

The New Authoritarianism: From Decaying Democracies to Technocratic Dictatorships and Beyond

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Introduction

We live in a time of dynamic, regressive, regime changes. A period in which major political transformations and the dramatic roll back of a half century of socio-economic legislation are accelerated by a prolonged and deepening economic crises and a world-wide financier led offensive.

This essay explores major ongoing regime changes that have a profound impact on governance, the class structures, economic institutions, political freedom and national sovereignty. We delineate a two-stage process of political regression.

The first stage involves the transition from a decaying democracy to an oligarchical democracy; the second stage currently unfolding in Europe involves the transition from oligarchical democracy to colonial-technocratic dictatorship.

We will identify the specific features of each regime focusing on the specific conditions and socio-economic forces behind each “transition”. We will proceed to clarify the key concepts, their operative meaning: specifically the nature and dynamics of “decaying democracies” (DD), oligarchical democracies (OD) and “colonial technocratic dictatorship” (CTD).

The second half of the essay will detail the politics of CTD, the regime which has moved furthest from the notion of a sovereign representative democracy. We will clarify the differences and similarities between traditional military-civilian and fascist dictatorships and the modern up-to-date CTD, focusing on the ideology of apolitical expertise and technocratic rule as a preliminary to an exploration of the profoundly colonial hierarchical chain of decision making.

The penultimate section will highlight the reason why the imperial ruling classes and their national collaborators have overturned the pre-existing ‘democratic’ oligarchical ruling formulas of “indirect rule” in favor of a naked power grab. The turn to direct colonial rule (a coup by any other name) was consummated by the major financial ruling classes of Europe and the US.

We will evaluate the socio-economic impact of rule by imperial appointed colonial technocrats, the reason for rule by fiat and force over the previous process of persuasion, manipulation and co-optation.

In the concluding section we will evaluate the polarization of the class struggle in a time of colonial dictatorship, in the context of hollowed out electoral institutions and radical regressive social policies. The essay will address the twin issues of struggle for political freedom and social justice in the face of fiat rule by emerging technocratic colonial rulers.

What is at stake goes beyond the current regime changes to identifying the most basic institutional configurations which will define the life chances, personal and political freedoms of future generations, for decades to come.

Decaying Democracies and the Transition to Oligarchical Democracies

The decay of democracy is evident in every sphere of politics. Corruption is all pervasive, as parties and leaders vie for financial contributions from the wealthy and powerful; congressional and executive positions have a price tag; each piece of legislation is influenced by powerful corporate “lobbies” which spend millions writing the laws and engineering their approval. Prominent influence peddlers like the US felon Jack Abramoff boast that “every congressperson has their price”. The vote of citizens counts for nothing: the politician’s campaign promises have not relation to their behavior in office. Lies and deceptions are considered “normal” in the political process. The exercise of political rights are increasingly under police surveillance and active citizens are subject to arbitrary arrest. The political elite depletes the public treasury subsidizing colonial wars and pays for their military adventures by eliminating basic social programs, public agencies and services.

Legislators engage in vitriolic demagoguery in virtual Punch and Judy puppet conflicts as public displays of partisanship while in private they feast together at the public trough. In the face of the discredited legislative institutions and the overt, gross buying and selling of public office, executive officials, elected and appointed, seize legislative and judicial powers.

Decaying democracy evolves into an ‘oligarchical democracy’ as executive officials rule by fiat; overriding democratic rules and ignoring the interests of the majority. An executive junta, of elected and non-elected officials, resolves questions of war and peace, allocate billions of dollars or euros to a financial oligarchy, and reduce living standards of millions of citizens via class biased “austerity packages”.

