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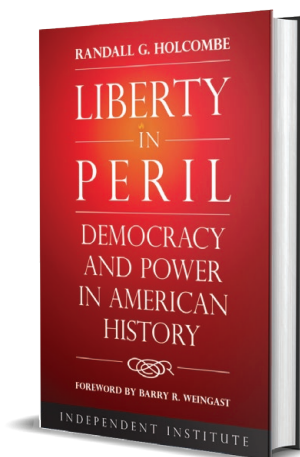
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Paul Piccone as Libertarian?

A Canadian Proof and Rothbardian Critique

— ♦ —

MICHAEL MCCONKEY

Telos ironically seconded some of the criticisms made by libertarian economists like Friedman, von Hayek or von Mises, against corporate statism, because, in part, they paralleled comparative critiques frequently made by Western Marxists, traditional anarchists, ordinary workers or disserved citizens. Believing in the importance of individual life and collective liberty enjoyed with the happiness implied by economic opportunity, cultural personal integrity, and individual freedom, Piccone respected the possibilities implied by trusting in individuals, markets, and less interventionistic governments.

—Timothy Luke, “‘Americanization’ of Critical Theory”

Timothy Luke should know, having been a firm comrade in arms with Paul Piccone through the most intellectually fervent and turbulent years of *Telos*'s long, winding journey under Piccone's editorship. His view, however, is probably not the general perception of the journal and its iconoclastic editor from either the left or the right (or the “none of the above,” for that matter).

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The Independent Review, v. 16, n. 4, Spring 2012, ISSN 1086-1653, Copyright © 2012, pp. 501-515.

Nevertheless, I argue here that despite some serious shortcomings in Piccone's "critical theory," he does deserve a wider appreciation than he receives from libertarians and others.

Piccone was no obvious libertarian: for him, a confused critique of liberalism fueled a communitarian populism that always threatened to drag him into a fatal contradiction with his own stinging critique of Marxism. His New Class analysis was both somewhat embarrassingly exceptionalist and overly generalized. And for all of his jettisoning of the crude and unhistorical Frankfurt school analyses, he clung too firmly and too long to both the dialectic of rationality and the cultural-industry analyses, leaving his value to libertarians somewhat diminished.

Yet, despite these problems, Piccone had some keen basic libertarian instincts, and, more important, through his theory of artificial negativity he developed an insight into the operation of the modern bureaucratic state and its intrinsic weaknesses that libertarians should study and ponder. Not only does this theory provide original insight for libertarian scholars, but it has acute strategic relevance for libertarian activists with long time horizons and sophisticated analyses. Piccone discovered that the centralized bureaucratic state's strength was also its Achilles' heel, constantly threatening to cripple it.

In the bulk of this article, I sketch how this idea emerged and identify its theoretical implications. I then use it to appraise the Canadian federal state, the one I know best. In the conclusion, I present a Rothbardian-influenced critique of some of Piccone's lapses from libertarianism.

The New Left and the Early *Telos*

In July 2004, Paul Piccone, the longtime editor of the ever-controversial journal *Telos* died of cancer. Because I had personally interacted with him only briefly for a few days during one of *Telos's* notorious symposia, I was surprised by how great a sense of loss and disappointment I felt upon hearing of his death. In part, my feeling reflected Piccone's personality, hugeness of spirit, and frenetic charisma that certainly lived up to his reputation. I was also struck by a worry that he will be too easily forgotten. The man certainly had a reputation for alienating people personally and professionally—I heard one commentator refer to Piccone's editorial style as the "Tony Soprano school of editing"—and his relentless pursuit of his analyses, however unconventional and indifferent to anybody's sacred cows, surely did not endear him to many.

Nevertheless, libertarian scholars should give Piccone more attention than he usually receives—which is generally almost none. I do not claim that he was a libertarian, though he was close to one; it would have been fascinating to see if he continued along that path had he not died at the relatively early age of sixty-four. Yet even if he was not a libertarian—or at best an obscure genus of one—he had much of value to offer libertarians. Indeed, in some ways his analysis of the state is

much more sophisticated than many libertarian treatments, which sometimes seem to reduce the state to a monolithic leviathan. Built into the very logic of Piccone's critique of the state is a revelation about its Achilles' heel: the state's very strength is also its weakness.

