# On Democracy

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# The case against democracy: ten red pills

Tuesday, April 24, 2007 at 2:02 PM

- Have you ever considered the possibility that democracy is bunk?
- I grew up believing in democracy. I'll bet you did too. I spent 20 years of my life in democratic schools. I'll bet you did too.
- Suppose you were a Catholic in 16th-century Spain. Imagine how hard it would be for you to stop believing in Catholicism.
- You are a Catholic. Your parents were Catholics. You were educated by Catholics. You are governed by Catholics. All your friends are Catholics. All the books you've ever read were written by Catholics.
- Sure, you're aware that not everyone in the world is a Catholic. You're also aware that this is the cause of all the violence, death and destruction in the world.
- Look at <u>what Protestants do</u> when they get into power. They nail genitals to the city gates. They behead their own wives. Crazy stuff! And let's not even start on the Turks...
- Now suppose you're you. But you have a time machine that lets you talk to this 16th-century Spanish Catholic version of you.
- How do you convince this guy or gal that the answer to all the world's problems is not "more Catholicism"? How do you say, um, dude, this Trinity thing the virgin birth transsubstantiation... ya know...
- So you see how hard it is to explain that democracy is bunk.
- Of course, I could be wrong. Who the heck am I? No one. And everyone who is someone agrees: democracy is wonderful.
- So I'm not telling you that democracy is bunk. I'm just suggesting you might want to consider the possibility.
- Or even just consider considering the possibility. The way you consider, like, UFOs, or something. Put it down in the "extremely improbable, but not inherently impossible" category.
- One way to consider this question is to look at an alternative. You can't beat nothing with something. If you didn't believe in democracy, what would you believe in? Here's <u>my answer</u>. (Warning: it's long.)

Another classic approach, though, is just to write up a list of heretical theses. Red pills, you might say. It worked for Luther — why shouldn't it work for me?

I won't (in this post) attempt to explain or justify these theses. They are for you, the reader, to analyze, to justify or refute.

For convenience, I've matched each red pill with a blue pill. The blue pill represents the orthodox democratic perspective. If I'm wrong and democracy is not bunk, the blue pills are reality and the red pills are poisonous lies. Swallow at your own risk.

#### Ten pills:

- 1. Peace, prosperity, and freedom
  - blue pill:

Democracy is responsible for the present state of peace, prosperity, and freedom in the US, Europe and Japan.

• red pill:

The rule of law is responsible for the present state of peace, prosperity and freedom in the US, Europe and Japan.

- 2. Democracy, freedom, and law
  - blue pill:

Democracy is inseparable from freedom and law.

• red pill:

At best, democracy is sand in the gears of freedom and law. At worst it excludes them entirely, as in Iraq.

- 3. Fascism and communism
  - blue pill:

The disasters of fascism and communism demonstrate the importance of representative democracy.

• red pill:

Fascism and communism are best understood as forms of democracy. The difference between

single-party and multiparty democracy is like the difference between a malignant tumor and a benign one.

#### 4. The nature of the state

• blue pill:

The state is established by citizens to serve their needs. Its actions are generally righteous.

• red pill:

The state is just another giant corporation. Its actions generally advance its own interests. Sometimes these interests coincide with ours, sometimes they don't.

#### 5. The power structure of the West

• blue pill:

Power in the West is held by the people, who have to guard it closely against corrupt politicians and corporations.

• red pill:

Power in the West is held by the civil service, that is, the permanent employees of the state. In any struggle between the civil service and politicians or corporations, the civil service wins.

#### 6. The extent of the state

• blue pill:

The state consists of elected officials and their appointees.

• red pill:

The state consists of all those whose interests are aligned with the state. This includes NGOs, universities, and the press, all of whose employees are effectively civil servants, and side with the civil service in almost all conflicts.

#### 7. The danger of right-wing politics

• blue pill:

Right-wing politicians, and the ignorant masses who support them, are a danger to democracy. They must be stopped.

• red pill:

Right-wing politicians are a classic democratic phenomenon. Domestically, they have little power and are mostly harmless. Their international adventures are destructive, but they are inescapable consequences of democracy itself.

#### 8. Democracy and nonpartisan government

#### • blue pill:

True democracy is not merely the rule of politicians. For a democracy to succeed, a nonpartisan decisionmaking process is essential. Civil servants, especially judges, must be isolated from politics, or they will become corrupt.

#### • red pill:

Democracy is politics. Any other definition is Orwellian. The absence of politics is the absence of democracy, and apolitical civil-service government is indeed better than democracy. But this is a low standard to surpass.

#### 9. The history of Western government

#### • blue pill:

The present system of Western government is the result of adapting 19th-century classical liberalism to the complex modern world.

#### • red pill:

Western governments today are clones of the quasi-democratic FDR regime, whose best modern comparisons are leaders like Mubarak, Putin or Suharto. Its origin was the Progressive movement, which broke classical liberalism, then complained that it didn't work.

#### 10. The future of Western government

#### • blue pill:

The Western world is moving toward a globalized, transnational free market in which politics is increasingly irrelevant, and technocratic experts and NGOs play larger roles in fighting corruption, protecting the environment, and delivering essential public services.

#### • red pill:

Civil-service government works well at first, but it degrades. Its limit as time approaches infinity is sclerotic Brezhnevism. Its justification for ruling is inseparable from democracy, which is mystical nonsense and is rapidly disappearing. It cannot survive without a captive media and

educational system, which the Internet will route around. Also, its financial system is a mess and could collapse at any minute. The whole thing will be lucky if it lasts another ten years.

# Popularchy: rule of the People

Monday, May 21, 2007 at 3:54 PM

As we saw in our look at <u>Fnargl</u>, the <u>Vast And Pungent One</u>, sovereignty is best defined as independently secured real-estate ownership.

"Independent" is just the opposite of "dependent" — it means there is no higher authority you can call if something goes wrong. As one commenter (steve) pointed out, the line here is fuzzy — suppose your city-state is a member of some mutual defense league? Does this make you dependent? But the fact that there is no clear boundary is all the more reason to treat sovereign and non-sovereign rights symmetrically.

Whatever you call it, if you don't have security, you don't have property. And living on a patch of land with no clear owner is no fun at all. The point of the Thousand-Year Fnarg experiment, which hopefully will not be repeated in real life, is that if sovereignty is clearly defined and secured, many if not all of the problems we associate with unlimited government go away — because these problems are actually caused by uncertainty about who *owns* the government.

But how, without the Finger-Snap Of Death, do you secure a nation-sized patch of land?

Obviously, you need to defend it from external invasion. But with H-bombs this is easy — if someone invades you, you set them up the bomb. All you have to do is create a disincentive for external mischief, and nothing says "disincentive" better than an uncontrolled fusion reaction.

At least lately, most failures of sovereignty have been a result of internal attacks. A sort of shoplifting-writ-large. Your customers, tenants, subjects, "citizens" or whatever you want to call them, rise up and seize your property, forcing you to tuck a few nice things into your night bag and flee to Portofino, where you support yourself by posing for snapshots with tourists.

An awful fate — I know. These mobs are so wearisome. But fortunately, there is a solution.

It's a new system of government I call *popularchy*. A popularchy secures itself by making itself popular with its subjects. It trains them to love, honor and obey it.

An effective popularchy is a very secure system of sovereignty. It has no enemies — just friends who haven't seen its virtues yet. Therefore, like the Thousand-Year Fnarg, it should be free and prosperous. For example, a popularchy can permit freedom of speech, because its subjects love it. No sick, baseless slanders can shake their deep and heartfelt loyalty.

However, this is true only up to a point. If your subjects start to realize that they could seize the capital

and redirect its revenues, puny as they may be — Portofino is so *expensive* these days — problems may arise. Of course, one may always fire upon the mob. But this rather ruins the whole effect.

