

The Political Economy of Ideological Warfare

Reviving Gramsci in a Formal Model of Class Struggle

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Abstract

Recent research in political economy has highlighted the importance of cost reductions and new technological possibilities in the field of ideological manipulation. As it becomes dramatically more effective and cheaper to exert ideological influence instead of physical coercive power, the latter type of power relation is substituted by the former.

Evidently Gramsci, as a political scientist, has provided a most important contribution to the analytical investigation of this phenomenon. Indeed it has to be concluded that the true importance and implication of his work can only be judged under the impression of the violence and global dimension of the contemporary dynamic developments in this field.

The paper develops a small archetypical formal model of these dynamics and discusses how major issues found in Gramsci’s work are to be assessed in the framework of this model. In a conclusion we will present our ideas on the use of such a ‘Gramsci-extended’ model for contemporary policy-making.

INTRODUCTION

It is rather astonishing that the last 100 years have brought an incredible quantum jump in the technical possibilities to produce and to distribute information without any comparable parallel emphasis in the science of political economy on ideology. Indeed for the entire mainstream and for most heterodox approaches the assumption of non-existence of ideological interference - better known under its innocent alias of 'full information'¹ - is the pivotal step for almost every result, in particular for all welfare implications. Only in a few schools the topic figures as an important side issue in recent years.

This specific blindness of the theory of political economy left the battlefield of ideological warfare to disciplines like cultural studies or linguistics, who naturally took over each with its characteristic style of argument. This paper is a modest attempt to re-unify forces again, and for that purpose the genuine starting point evidently is the work of Antonio Gramsci, one of the last persons trying to meet this challenge.

But to end with an interpretation of some, eclectically chosen Gramscian concepts, we first have to start off where standard political economy seems to have lost the track. Needless to remark that such an ambitious task can only be sketched in a small paper like this.

A MODEL OF IDEOLOGY PRODUCTION

In a model of information production, published by one of the two authors (see [Hanappi H., 1994]) in the early nineties, an implicit interpretation of this model as a model of ideological class struggle was only briefly mentioned in a footnote. After years of rather intensive investigation into the related fields it indeed seems that what at the time was a sloppy remark should be an important tool of formal analysis of political dynamics. To provide a flavour of what goes on in the model developed there, we present a short description in the appendix to this paper. Basically it formally describes what could be summarized as follows.

The society mainly consists of two classes and produces via a rather complex net of mechanisms a common product, think of an unbelievable high heap of heterogenous commodities and services. Each year each class observes this process and develops its means to describe and to communicate it. Evidently this process of communication is not just contemplative, it is a specialized part of work itself, namely to convince the other members of

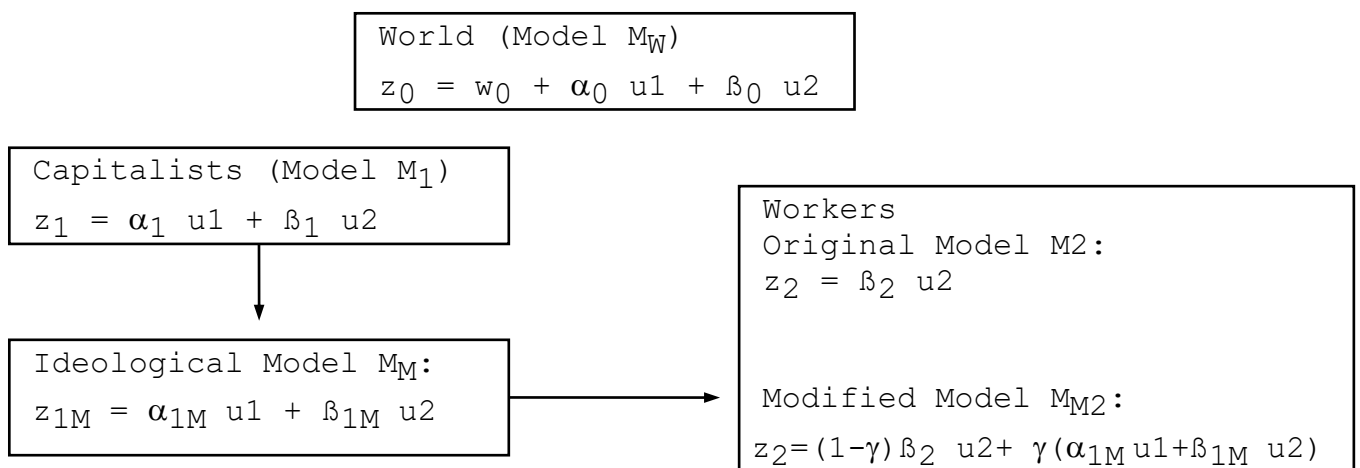
¹ Note that at least two aspects are involved in this issue: 1. All essential variables and their possibly dynamic relationships are common knowledge. 2. It is completely ignored how this knowledge was generated and is maintained. As soon as some authors seriously tried to loosen these assumptions practically every important result was not valid any more.