Although such an insight may appeal to the appetite for poetic justice in all of us, I know of no one else who explored the nuances of that dynamic more incisively than did Piccone. Moreover, aside from his work's intellectual merits, how can any red-blooded libertarian not love the man's indefatigable irreverence? He embodied the very spirit of critical thought; he was as unrelenting an independent thinker as anyone can hope to find, and he had a startling capacity to fish around in the intellectual dustbins and consistently emerge with surprising gems. Although his solutions may not be entirely satisfying, the dynamics that he framed are still with us and show every sign of persisting.

If for no other reason libertarians might remember and appreciate Piccone for his single, most consistent life work: for three decades, he guided the most independent theoretical journal in the English language, long before the Internet allowed almost anybody to set up a journal. As he was fond of observing, the only government or university money *Telos* ever received was a small start-up grant from the philosophy student association at the State University of New York–Buffalo in 1968. The journal was thereafter an entrepreneurial endeavor operated according to sound business practices. This management culminated in *Telos's* being probably the only scholarly journal in contemporary history whose editorial board members built the publication's offices with their own hands.

As exceptional as the journal's business history may have been, its intellectual contribution is Piccone's real legacy. In the late 1960s and early 1970s, it introduced through translation the largely unilingual North American audience to the writings of the critical and Western Marxists. In this way, *Telos* played a major role in the emergent New Left—the movement Murray Rothbard was so excited about at that time—providing thousands of readers with their first exposure to the writing of Karl Korsch, Antonio Gramsci, and the pre–Marcuse cult Frankfurt school. It was largely through these texts made available by *Telos* that the New Left was able to develop its critique of what was called “orthodox Marxism” in its Leninist, Trotskyist, and Kautskyian forms, with their common emphasis on strong central states, “economic” reductionism, and dismissal of concerns about culture and consciousness, which were seen as mere bourgeois, superstructural epiphenomena. Piccone not only was the leader in this project, as head of the editorial board, but personally did a great deal of the actual translating.

In the later 1970s and the 1980s, Piccone and *Telos*—as a general rule, they moved together intellectually—took a new turn, which was typically irreverent and uncommonly abstract. After playing a central role in introducing the Frankfurt school ideas of the “one-dimensional man” who lives in the “totally administered society,” Piccone and *Telos* now turned their critical acumen against that very analysis.

Bureaucratic Rationality and Artificial Negativity

The Frankfurt school's Weberian-style "dialectic of reason (or Enlightenment)," Piccone argued, was indeed the logic of the modern world, driven by endless technocratic social engineering in the form of nation building, the welfare state, and what Theodor Adorno and Max Horkheimer called the "culture industry." Notwithstanding the truth in this view up to a point, however, even as the Frankfurt school thinkers were advancing their most mature articulation of the theory, Piccone argued that unfolding real-world events were already eclipsing it. This critique of the Frankfurt school's classic analysis came to be called, rather archly, the "artificial-negativity thesis." As cumbersome and inaccessible as the moniker may seem, the critique's gist is easy to express.

Max Weber and the Frankfurt school had been correct at one level, Piccone argued: the Frankfurt school, informed and inspired by Weber's vision of the "iron cage of rationality," argued that the same Enlightenment-inspired reason that initially served to liberate humanity from superstition and arbitrary, illegitimate authority eventually gave rise to complex bureaucratic systems of social control that reenslaved us. Because rationality, in the Frankfurt school's view, tended to privilege means over ends, ethical standards were compromised in the interest of technological and bureaucratic instrumentality. The resulting instrumental reason and its implicit logic seeped into the larger culture, where genuinely individual artistic forms were displaced by technological and bureaucratic ones of cultural mass production, such as motion pictures and big-band music. In this way, culture was reduced to an industry, subject to the same instrumental rationality as any other industry: even in our leisure life we became cogs in the machine no less than we were in the factory or the office. This "culture industry," with its relentless homogenization of subjectivity, would be the final nail in the coffin of the free individual.

The result for Western civilization was what Herbert Marcuse called "one-dimensional man" and Adorno called "the totally administered society." Marcuse's reaction to this threat was to herald any resistance—from students, women, or Third World revolutionaries—as an expression of the new universal revolutionary class that had displaced the proletariat, itself now thoroughly indoctrinated into the culture industry. This reaction made him the darling of the New Left during the era of its descent into juvenile insurrectionism. Adorno's response took a more abstract and esoteric philosophical turn in his "negative dialectics." Though this characterization may be controversial among acolytes of the Frankfurt school, Adorno's negative dialectics was essentially an attempt to rescue Hegel's dialectics from the master's congenital conservatism: that is, to generate dialectic opposition that did not resolve into a new antithesis, but endlessly negated and renegated the instrumental rationality and culture industry of the totally administered society.