The legislature abdicates its legislative and oversight function and submits to the executive junta’s “accomplished facts”. The citizenry is assigned the role of passive spectators – even as anger, disgust and hostility spreads and deepens. Isolated voices of dissenting representatives are drowned out by the cacophony of mass media contracted prestigious “experts” and academics shilling for the financial oligarchy and advising the executive junta. No longer do citizens look to the legislatures for relief or redress from the executive seizure and abuse of power. To fortify their absolute power the oligarchies emasculate the constitutions, citing economic catastrophes and all pervasive ‘terrorist’ threats. A vast and growing police state apparatus, with unlimited powers, enforces constraints on civic and political opposition. As legislative powers are sapped and executive authorities enlarge their sphere of action, the remaining democratic freedoms are curtailed via ‘bureaucratic restrictions’ on time, place and forms of political action. The purpose is to minimize the critical minority from mobilizing a sympathetic majority. As the economic crises worsen and the bondholders and investors demand higher interest rates, the oligarchy extends and

deepens their austerity measures. Inequalities widen, exposing the oligarchical nature of the executive junta. The social bases of the regime narrow. The well paid skilled workers and middle class employees and professionals begin to feel the acute erosion of wages, salaries, pensions, working conditions and future career prospects.

The narrowing of social support undermines the junta's claim to democratic legitimacy. Faced with mass discontent and discredit and with strategic sections of the civil bureaucracy in revolt, factional strife breaks out among rival cliques within the 'official parties' of government. The 'democratic oligarchy' is pushed and pulled in several directions: it decrees social cuts but can only find limited support in implementing them. It decrees regressive taxes but cannot collect them. It launches colonial wars but cannot win them. The executive junta alternates between force and compromise; robust promises to the international bankers and then, under mass pressure, backsliding.

Over time oligarchical democracy is no longer useful as to the financial elite. Its democratic pretensions no longer can deceive the masses. Prolonged elite factional warfare erodes its willingness to impose the financial oligarchy's full agenda. At this point oligarchical democracy as a political formula has run its course.

The financial elite are ready and willing to discard all pretenses of ruling via democratic oligarchs. They are seen as willing but too weak; too subject to domestic pressure from factional rivals and not willing to proceed to savage cuts in social budgets, even greater reductions in living standards and working conditions.

The real power behind the executive juntas comes to the fore. The international bankers discard the 'native junta' and impose non-elected bankers to rule - dubbing their private bankers as technocrats.

The Transition to a Colonial 'Technocratic' Dictatorship

The naked rule by foreign bankers is disguised by an ideology which describes it as rule by technocrats who are experts, apolitical and above private interests. The reality behind the technocratic rhetoric is that the officials appointed have a career of working with and for big financial private and international interests. Lucas Papademos, the appointed Greek Prime Minister, worked for the Federal Reserve Bank of Boston and, as head of the Greek Central Bank, was responsible for cooking the books covering up the fraudulent budgetary accounts leading Greece to financial disaster. Mario Monti, the appointed Prime Minister of Italy was employed by the European Union and Goldman Sachs.

These appointments by the banks are based on their total loyalty and unstinting commitments to impose the harshest regressive policies on the working populations of Greece and Italy. The so-called technocrats are not subject to party factions, nor remotely responsive to any social protests.

They are free of all political commitments ... except one, to secure the payment of the debt to foreign bondholders - especially the loans owed to major European and North American financial institutions. The technocrats are totally dependent on the foreign banks for their appointments and tenure in office. They have not a smattering of a political organizational

base in the countries they govern. They rule because, foreign bankers threatened to bankrupt the countries if they were not appointed. They have zero independence, in the sense that the 'technocrats' are merely instruments and direct representatives of the Euro-American bankers.

The "technocrats" by the nature of their appointments are colonial officials explicitly appointed at the behest of imperial bankers and sustained by them. Secondly, neither they nor their colonial mentors were elected by the people over whom they govern. They are imposed by economic coercion and political blackmail. Thirdly, the measures they adopt are designed to inflict the maximum pain by totally altering the basic relation-between labor and capital, by maximizing the power of the latter to hire, fire, fix salaries and working conditions. In other words, the technocratic agenda imposes a political and economic dictatorship.

The social institutions and political processes associated with a democratic-capitalist welfare state, corrupted by decadent democracies, eroded by oligarchical democracies are threatened with total demolition by the emerging colonial technocratic dictatorships (CTD). The language of social/regression is full of euphemisms but the substance is clear. Social programs regarding public health, education, pensions, and disabilities are slashed or eliminated and the "savings" transferred into tributary payments to foreign bondholders (banks).