A popularchy has to control the minds of its subjects. And mind control isn't mind control if the mind knows it's being controlled. What is love? What is loyalty? It must be true, it must come from the heart, most of all it must be voluntary. The popularchy *is* its People. To hate the popularchy is to hate the People, to be a misanthrope — to be sick, bitter, and alone.

In a good popularchy, everything powerful is fashionable. The more diligently he serves the People — that is, of course, the government, ie, you — the better a person your subject feels himself to be. Small, menial tasks, done on the People's behalf, such as washing your socks, assume a great spiritual nobility.

Obviously, stated baldly, this is ridiculous. So it must not be stated baldly.

A popularchy must above all manage the information that reaches its subjects. As children, they must learn a responsible and considered love for the People, that is, you. As adults, they should keep up to date by watching People's Television, or by reading one of the many popular newspapers, all of which are staffed with responsible journalists who love the People and report objectively on its behalf. If they are especially smart, they may attend a university where the latest questions of popular studies are eagerly debated.

It's important to constantly remind your subjects that the popularchy is theirs, that it serves them, that you are only a short and rather pudgy expression of the unity and will that is the People. One good way to handle this is to hold a ceremony called an *election*, in which subjects assemble to express their love for the People and their confidence in you. Since of course they are aware of your love for them, which is only the pale reflection of theirs for each other, they will respond with their usual joy and gratitude.

Elections are especially wonderful because they demoralize your opponents. If the election is run honestly — and why shouldn't it be? — everyone can see that your subjects love the People, and ignore the perpetual malcontents that exist in every society.

Sometimes, however, malicious agitators will interfere with this process. These people, as I've said — if "people" is even the word for them — will try to cast mud on the People. On you personally. Even on your family.

Your first instinct is to have their heads. Very right! You should have their heads. And you shall — figuratively, at least.

Public executions are not the thing these days. It is like shooting into the mob. Yes, a good cannonade will send them flying. But it's much better if they stand around all day in the hot sun, then go home tired and frustrated, knowing they've achieved nothing.

So there is no need to be so high-profile. Why give them a target? Why should it be you, personally, whose name is on the ballot? It's not the publicity you care about, just the revenue. As long as the voters all love the People, they can vote for someone else.

There's another political system called *ochlocracy*, in which these mob agitators actually do control the government. In an ochlocracy, the result of the election actually matters, and there's no way to know what the result will be in advance. Naturally this is one of the worst systems of government ever devised, because the mob will split into factions, or *gangs*, each of which is trying to capture the revenues of the state — usually with progressively more violent and underhanded tactics. The usual endpoint of ochlocracy is straight-out civil war. (We can see this in Iraq right now.)

Pretty much the best way to run a popularchy, therefore, is as a kind of *pseudo-ochlocracy*. You have the elections and the gangs and all of that. The mob agitators get their dreamworld. They are elected and enjoy gaudy titles and offices.

What they don't have, however, is any actual power. Or at least not much.

Granted, you have to give them nominal power. In theory, they could do anything, at least if they managed to all agree today. They could even go against the wishes of the People. Instead of washing your socks, for example, they could cut the ends off, so your toes would be cold.

But your subjects love you. They love you more than ever, because you have given them the election. You have abandoned your titles and offices. You are a humble citizen, no more equal than anyone else. Now more than ever, you are the People.

Also, you own the television licenses and the newspaper monopolies. And even if you didn't, it wouldn't matter. Because a reporter is a responsible journalist, and a responsible journalist loves the People. Teachers, professors, civil servants, CEOs and taxi drivers, all are one in their responsible affection for the People, that is, of course, you. Even incognito, you can't hail a cab without the driver turning around and telling you how much he loves the People — who, of course, he doesn't know is you.

If the ochlocrats (sometimes called "politicians") go against the wishes of the People, they will be out on their butts. And they know it. So they may cause a bit of trouble — maybe just enough that your subjects can see what a bad idea it would be to trust them with real power.

The real work of government, of course, has little to do with these nasty actors. And the ochlocrats are specifically, and quite firmly, prohibited from any kind of tampering with the heart of the popularchy—the educational system. They may not interfere with the newspapers, television, schools or universities, and if they try the People will have their heads for real.

So in practice, popularchy is actually a lot like Fnargocracy. Like Fnargl, it will maximize its revenue, in order best to serve the People — the People being, again, you. And like the Thousand-Year Fnarg, it will

be prosperous and free, because it is stable and secure.

If anyone has any spare florins — I know, I know, frankly, servants are so greedy these days — I am available — for a very reasonable fee — to help put this system into practice.

# Democracy as an adaptive fiction

Wednesday, July 25, 2007 at 7:54 AM

It's been a while since I posted anything really controversial and offensive here, and I have a vague sense that there are some new readers who don't know what they've gotten into. Sure, it's still legal to read UR. But unless you take special precautions, you're leaving a trail of HTTP requests that future regimes may have no trouble at all in tracing to you personally. These may well qualify you for a stint in one of the new inpatient sensitivity facilities. Mellow out, as <u>Jello Biafra put it</u>, or you will pay. Try tapping on the wall — I might hear you.

In any case. Today I thought it'd be fun to talk about democracy. Unless you are 107 years old and a veteran of the Austrian Landwehr, you probably associate democracy with peace, freedom, progress and prosperity. Since I associate democracy with war, tyranny, destruction and poverty, we certainly have something to talk about.

My guess is that the conventional view of democracy, which I of course grew up with, is what we can call an *adaptive fiction*. An adaptive fiction is a misperception of reality that, unlike most such misperceptions, manages to outcompete the truth.

For example, suppose we somehow became convinced that warm beer is refreshing, whereas cold beer is poisonous. Obviously a fiction, and obviously maladaptive in our society. However, if we imagine a hot country ruled by brewers, who control their serfs by paying them only in lager, which being warm leaves them both tipsy and unrefreshed, hence quite incapable of revolt... you get the idea.

In this brewers' republic, the warm-beer fiction is what <u>Gaetano Mosca</u> called a *political formula*. (Mosca's philosophy is nicely summarized in James Burnham's <u>The Machiavellians: Defenders of Freedom</u>, which at \$50 for a used pocket-book is positively a bargain, and about as close as you'll get to <u>Oligarchical Collectivism</u>.)

A political formula is a belief that makes the ruled accept their rulers. Since the former tend to outnumber the latter, a political formula is, if not absolutely essential, an excellent way to cut down on your security costs. A political formula is adaptive because the rulers have, obviously, both motive and opportunity to promote it.

The best example of a political formula is divine-right monarchy — simply because this formula is defunct. Hardly anyone these days believes in the divine right of kings. Since at one time, most everyone did, we have incontrovertible proof that adaptive fictions can exist in human societies. Either divine-right monarchy is a fiction, and people then were systematically deluded. Or kings do rule by the grace of God, and people now are systematically deluded.

Or, of course, both. Because Mosca's second example of a political formula is — democracy.

In UR terms, democracy is a core tenet of <u>Universalism</u>. It's really not possible to be a Universalist and not believe in democracy. It's like being a Catholic and thinking the Virgin Mary was "just some chick."

Universalism is the faith of the <u>Brahmins</u>, the intellectual caste whose global dominance has been unchallenged arguably since World War II, and certainly since the end of the Cold War. Since an intellectual is defined by his or her ability to influence the opinions of others, it's not hard to see why democracy is such an effective political formula. Democracy means that popular opinion controls the State; intellectuals guide popular opinion; ergo, intellectuals guide the State.

