



AxisOfEasy Salon #12

## **The Rise and Fall of the Neo-Feudal Network State**

*Mark Jeftovic, Jesse Hirsh, and Charles Hugh Smith*

### **Charles Hugh Smith:**

I enjoyed your last collection of goodies including that all the criminal gangs are now totally dependent on the same sources of the same network.

### **Mark Jeftovic:**

Well, Jesse actually turned me – Jesse broke that story for me because he sent out a metaviews that said: hope you weren't using Encrochat or Enrochat. And I'm like, what's going on? Then suddenly, I was seeing it everywhere. We were just talking about an Encrochat.

Jesse looks confused.

### **Jesse Hirsh:**

Are you an Enrochat user?

### **Mark Jeftovic:**

No, I didn't even know it existed.

### **[opening credits]**

### **Mark Jeftovic:**

I missed that because I was doing the test and the test is fine, but I guess you guys were talking about what to talk about today.

### **Charles Hugh Smith:**

Oh yeah. Yeah. I said you mentioned Neo-Feudalism and I just dredged up a couple of my previous posts on it, but I don't really know how Joel Kotkin – I mean, I like his work. I don't know how his definition of Neo feudalism differs from mine; or is it lockstep. I haven't read his book yet.

*Recorded July 9, 2020*

<https://axisofeasy.com/podcast/salon-12-the-rise-and-fall-of-the-neo-feudal-networked-state/>



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### **Mark Jeftovic:**

It's right in the ballpark. And the funny thing is that at the same time, as you know, I've been re-listening to *The Sovereign Individual* and I'm at the part in the book where they're describing the transition from past the Roman empire, the fall of the Roman empire, going into feudalism coming out of the dark ages. So I'm kind of – this neat historical parallel where this book is describing the sort of socioeconomic imperatives that fueled feudalism the first time around. And now, reading your stuff and reading this book, Joel Kotkins or whatever his name is, describing the Neo-feudalism, what's happening today. And it really seems prescient or that history rhyming kind of thing.

And let me just quickly say, this is AxisofEasy #12, right?

### **Charles Hugh Smith:**

Number 12. Yeah.

### **Mark Jeftovic:**

With Charles Hugh Smith from Hawaii, Jesse Hirsch from Ottawa Valley, I'm Mark Jeftovic in Toronto. And here we are talking about Neo-Feudalism, Tiktok and Enrochat.

### **Jesse Hirsh:**

Everytime you number the episode, I get anxious. Cause it feels like it's going to later be some citation.

*Like, as you said in episode 10 at the 25-minute mark, I just – I have to take issue with that”.*

### **Mark Jeftovic:**

People will argue over it on the Wikipedia page someday. You know, it's like: *In Salon #156...*

### **Jesse Hirsh:**

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Not to get off track, but I have been seriously contemplating deleting my entire Twitter history and I'm torn because part of me is like: Oh, I want some historical record of whatever I was talking about in 2013. But then I was like, maybe I don't, maybe there's a reason why I should scrub that history and delete it all. And it gave me a moment to think about how we underestimate the extent to which history as we know it is changing.

And I mean that in a sense that we always know that history is written by the victors. That it's written by the powerful. That it's written for political purpose. And I think we have this false assumption that because digital – everyone is leaving a data trail and everyone's leaving their story, that history will be more plural and history will be more accurate. But then, I started thinking: no, maybe part of what we're seeing right now vis-à-vis cancelled culture is an attempt to control history. To exercise power and authority over history. And it just got me thinking that that's a subject that we, as a society, I think, tend to ignore, but might find value in exploring.

### **Mark Jeftovic:**

Well, the other thing about the impulse to delete your Twitter history. And I think I wrote about about this a couple of issues ago in the AxisofEasy newsletter – is that there's an asymmetry there to even being on Twitter now.

And if you remember, I don't know if you read it, but I was riffing off the old Bob Newhart comedy sketch where he was imagining Sir Walter Raleigh trying to describe cigarettes to the West Indies company back home. And he was pretending he was on a phone call and saying like: Oh man, it's Walter with one of his crazy ideas again. But the punchline was why on earth would you do this?

And I thought that the Twitter equivalent for today is: let's get this straight. You've got a public ledger, and you've got an algorithm that's designed to provoke outrage and make you just blurt something out when you're at your most enraged, your most vulnerable, your weakest acuity. It's because the algorithm is optimized to bring out your worst. It gets stuck in this public ledger for all to see. And then, forevermore, people can data mine it and use what they find there to destroy your career. So where do I sign up?

And then I got really paranoid that I mentioned a joke about Sir Walter Raleigh, because I thought well, what if he's got stuff in his past? And I'm going to get cancelled for that now. But it hasn't happened yet. But so, it's like a double two facets to what you said. It's the way history gets shifted over time, and used, and pretzeled into whatever narrative is supposed to be advanced of the day. And then right now, the risk asymmetry to even taking part in this is completely out of whack right now.



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### **Charles Hugh Smith:**

Yeah. Let me just introduce a couple of other things, which of course, we all know the famous Soviet era thing where people were literally excised from photographs, right? Like there were guys who were paid to like, yeah. And then the new guys were substituted or whatever. So you literally were vanished. And now of course, it's really easy to vanish us digitally. And so that's, in a way, it's worse because it's so easy, right? Where in the past, you had to like fool around with experts, carving out guys who had been sent to the Gulag and stuff. Now it's just a couple of clicks.