Although libertarians reject the "original sin" motif in the Frankfurt analysis, they can accept Piccone's assessment that, as a first approximation, the bureaucratic

rationality critique was an accurate description of the U.S. context: rationality, married to central planning, had exerted precisely this move toward total technocratic and bureaucratic order and control. In the U.S. context, this process can be dated back to the Progressive Era, with its regulatory reforms providing the federal government with tools to manipulate economic activity through control of the money supply and commercial rulings. With the introduction of a direct national income tax and the ratification of the Eighteenth Amendment (Prohibition) in 1919, newly emergent federal bureaucracies gained unprecedented interventionist powers into civil society.

The consolidation of this bureaucratic centralization, however, came only with the New Deal, not only in the rationalization of capital, but more dramatically in the rationalization of labor. A striking array of legislation made possible the rational administration of labor's hours, wages, hiring, firing, compensation, unionization, and contract bargaining. This expansive dependence of workers on the emergent rationalizing bureaucracy was further strengthened by legislation to regiment the unemployed into a number of bureaucratic "Works" programs. Topping off this legislation, the Social Security Act was passed in 1935. Such a tendency has characterized the ongoing shifts since the New Deal. Amid the Fair Deal, the New Frontier, and the Great Society, according to Piccone, the same model of bureaucratic rationality prevailed and expanded.

This bureaucratic will to relentless centralism and universalism marked perhaps most dramatically the "end-of-ideology" social-engineering ethos and social-conformity norms of America in the late 1940s and 1950s. However, Piccone argues, this will to total rationalization has a logical weak spot. Particularly in attempts to rationalize human actions, successful total social rationality would obscure the most important indicator for future rationalization: what people would think next. A pervasive bureaucratic rationality, à la Adorno's totally administered society, suffocated the expression of organic opposition and therefore provided no reliable signals to guide the social engineers in knowing what to expect. The widespread belief in a Hegelian-style triumph of rationality with its end of history is fine except when history does not actually end, and people continue to have new thoughts and feelings.

Piccone argued that this sort of failure occurred in the Soviet Union: the rationalizing will of bureaucratic centralism was so overwhelming, allowing so little opportunity for manageable opposition, that the grandest exercise of social engineering in human history was effectively doomed to lose its bearings, become institutionally disoriented, and collapse on itself. If this reasoning at first seems to contrast with Ludwig von Mises's attribution of the collapse to the planners' inability to calculate costs and profits, a closer look shows a striking similarity of analysis. In both Mises's and Piccone's analysis, the USSR collapsed because the central authorities did not know what was really going on (for Mises, in the economy; for Piccone, in the culture), and in both cases these knowledge blind spots reflected the same hyperstatist

smothering of competition (for Mises, between goods and preferences; for Piccone, between ideas and sentiments).¹

In Western capitalist countries, notably the United States, Piccone argued, this danger was recognized at least minimally in time to forestall immediate collapse. The answer to this dilemma was for the state to create its own opposition, an artificial opposition (or negativity, if you will) to provide legitimate, manageable avenues for the expression of dissent. In this way, dissent could be clearly heard and understood, and therefore the social engineers would be able to respond to it effectively.

The problem and the irony were that the will to total bureaucratic rationality did not simply disappear. So even as the state created its own opposition, its artificial negativity, it could not—owing to various administrative measures and funding agreements—stop rationalizing its own invented opposition, eventually making that opposition an extension of the very bureaucracy it was originally intended to check: hence, the need for ever more artificial negativity in an endless spiral. This strategy forestalled but could not prevent the ultimate collapse of the totally rationalizing bureaucracy. This little opening led Piccone to his reconstructive project.

Artificial Negativity in Canada

In his artificial-negativity phase, Piccone never applied his analysis to Canada, yet this country may be viewed with profit through Piccone's theoretical lens of the 1980s. Considering that the relevant forces came later to Canada than to the United States, it is not surprising that the development of bureaucratic rationality and artificial negativity also came later. The initial post-World War I effort in this direction, spearheaded by a splinter group of the Canadian Manufacturers' Association, the Canadian Reconstruction Association, failed utterly. The Board of Commerce, intended to regulate profits and prices; the Employment Service of Canada, an experiment in business-state joint management of labor relations; and the state-sponsored unemployment insurance plan advocated by the Royal Commission on Industrial Relations of 1919 collapsed soon after their initiations. So too did the Canadian Reconstruction Association, which folded in 1921.