As Walter Lippmann pointed out 75 years ago, public opinion in a democracy is a sort of funhouse mirror that reflects — albeit inaccurately, imperfectly and often quite reluctantly — the views of the governing elite. To be fair, it also has a certain filtering effect which discourages some of the nuttiest intellectual fads, if only because they can be positively incomprehensible to anyone who hasn't been to Harvard. But the history of extraordinary popular delusions does not afford much confidence — and with only a few exceptions, the beliefs held at elite schools in the Unionist (Lincoln to Wilson), Progressive (Wilson to FDR), and Universalist (FDR to now) periods have been leading indicators of American public opinion. Very generally, the consensus at Harvard at year Y is the consensus of America at Y+50. If this isn't power, what is?

I don't think anyone reasonable would dispute this. What I do think many reasonable people would dispute is the claim that democracy is a *fiction* — which, note, I have not justified at all.

In fact it's perfectly possible for a political formula to be an accurate description of reality. If democracy is the rule of Brahmins, fine. But don't the Brahmins seem to be doing a pretty good job of it? Don't we have — with a few small exceptions — peace, freedom, prosperity and progress? And, even more damning, don't the places in the world that lack democracy also seem to lack these things?

It is all very convincing. But, you see, a political formula *has* to be convincing. We're not talking about something some as shole came up with on his lunch break here. We're looking at the result of 200-plus years of adaptive evolution. We shouldn't expect a sordid little lie. We should expect a spectacular masterpiece of incredible mendacity. If it is, in fact, an adaptive fiction — and it certainly seems prudent to start by assuming the worst — democracy has fooled pretty much all of the people, pretty much all the time. At least for most of the 20th century.

So I could point out that the Austro-Hungarian Empire had plenty of peace, freedom, prosperity and progress, and hardly any democracy. Or that the same can be said of Dubai, Hong Kong, and even in many ways Singapore. Or that the Founders who created the American Republic for the most part feared and despised mob rule, or that the Civil War more than justified these fears. Or that the so-called

democracies of the Progressive and Universalist eras, especially colonial confections such as the EU, combine a homeopathic dose of democracy with an allopathic dose of the Hegelian civil-service state, whose functionaries are intentionally unaccountable to "the People," and whose jobs would change not at all if elective offices suddenly became familial — as in fact they may be in the early stages of doing.

But this would be the same kind of argument that is made in favor of democracy. A jumble of negative associations to counter the jumble of positive associations. Hardly effective against a sacred status quo.

As Swift said, it's useless to try to reason a man out of a thing he was never reasoned into, and certainly few of us were reasoned into democracy. However, I do vaguely remember my earliest, and surely entirely received, thoughts on why democracy is so great. And perhaps it's worthwhile trying to unravel the string from the beginning.

As I recall, I thought democracy was great because America was obviously democratic and free, it was opposed to the Soviet system which was non-democratic and non-free, and both had fought a war against the Nazis, who were non-democratic and evil. It was pretty clear to me, as it still is, that the parties running these non-democratic states were simply mafias.

So we have the association again: democracy equals free and prosperous, non-democracy equals tyrannous and poor. Case closed, it would seem.

Unfortunately, <u>correlation does not imply causation</u>. And there's another causal explanation of this correlation that makes at least as much sense.

In the standard view, democracy is like the cure for a disease. This disease might simply be described as primitiveness. The primitive way of government is tyrannous and, frankly, bestial, going back to the chimpanzees with their chief-chimps and chimp wars. Democracy cures this disease and allows us to have HDTVs and iPhones. Those who don't take the democracy pill are stuck in chimp world and have to live under chimp government, fishing for ants with sticks.

In the inverted view, democracy is like a poison. The permanent contest for political power that democracy creates is an extreme case of limited war, in which no weapons at all are allowed, and battle is resolved by counting heads. In other words, democracy is a permanent source of <u>friction</u>. Only very stable, healthy and homogeneous societies can withstand this poison. In those that can't, the cultural convention of limited warfare breaks down, and true civil war emerges, culminating in, of course, chimp government.

So a free, prosperous democratic society is like a person who's so strong and healthy he can take a dose of arsenic every day — or at least, every four years — and still survive, sort of. The free, prosperous democratic society might be remarkably unfree and unprosperous compared to an undemocratic society that never took the arsenic, but so few of the latter survived the last two centuries that we have no basis for comparison. (You can't really compare the US or France to Singapore or Dubai. Even the Central

Powers of WWI were anything but free from democratic politics. Any exercise in imagining what 180 years of technical progress would have brought to, say, the France of Charles X, is entirely in the department of fantasy.)

Meanwhile, the undemocratic, tyrannous societies are not those which failed to take the democratic arsenic, but those which took it and found it fatal. Of course they are no longer ingesting the medication. Their lips do not move and their throat does not swallow. Civil society has been destroyed. I'm sure there are one or two 20th-century tyrannies which did not get that way as the result of a democratic *degringolade*, but I find it hard to think of them.

Both the standard and inverted perspectives are quite consistent with historical fact. And the inverted model is by no means as unusual as one might think. Every time you hear someone decrying the presence of politics in government, he or she is expressing it. Anyone who praises "nonpartisan" or "bipartisan" or, so help me God, "post-partisan" government, or (especially in Europe) decries the existence of "populist" parties or politicians, or even who believes that there is no room for "extremism" in politics, is stating their fear and distrust of democracy.

Yet none of them will put it in these terms. In conventional Universalist discourse, therefore, the democratic state becomes a kind of sickbed patient, an employment opportunity for every chiropractor, homeopath or bloodletter under the sun. Its health is constantly fretted over in the direct of terms. All the problems of democracy can be solved by... more democracy.

Most people don't know this, but Marxist-Leninist thinkers saw socialism in the same way. Socialism had this problem, it had that problem, yes, it was true, the turnips were rotting in the fields and men were sent to Siberia for speaking their minds. But was this an occasion to discard all the achievements of socialism? Wouldn't that be curing acne with decapitation? Shouldn't we instead move forward, to a kinder and more efficient socialism? The temptation to reform, rather than abandon, the adaptive fiction, is omnipresent.

Another way the democratic fiction protects itself is to define "democracy" as "successful democracy." Therefore, it is easy to see that democracy is always successful. For example, there was a democratic election in Iraq — using one of the most democratic of democratic forms, proportional representation, specifically recommended by the UN — and there is now a democratic government. This government is incapable of enforcing the law or even administering itself, however, so it <u>cannot be true democracy</u>.

(And no one thinks the failure of democracy in Iraq casts any aspersion on democracy. Even the pessimists conclude that Iraq is simply not "ready" for democracy. The ultra-pessimists conclude that Iraq may never be ready, presumably because of its strong tribal culture and its national IQ of 87. No one seems to suspect democracy itself. If your medicine routinely kills the weak and spares only the sturdy, Occam's razor doesn't lead you to suspect that it's bad for sick people, but good for healthy ones.)

In fact, the word "democracy" has narrowed over time to focus on those democratic forms which have been more correlated with success. Reversing this definition creep is a difficult and unenviable task, and so I'll resort to my usual tricks and define a new word, which corresponds to the literal derivation of "democracy" rather than its present connotations.

Let's define *demotism* as rule in the name of the People. Any system of government in which the regime defines itself as representing or embodying the popular or general will can be described as "demotist." Demotism includes all systems of government which trace their heritage to the French or American Revolutions — if anything, it errs on the broad side.

The Eastern bloc (which regularly described itself as "people's democracy") was certainly demotist. So was National Socialism — it is hard to see how Volk and Demos are anything but synonyms. Both Communism and Nazism were, in fact, obsessed with managing public opinion. Like all governments, their rule was certainly backed up by force, if more so in the case of Communism (the prewar Gestapo had less than 10,000 employees). But political formulae were of great importance to them. It's hard to argue that the Nazi and Bolshevik states were any less deified than any clerical divine-right monarchy.

