

Comment // Constitution

The Crisis of Western Political Systems

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The road to new serfdom

Since the first lockdowns in spring 2020, which were decreed against all medical evidence and which caused nothing but harm, we have come to know that we no longer live under the rule of law. Moreover, in this new era, citizens who used to think of themselves as free subjects—and collectively as the sovereign of their respective nations—have been coerced or forced into receiving toxic injections of nucleic acids labelled 'vaccines' that deliver no medical benefit but rather serious harm. We therefore now know that we live in a state of abiding emergency or state of usurpation and no longer in a participatory democracy under the rule of law.

UK Column refers to genuine democracy as 'representative' rather than 'participatory', but in my view, regardless of the varying constitutional mechanisms of given states, democracies have historically never been able to provide more than indirect mass participation via institutions and organised interest groups.

What Americans call their '[American Creed](#)' and Europeans call the '[democratic-republican heritage](#)' (referring to Athens and Rome before the imperial period) is over.

That legacy was based on four major conglomerates of ideas:

1. Christian values and humanism ([historically defined](#));
2. rationalism and science;
3. the free market, with a system of small, competing entities intended to yield optimum production and distribution of goods on the basis of competition-driven innovation and growth;
4. participatory democracy, combined with [isonomy](#), natural law, the rule of law, procedural norms, and the [separation of powers](#).

How did we lose the freedom that our ancestors—both in the US and Europe—long fought and spilled their blood for? How did we choose the '[road to serfdom](#)' afresh?

Economic foundations of the new serfdom

The process started in approximately the 1880s. Capitalism was a great success and a major factor in the Industrial Revolution that moved mankind from the agricultural to the mass-production society we live in today. The creation and engineering of the infrastructure needed to support this type of society, such as railways, roads, bridges, tunnels, waterways, sewage systems, water supply, electrification, energy (coal, oil, gas) supply, shipbuilding and chemical industries—but also modern bureaucratic institutions—led from the 1850s onwards to a rapid emergence of oligopolistic or monopolistic structures (the '[robber barons](#)', though the [term can be misused](#)) dominating the industries needed to supply this infrastructure and taking huge margins out of these businesses.

Concomitantly with these oligopolies, there arose a finance (banking, insurance and real estate) sector—with similar structures—which provided the maturity transformations needed to supply heavy industry with the requisite liquidity. In parallel, the state was transformed from an institutional structure with low participation in the economy (the overall taxation rate in both the US and Germany was under 20 per cent in the 1880s) to a set of powerful institutions with a massive taxation share of gross domestic product and a powerful influence over its citizens' public and private lives.

From the perspective of the oligopolists, the revised role of the state was to guarantee the equilibrium of society, enabling *their* economic success; and there was a deep and strong collaboration, interpersonal relations and exchange between the economic power élites and state institutions from the moment that these élites formed. The effect of these oligopolistic structures was to drive the masses, which had initially participated widely in the burgeoning economic growth, into poverty and despair during the 1920s and early 1930s in Europe and the US.

The political reaction to this was the New Deal in the US and fascism in western Europe (two systems rooted in progressive ideology and the central position of the state in economic life). Both systems entailed limited, [transient](#) and [questionable](#) economic benefits in their [quest](#) to [tackle the concentration of wealth](#) but both were accompanied by vast increases in state control, bureaucratic regulation and the direction of economic activity.

But the oligopolistic structures which had evolved since the 1880s reemerged after the Second World War, and the process of wealth concentration accelerated with the end of the gold standard in [1971](#). Since then, the combination of the fractional reserve system with money substitutes and digitisation has given rise to a wealth imbalance which is much more severe than the 'best of times, worst of times' of pre-revolutionary France and historically only comparable to the extreme dichotomy of Pharaonic societies in Ancient Egypt.