Prime Minister R. B. Bennett flirted with such bureaucratic rationalization in the 1930s. One lasting impact was the creation of a central bank, the Bank of Canada, in 1935, even though the Bank of Montreal had "successfully" served as the "government's banker" previously and though Canadian banking had been largely immune to the seasonal liquidity tumult that marked U.S. banking history. Originally created as a private corporation, the Bank of Canada was made a Crown Corporation in 1938. The predictable monopoly over the currency (and the power to debase it) ensued. However,

1. Which is not to say that my reading of Piccone suggests that he would have disagreed with Mises's position in the socialist calculation debate had he known about it. That Piccone tended to emphasize cultural dissent and dissatisfaction in no way diminishes or contradicts the relevance or existence of similar processes and problems in the economy.

despite Bennett's flirtation with other forms of bureaucratic social engineering—for example, unemployment insurance, regulation of wages and hours, tax reform, and produce-marketing boards—he suffered disastrous results in the federal election of October 1935. A similar set of policies proved to be a nonstarter for W. L. M. King's Liberal Party, whose campaign slogan of the 1945 election was "A New Social Order." Canada's grand bureaucratic rationalizing programs were not to get under way seriously until the 1960s, although the foundation for that rationalization was laid during World War II.

The wartime need for greater centralization, to ensure a strong command structure, prompted rapid growth of the civil service and the emergence of several powerful mandarins—some elected, some not. After the war, this group worked hard to maintain wartime decision structures and to elaborate their forms. By the 1950s, with the technocratic Louis St. Laurent as prime minister, power was entrenched in a centralization that had the federal government as its prime focus and that was dominated by a handful of ministers and senior civil servants. The names "C. D. Howe," "Douglas Abbott," "J. W. Pickersgill," and "Mitchell Sharp" are emblematic of this emergence.

This war-spawned process also involved the intensification of federal centralization at the expense of provincial autonomy. The Rowell-Sirois Commission of 1940 did much to facilitate this process in preparing the political climate through its final recommendations. Perhaps equally important was the war's opening the door to the federal government's ability to exercise direct taxation and to establish a fiscal center in the country's power structure that it likely never would have achieved otherwise.

However, only under the Pearson and Trudeau administrations in the 1960s, 1970s, and early 1980s was bureaucratic rationality finally consolidated in Canada. This process involved the acceleration of the technocratic sensibility, alongside rapid movement toward federal centralization. Under Lester Pearson's administration, the "New Politics" of the young, ambitious "Cell B" group began to weave together the threads of the Canadian welfare state. Pierre Trudeau profoundly entrenched the federal civil service as an instrument of social integration with his francoization project, while aspiring to streamline and centralize the civil service's technocratic character with such ambitious "rational decision-making" programs as the Planning, Programming, and Budgeting System and the Operational Performance Measurement System.

In this period, an impressive range of initiatives entrenched the bureaucracy's social engineering in daily civic life: the Medicare Act of 1966, the Canadian Pension Plan, the Established Programs Financing Act, the Technical and Vocational Training Assistance Act of 1960, the creation of the Department of Industry in 1963 (merged into the Department of Industry, Trade, and Commerce in 1969), the creation of the Department of Manpower and Immigration in 1966, the Adult Occupational Training Act, and the creation of the Department of Consumer and Corporate Affairs in 1967. Also during the 1960s came the Community Employment Strategy, the Export

Development Corporation, and the Department of Regional Expansion. In the 1970s came the family allowance, unemployment insurance, a variety of measures to reorganize income tax, and the controversial Anti-Inflation Act (Wage and Price Controls) of 1975. The most dramatic event of Trudeau's 1980s was the Constitution Act of 1982, with its Charter of Rights and Freedoms.

In Canadian hagiography, these events are celebrated as nation building, but for Piccone their social-engineering dimensions are most important. All of these measures, through their various reporting and qualification requirements, promoted the centralized rationalization of civic life in both the public and the private domains. Following the logic of the artificial-negativity thesis, though, one would expect to find during this period of bureaucratic rationality's consolidation a change in the state's approach to its opposition. And given the leapfrog benefits that come with learning from the pioneers' experiences, it also would not be surprising that such change would be instituted far more rapidly in Canada than it had been in the United States.