Public employees are fired, their retirement age extended and their salaries reduced and their tenure eliminated. Public enterprises are sold to foreign and domestic capitalist oligarchs with services curtailed and employees shed. Employers shred collective bargaining agreements. Workers are fired and hired at the whim of the owners. Vacations, severance pay, starting salaries and overtime pay are drastically reduced. These pro-capitalist regressive policies are dubbed "structural reforms". Consultative processes are replaced by the dictatorial powers of capital - "legislated" and implemented by the appointed technocrats. Not since the time of Mussolini and fascist rule and the Greek military junta (1967 - 1973) has such a regressive assault on popular organizations and democratic rights taken place.

Comparing Fascist and Technocratic Dictatorships

The earlier fascist and military dictatorships have much in common with the current technocratic despots regarding the capitalist interests they defend and the social classes they oppress. But there are important differences which disguise the continuities.

The military junta in Greece and Mussolini in Italy seized power by force and violence, outlawed all opposition parties, press trade unions and closed the elected parliament. The current "technocratic" dictatorship is handed power by the political elites of the oligarchical democracy - a 'peaceful' transition at least in its initial phase. In contrast to the earlier dictatorships the current despotic regimes retain the hollowed out and emasculated electoral facades, as rubber stamp entities to provide a kind of "pseudo-legitimacy", which

beguiles the financial press but fools few public citizens.

From the very first day of technocratic rule the key slogans of the organized movements in Italy was, “No to a government of bankers”; while in Greece the slogan that greeted the puppet pragmatist Papdemos was “European Union, IMF, Get Out”.

The earlier dictatorships began as full blown police states, arresting pro-democracy movement activists and trade unionists before pursuing their pro-capitalist policies. The current technocrats first launch their vicious all-out assault on living and working conditions, with parliamentary assent and then in the face of sustained and determined resistance by the “parliaments of the street”, proceed to escalate police state repression by degree ... practicing incremental police state rule.

Policies of the Technocratic Dictatorships: Scope, Depth and Method

The dictatorial organization of a technocratic regime is derived from its policies and political mission. In order to impose policies that result in massive transfers of wealth, power and legal rights from labor and households to capital, especially foreign capital, an authoritarian regime is essential, especially in anticipation of sustained resistance. The international financial oligarchy cannot secure ‘stable and sustainable’ long term extraction of wealth with any semblance of democratic governance, even a decaying oligarchic democracy. Hence the last resort for the bankers in the EU and USA is to directly appoint one of their own to push, shove and impose a sequence of comprehensive large scale, long-term regressive changes. The mission of the technocrats is to impose an enduring institutional framework which will guarantee long-term, high interest payments based on decades of impoverishment and popular exclusion.

The mission of the “technocratic dictatorship” is not to put in place a single regressive policy of short duration, such as a salary freeze or dismissal of a few thousand school teachers. Their intent is to convert the entire state apparatus into an efficient press to continuously extract and transfer tax revenues and income from workers and employees to bond holders. To maximize the power and profits of capital over labor, the technocrats grant the capitalists absolute power to fix the terms of labor contracts, as far as hiring, firing, longevity, hours and working conditions.

The technocrats “method of rule” is to have an ear only for the foreign bankers, bondholders and private investors. The decision process is closed and limited to the coterie of bankers and technocrats without the least transparency. Above all, under colonial rules the technocrats must ignore the protestors if possible or, if necessary break heads. Under pressure from the banks, there is no time for mediation, compromise or delays as was the case under decaying and oligarchical democracies.

Ten historic transformations dominate the agenda of the technocratic dictatorships and their colonial mentors.

- 1) Massive shifts in budgetary allocations from welfare to bond and bank payments.
- 2) Large scale changes in income policies from wages to profits, interest payments and rents.
- 3) Highly regressive tax policies, increasing consumer (VAT) and wage taxes and lowering taxes on bondholders and investors.

