely to prove technically effective when not science based.

Impact of Prescription Upon Future Description

In the social sciences, the application of social science knowledge may always potentially alter social nature.

Social science consulting can never be value-neutral in the service of a given client. While aware of their own observer bias, social scientists need not immediately make any of their normative judgments about what a participant be doing that and why and how. Weber’s edict to partially and temporarily separate empiricism from normative judgments makes social science empiricism methodologically possible. The benefits of empirically based societal theory is in providing practitioners with principles-of-order which have been validated by application in consulting practice for many different clients in many different societal contexts.

Summary

We have examined a methodology aimed to achieve universalization of normative societal theory based upon:

1. Society–perceptual–space research techniques.
2. Ideal-type social theory construction.
3. Grounded in the empiricism of historical studies of societal epochs.
4. Tested by policy applications in different contexts.
5. Distinguishing clearly between political ideology and scientifically-valid societal theory.

Historically in the twentieth century, political ideology did invade the social sciences, as some social theorists regarded Marxism as a valid scientific theory. This ideological interference in the social sciences slowed progress in social science as valid science – delaying its full progress until the end of the Soviet Union. It was only after the empirical collapse of the Soviet Union that Marxism was finally universally admitted to be a failed social theory – neither empirically nor normatively

valid as science. There was in the politics of that century a deep intellectual clash between professionalism-in-social-theory (societal knowledge) and professionalism-in-political-practice (societal wisdom). This clash was triggered by and was involved in the justification of some of the most horrific events the world has experienced – mass events of societal change and terror lead by and these social theorists/politicians (Lenin, Stalin, Hitler, Mao, Pol Pot) destroyed their own societies (as well as others in which they interfered). The twentieth century witnessed the horrors of mass persecutions of millions and millions – and such persecutions (not in the millions but thousands) continued in the twentieth century – events then called the “Arab Spring.” So history continues and the clash between ideology and science continues. This intellectual clash continues to be now one of the most interesting and dangerous challenges in the modern world – ideological social theory – social theory constructed not upon social empiricism but upon political opportunity.

For societal knowledge and wisdom in twenty-first century, it is necessary to be methodologically capable of clearly distinguishing empirically-grounded social theory from political propaganda.

Natural-history-grounded societal theory should be the intellectual antidote to the poisons of ideological social theory.

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