



Deutsch-Amerikanisches Institut Tübingen

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Elementary Structures of Imperial Leadership: The Circulation of Elites

Study Group with Laurence Stallings and Scott Stelle, d.a.i. Tübingen

last Friday every month, 6.45 pm, d.a.i.

In successful dynamic societies, the rhythm of leadership consists of successive phases in which change gradually shifts hands, from conservative-regressive groups to adaptive-innovative ones. In the past, America stabilized radical alterations by avoiding the dangers of hereditary aristocracy—using governmental power to transfer wealth, and by developing a system of political recruitment based on merit. This is no longer the case when the ratio between executive and worker pay in some companies is a factor of 400—towering over Europe's which hovers around 25 to 1.

Talking about the price of having a dynamic economy, the *Economist* observes that most Americans are willing to pay for inequality of income "so long as it comes with plenty of social mobility." But today's growing economic inequality is no longer coupled with upward mobility. As both old and new wealth have become richer since Reagan's tax cuts in the early 1980s, "America is increasingly looking like imperial Britain, with dynastic ties proliferating, social circles interlocking, mechanisms of social exclusion strengthening and a gap widening between the people who make the decisions and shape the culture and the vast majority of ordinary working stiffs." America's upper classes govern access to and dominate three key institutions: Business, Academia and Government.

As globalization brings prosperity, it also brings a level of inequality that surpasses all historical comparisons. In short, money has become the most flexible tool for social control in the form of reward and punishment. Having last quarter shown how the power elite make foreign policy, we now wish to examine how the super rich work closely with government to win contracts and subsidies, and influence and legitimate legislation in their own interest through the "perception management" of media.

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