Most people in democratic states tend to instinctively classify political systems into two types: democracies and everything else. (Of course, this dichotomy is typical of all political formulas — any regime constituted under a conflicting formula must be somehow invalid.) The old monarchist-aristocratic order in Europe, which was certainly not perfect, falls into "everything else," and thus we wind up putting, say, Elizabeth I and Stalin into the same bag.

The difference between a monarch and a dictator is that the monarchical succession is defined by law and the dictatorial succession is defined by power. The effect in the latter is that the fish rots from the head down — lawlessness permeates the state, as in a mafia family, because contending leaders must build informal coalitions. Since another name for a monarchist is a <u>legitimist</u>, we can contrast the legitimist and demotist theories of government.

Perhaps unsurprisingly, I see legitimism as a sort of proto-<u>formalism</u>. The royal family is a perpetual corporation, the kingdom is the property of this corporation, and the whole thing is a sort of real-estate venture on a grand scale. Why does the family own the corporation and the corporation own the kingdom? Because it does. Property is historically arbitrary.

The best way for the monarchies of Old Europe to modernize, in my book, would have been to transition the corporation from family ownership to shareholder ownership, eliminating the hereditary principle which caused so many problems for so many monarchies. However, the trouble with corporate monarchism is that it presents no obvious political formula. "Because it does" cuts no ice with a mob of pitchfork-wielding peasants.

So the legitimist system went down another path, which led eventually to its destruction: the path of

divine-right monarchy. When everyone believes in God, "because God says so" is a much more impressive formula.

Perhaps the best way to look at demotism is to see it as the Protestant version of rule by divine right — based on the theory of *vox populi*, *vox dei*. If you add divine-right monarchy to a religious system that is shifting from the worship of God to the worship of Man, demotism is pretty much what you'd expect to precipitate in the beaker.

Demotist political formulas have varied a good bit, but the phrase that expresses demotism as well as any I can think of is "self-government." I frequently see this term used as if it meant something. In fact it does not, which is perhaps the best debunking of democracy I can offer.

Does "self-government" mean "government by yourself"? Certainly "self-employment" means "employment by yourself," "self-abuse" means "abuse by yourself," etc, etc. But the idea of "government by yourself" is inherently tautological. Unless you're possessed by a demon, you govern yourself by definition. If the term means anything in this sense, it means that there is no other form of government, ie, no government at all — anarchy. But clearly this is not what the people who talk of "self-government" mean. If we are governed at all, we are governed by others — and thus "self-government" is a classic Orwellian paradox.

In practice the term seems most commonly to refer to "government by persons of the same race, culture, language, or social class or as oneself." Since I am not, in fact, a bigot, it's quite unclear why this should matter to me. Surely I can be either oppressed or treated decently by people of any race, color or creed, whether my own or someone else's.

From the perspective of its subjects, what counts is not who runs the government, but what the government does. Good government is effective, lawful government. Bad government is ineffective, lawless government. How anyone reasonable could disagree with these statements is quite beyond me. And yet clearly almost everyone does.

If we look at the entire demotist family, consisting of Anglo-American liberal democracy, Marxist-Leninism, and National Socialism, the last two are clearly disasters. (There is a strange tendency in contemporary Universalist thought to see National Socialism as somehow on an entirely different plane of evil than Marxist-Leninism — for example, purging neo-Nazis is routine, whereas purging neo-Communists is McCarthyism. I don't understand this at all, but then again, I don't understand a lot of Universalist doctrine.)

This leaves us with liberal democracy. As we've seen time and again here at UR, the word "liberal" is meretricious to perfection, so we need a substitute — perhaps "lawful" will do. Let's define "lawful democracy" as any demotist government that upholds the rule of law.

In other words, Universalist lawful democracy is the least demotist of demotisms, Demotism Lite if you

will. Compared to Communism and Nazism, there's much to be said for it. But this is a rather low bar.

I think it's pretty clear that, if you lived in 1750 and a djinn appeared to you, explained the history of demotism in the next 250 years, and gave you the option of erasing all of it and just sticking with legitimism, you'd have to be a fairly perverse and sadistic fellow to decline the offer. It's difficult to even scrape together 10^6 victims of legitimist government, let alone the 10^8 plus that Communism and Nazism racked up — not forgetting the million or so killed in the ruthless Universalist city-bombings of WWII, which were certainly war crimes by the standard of anyone who can produce a river of tears for the sufferers of Guantanamo.

The reason it's so difficult to oppose lawful democracy is that we have so few alternatives to compare it to. Existential dissidence in the Soviet Union, for example — the desire to defeat the system, not just reform it — derived an enormous percentage of its credibility from the fact that the West clearly existed, and clearly (much propaganda notwithstanding) worked better.

The West has no West of its own. Besides tiny fossils of old Europe like Andorra, Monaco and Lichtenstein, the only successful non-democratic states in the world are Singapore, Hong Kong and Dubai, each of which is interesting and impressive, but none of which are without problems. (I don't normally spend much time in the Universalist blogosphere, because I consider myself pretty familiar with the product, but <u>these threads</u> on Singapore struck me as interesting and sincere.)

So there is no getting around it: democracy may be, as I contend, a lie, but this lie has us by the gills. It is not going away any time soon. The reason I oppose it is not because I believe there is any chance of getting rid of it in the near future, but simply because I prefer to live with what I consider an accurate perception of reality.

Also, remember that democracy is a state of limited civil war. It is always pregnant with the spark of war proper, at home or abroad. It's fairly obvious that, in many of the international conflicts of the Universalist era, the two sides have been allied or <u>parallied</u> with different American political parties — even when the US military is involved in the war. To call this phenomenon dangerous would be an understatement, and I'll say more about it shortly.

Two 20th-century writers who have existentially opposed democracy are <u>Hans-Hermann Hoppe</u> and <u>Erik von Kuehnelt-Leddihn</u>. Hoppe is a libertarian and K-L was a monarchist, so neither's views are exactly the same as mine, but they are both worth reading. Hoppe is probably the more rigorous thinker; K-L was a much better writer with a broader, more intuitive feel for history. If you're considering the hard and rocky road of the anti-democratic dissident, you should definitely check out their works.

# Against political freedom

Thursday, August 16, 2007 at 1:11 AM

I am quite sure there are still some UR readers who believe in democracy.

(I am supposed to be a generalist, and it hasn't escaped my notice that I've been concentrating excessively on this particular spot on the piñata. It is a tough one and it may take a couple more whacks. Then we will move on to more fun stuff. If you already feel convinced, if you are ready to open the window, stick your head out and yell like Peter Finch in Network (in your scream, please be sure to include the full URL — if you just howl "UR!", they are unlikely to understand you), you have done enough and you can skip this one.)

Let's call anyone who believes in democracy a *demotist*. A demotist is just anyone who has a positive association with the compound of *demos* and *kratos*. He or she thinks that democracy in general, if not necessarily every specific use to which this vague and ancient term has ever attached itself, is basically a good thing.

Presumably then an *antidemotist* would be one who disbelieved in democracy, who thought that democracy in general is basically a bad thing. An antidemotist might use the word *demotist* in much the way some demotists seem to call anything they don't like *fascist*.

Can you imagine a 21st-century post-demotist society? One that saw itself as recovering from democracy, much as Eastern Europe sees itself as recovering from Communism? Well, I suppose that makes one of us.

The obvious problem for any would-be antidemotist is to explain the 20th century, in which <u>Universalist</u> liberal democracy fought and defeated Fascism and Communism. (See my <u>last post</u>.) Unless you are a Nazi or a Communist, you have to explain how democracy can be bad, yet the victory of democracy over non-democracy can be good.

As I've <u>explained</u>, my answer is that all three of these contenders were shoots from the branch of the 19th-century democratic movement. All revered the People, all devised a doctrine by which the State represents, symbolizes, or is otherwise identified with the People, and all attributed great importance to public opinion and went to great lengths to manage it.