Whereas opposition in Canada had historically been dealt with largely through the state's exercise of its monopoly on coercion—for example, in the Winnipeg General Strike, Bennett's New Deal work camps, the Cold War repression in the aftermath of the Gouzenko Affair—in the 1960s, notwithstanding the continued use of crude repression on occasion, a qualitatively new pattern of response to dissent emerged. Perhaps the prototypical example of this new pattern was the 1965 Company of Young Canadians (CYC): bureaucratic rationality's dry run in artificial negativity vis-à-vis the budding New Left of the Student Union for Peace Action. Here we see the beginning of a pattern in which potentially organic opposition is organized through the incentive of financial support into a mini-counterbureaucracy that gives voice to oppositional concerns through a channel always moderated by its own self-consciously modest connection with the bureaucracy. In this way, as Piccone would have expected, bureaucratic rationality artificially engenders its own negative discourse, providing itself with a more realistic bearing on the social mood and thus enabling it to ensure its bureaucratically rationalizing equilibrium.

The CYC, though, was indeed only a dry run in the bureaucratic rationalizing of the youth culture and the New Left, paving the way for much more ambitious programs of the 1970s, such as Opportunities for Youth and the Local Initiative Projects. These programs were immensely successful in organizing cultural and political opponents into a counterbureaucracy that provided its leaders with vested interests, its activists with meaningful social work, and its sympathizers with a domesticated organizational focus. Even before these revamped efforts, however, the lessons of the CYC were being applied in the bureaucratic rationalizing of identity diversity.

For example, in 1969, amid Nova Scotia's racial tensions, the federal government funded the Black United Front as a constructive and moderate voice of the black community. Even earlier, the numerous aboriginal people's organizations that emerged in 1968—the Canadian Métis Society (later the Native Council of Canada, 1970), the

Alberta Native Communication Society, and the National Indian Brotherhood (later the Assembly of First Nations, 1980)—were consistently incorporated into the artificial-negativity pattern through the sponsorship of the Secretary of State's Native Citizens Directorate. The latter's Native Representation Program was established to fund basic organizational, administrative, and developmental costs for national and provincial native associations and organizations.

Though the sources of funding for the women's movement in the 1970s may have been more diverse, the movement's fate was much the same. The ground for this process was prepared in 1972 with the establishment of the Women's Program in the Citizenship Branch of the Department of State. With the mushrooming of federal government funding through the programs that emerged in the 1975 International Women's Year, the women's movement came under the rationalization of artificial negativity.

Beginning with the Official Languages Act, the Trudeau administration pursued throughout the 1970s a careful strategy of effective francophone affirmative action for the civil service that co-opted the Quebecois intelligentsia, born out of the Quiet Revolution, into what was supposed to be a new quiet revolution on the federal level. This long march through the federal institutions was to answer the concerns of Quebecois nationalism without resort to the separatists' projects. Thus, Quebecois negativity was artificially rationalized into the bureaucracy itself.

In less dramatic forms, this pattern has appeared consistently throughout the period under consideration. Through the funding of "hassle-free" clinics, tenants' associations, welfare-rights organizations, women's centers, and a wide range of oppositional publications, potentially organic opposition has been consistently cultivated as artificial negativity within the logic of bureaucratic rationality. It should be emphasized that Piccone's point here is not the banal criticism of opposition groups for their moral failure in accepting dirty money, but merely the empirical observation that the rationalizing bureaucracy has artificially created these oppositions in their actual forms through its funding practices and administrative protocols.

Yet, to repeat the point made previously, no rationalization can be perfect forever because changes always occur. Bureaucratic rationality, having reached its rationalizing zenith, is permanently caught in the spiral of a rationality crisis, trying to create negativity artificially, only to have its creation turn out to be another rationalizing mechanism. This crisis of rationality—and, even more directly, this crisis of artificial negativity—Piccone argued, characterizes the second half of the twentieth century much better than does the Frankfurt school's one-dimensionality thesis.

According to Piccone and the artificial-negativity theorists of *Telos*, this crisis presents a unique opportunity. Bureaucratic rationality's out-of-control rationalization continually pushes it farther and farther in the quest for artificial negativity, to the point that the rationalization threatens to contribute to reopening the public sphere that it had previously dissolved. Hence, it might engender the emergence of a genuinely organic opposition that would not be a mere appendage of the rationalizing

bureaucracy, but a self-consciously systemic opposition to the state. Herein might lie the seeds of a new politics for the age of bureaucratic rationality. The need to push continually for a more radical artificial negativity, out of reach of its own rationalization, leaves bureaucratic centralism on the verge of becoming an unwitting accomplice in cultivating the conditions of its own demise. The perceived opportunity and necessity of such an organic opposition, thriving in the cracks of bureaucratic rationality, inspired the reconstructive project that took form in the 1990s.