- 4) Eliminating employment security ("labor flexibility"), increasing the reserve army of unemployed to lower wages, intensifying the exploitation of employed labor ("higher productivity").
- 5) Rewriting labor codes, undermining the balance of power between organized labor and capital. Wages, working conditions and health issues are taken out of the hands of rank and file unionists and put in the hands of technocratic "corporate commissions".
- 6) The dismantling of a half century of public enterprises and institutions and privatizing telecommunications, energy, health, education and pension funds. Trillion dollar privatizations are windfall profits on a world historic scale. Private monopolies replace public and provide fewer jobs and services without adding any new productive capacity.
- 7) The economic axis shifts from production and services for mass consumption in the domestic market, to exports of specialized goods and services to overseas markets. This new dynamic requires lower wages to "compete" internationally but shrinks the domestic market. The new strategy translates into an increase in hard currency earnings from exports to pay the debt to the bondholders but results in greater misery and unemployment for domestic labor. Under the technocratic "model", prosperity accrues to vulture investors buying lucrative but financially strapped local producers and real estate on the cheap.
- 8) The technocratic dictatorship by design and policy aims at a 'bipolar class structure' in which the bulk of the skilled workers and the middle class is impoverished and suffers downward mobility while enriching a strata of local bondholders and business owners who cash in on interest payments and the low cost of labor.
- 9) Deregulation of capital, privatization and the centrality of financial capital leads to greater colonial (foreign) ownership of land, banks, strategic economic sectors and 'social' services. National sovereignty is replaced by imperial sovereignty in the economy as well as politics.
- 10) The unified power of colonial technocrats and imperial bondholders dictating policy concentrates power in a non-elected power elite. They rule with a narrow social base and no popular legitimacy. They are politically vulnerable, therefore, constantly dependent on economic threats or physical force.

Three Stages of Technocratic Dictatorial Rule

The historic task of the technocratic dictatorship is to roll-back the political, social and economic advances gained by the working class, public employees and pensioners since the defeat of fascist capitalism in 1945. The unmaking of over sixty years of history is no easy task, least of all in the midst of a deep ongoing socio-economic crises, in which the working class has already experienced severe cuts in wages and benefits and the number of young unemployed (18 - 30 years) throughout the EU and North America ranges between 25 to 50 percent.

The proposed agenda of the "technocrats" - parroting their colonial mentors in the banks - is ever more severe reductions in living and working conditions. The proposed "austerity" occurs in the face of growing economic inequalities between the wealthy 5% and the bottom 60% between Southern Europe and Northern Europe. Faced with downward mobility and heavy indebtedness, the middle class and especially their 'educated children', are outraged by the technocrats call for even greater social cuts. Outrage spreads from the lower middle class to business and professionals on the verge of bankruptcy and loss of status.

The technocratic rulers, constantly play on mass insecurity and fear of a "catastrophic collapse" if their 'bitter medicine' is not swallowed by the anguished middle classes who

fear the prospect of sinking into the working class or worse.

The technocrats call on the present generation to sacrifice, to commit virtual suicide, to save future generations. With gravity and humble posturing they speak of “equal sacrifices”, a message belied by the firing of tens of thousands of employees and the selling of billions of euros/dollars of the national patrimony to foreign bankers and investors. Lowering public expenditures to pay bondholders and entice private investors erodes any appeal for “national unity” and “equal sacrifice” ..The technocratic regime strives to act decisively and quickly to impose its brutal regressive agenda, the rollback of sixty years of history before the masses have time rise up and bring them down.

To preclude political opposition the technocrats demand “national unity”, (the unity of bankers and oligarchs), the backing of the decadent electoral parties and their leaders and their total submission to the colonial bankers’ demands.

The technocrats’ political trajectory will be short lived given the draconian systemic changes and repressive structures they propose, the best they can accomplish is to dictate and implement policies and then return to their lucrative sanctuaries in the overseas banks.

Technocratic Rule: Stage One

With the unanimous backing of the mass media and the full backing of the powerful bankers, the technocrats take advantage of the downfall of the despised and discredited politicians of the past electoral regimes. They project a clean government image which speaks to a regime which is efficient and competent, capable of decisive action. They promise to put an end to deteriorating living conditions and partisan political paralyses. At the onset of their rule the technocratic dictators exploit the justified popular disgust with privileged “do-nothing” politicians to secure a measure of popular consent or at least passive acquiescence from the majority of the citizens drowning in debt and in search of a “savior”.

It should be noted that among the most politically aware and social conscious minority, the bankers resort to a colonized “technocratic regime” cuts no ice: they immediately identify the technocratic regime as illegitimate deriving powers from foreign bankers. They affirm the rights of citizens and national sovereignty. From the beginning, even under the cloak of emergency powers, the technocrats face a core of mass opposition.