To borrow the <u>cladistic</u> method of biological taxonomy, just as a human, a gorilla and a chimpanzee are equally related (or unrelated) to a baboon, Universalism, Fascism and Communism are equally related (or unrelated) to monarchism. Just as a human may find the gorilla and chimpanzee vaguely baboonlike, a Universalist is likely to think of Fascist or Communist dictatorships as somehow monarchy-like. But to

a baboon, an ape is an ape, and biology supports his claim.

The baboon, therefore, is perfectly within his right in generalizing across the whole ape <u>clade</u>. He notes the general tendency of apes to slaughter, dismember, and otherwise abuse baboons. That not all apes are bad apes he will cheerfully admit. Indeed he's very interested in knowing how to tell a good ape from a bad ape. But the general proposition that apes are dangerous and scary strikes him as quite uncontroversial.

I am neither a baboon nor a monarchist. However, when we look at the astounding violence of the democratic era, it strikes me as quite defensible to simply write off the whole idea as a disaster, and focus on correcting the many faults of monarchism. Certainly, it's hard to imagine how the Civil War, WWI, WWII, the Holocaust, etc, could have occurred in a world where the Stuarts, Bourbons, Hohenzollerns, Hapsburgs and Romanovs still reigned and ruled. The royal families of old Europe had their squabbles, but conscription, total war and mass murder were not in their playbooks.

So let me coin another name for <u>formalism</u>, and call it <u>neocameralism</u>. The word is mainly picked for its Google virginity, but it should also be reminiscent of <u>cameralism</u>, the governing philosophy of <u>Frederick</u> <u>the Great</u>, whose <u>Anti-Machiavel</u> is good reading for anyone wondering what went wrong in the 19th and 20th centuries. (Of course, if you're a demotist, maybe you don't think anything went wrong at all.)

The basic insight of cameralism was that well-governed states tended to be prosperous. This was associated with a variety of primitive economic theories, such as mercantilism, which are probably best discarded. And cameralism was of course associated with monarchism, whose biological vagaries are infamous. A family business is a great idea if your business is a corner store or an auto-body shop. If you have a continent to run, you want professionals.

To a neocameralist, a state is a business which owns a country. A state should be managed, like any other large business, by dividing logical ownership into negotiable shares, each of which yields a precise fraction of the state's profit. (A well-run state is very profitable.) Each share has one vote, and the shareholders elect a board, which hires and fires managers.

This business's customers are its residents. A profitably-managed neocameralist state will, like any business, serve its customers efficiently and effectively. Misgovernment equals mismanagement.

For example, a neocameralist state will work hard to keep any promise it makes to its residents. Not because some even more powerful authority forces it to, but because it is very pleasant and reassuring to live in a country where the government can be trusted, and it is scary and awful to live in a country where it can't. Since trust once broken takes a long time to rebuild, a state that breaks its own laws has just given its capital a substantial haircut. Its stock is almost certain to go down.

Suppose, for example, that our neocameralist state raises all its revenue with a property tax, a la Henry George. One easy way to run a property-tax regime is a self-assessment registry: every real-estate owner

lists and updates a reserve price for every property, and anyone can buy at this price. If owners set the price too high, they will pay too much tax. If they set it too low, their property will be snapped up. This system is trivial to administer, its Laffer curve should be easy to map, and the curve's peak should be quite high.

It's easy to value this single-tax state as an enterprise. The value of the corporation is a function of its tax rate and the total value of its real estate. Assuming tax rates are fixed by contract, the neocameralist state's incentive is simply to maximize property prices. Any policy that would make it a less pleasant place to live or work is clearly contraindicated.

Imagining, therefore, that Hohenzollern Prussia had somehow failed to degenerate into quasi-democratic nationalist militarism, but instead had listed shares in London — or imagining that 21st-century Singapore, Dubai or Hong Kong could somehow do an IPO — we can examine the demotist period from our safe, if imaginary, neocameralist future.

Clearly, the worst forms of demotism, the really bad apes, were the totalitarian systems — fascism and communism. The main difference between fascism and communism was not in mechanism, but in origin — fascist elites tended to be militarist, communist elites intellectual. But the one-party state is a clear case of convergent evolution.

To a neocameralist, totalitarianism is democracy in its full-blown, most malignant form. Democracy doesn't always deteriorate into totalitarianism, and lighting up at the gas pump doesn't always engulf you in a ball of fire. Many people with cancer live a long time or die of something else instead. This doesn't mean you should smoke half of Virginia before lunch.

A political party is a political party. It is a large group of people allied for the purpose of seizing and wielding power. If it does not choose to arm its followers, this is only because it finds unarmed followers more useful than armed ones. If it chooses less effective strategies out of moral compunction, it will be outcompeted by some less-principled party.

When one party gains full control over the state, it gains a massive revenue stream that it can divert entirely to its supporters. The result is a classic informal management structure, whose workings should be clear to anyone who watched a few episodes of "The Sopranos." Without a formal ownership structure, in which the entire profit of the whole enterprise is collected and distributed centrally, money and other goodies leak from every pore.

Totalitarian states are gangster states, in other words, and they tend to corruption and mismanagement. The personality cult of dictatorship is quite misleading — a totalitarian dictator has little in common with a neocameralist CEO, or even a cameralist monarch.

The difference is the management structure. The CEO and the monarch owe their positions to a law

which all can obey, and those who choose to obey the law are naturally a winning coalition against those who choose to break it. The dictator's position is the result of his primacy in a pyramid of criminals. This structure is naturally unstable. There is always some other gangster who wants your job. Dictators, like Mafia chiefs, are not good at dying in bed.

The internal and external violence typical of totalitarian states is best explained, I think, by this built-in mismanagement. Dictators are violent because they have to be — they use violence as an organizing principle. The totalitarian state has no principle of legitimacy that would render it impractical for an ambitious subordinate to capture the state with a coup. European monarchs made war, sometimes they were assassinated, and there were even succession struggles, but coups in the modern sense were very rare.

Note that the financial logic which keeps the neocameralist state lawful does not apply in any way to the totalitarian state, because the latter does not have a stable management structure which is controlled by its shareholders. Lawlessness is not profitable for the state as a whole, but it may be quite profitable for the part that chooses lawlessness, and in the totalitarian state no one is counting as a whole.

Similarly, only shareholder control gives the neocameralist state an incentive to remain small and efficient. The totalitarian state has an incentive to become large and inefficient, because every functionary has an incentive to expand his or her own department, and no bean-counter who demands that the department do more with less.

In a totalitarian state, since no gangster is permanently safe from any other gangster, there is a strong incentive for anyone with power to take what he can, while he can. And there is no disincentive for him to avoid abusing a resource which neither he nor his allies benefit from. Under gangster management, the totalitarian states often engaged not only in mass murder, but mass murder of their most economically productive citizens.

It may seem odd that a two-party state would be so much better than a one-party state. But it actually makes a great deal of sense.

Two-party or multiparty states succeed because none of the parties can redirect state revenue openly to its own pocket. They have an incentive to compromise, and they often compromise on something like professional management. The result, although still afflicted by factional tension, may approach something like the rule of law.

Unfortunately, two-party states have a number of paths by which they can degenerate into one-party states. For example, one party might use the power of government to marginalize and destroy its competitors. But this is by no means the only possible disaster.

Perhaps the greatest danger is that partylike structures form in civil-service departments that are nominally nonpartisan. If you think of Western journalists as a political party, for example, you notice

that they fit the description quite well. Certainly their training is very much along the lines of cadre indoctrination. I'd argue that the entire <u>Polygon</u> is essentially an embryonic one-party state, although in the United States at least, it still has to be moderate in its attacks on the old political system. Nonetheless, the outlines of a "post-partisan" state are becoming clear, especially in Europe, and it is not neocameralist in the slightest.