Today's owner élites have gained fortunes of *hundreds of billions* of dollars; they now own more than *70 per cent* of the means of production in Western countries. The free-market economy has been transformed into an oligopolistic structure, with scant competition among the leading megacorporations that dominate every sector. There is still competition among local service businesses which are hard to turn into oligopolies (hairdressers, lawyers, physicians and the like), and also among the vendors to big corporations.

Yet, due to the effects of [oligopsonies](#) in sectors where the demand in a business-to-business (B2B) market is dominated by very few end clients, suppliers have been transformed into [appendages of the giant buyers](#). This has eroded the economic foundation of free societies, which need free and transparent markets in which small units compete. The entire neoclassical economic theory has failed to take this development into account; its theories apply to fictive markets that are absent from our reality.

We now live in a world where there is still supply and demand, but where free-market mechanisms are obstructed and impaired on every hand. Corporations wield their power to drive inflation, or amalgamate to increase their price-setting and wage-deflating powers and their relative and absolute profit margins; this while innovation is stalling, and productivity is stable or even declining, after fully 180 years of steady productivity growth from 1830 to 2010 (albeit that growth had been tailing off since the 1960s). A detailed account of this macroeconomic development can be found in [Nitzan and Bichler](#).

A note on planning and conspiracies

Before we continue, it is important to note that this and the following description of the power structures we are living under is neither a conspiracy theory nor an expression of some naïve belief that the fates of entire human societies are masterminded by omniscient power centres that achieve their aims according to plan. The processes described here are not conspiracies, because what we see are uncontrived developments happening in the open—we know the actors, they have openly declared their aims and have stated how they want to achieve them (see [here](#), [here](#), or [here](#)), very much like the European oligarchies' nineteenth-century carve-up known as the Concert of Europe, ushered in at the Congress of Vienna in 1815.

Those who hold power do have plans, and they sometimes collaborate, sometimes compete; but never are the plans effected as conceived. The results we see are always the consequence of friction in the [Clausewitzian](#) sense. Nevertheless, the long-term tendencies we discern may well correspond roughly with the intentions of those who have sought to maintain and enlarge their power, as evidenced by the course of the century after the Congress of Vienna and many other similar developments. Successful power management is the art of understanding and using the natural evolution of society to boost one's own position. That is what we have been witnessing in the last few decades.

Political and cultural serfdom

Along with the mortification of markets, the core of Western economic power has since the end of the Second World War been concentrated in the financial centres of New York and London, with adjuvant satellites in [Switzerland](#) (which hosts the crucial Bank for International Settlements ([BIS](#)) which is tasked with coordinating and supporting the activities of central banks on behalf of the owner élites), Frankfurt, Paris, Amsterdam and some other second-tier financial hubs. As has always been the case in history, with the concentration of economic power came oligarchic political structures.

Europe's mediaeval and Early Modern history—from the rise of local feudalism to the late absolutism of the eighteenth century and its ramifications down to the First World War—can as such be seen as a process of the rise of a more and more powerful and concentrated oligarchy, which had its last political hurrah at the Viennese settlement of 1815.

The rise of the post-bourgeois oligarchy which dominates today's political world was much faster than the triumph of its forerunners, because the economic development to oligopolistic markets was far quicker (as also noted by Carroll Quigley in *Tragedy and Hope*) than the slow consolidation of feudal lords working with a constant (in the medium term) agricultural supply, which had taken many centuries. Thorstein Veblen already foresaw the [formation of a neo-feudal oligarchy](#) in the 1920s, and recently [Joel Kotkin has shown](#) that Veblen's predictions have been borne out.

Today's economic power elite, which Kotkin and [Håring](#) describe, is organised via national and international organisations which are often private (like George Soros' Open Society Foundations and the Bill and Melinda Gates Foundation), but also [public-private partnerships](#) such as the [Club of Rome](#), the Trilateral Commission, the World Economic Forum, the Bilderberg Conference, the [Group of Thirty](#) and many others besides. Other major institutions which are chief drivers of the interests of the global Western oligarchy are, however, notionally public servants: the aforementioned Bank for International Settlements; its member central banks such as the Federal Reserve, the Bank of England and the European Central Bank; the UN and its sub-organisations such as the WHO; or the EU, the G7 and the G20.