Beyond Left and Right: Communitarian Populism versus the New Class

In the 1990s, Piccone, along with *Telos*, began this reconstructive phase of a long intellectual journey. After the largely expository phase of the late 1960s and early 1970s and the relentless abstract critiques of the late 1970s and 1980s, Piccone sought to elaborate a theoretical position that might point the way out of the cul-de-sac of totalizing rationality and artificial negativity. Central to this analysis is his conclusion that the conventional division of politics and political theory between left and right had in reality long since been transcended, despite many analysts' continuing use of this language.

Piccone held that in fact the left–right analysis, at least since the mid–nineteenth century, had been something of a con job. It presented a model of the world that privileged Marxist assumptions about the fundamentals of human life. History was therefore framed as the conflict between capital and labor, and being left or right merely indicated which side one took in the debate. Sticking within the left–right analysis kept one safely tucked inside this little proto-Marxian circuit: insisting on the fundamental nature of the productive infrastructure invited cursory dismissal of culture and politics as superstructural epiphenomena, conveniently ignorable.

For Piccone, this conveniently narrow left–right debate obscured the fact that it was intellectuals who made the arguments from both sides. And, of course, intellectuals work and exert their power in the cultural and political realm. So suddenly we have a picture of intellectuals telling everyone else what to think and do, arguing over who does and should have power by pointing to conflicts in the productive realm and thereby diverting attention from other realms, where they develop and employ their own unnoticed power. In fact, in the age of corporatist capitalism, who really runs capital and labor if not managers, lawyers, consultants, and experts? How many old-fashioned “captains of industry” remain? How many labor union leaders today worked their way up from the shop floor?

Piccone maintained that the old left–right divide was a mirage of and a distraction from the real nature of social conflict today and had been for a long time. The true objective social conflicts were between what he called the “New Class”—intellectuals, symbolic workers, communicators, managers, social theorists, and so forth—and the local communities, neighborhoods, and citizens-reduced-to-clients who were the

object of the New Class's rationalizing exercises in bureaucratic social engineering. The new struggle was on behalf of what Marxists might call the "universal class," the communities and citizens who struggled to take back control of their futures and to assert their local and regional identities in the face of the ever-centralizing bureaucracies. In this light, Piccone's interest in Canada's political milieu while he was working out these ideas in the mid-1990s is easy to understand.

He certainly sympathized with the Quebecois nationalist resentment over Pearson's and especially Trudeau's nation-building, centralizing initiatives. However, he was also highly critical of the separatist aspiration simply to create a new, smaller nation-state, run by a new gaggle of New Class bureaucrats in a French accent. Piccone's solution lay in devolved federalism and structural subsidiarity, which would provide the requisite political scale and relations for local communities to build "hands-on" democratic institutions and to pursue self-determination while maintaining the benefits of economies of scale and varied collaboration.

He saw more hope in the Reform Party and in Western secessionist sentiments based in a sense of regional rather than national grievance. However, in a turn that may strike Canadians today as ironic, Piccone also criticized the Reform Party for its theoretical naivety, noting that because of external attacks and internal incoherence, it had allowed itself to be painted as merely the new rightist party that filled the gap left by the post-Mulroney annihilation of the Progressive Conservatives. To be a genuine vehicle for what Piccone calls "Federal Populism," the Reform Party would have had to transcend the New Class ideology of the left-right divide that made it vulnerable to be co-opted by the very forces it stood objectively against, much as the late-nineteenth-century U.S. populists were co-opted by the progressives. Piccone observed that the conservative wing within the Reform Party, led by Stephen Harper, explicitly sought to patronize the New Class in order to recruit its members.²

Piccone believed the time was ripe for a new populism of communities and citizens to reject the bureaucratic centralism of the New Class. What had happened in the most advanced and thoroughly centralized, rationalized, historical example of this phenomenon, the Soviet Union, was now happening to the others. He saw imperfect manifestations of this populism emerging across most of the Western world. Although most readers of this reassessment will be inclined to dismiss out of hand the idea that they constitute this New Class, exercising a subtle domination in its well-meaning projects of social engineering and rationalization, they see clearly that the public's mood for some years now has been what Piccone would call anti-New Class. Cynicism about politicians and government, accompanied by ever-decreasing voter turnouts; contempt for an insensitive and coddled public service; crude (sometimes crackpot) dismissals of science; popular mockery of ivory-tower academics;

2. As I write this sentence, less than twenty-four hours has passed since Stephen Harper finally won his much-sought majority government. After Piccone's death, Harper became the prime minister of Canada in a series of minority governments, having engineered the "reunification of the Right," a merger of the Reform and Progressive Conservative parties.

and anti-intellectualism in general—all may be seen as symptoms of the populism that Piccone saw fermenting.