the same class as well as the other class why a certain share of the output should be allocated to the own class.

To convince others, to exert power via communication, is our definition of ideology in this paper. This ideological form of power clearly is an alternative to direct purely coercive power: If the opponent can be partly convinced, then some cost of direct coercive power can be saved.

For given cost of the exertion of ideological power relative to the cost of direct power (and with some assumptions on the forms of these relationships) the optimal mix between the two forms of power can be derived. As should be evident, this mix should shift towards ideology as ideology production becomes cheaper relative to direct coercive power.

Graph 1 summarizes the situation.



GRAPH 1: IDEOLOGY PRODUCTION

That is, there might be a true model what really happens in the world that is not used at all in this example for ideological processes. Then there is the model capitalists think to be true, which might be different to the model they produce as ideological weapon. Workers, of course, have their original model too, but what the horizontal arrow shows is that the capitalists' ideological model modifies the model of the workers: With a percentage γ they believe in the ideological model. So it is this weight that expresses the mix between power forms. And it is this weight that will increase as information production becomes excessively cheap.

DEFINING FASCISM

To the day the phenomenon of Fascism experienced a similarly strange theoretical treatment as the concept of ideological warfare. Though there is a large amount of analysis of different disciplines, ranging from historical analysis via psychoanalysis to heraldic arts, there also is a peculiar silence from the corner of political economy²: 'fascism is not an economic phenomenon', they whisper. But it surely is a political one, and as any model of social interaction forms it necessarily implies economic mechanisms to support at least the physical metabolisms of the humans involved.

Take as a starting point the model of the last section but now interpreted in its historical emergence. Much of the impact of the labour movement in the 19th century can be viewed as a special form of (belated) enlightenment process for the working class: The formation of class consciousness coincides with the knowledge about the political economy in general and in particular with the knowledge about exploitation. In graph 1 this simply is expressed by the existence of an original model of workers.

With the emergence of labour parties and unions in the second half of the 19th century the threat for the capitalists, coming from the ideological influence of the workers' model, becomes so strong that they react: The so-called neo-classical approach in political economics – originally developed in 1874 by Menger, Jevons and Walras - is chosen as *the* ideological weapon of the ruling class to fight Marxism. This is what is described in the left part and on bottom of graph 1. Time works for the capitalists if information technologies boom and are better exploited by capitalists than by the representatives of the labour movement – this is the resumé of the discussion on the cost of power forms.

Nevertheless, at the turn of the century the mass of people involved in the labour movement as well as the mass of national capital involved in global accumulation starts off a dynamic polarization process, which explodes in World War 1. It is this global catastrophe where the roots of the world view of Hitler, Mussolini and many other leading figures of Fascism can be found. In a sense the dispute over the correct model of the processes of political economics seemed to have 'failed' in a very elementary sense: This battle over parameter values (compare graph 1) indeed in grosso modo had as a basis a common understanding of enlightenment – it was only the question, *which* was the adequate economic model to be brought to consciousness for the whole society.

² Of course there exist superficial taxonomic surveys, e.g. [Wippermann W., 1997], and articles pretending to provide a model of fascism, although they just collect some ideas, e.g. [Eatwell R., 1992]. A good introductory survey can be found in [Haug W.F., 1999, pp.166].