The bankers realistically recognize the technocrats must move quickly and decisively.

Stage Two: Technocrats’ Shock Policies:

The technocrats launch a 100 days of the most egregious class warfare against the working class since the military/fascist regimes. In the name of the Free Markets, the Bondholder and the Unholy Alliance of political oligarchs and bankers dictate edicts and laws are passed, immediately firing tens of thousands of public employees. Scores of public enterprises are rushed to the auction block. Job security is abolished and firing without cause becomes the law of the land. Regressive taxes are decreed and households are impoverished. The entire income pyramid is turned on its head. The technocrats widen inequalities and deepen immiseration.

The initial euphoria greeting technocratic rule is replaced by bitter reproaches. The lower middle class looking for a paternal dictatorial resolution of their condition, recognize

“another political swindle”. As the technocratic regime races to fulfill its mission to the foreign bankers, the popular mood sours, bitterness spreads even among its ‘passive collaborators’. There are no crumbs from the table of a colonial regime empowered to maximize the outflow of state revenues to bondholders.

The compromised political oligarchy tries to revive their fortunes and “questions” the particularities of the technocratic ‘tsunami’ smashing the social fabric of society. The scale and scope of the dictatorships’ extremist agenda and the ongoing build-up of mass frustrations frightens the political party collaborators, while the bankers urge them on to bigger and deeper social cuts. The technocrats in the face of the burgeoning popular storm begin to cower.

The bankers call for greater backbone and offer new loans for “keeping the course”. The technocrats bunker down – alternating between pleas for time and sacrifice with promises of prosperity ‘around the corner’. Mostly they rely on constant police mobilization and de facto militarization of civil society.

Mission Accomplished: Civil War or the Return of Oligarchical Democracy?

The outcome of the “experiment” with a colonial dictatorial technocratic regime is difficult to predict. One reason is because the measures adopted are so extreme and extensive, that they unify almost all important social classes (except the top 5%) against them at the same time. The concentration of power in an “appointed” elite further isolates them and unifies most citizens in favor of democracy against colonial submission and unelected rulers. The measures approved by the technocrats face the unlikely prospect of full implementation, especially by civil servants and public employees facing firings, pay cuts and reduced pensions. The across the board cuts undermine ‘divide and conquer’ tactics. Given the scope and depth of the downgrading of the public sector and the indignity of serving a regime clearly under colonial tutelage, it is possible that breaks and fissures will take place in the military and police apparatus especially if they provoke popular uprisings which turn violent. The technocratic juntas cannot ensure that their policies will be implemented. If not, revenues will falter; strikes and protests will scare off predator buyers of public firms. The big squeeze will undermine local business, production will decline the recession will deepen.

Technocratic rule is by its nature transitory. Under threat of a mass revolt the new rulers will flee to their overseas financial sanctuaries. Local oligarchical collaborators will hasten to augment their billion dollar euro overseas bank accounts in London, New York and Zurich.

The technocratic dictatorship will make every effort to hand power back to the oligarchical democratic politicians with the proviso that they retain the regressive changes in place. Technocratic rule will end up with “paper victories” unless the overseas bankers insist the “return to democracy” operates within the ‘new order’.

The application of force could boomerang. The technocrats and democratic oligarchs renewed threats of an economic catastrophe for non-compliance will be counter-manded by the reality of real existing misery and mass unemployment. For millions the living catastrophe resulting from technocratic policies will outweigh any future threats. The rebellious majority may choose to rise up and overthrow the old order and take its chances

in an independent democratic socialist republic. One of the unforeseen consequences of imposing radical colonial appointed technocratic dictatorship is that it clears the political landscape of parasitic political oligarchies and lays the groundwork for a clean break. It facilitates renouncing the debt and reconstituting the social fabric of an independent democratic republic.

The serious danger is that the discredited politicians of the old order will demagogically attempt to seize the democratic banners of the “anti-dictatorial anti-technocrat” struggle to bring back what Marx called “the old crap of the previous order”. The recycled political oligarchs will adapt to the “restructured” new order of eternal debt payments as part of a deal to maintain the ongoing process of unending social regression. The revolutionary struggle against the colonial technocratic rulers must continue and deepen, to block the restoration of the democratic oligarchs.

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