Some Rothbardian Criticisms

In his theorizing, Piccone certainly can be accused of a residual nostalgia for the explanatory elegance of Marxian (read “Hegelian”) dialectics. In this regard, he probably should not have been so quick to bypass Adorno’s negative dialectics. In any event, as for Marx and Adorno, so with Piccone, when one brings one’s muddy shoes into the hall of mirrors that is the ideology critique of “false consciousness,” things can get messy. In the 1990s, Piccone was always in danger of becoming a parody of his own critique. In the end, what is the difference between Marx’s telling the workers that the capitalists are duping them (and that only by thinking as he does will they see that they are being duped and understand how to change the situation) and Piccone’s telling the organic communities and populist-inspired citizens much the same thing about the New Class and bureaucratic rationality? The grand theorizer’s celebration of the common man always has a hint of the preposterous: if the theory is not needed, why waste your time? If it is, the common man will be inadequate until he has it, too.

For our purposes, though, notwithstanding some internal contradictions in Piccone’s life work, libertarians have some specific concerns. A relaxed juxtaposition of Piccone and Rothbard helps to clear up some of these matters. From a strictly libertarian perspective, three important issues have to be put in parentheses if we are to engage Piccone’s legacy productively: his communitarian populism (largely buffeted by a confused critique of liberalism); his overly simplistic treatment of the intellectual as a New Class; and his uncritical adoption of the Frankfurt school’s Weberian antirationalism, which obscures more than it illuminates.

Although Piccone dedicated several articles to his critique of “liberalism,” this critique remains one of his most confusing ideas. The problem is the constantly shifting nature of the term *liberalism*. Sometimes it seems to be a euphemism for capitalism, corporatism, militarism, Keynesianism, and liberal democracy. It is hardly clear to me that they all are the same thing, even if one can identify connections between them. Yet this “liberalism” clearly is the foil for Piccone’s preferred social order of some kind of communitarian populism. He tends too often to lapse into a Frankfurt school idiom of authenticity when elaborating his communitarian ethos, contrasting it with what he calls “shallow consumerism.” One can almost hear Horkheimer and Adorno’s cultural critique industry chewing up everything in its path.

Most libertarians, I assume, and certainly all Austro-libertarians will have no patience with this sort of thing: much as Piccone would be offended by the accusation, this communitarian “authenticity” hinges on a personal value judgment of what is good, appropriate, and genuine, masquerading as the transcendental. Piccone is as entitled to his opinion of these things as anybody else. To promote a social order guided only by his preferences, though, is theoretically to fly too close to the social

engineer's son. Either he has to accept that the consumerism he finds so inauthentic is the spontaneous and unplanned outcome of all of the actions of the diverse participants in the market, over which he can have no control, or he has to imagine a "better man" molded by his communitarian populist sensibility, who will engineer his brave new populist world. If the latter is his objective, he is no better than the Marxist absolute statist that he derides and condemns elsewhere.

As most in the libertarian tradition know, Marx outright scoffed class theory from the classical liberals and libertarians, but then he gave that same theory new twists and distortions that made no sense in terms of economic principles. Piccone does not seem to know this history, which makes his insistence on rediscovering the culprit class an unfortunate trip down Speculation Lane. Those who work with ideas obviously have a disproportionate influence in the contemporary world. Whether this situation in itself creates a problem is not evident. The assumption that those who work with ideas are all the same, however, is a problem. Even if we put semantics aside and concentrate on intellectuals in a narrow sense of the term, the assumption of their homogeneity hardly seems justified (even after Piccone, like Marx, exempts himself).