The Fascist movement now is the negation of the ideological warfare launched by the capitalist class as negation of the formation of class consciousness of workers. Negation of negation in its dialectical meaning implies that it is not the position of the workers that Fascism falls back to - as would be the case if historical processes would follow a bi-polar logic. Quite to the contrary it is a new dimension that emerges: In the arguments of the Fascists the concepts of political economy tend to vanish, they now are substituted by anti-deluvian, archetypical concepts like ‚race‘ and other biological features. A new, biological divide in society is propagated – graph 2 gives the idea.



GRAPH 2: FASCISM

The Fascists use the new distinguishing characteristic (e.g. being Arian) to form a power group consisting of a critical mass of capitalists plus a new group recruited from all parts of the rest of the population, its future officers. As history showed, in total some 30 % of total population seem to be sufficient to seize power if the inner hierarchical structure and commitment of members of the fascist movement are high enough. The new ideological feature used by fascists is to forget about enlightenment and to substitute it by pre-capitalist, mystic and religious patterns of tribe behavior.

The criterion used to distinguish between the the good (e.g. the Arian) and the bad (e.g. the Jew) clearly must meet certain conditions: On the one hand it must be obvious, that is there should be signs that the simple ‚Arian‘ in the street immediately can tell if somebody is a ‚Jew‘³. On the other hand this sign must be firmly biologically rooted, it should be practically impossible for a member of the ‚race‘ to escape from ist fate. A large part of the success of a fascist movement depends on its ability to establish powerful distinctive signs.

Four major implications immediately follow from this characterization of fascist movements - indeed these four characteristics can be used to define Fascism:

³ To help him in difficult cases, ‚Jews‘ have been forced to wear yellow stars.

- Since coherent direct economic ties in the fascist movement do not exist, strict internal (military and ideological) hierarchy is necessary to give politics structure. This militarisation of internal organization is injected in the overall political and economic organization of the fascist state.
- This strict ideological rectification of the own cadres as well as of the rest produces a quantum leap in micro-political manipulation – within every household, within every brain.
- ‚Non-Arians‘ are not conceived as part of a socio-economic process, where they play a role – as still was the case in classical capitalism. In Fascism the non-Fascists are not exploited, they are eliminated! This carries on to all institutions of the labour movement and to all entities stigmatized as ‚jewish‘.
- Ignorance with respect to the mechanisms of political economy forces fascist regimes to lead war to conquer new territories as necessary economic base for the fascist project. As a consequence, what fascism accumulates via warfare is on the one hand the number of persons gained as adepts and on the other hand the capital that supports it. But - it is bound to permanent conquest.

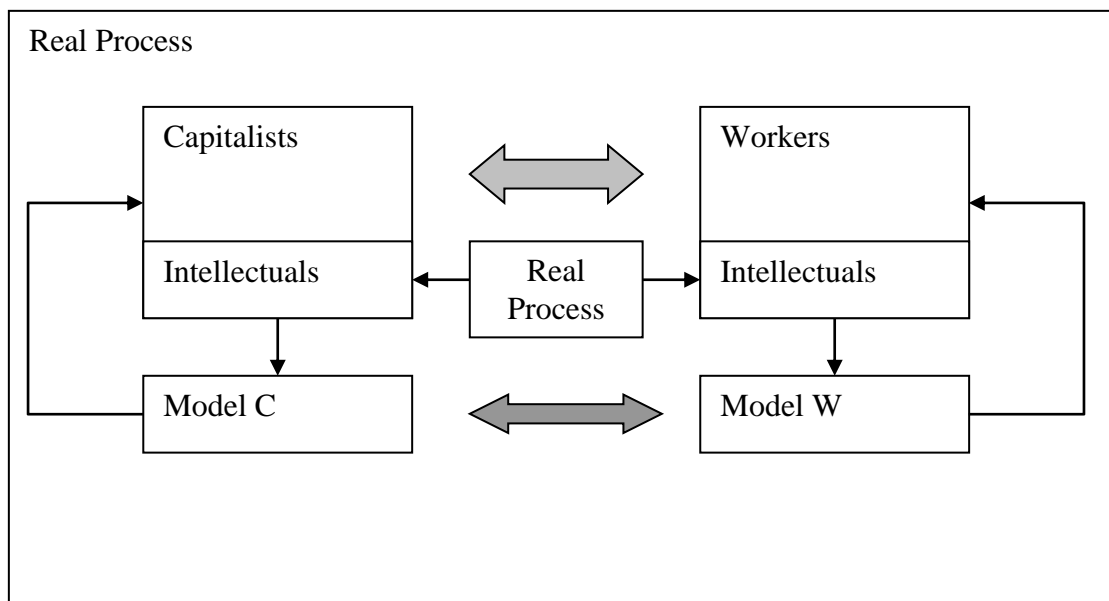
Fascism thus is a transient form of a political economic system, whose propagation of eternal rule (e.g. 1000 years of 3rd Reich) clearly indicates its systematic distortion of real processes into their ideological opposite. But given current technological possibilities, even a few years of fascist intermezzo would have devastating long-run implications.