All of this is easy to say. However, all of us grew up knowing that democracy is the best of all possible systems of government, and it takes a large stack of reasonable reasons before this deep fondness will even begin to buckle. So let me take another whack while the piñata is still swinging, and attack the idea of "political freedom."

Political freedom is the freedom to engage in acts whose purpose is not direct satisfaction, but indirect satisfaction obtained by influencing government policy. When you vote, demonstrate, print underground leaflets, etc, you are engaged in acts of political freedom. You do these things only because you believe they have some political effect.

Personal freedom is the freedom to engage in all other acts that satisfy you directly, and that do not infringe the rights of others. For example, the other day I quoted Navrozov quoting Hobbes, who lists the following personal freedoms:

to buy, and sell, and otherwise contract with one another; to choose their own abode, their own diet, their own trade of life, and institute their children as they themselves think fit; and the like.

Note that democracies tend to do a rather poor job of respecting these Hobbesian liberties. The only two that are customarily still respected are abode and trade of life — the Universalist democracies, at least, do not assign their citizens housing or jobs. They are massively obsessed with the regulation of buying, selling, and contracting, they manage enormous programs of official education, and they are not without their dietary laws.

Furthermore, there are some rather obvious candidates for "the like" in a modern society. For example, one might have freedom of medicine — absolute ownership of your own body, and the right to choose what experts help you maintain it, or what chemicals, devices, or procedures they may employ. Or freedom of association — the absolute right to choose who you work and play with, when and why. Or freedom of finance — the absolute right to manage your own property and dispose of it as you see fit.

If a neocameralist state has any reason to infringe its customers' freedoms in any of these areas, I cannot imagine what it might be. Whereas our democratic governments are constantly infringing them in almost every way imaginable, for reasons that seem to be rooted simply in the production and maintenance of official employment.

Of course, if you have political freedom, you can use it to agitate for personal freedom. Thus, the

demotist catechism goes, political freedom is actually the most important sort of freedom, because if you have political freedom and enough people agree with you, you can get anything — including personal freedom. And if you can't convince the People, well, you were probably wrong in the first place.

And political freedom can also get you other goodies. Such as, for example, a share of this delicious revenue stream that the State is constantly producing. Or various benefits purchased with such.

Perhaps I'm not presenting the case for political freedom eloquently enough, because these arguments strike me as very poor. If politics is good because you can use it to achieve personal freedom, this is not a case for politics over other methods, which seem much more effective, of producing personal freedom.

And the use of politics to benefit yourself is simply lawless extortion. Here we see the essentially paramilitary nature of democracy. When you use power to monopolize some scarce resource, in the absence of a law that assigns an owner to that resource, you are inevitably struggling against others who will use power themselves. This may be extremely limited war, but it is war nonetheless.

On the border between personal and political freedom are freedoms such as freedom of the press, which can be defined as personal freedoms, but which as such affect relatively few people in a relatively minor way. Not many people are intellectuals who like to write for the public — there are probably more windsurfers, for example, in the world. Banning windsurfing would be a personal cost to those that like to windsurf, but not so much to anyone else.

Of course, infringing the freedom of the press harms the freedom of those who like to read — a much larger group, if still hardly the majority. But suppose the freedom of the press is infringed only on political subjects? Or only trivial subjects? For example, suppose it's illegal to insult the King, as it is in Thailand?

When I compare freedom of medicine, for example, to freedom of political publishing, I can't help but feel that the former is much more important. Am I crazy? Perhaps I am crazy. If so, perhaps someone will write in and tell me.

The issue arises, you see, because of the existence of vaguely quasi-neocameralist states such as Singapore and Dubai. I linked earlier to <u>this discussion</u> on a very orthodox Universalist blog (<u>Unfogged</u>) of Singapore — it's interesting how Universalists can maintain their convictions even while living in a place whose very existence contradicts them. The contradiction becomes just another proof of faith. Yet another case of Auster's <u>unprincipled exception</u>, I suppose.

Singapore and Dubai are not neocameralist paradises. They are certainly very well-managed in most senses, but they are also extremely conscious of living in a political world. Singapore in particular emerged out of very nasty postcolonial street politics — the ruling party is still called the <u>People's Action Party</u>. I really cannot think of a more terrifying name.

And so Singapore in particular works very hard, and very famously, to suppress politics and political freedom. My understanding — perhaps someone can correct me — is that almost everyone in Singapore has no interest at all in antigovernment politics, that people really are genuinely happy to simply think about their own lives.

But for a Singaporean to be involved in antigovernment politics has roughly the same result that involvement in racist or other extremist politics has for an American. It is simply politically incorrect in Singapore to say bad things about the government, much as it's politically incorrect here to say bad things about protected minorities. At least it's a social faux pas, at most it might cost you your job.

I find it difficult, of course, to endorse political correctness. This is because I'm an intellectual and I have trouble keeping my mouth shut. I have enough trouble with the American version of the doctrine.

But I agree with Hobbes on one thing: a government is not a government unless it takes all necessary steps to preserve itself. It is not physically feasible to arrest and prosecute every soldier of an invading army. The same applies for domestic "militant" movements as well. A state that does not have the power to ban political organizations is leaving itself open to linked political-military movements, such as Sinn Fein and the IRA — an open invitation for every political party to grow a paramilitary wing. In Weimar Germany, even the Social Democrats had their own equivalent of the SA.

If we regard suspension of political freedom in this light, Singapore is simply protecting itself from the ravages of democracy — which has certainly <u>afflicted</u> it in recent memory. It's hard to fault the People's Action Party for this. But I wish there was a better modern example of Bismarck's dictum with regard to the press: "they say what they want, I do what I want."

In my ideal neocameralist state, there is no political freedom because there is no politics. Perhaps the government has a comment box where you can express your opinion. Perhaps it does customer surveys and even polls. But there is no organization and no reason to organize, because no combination of residents can influence government policy by coercion.

And precisely because of this stability, you can think, say, or write whatever you want. Because the state has no reason to care. Your freedom of thought, speech, and expression is no longer a political freedom. It is only a personal freedom.

# Rotary management: the next big thing

Sunday, August 19, 2007 at 9:50 PM

I confess: I am not actually a management consultant.

However, I have invented a new theory of management, which I call the *rotary system*. My prediction is that rotary management will take the world by storm. The French will adore it, the Chinese will export it, the British will borrow it, the Israelis will adopt it as standard military procedure, the EU will define it as an environmental safety regulation, and the IRS will insert it by reference as Form 1337.

The rotary system separates all employees into two types, which it calls the *stators* and the *rotors*. Stators are normal employees as you would find at any other company. What makes the rotary system superior is its use of *rotors*, who practice *customer-driven positional rotation*.

Needless to say, I am currently seeking vital intellectual-property protection on the rotary system. [Just this week we've filed in Malawi and Antigua — I'll bet they still think just one person writes this blog... ha — QM] And CDPR is the principal claim. So you'll understand if I am a little vague about some of the more technical aspects of the design.

But I can talk about the basic features of the system. Again, people, this is my property. Please don't try to use the rotary system yourself. You will probably do it wrong, and someone will get hurt. At least contact me first. My fees are not excessive.

The premise of the rotary system is that, at any large company, you have a class of generalist managers who can occupy any important position. Top management is fungible. As John Sculley proved, selling soft drinks is an excellent preparation for running the world's leading computer company.

Therefore, rather than a rigid hierarchical process for promoting managers, we can nurture these generalists by *rotating* them in office. Rotation keeps managers from overspecializing, and more important, it breaks up the little cliques and empires that form in every office.