Furthermore, the financial industry pursues the élite's interests directly via the huge investment firms that they dominate, such as BlackRock, Vanguard and State Street, as well as by means of the huge sovereign wealth funds of Norway, Japan and the Middle East with which they are tightly interwoven.

For this new oligarchic class and the institutions they dominate, the question of how to obtain political legitimacy and control over the masses became critical after the Second World War, when the attraction of centralised power—be it the power shown in the West while fighting the Axis, or the power demonstrated in the communist states—became too enticing to resist aping.

A double response was hit upon in the West: political mass indoctrination and behavioural conditioning (forecast by George Orwell in *1984*) in combination with a programme of mass hedonism (consumerism, forecast by [Aldous Huxley](#) in *Brave New World*). This twin-track shepherding worked excellently from the late 1940s to the late 1960s, and succeeded largely thanks

to the thrilling emotions it generated, though fear was also an element—fear of a nuclear war and of Reds under the bed.

Fear, as [Guglielmo Ferrero](#) has shown, always is an [element of power](#), but governments with high legitimacy quotients only have to dust a pinch of it on the overall domination narrative; they can in the main work with traditional ideas (the divine right of kings under feudalism, or free-market ideology and eating, drinking and being merry in our day) or can ride uplifting trends, such as economic growth with some degree of mass participation (*you've never had it so good*).

Even the student revolts of 1968 can be seen as a part of this scheme, because their anti-capitalist impetus (*soak the rich*) soon died off, while the cultural impact of this anti-traditional movement was (as preached by its foster-father, Herbert Marcuse) towards hedonism. Early on in their coming of age, the *soixante-huitards* donned the mantle of a seemingly positive, justice-oriented element: a *politics of identity*.

Identity politics became the new ideology of the former political Left after the revelations of [communist brutality](#) in the gulags were [grudgingly admitted](#), and especially after the [economic stagnation](#) of the communist East [precipitated](#) the [fall of the Berlin Wall](#). The Old Left's successors aligned themselves with the interests of the giant corporations.

This readjustment of the Left's ideology was found necessary when it became clear in the 1970s that the economic system was less manipulable than it had appeared after the War and had lost its character as the engine of political legitimacy. A new cultural ideology, a fresh grievance mill, was required to keep the masses in check. *Divide et impera* (divide and rule) is an old principle of power, and this was and still is the programme of the politics of identity.

The idea is to assign slices of the population to a plethora of affinity groups and to accord various of them special rights and treatments by the state, so as to set them competing among themselves for state privileges and splinter them politically. The LGBTQ+ and Black Lives Matter movements are but two of the results of these policies, which have achieved a destruction of core Western values among the academic élites and among the destitute and dependent receivers of state welfare payments (a squeeze from top and bottom simultaneously) over the last half-century.

On the other hand, there is still a dense layer of society which rejects this domination ideology with its language policing, political correctness, white self-hate, and denial of the core values of our patrimony, such as responsibility, commitment to social norms and self-reliance. Even so, while this sizeable chunk of society intuitively rejects this ideology, most of those in that chunk fail to understand that the ideology rooted in postmodern philosophy—and its epigones such as [Critical Race Theory](#) and gender theory—is not just some cultural development striving for a new type of justice, but a fully-fledged ideology of domination (Augustine's *libido dominandi*). [Himmelfarb](#) saw this presciently, and—at the end of his career as a postmodern nihilist and cultural Marxist—even [Richard Rorty admitted](#) that identity politics were about to destroy America. Recently, this insight has become [obvious](#) to [many](#).