The majority of contemporary communist interpreters failed to understand the logic of fascist abstinence with respect to a well-defined program for economic policy. Either they oversimplified fascisms relation to capitalism, classifying it as just another form of capitalism - now managed by the most reactionary part of bourgeoisie, or they saw more room for coalition possibilities against capitalism than there ever had been. Both errors stem from the same source - the assumption that the major thrust of the fascist movement is a defineable economic program. It is not, the major goal is to establish, maintain and to extend political rule of fascists. Economic issues come in as an appendix, warfare has severe implications on production structure and labour conditions leading to more command and planning, i.e. to fewer market processes. And then, without market corrections, economic costs and benefits can be distributed by the new rulers like any other form of power. Economics thus is present, but its rules are volatile and after a short time obey the same archaic mechanisms that the new leaders celebrate as the mythical customs of the 'arian race': Power, including economic power, is distributed by those in power according to their free will, and the quest for socio-economic laws is substituted by stylized confusion playing with seemingly mystic eternal truths.

INTERPRETING GRAMSCI

It is plain to see that much of what has been said can be situated within the orbit of Gramsci's thoughts on Fascism⁴. Indeed several of his key concepts lend themselves perfectly to a reinterpretation in the terms of our model. We will mention only three examples: The role of *intellectuals*, the concept of *hegemony* and his theory of *ideology*.

To support our interpretation we first transform graph 1 into the more Gramscian graph 3.



GRAPH 3: Levels of Class Struggle

First notice that, contrary to graph 1, no specific models are inserted. For Gramsci the precise form of the theoretical attack of the neoclassical writers seemed to be of minor importance. Perhaps because Lenin - whom Gramsci rarely criticized - in several places seemed to copy the neoclassical argument of setting real wages in a socialist economy according to marginal labour productivities. In any case in graph 3 Gramsci's ambiguity in this point is taken care of.

Second, *intellectuals* as a special sub-group in each class are introduced. It is this group that produces the model that the class uses. To do so they also have to be specialists in the perception of the real process. Note that the real process observed by the intellectuals of both classes is the same - though what is perceived most probably will differ. Note also that intellectuals are not an independent group vis-a-vis the members of classes, but rather are part of these classes. This is just a simple presentation of Gramsci's more elaborated concept of the 'organic intellectual'.

⁴ A general early (party) view can be found in [Gramsci A., 1980, p.156].

Third the use of a model is two-fold: On the one hand it is needed to organize the own class, in Marx' words, to further the step from the class 'an sich' to the class 'für sich'. On the other hand it is used for inter-class ideological warfare, i.e. to distort the model of the opposite class. Of course, some features of the model will serve the one purpose more than the other so that slightly differing versions might be used.