Is there not a world of difference among the J. K. Galbraiths, Henry Kissingers, and Paul Krugmans of the world, who unabashedly and unapologetically strive to run other people's lives; those, even the Marxists, who at least advocate liberating people to run their own lives (even if theoretical implications and historical practice contradict stated aspirations); and the Rothbardian natural-law libertarians whose theory and advocacy amount to an uncompromising endorsement of individual liberty? Unlike the Marxists' practical compromises, which may find support in their theoretical ambiguity, compromise in practice by Rothbardian libertarians would be nothing but bald hypocrisy. For Piccone to lump all of these intellectuals together in the same "class" evinces a stark lack of analytic nuance. He certainly was not wrong to make technocrats and bureaucrats central concerns of his analysis; he was mistaken, however, in spreading his conceptual net so widely and indiscriminately.

The matter of Weberian rationality, viewed through the lens of the Frankfurt school, is a topic far beyond the scope of this article and its author's knowledge. Nevertheless, I must insist that the Frankfurt claim that the Enlightenment leads inexorably to the Holocaust can be made plausible only with considerable intellectual voodoo. For now, though, I must confine myself to the observation that what Piccone casually identifies as rationality is not rationality per se, but its harnessing to central planning. Does he really imagine that his liberated individuals and communities should not use rational means-ends and cost-benefit analyses to guide their choices and actions in allocating scarce resources? Does he believe doing so will inevitably result in genocide? The whole thrust of this critique is the idea of rationality as disconnected from ethical guidelines. Such disconnection was presumably a legacy of the scientific tradition. As Rothbard has illustrated through his Lockean natural-law position, however, neither science nor rationality must necessarily lead to ethical nihilism.

Moreover, a more Rothbardian foundation might have given Piccone a deeper insight into his own theoretical observations. From a libertarian perspective, Piccone (surprisingly, really) overlooked an additional, extremely important dimension of his own artificial-negativity thesis. This oversight was the cumulative impact of all those special-pleading groups that the state funds to generate its own opposition artificially: notwithstanding their conflicting, even competing demands for finite resources, in another perspective they all are joined as a single chorus. Each group's demands, screamed ever louder, provide increasing cover for the state's insatiable hunger for our property because there are manifestly so many needs aching to be met. Therefore, although the state-funded opposition provides important information, it also provides the modern state's very *raison d'être*. The state, in effect, uses its extorted funds to finance *ex post* legitimization of its extortion.

Nevertheless, Piccone's writing contains much that is not only relevant, but compelling. Behind the left-right charade, ostentatiously educated people have quietly taken over the world in the smug belief that they know better what is good for the unwashed masses. Their ceaseless efforts to impose their vision of the perfect on the clay that is everyone else do indeed present us with fascinating challenges and opportunities. Piccone's artificial-negativity thesis provided a fresh lens through which to evaluate such tendencies and their consequences. He had his finger on the pulse of something real in suggesting that a historical swing threatens to radically shake the foundations of bureaucratic centralism. This threat is reflected in public-administration scholarship's discourse about decentralized governance, horizontal management, and citizen engagement; in the popular media's hand-wringing over "the democratic deficit"; in the Tea Party and the Occupy protests; and in much else. Indeed, the current U.S. explosion in popular constitutional self-education, of which the Tea Party movement is only the most salient aspect, expresses the logic of Piccone's theory. Although Piccone would have criticized the Tea Party in his usual relentless, merciless way, he would also have rightly claimed it as further evidence, however inadequately theorized, of the populist communitarian revolt against the New Class.

We always need more revealing lenses through which to consider the changes in the political cultures of industrialized democratic states around the world. Although libertarianism has various deontological arguments about the state's immorality and consequential arguments about its normative failures, Piccone provides an insight into the state—drawn from libertarian-compatible root analyses—that captures the dynamism of its self-perpetuating mechanics, while revealing the entire enterprise's Achilles' heel. What I miss most about Piccone is his willingness to pursue relentlessly the logic of unconventional and unpopular ideas. However much he might have hated the fact, he was the consummate intellectual. As for any fertile, seminal thinker, the final integrity of the system he tried to build was less important than the richness of his thought in the effort. I have no doubt that if he had taken on Mises, Hayek, and Rothbard, he would have provided thoughtful critiques, leaving us much more to consider than we have in the absence of his contribution. Such an engagement might

have profited Piccone as well. It certainly would have eased the assimilation of his contributions to the libertarian tradition. Notwithstanding Piccone's failure to extend his thinking along such lines, libertarians should not neglect and may well profit from his important analysis of the state.

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Acknowledgments: I thank Robert Higgs and the anonymous reviewers for their encouragement and critical contributions.