A new ingredient in the ideology of tyranny

However, during the 1980s—one decade into our post-gold-money era that is characterised by the inability of the capitalist system to enable a share in growth for the average [American and Western European](#)—it became apparent that indoctrination via propaganda and the new ideology of political

identity was not enough to control the masses. Since the 1970s, Western governments had already been availing themselves of terrorism as a means of enhancing control over society by imposing measures such as mass screening and total surveillance. This trend now became reinforced by the nascent modern Western security state in three areas in which the posited enemy is an invisible one: **terrorism**, the **environment**, and **health**.

It has been known for a [long time now](#) that many of the [terrorist attacks](#) which we started to witness with the emergence of Western European Marxist terrorism in the 1970s were planned and financed by Western secret services to pursue strategic goals, such as the introduction of surveillance measures or the containment of communist ideologies in the West. We do not know to what extent this applies to Islamist terror since 2000, but 9/11 and several similar—though less massive—events in France, Britain, Spain, Belgium and Germany in the opening years of this century led to a strong enhancement of the police state everywhere in the West. Screening and control mechanisms were put in place which the liberals of the nineteenth century could not have imagined in their worst nightmares.

Commencing in the early 1970s, when the Club of Rome published its [neo-Malthusian](#) *Limits to Growth*, the fear of a looming environmental Armageddon began to be nurtured with the adducing of many real aspects (pollution, radioactive waste, the extinction of species), but latterly reinforced with an additional fictive one: [anthropogenic climate change](#). This fiction, which induces abject terror among the academic *dirigistes* of society (perpetually *twelve years to save the planet*), was and is still used to control the energy supply of modern societies, which are extremely vulnerable to disturbances in the provision of energy.

All this notwithstanding, the ultimate story spun to achieve control by fear is the fear of what may be within one's own body: the [virus narratives](#) which have been propagated since the early 1980s. [AIDS was characterised](#) upon its emergence as an epidemic viral disease (which it is not), thereby creating a broad cultural seedbed for the fear of viruses in the late 1980s and early 1990s—an opportunity for mind control that had dissipated after the last global pandemic, the [Spanish flu](#), in 1918/19. The next waves of propagandistic medical fear instillation were the 2009 swine flu (the first [covered by UK Column](#)) and avian flu, as well as SARS-CoV-1 and MERS; but none of these proved to be as successful a petrifier of mankind as the AIDS narrative had.

With Covid, *one of the most successful fear campaigns known to man since the late-mediaeval propaganda of the sale of indulgences* has been achieved and has led to five billion humans accepting the repeated injection of ineffective but toxic nucleic acids. The institutions created to separate, check and balance power have failed, and were instead commandeered to [browbeat](#) populations into fear and acceptance of the irrational and dangerous Covid measures—which had nothing to do with health, but solely with control and power.

Peak fear

However, now, in 2022, we are witnessing a new wave of fear: the fear of *subhuman Russia*, which has hatched an alleged plan to attack Europe beyond Ukraine once its goals in the latter are met. This allegation is absurd. America's strategy in Eastern Europe—with its egging-on of NATO expansion [unnecessarily threatening Russia](#), and its refusal to keep its promises towards Russia or to negotiate over Ukraine last autumn, which flowed from its now naked intention to [curtail Russia's status](#) as a world power—is a major *casus belli* of Russia's illegal attack. Russia is fighting a limited

war to enforce its strategic interests in its own sphere of influence and is [not even a threat](#) to Poland or the Baltic Republics, let alone Western Europe or the US.

However, as [John Mearsheimer](#) points out, the war has now reached a stage in which an escalation is possible because the US has clearly stated that it will not tolerate a Russian victory with an annexation of the Donbass and the Black Sea littoral as far west as Odessa and Transnistria, which is what the Russian strategists now seem to be striving for. A further escalation would be risky indeed, because it may lead to the use of nuclear weapons. Western governments are using the war to resurrect a bogeyman older than the late-twentieth-century triad—an overpowering [fear of the Slavic horde](#)—and to blame the current economic woes on the Russians. The sanctions accompanying the war, and the inability of the West to settle with Russia, are now leading to the disruption of the European energy supply and an energy price surge in the US. It seems that the West has [recently prevented](#) German governments from renegotiating gas delivery via the Baltic Sea pipelines.