And even more important, rotation gives us a way to involve the customers in the process of management. Customer-driven rotation is a critical competitive advantage for the new sustainable enterprises that will compete and win in the 21st-century global market. Whatever your business is, you'll find that giving customers a voice in management makes it more efficient and responsive. In the 20th century they used to say "the customer is king," but as we'll see, in the rotary system the customer almost literally *is* king.

One of the basic insights of rotary management theory is that there are two types of people: specialists

and generalists. These are basic personality types — S and G. Like Myers-Briggs, but with only one letter.

In the old days, people tended to move back and forth between specialist and generalist roles, or advance from specialist to generalist positions. We see a lot less of this now, and for very good reasons. The rotary system makes this division scientific by separating the personality types into career tracks. When an employee starts with the company, he or she is coded either S or G, and this code is permanent. Personality tests, of course, are ideal, but another easy way to assign S or G codes is by race, religion, or national origin — for example, all Germans might be G, all Shiites might be S, and so on. A little touch of whimsy goes a long way here.

However you do it, every S is a stator and every G is a rotor. The rotor and stator tracks must be separate. No one who has ever worked as a stator can become a rotor, or vice versa. It's sort of like the difference between a doctor and a veterinarian.

To use the rotary system, start by hiring a good-sized pool of rotors, always people who have strong liberal educations (never advanced technical or scientific degrees), and have worked in other fields, at nonprofits, in law or medicine, or in any other role either unskilled, unmanaged, or both. A rotor must never have held any statorlike position. The generalist mind is delicate. Any hint of specialization ruins it.

The rotary system manages stators in more or less the same way as 20th-century corporate employees. They are salaried, they have formal grades or ranks, and HR must initiate or at least approve all promotions. All stators hold their positions indefinitely, and change jobs only at their discretion or that of their supervisor.

Rotors are salaried as well (there are no "options" under the rotary system, nor is anyone paid by the hour or piece), but they have no formal ranks. Pay is by position. However, rank can usually be inferred from a rotor's salary and/or responsibility. A rotor's importance is defined by the importance of his or her position. A rotor with no position is returned to the rotor pool, in which he or she receives no salary at all, but is allowed to engage in external freelance consulting. Obviously, attrition in the pool is high, which keeps rotors focused on success.

Responsibilities are defined as follows: the rotors are always on top. Except in the special case of inspection (see below), no stator ever gets to tell a rotor what to do. No position fluctuates between stator or rotor: each job is always one or the other. And the rotor thickness is one. There is never any direct administrative relationship between any two rotors. No rotor can be the supervisor of another rotor, at least not officially, although informal relationships will of course form.

The company assigns rotors to their jobs in a very special way. Rotors *rotate* in office. This is the secret of the rotary system. (Of course, it's not a secret now. But that doesn't mean it isn't proprietary technology. If you think you can just copy my invention — think again, buddy.)

Every rotary position has a formal *period* at which the rotor who occupies the position is, or at least can be, replaced. Periods are typically a small number of years, such as two or four. Depending on how the rotary system is installed (ideally, it should be integrated with your ERP system), it may or may not limit the number of consecutive periods for which any one rotor may be reappointed, but the simplest approach is to just disallow reappointment.

For each rotary position, at each period expiration, your HR department will produce a list of *candidates*, all of whom are rotors and present employees of the company. The individual rotors who hold these positions will then be chosen by a process of *customer selection*.

Customer selection is exactly what it sounds like. The goal of the rotary system is to produce a truly customer-driven enterprise. It proposes a simple solution to this problem, which for some reason has been overlooked: allow the customers to select the management.

Because HR chooses only qualified candidates, there is no danger whatsoever that anyone who is not qualified will be selected for the position. Quite the contrary! Rotors will compete on the basis of their ability to satisfy the customer's needs. Obviously, an uncompetitive candidate, if one somehow slips past HR, will be unlikely to fool the eagle-eyed customer.

Successful rotors will have to demonstrate a commitment to customer service — to the customers themselves. They will be chosen by those who feel the results of their work. If Starbucks, for example, starts selling burned, watery espresso — oh, wait! They do sell burned, watery espresso. That's probably because they don't use the rotary system.

A customer is anyone who benefits from the company's work. It's important to use the widest possible definition of this term. Employees are customers too, for example. Stockholders are certainly customers. Any employee of any supplier or distributor is a customer. Any direct family member of a customer is a customer. And so on. Basically, a customer is what corporate governance experts call a *stakeholder* — anyone to whom the company's activities matter.

Each customer gets one loyalty point. In the rotary system, customer selection is a *human* process. As the inventor of rotary management, I absolutely reject the idea of varying loyalty points by stakeholder importance — whatever that might even mean. When any position's rotary period expires, the company conducts a selection, and the candidate rotor who receives the most loyalty points has the job for the next period.

Under the rotary system, all company employees are assigned to one of three *arms*, whose roles are defined as *execution*, *standardization*, and *inspection*. Basically, the execution arm performs the actual functions of the company, the standardization arm sets the procedures by which it operates, and the inspection arm makes sure the standards are followed.

Most stators work for the execution arm, which is headed by a single rotor, the *Primary Rotor*. The P-Rotor is the rotary system's equivalent of a CEO, or at least the closest equivalent. Unlike a CEO, the P-Rotor has no control over standardization or inspection.

There are two classes of stators in the execution arm: *staff stators* and *line stators*. Staff stators are selected by the P-Rotor personally, at his or her own discretion. Line stators (most stators are line stators) are selected by HR. You can think of a staff stator as almost a sort of sub-rotor, although again, no one who has ever been any kind of stator can become a rotor. However, it's unusual for a stator to move between staff and line roles.

Again, the P-Rotor and all stators in the execution arm are subject to full standardization and inspection. This is one of the main advantages of the rotary system: all work is standardized and inspected, ensuring a completely customer-driven enterprise.

Standardization is controlled by a large body of rotors called the *Committee*. The Committee, which should have at least fifty rotors, and may scale up to hundreds, drafts and enacts standards for all company procedures. All employees in the execution arm must comply with all Committee standards. Needless to say, unstandardized execution is undesirable.

Committee rotors (C-rotors) all have the same job title and status. They are selected by different segments of the customer base. For example, if you produce computers, you might have one C-rotor for the education market and another for the adult entertainment industry. Obviously, these are very different points of view. The purpose of the Committee is to make sure all these views are heard, and all are taken into account when standardizing procedures.

Each C-rotor has a small group of staff stators, and HR also assigns some line stators to serve the Committee. However, since obviously the Committee is not directly involved in execution, keeping it lean and mean minimizes overhead.

The Committee can standardize anything. All execution procedures are under its supervision. If it wants to require all stators in the execution arm, or even the P-Rotor himself, to keep all pens on the left side of their desks, it may do so. Since the Committee is selected by the customers, any such procedure is almost certainly necessary for customer satisfaction.

Ensuring compliance with Committee standards is the task of the *Inspectors*. The Inspectors have a very unique role in the rotary system: they are stators supervised by no rotor. Even the highest Inspectors, the Inspector-Councilors, are stators.

There are only a small number of Inspectors, and they are not subject to the ordinary stator personnel system. Instead, Inspectors are selected personally by the P-Rotor (and staff), and the selection must be approved by the Committee. Their positions are permanent.

The role of the Inspectors is to decide whether or not the execution arm is following the procedures set by the standardization arm. Inspectors may order any employee of any arm, rotor or stator, to comply with any command. Noncompliance is grounds for termination.

Decisions of lower-ranking Inspectors can be appealed to a higher-ranking Inspector. At the top level, appeals are heard by the Inspection Council, a small panel of exceptionally distinguished Inspectors.