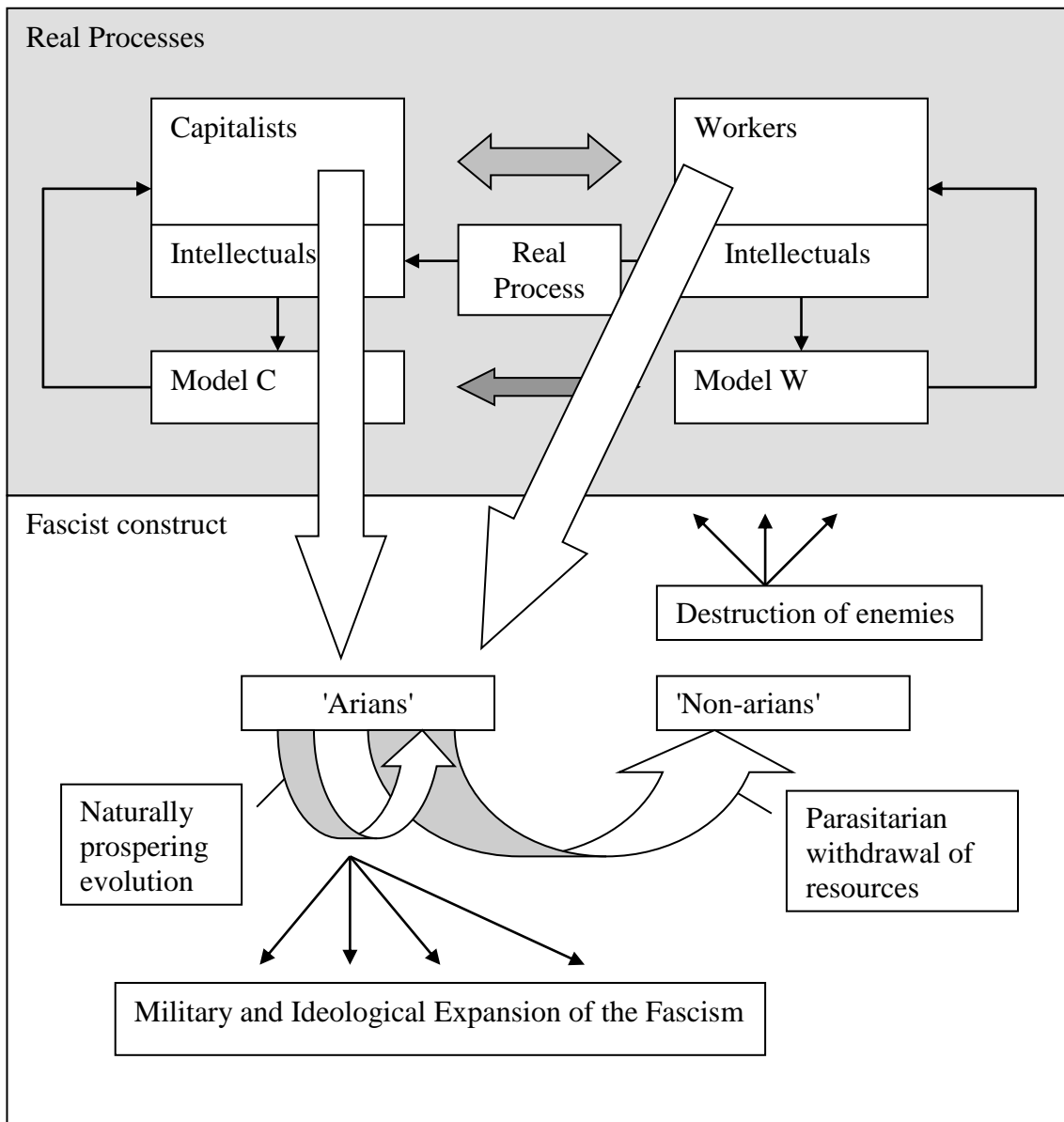
Fourth, the box 'real processes' appears double. Once as a small box, where intellectuals draw their perceptions from, and once as an all-including large box, indicating that ideological processes (like everything else) are real processes too. With this trick we try to visualize the activity of intellectuals to direct spotlights on special parts of their total environment.

Class struggle in this graph has two levels, a physical one (light gray arrow) and an ideological one (dark gray arrow). As mentioned above both levels are linked by the organizing (for the own class) and confusing (for the enemy) power of models. They are further linked by the organic character of the respective intellectuals and by the fact that all processes are real processes, i.e. included in the large box. This leads to the idea of *hegemony*⁵: At each point in time the net power balance of all these interactions, the current hegemony, could in principle be determined - in actual political life it can only be sensed. According to Gramsci it is this barometer of class power that should be used by class politics.