Russia has now threatened to stop its entire energy supply to Europe if the EU continues the sanctions and implements a price cap on Russian gas imports. Western governments say they are prepared for this and will not alter their policies. Yet the total cessation of Russian energy supplies would lead to a humanitarian catastrophe in Europe this winter and inordinate political instability, with protests and insurrections at a level that Europe has not seen since the general strikes and depression of the inter-war years, or even since the year of continent-wide popular revolutions, 1848, and the year of régime changes, 1870. It seems that Western leaders are deliberately leading their populations into turbulence, when we consider that a settlement with Russia would not come at a high price: Russia would certainly obtain some Ukrainian territories and would turn Ukraine into a neutral buffer state (as it was before 2014), but that would not entail material damage of consequence to the West. Hence, there must be another motive for the West's resolute pursuit of this policy.

Why the bother?

Why is all of this necessary? Why so much fear, so much intervention, during Covid—a disease that would not have been noticed without the propaganda—and now with the determination to plunge Europe into chaos?

The Western élites have two material foundations to their power: the real economy and the financial system. While the real economy is not a market economy any more, its supply chains were still functional up to March 2020. They are now disrupted too, thanks to political actions (lockdowns and sanctions against Russia). At a deeper level, though, the Western real economy is vulnerable, because large portions of its industrial production base have been [outsourced to Asia](#), which has now become a competitor in the global power structure (thwarting the best-laid plans).

At the same time, the global financial system, which was the basis of [US supremacy](#) since the end of the [Bretton Woods system](#), is at its end. The system is [overindebted](#), and the volume of money ([M3](#)) was until recently [exploding at an unprecedented rate](#). Since the interbank loans market [froze in September 2019](#), fiat money has been created via quantitative easing on a scale without parallel and has been spent on keeping the governments of the OECD member states and China afloat.

On the tide of this massive supply of money—which keeps demand high, at reduced supply levels caused by the lockdowns and the sanctions against Russia—price rises have reached levels that cannot be borne by the least prosperous third of the Western populations, and the middle class is under severe pressure as well.

But the debt levels are so high that central banks cannot effectively reduce inflation without driving governments and corporations into default. There are only three possible ways out of this crisis:

1. a spontaneous—now imminent—collapse of the financial system by means of the predictable cycle of bankruptcies and asset deflation;
2. continued money creation to shore up asset prices, resulting in inflation (a diluted money supply), price rises, and sooner or later the inevitable hyperinflationary [crack-up boom](#);
3. a fast and effective transition to central digital bank currencies (CBDC, the Soviet financial model in digital form). Such CBDCs would allow the control of the monetary payments and spending patterns of groups and individuals via digital metadata, so that out-of-area or non-local spending, or certain types of spending, could be blocked for groups with certain properties. CBDCs would not be worthy of their name, for the key properties of currencies—their anonymity, fungibility and universality—would disappear by design.

The massive inflation of the central bank balance sheets since 2008 was undertaken to avoid the first scenario, but may yet bring about the second; and this course of action by governments was supported and justified by the fear narratives perfected over the previous decades. However, because there is now a broad and unsolvable menace of inflation, this policy cannot continue. If no further action is taken, the system will collapse, thus [jeopardising the status](#) of today's élites.

The third scenario, the [introduction of CBDCs](#), is the only way to save the assets and status of the élites. Nevertheless, because the system is so restrictive and enables such a total control over the behaviour of its users (the population), a context needs to be created in which the system *seems* acceptable. This can [only be achieved](#) by means of [chaos](#). This is the reason why fear levels are being ramped up and why Western politicians are ready and willing to cut off their own citizens' energy supply. The system of government created by the Western bourgeoisie from the time of the English Civil War in the 1640s is ending—and we are witnesses to its demise.



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