The decision of the Council is final. The size of the Council is fixed, and it is odd, so that there are no ties. It should be less than ten, but no less than eight. When an Inspector-Councilor dies or resigns, the P-Rotor and Committee must select a replacement as soon as possible, so that the inspection arm functions normally, but when vacancies result in a tie, the decision of the lower Inspectors stands.

The inspection arm is small, but it employs a few staff and line stators in the usual way. Staff stators in the inspection arm are, unlike stators elsewhere, eligible for Inspector positions. All administrative matters in the inspection arm are handled by the Chief Inspector, who is one of the Inspector-Councilors (although his opinions carry no special weight).

Ideally, if the rotary system is applied fully, these personnel categories will be reinforced by a comprehensive sumptuary code, with distinctive and easily recognizable uniforms for all classes of stator and rotor. These will prevent confusion.

For example, line stators in the execution arm might wear gray, darkening with rank. Staff stators of the P-Rotor would look good in red, and the P-Rotor himself could wear scarlet trimmed with ermine. Aquamarine *dishdashas* or "man-dresses" seem fitting for C-rotors, with their staff stators in close-fitting blue jumpsuits. Inspectors, I think, should wear only robes of the severest black, with no distinction in rank except for the Chief Inspector — on whose robe a little gold braid would be very fetching.

# A landscape of bewildering contradictions

Monday, August 20, 2007 at 6:20 PM

Folks, I have to apologize to anyone who took the <u>rotary system</u> seriously. If you're already in the process of deploying the technology (illegally, of course, since it *is* my property), I'll have to ask you to stop. As UR's astute comment brigade quickly noticed, the idea is pure satire.

In case it wasn't obvious, the "rotary system" is a corporate rebranding of <u>democracy</u>, specifically the version of it used by the US Federal Government (fondly known as <u>Fedco</u>). "Rotors" are politicians, "stators" are civil servants.

As one commenter wrote: "this would seem to state that our government was *already* privatized! And what a poor result!"

#### Precisely.

My point is that Fedco, today, *is* a corporation. The English word "corporation" just means an organization with a formal name and a legal identity. All nation-states are corporations. The world of 2007 is an anarcho-libertarian paradise — exactly as <u>Peter Leeson describes</u>.

Of course, an orthodox libertarian would not agree. In <u>Murray Rothbard's model</u>, the relationship between Fedco and central North America is nothing like the relationship between Apple and 1 Infinite Loop, because Apple has a chain of title leading back to some grizzled prospector who "mixed his labor" with the great land of Cupertino.

I have not personally investigated Apple's title. So perhaps this is true. As a <u>formalist</u>, though, my theory of property is not ethical, but instrumental. There is an interesting homology between Rawlsian socialists and libertarians: both have a moral calculus which tells them who should own what. I suspect this reflects shared Christian roots.

For a formalist, Fedco owns central North America because it *does* own it. The description is factual, not normative. Fedco maintains exclusive and unchallenged possession and control. No one on the premises can defy the orders of Fedco's Inspection Council — excuse me, Supreme Court. We are all of us customers in Fedco's big corporate Disneyland.

In fact, given the US's insistence on taxing its citizens wherever they live in the world, one can make a good argument that Americans are not just Fedco's customers, but also its serfs. (The argument fails, though, because Americans can renounce their citizenship.)

This transformation is not a thought-experiment. It's an alternate interpretation of reality. Redefining

the US as "Fedco," or the Supreme Court as its "Inspection Council," or its citizens as "customers," does not change the facts at all. Just as chemistry is a special case of physics and biology is a special case of chemistry, a government is a special case of a corporation.

Ergo, no one can construct an ethical system in which this minor rebranding changes the moral valence of actors or actions. If Fedco is evil, the US is evil. If the US is good, Fedco is good. And the same goes for all deeds of all its employees.

What's strange, however, is that this distinction between *private* and *public*, *corporation* and *government*, which is no more than the difference between a general case and a special case, seems to have a remarkable impact on management techniques. Since biology obeys the laws of chemistry and chemistry obeys the laws of physics, I find this quite unusual.

In my last post I claimed that the rotary system, as described, will result in optimal customer service. Or at least, better customer service than present corporate governance, which gives the customer no voice at all in selecting managers.

Now, this claim is either true, or it ain't.

If it's true, clearly I am the great management guru of all time. Taylor, Deming, Drucker, these men are punks. Two-bit lip-flappers, full of sound and fury, signifying nothing. As the rotary system is adopted, I will conduct packed seminars across corporate America. Hardened regional vice-presidents will break down and cry. Marketing chicks in tight sweaters will whisper suggestively and slip me their room numbers as I autograph their books with broad, confident strokes of the pen.

Unfortunately, if I am this organizational savant, my actual opinion — that the "rotary system" is a hideous and nonsensical disaster, a Kafkaesque monstrosity which I wouldn't wish on my most dangerous competitor — must count for something. So we arrive at the same place.

I think almost anyone who's worked at any sort of corporation, whether it makes software, socks, or sadomasochist sex videos, would agree with me that the rotary system would *not* improve customer service. Quite the contrary. It would be a bizarre, bureaucratic hell, profoundly ineffective and absurd.

But when we put on our magic citizen glasses, and consider not *the rotary system* as a form of *corporate governance*, but *democracy* as a form of *government*, we see another reality.

We realize that democracy is in fact the best form of government. (Or, as per Churchill, "the worst, except for all the others" — a very Churchillian way of saying "the best.") That is, democracy provides the best customer service. There is no other way to judge a form of government — surely what matters is what the government does, not who does it or why.

In fact, many Americans feel so strongly about this proposition, and have for many years, that they are

willing, even *happy and proud*, to *fight and die* while invading *other countries* to bring them the joys of the rotary system. Excuse me, *democracy*.

So much for Total Quality Management! Would even "Neutron Jack" himself take a bullet for Six Sigma? Did Taylor drive past IEDs on the way to his time-and-motion studies?

Meanwhile, keeping our magic citizen glasses on, when we look at the perfectly normal, if not uniformly perfect, model of corporate governance that provides excellent customer service in companies large and small, American, Australian and Albanian, makers of software, socks, and sadomasochist sex videos — the model in which the shareholders elect a board, the board chooses a CEO, and the CEO tries to make (and not make up) the quarterly numbers — we notice that this system is, in fact, *evil*.

More precisely, shareholder governance is a form of *oligarchical plutocratic dictatorship*. Just as red-blooded Americans have fought for democracy, they have fought against dictatorship. And all parties, left and right, approve. Americans today may quarrel about the war on Iraq, but they agree about the war on Japan, and both wars on Germany.

So when we take the glasses off, we see that evil becomes good. And good becomes, at the very least, ridiculous inefficiency and bureaucracy. Slip the glasses back on and the good is evil again, and inefficiency and bureaucracy are motherhood and apple pie. It is all very confusing! Sometimes I just want to sit in the corner and cry.

If I can pull this back together, however, we have two plausible hypotheses.

Hypothesis A is that the actual business of government is so different from all other industries that it demands a completely different theory of management. The special case is actually special. "Customer-driven positional rotation," while absurd in nonsovereign corporations, is essential in sovereign ones.

Hypothesis B is that "democracy" is just another cult of the state, older, subtler and eventually more successful than its upstart 20th-century competitors. We all believe in it not because it is good and sweet and true, but just because we were brainwashed in third grade. Rotation in office has *nothing at all* to do with good government, and what we've been worshipping isn't even a golden calf, but an ancient mummified pig, filled with lead and spray-painted yellow.

Both of these strike me as perfectly fair conclusions. And they are certainly mutually exclusive.

Are there any Bayesians in the house? Diligent readers of <u>Overcoming Bias</u>? Here's your chance to overcome some big-time bias. Give me a rational derivation of Pr(A) or Pr(B), and I'll take back everything bad I've ever said about Eliezer Yudkowsky.