Finally let us take a closer look at the emergence of model W. 'The ruling *ideology* is the ideology of the rulers', reminds us Marx, and Gramsci, taking this serious, again and again points at the observation that the truth appears for the exploited class only in a 'wrong', a distorted language. The conditions for modeling and model usage are not as symmetric as they are displayed in graph 3. Unfortunately, Gramsci though he realizes this problem, is not able to point out how to handle it⁶. When he started to intensify his work on these questions he already was imprisoned by those who found a way to use this mechanism for their own purpose: the fascists. Graph 4 shows a schematic representation of what they did.

The major point enabling fascism to jump from an oppositional movement to fascism in power appears when a critical mass of capitalists starts to support it. They do so, because they either are believers in fascist ideology or simply are eager to rob other, non-arian capitalists wealth as soon as these are extincted - or for both reasons. Clearly fascist leaders have to tease this part of the capitalist class, they must show that they will be worth the support they ask for. Note that this is true for Hitler, as for any latin-american fascist general. Once in power they can indoctrinate the people with the ideological construct shown in graph 4 - and let vanish in the gray the old models (in the upper part of the graph).

⁵ A most interesting 'late' view on hegemony and ideology is given in [Gramsci A., 1995].



GRAPH 4: Fascism in more detail

In their model fascists construct a new type of homo sapiens, the 'Arian', and try to use all the energy existing in confused and abused non-capitalists, supplementary to the more or less conscious part of fascist capitalists, to make them all identify themselves with this new type.

Without much reference to economic causality 'non-arians' are then lumped together in the group of parasites. They simply withdraw resources from the vital and natural circuits of the 'arians'. This high self-esteem as a biological, self-sustaining system is the ecological twist sometimes remarked in fascist movements⁷. From the fascist perspective in principle all 'non-arians' are to be extincted in the long-run, but of cause the fascist regime starts with its more

⁶ Again and again he tackles these questions, see particularly [Gramsci A., 1992, 1999].

explicit enemies. In this respect a certain vagueness of biological characteristics of 'arianism' is an advantage, since it allows to designate enemies as 'non-arians' even if biological distinction is weak. To accomplish inner purification a fascist regime immediately starts to develop its own military forces for *internal suppression*.

A prominent enemy, of course, always is the group of intellectuals responsible for the political economy models fascism wants to make disappear. The icon of the 'jewish' intellectual versus the (biologically) healthy 'arian' is a common feature. In the same vein fascists often use the opposition between 'sick' city-life and healthy country-life as an icon to mobilize agrarian support.

On the other hand fascist capitalists and those military elites who derive their wealth and power directly from the fascist order are eager to *extend the territory* they control. Instead of exploitation of workers⁸ their main thrust is the expropriation of 'non-arians' - i.e. war. While territorial expansion of fascist expansion, external war, clearly soon must reach its limits - fascism therefore being a political intermezzo - the internal ideological war causes long-living damages in the brains of fascisms supporters. In their ideological deformations fascism lives on, surviving its military defeat. In this model of fascism Gramsci's concepts of hegemony and ideology thus could be used to explain the recent revival of fascist movements in Europe.

CONCLUSION

A few months ago the Austrian right-wing leader J.Haider officially stepped back from his function as the leader of his party. He was reported to have indicated that his new goal now is to realize his objectives on a European scale. Evidently the rather weak capitalist class in Austria was sufficiently strong to help the extreme right to get into government - but definitely would not be able to support expansion on a European level. Quite the opposite happened: fascism as a danger for Europe became a topic outside of Austria. This made Haider, or better his masterminds, change the course. The new task now evidently is to explore the possibilities of a critical mass of European capital that supports a pan-European extreme right.

Since fascism is not dead, the fight against it should use the revived and augmented lessons to be found in Gramsci's writings⁹. It is a fight of civilized intellectuals, in particular left-wing intellectuals, for not letting vanish the gray area in graph 4. More to the point, it is a fight of all

⁷ Compare Helms [H.G. Helms,1960] for a more detailed treatment of this point.

⁸ This does not mean that exploitation is reduced, quite the contrary is true. But it means that its limits are overcome by direct international aggression.

⁹ Some important perspectives in similar direction can be found in [Buci-Glucksmann, 1981, pp.271].

those devoted to enlightenment, fighting all kinds of hypes that make their money by stylizing confusion¹⁰. It is a fight of all those that might be the 'jews' of the next wave of fascism, biology in a fascist sense is a wide field. To unite this fight against fascism on a European level is necessary to succeed, but at the same time will necessarily break up old wounds deeply rooted in the economic dynamics of the continent.

So finally one should remember Gramsci's concept of hegemony, and that fascisms force to get into power resides in its emphasis on micropolitics. Hegemony in micropolitical issues, in the 'language of the ruling class' - transforming it, thus is our most important weapon. Note that this issue addresses the producers of 'culture' as well as the theorists of political economy.

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¹⁰ The post-modern style of confusing is just an outstanding example of a large variety.

Appendix: A Model of Information Production

Consider three models of a social production process:

$$[1] \quad z_0 = w_0 + \alpha_0 u_1 + \beta_0 u_2 \quad (\text{World})$$

$$z_1 = w_1 + \alpha_1 u_1 + \beta_1 u_{2_1} \quad (\text{Model of Entity 1})$$

$$z_2 = w_2 + \alpha_2 u_{1_2} + \beta_2 u_2 \quad (\text{Model of Entity 2})$$

In these models z is total output produced in a process that combines time of entity 1, named u_1 , and time of entity 2, named u_2 . Technology used might be represented by w . Note that each entity only has an anticipation of the other's contribution, e.g. u_{2_1} . If all variables are measured in logarithms, this functional form is exactly the neoclassical Cobb-Douglas production function used by protagonists of capitalism to explain growth and distribution in capitalism.

To simplify matters assume

$$[1.1] \quad z_0 = z_1 = z_2 =: z$$

$$[1.2] \quad u_{2_1} = u_2$$

$$[1.3] \quad u_{1_2} = u_1$$

Now start with a distribution that favours entity 1 in a way that leaves to entity 2 just enough to reproduce itself:

$$[1.4] \quad z^j_{\max} = z - z^i_{\min}$$

$$[1.5] \quad z = z^1_{\max} + z^2_{\min}$$

Introduce the cost of direct coercive power and of manipulative, ideological power:

$$[1.6] \quad c^1_c \dots \text{cost of direct power}$$

$$c^1_M \dots \text{cost of influencing the perception of entity 2}$$

Assume a particular model for entity 2,

$$[1.7] \quad z = \beta_2 u_2 \quad (\text{that is } w_2 = \alpha_2 = 0)$$

and for entity 1:

$$[1.8] \quad z = \alpha_{1M} u_1 + \beta_{1M} u_2 \quad \text{with}$$

$$\alpha_{1M} : \beta_{1M} = z^1_{\max} : z^2_{\min}$$

Note that this again is what is assumed by neoclassical economics.

The model used by entity 2 after it was distorted by entity 1 now is

$$[1.9] \quad z = (1-\gamma) (\beta_2 u_2) + \gamma (\alpha_{1M} u_1 + \beta_{1M} u_2) \quad \text{with} \quad 0 \leq \gamma \leq 1,$$

where γ measures the distortion.

Now make distortion an ascending function of its cost,

$$[1.10] \quad \gamma = f(c_{1M}^1)$$

and assume that manipulative power substitutes coercive power:

$$[1.11] \quad c_{1C}^1 = g(\gamma)$$

Insert specific functional forms for the last two functions¹¹,

$$[1.12] \quad c_{1M}^1 = k_0 \gamma^2$$

$$[1.13] \quad c_{1C}^1 = (1-\gamma) k_1 z_{\max}^1$$

to see what can be saved by extending ideological power:

$$[1.14] \quad s_{1C}^1 = \gamma k_1 z_{\max}^1$$

Thus the powerful entity 1 will choose a power mix of γ^* :

$$[1.15] \quad k_1 z_{\max}^1 = 2 k_0 \gamma^*$$

$\gamma^* = (k_1 z_{\max}^1) / (2 k_0)$

Note that cheaper manipulative power will increase its use relative to coercive power¹².

¹¹ These functional forms are plausible and have the property to lead to a unique and stable equilibrium mix of power forms.

¹² A more detailed treatment can be found in [Hanappi H., 1994].