The other concept I have is curation. That's this word that still makes me think of museums and people getting paid to change exhibits. But nowadays it's like you can curate your history as well as other people's. And so I'm wondering, Jesse, is it possible? And if it isn't, then there's probably going to be an app that'll come up where we can curate our Twitter and Facebook feeds and remove the sir Walter Raleighs or, you know so that we can try to, yeah, we can try to...

### **Mark Jeftovic:**

Scrub it.

### **Charles Hugh Smith:**

Yeah, we can try to scrub it or second guess the way things are moving. We won't be able to insert stuff, but we can remove stuff to kind of curate our thing. And then my sense is, you know what? I don't think I said anything that exposed me to some sort of connection to Jeffrey Epstein or whatever. So I think in a way, it's sort of like, okay, I'm going to be bold and just leave the whole mess out there. And so everybody can dig up something I wrote years ago and bust me on it. It's like, Oh, you know, whatever. Kind of. I mean, just the volume of stuff online is another issue. So, you know.

### **Jesse Hirsh:**

I think...

### **Charles Hugh Smith:**

Yeah, go ahead.



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### **Jesse Hirsh:**

I think that's the key issue. I think the volume – because there are services that claim to offer the capabilities described. But when you're dealing with ten thousand, twenty thousand, a hundred thousand tweets, there is no algorithm that is going to know which amongst those you would find sensitive and which you wouldn't. And for me, I'm not worried. I mean, because I was a professional broadcaster for all of my time on Twitter, I was already attuned to the idea that every word you say comes with responsibility and should be done with care. But it's the fact that it's a mess – that's why I wanted to delete it. The fact that it is this sprawling mess that is incoherent. And I downloaded all my data from Twitter as part of this process. And I started looking at the first 100, the first 300 tweets and they're absolutely incoherent. And they're incoherent because Twitter was a different platform then. Twitter was literally about a status update. You know, Jesse is at the airport lounge, right? Jesse is driving to the dentist. Literally, those are my first two, three hundred tweets. And even after that, it was the history that I was able to deduce from these tea leaves was not the history of Jesse. It was the history of Twitter and the extent to which Twitter was evolving and changing as a platform. And that was one of the reasons why I wanted to delete it. Because it just reminded me that I didn't get paid for that work. That Twitter benefited from my labor, benefited from my effort. And more reason to delete that, to start again. And I noticed, once I was primed to think about deleting Twitter, I then started noticing an increasing number of people – especially people who post a lot – that they only had the last week's tweets available. And they were using a paid service that automatically deletes your tweets after a week, or after two weeks, or after any set period. It allows people to be as vibrant and active and engaged on Twitter, but also have an expiry attached; which is interesting. Twitter doesn't provide this service, but a third party does. And I suspect it's a lot more popular than we realize or then it will become. Because we didn't believe why that would become more and more popular, right?

### **Mark Jeftovic:**

I've had an idea for a third party service that would archive an account that you put in there like archive.org and just snapshot every tweet, so that when someone tries it and people would use it, people who tend to be incendiary and then try to backpedal and delete their tweets, it's like, well, no, we got a copy of it right here. But I'm surprised that hasn't happened yet.

### **Jesse Hirsh:**

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It does exist. I think it is limited. It can't be a public service because it would be abused and their hard drives or their cloud storage would be full. But for sure, such services exist for a price. Absolutely.

### **Mark Jeftovic:**

Yeah.

### **Charles Hugh Smith:**

Well, Mark, why don't you kick off a discussion on Neo-Feudalism? Because I myself find this really fascinating. The transition between whether it's a democracy or a Republic or an empire to Neo-Feudalism. Like why does Neo-Feudalism work? Because there's got to be some appeal to the thing structurally.

### **Mark Jeftovic:**

I mean, I think it's coming down to almost the same issues we explored when we talked about what comes next after the end of the sort of institutional architecture that we have now. And the three of us always lament. Wouldn't it suck if it's Facebook and Twitter, and/or Facebook and Google and whatever. And I always come back to what has the most relevance in your life and your day to day existence. And where we're headed now is this place where Amazon, Google and Facebook have more relevance in your day to day lives than the nation-state that you belong to.

And so the more I think about the Neo-Feudalism, the more it does worry me that the successors to the nation-state will be proprietary, closed source black box walled garden platforms and our serfdom to those platforms are going to be in the form of our data. Their complete surveillance of our transactions that are – not even so much our discourse, you know, the free speech and that sort of thing. I'm not even worried about that, really. Well Yes, I am worried about that, but I think the secret sauce that will power this Neo-Feudalism is going to be that window into our transaction flow. It's like, they're constantly going to be front running all of the flotsam and jetsam. So we live throughout the digital world and everything we do. And we're going to be okay with it. I mean, in the sense that Facebook – I just use them as an example, because there's so much resistance to it right now – but they're going to come out with their own currency and if I'm walking around and I've got my tracking device in my pocket and my app right here, it's like, you know what?



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Well, Facebook is like, Oh, great. I've got like 4,000 Libras right now. So I'm going to just use this to pay for my my Uber ride right now.

I don't know if either of you guys have watched it, I have this macabre fascination with the prime show uploaded. It's this digital afterlife and it's run by Microsoft or something. And so this guy is uploaded. He dies prematurely and he's uploaded into this afterlife community and it's this dark comedy. It's like black mirror meets, I don't know what you want to call it. But it was funny. There was this reference in this one episode that they went to this sort of gray zone area of this community, this virtual community and the kids, like he wanted to get this enhancement to his avatar. And the guy's like, yeah, that'll be 400 Libras. And I actually stopped and rewind it. Didd he just say Libras? And he did. And so in my mind it almost seems clear what the successor configuration is going to be in the first version of feudalism. It was the nation-state arose – well before that sort of the fiefdoms arose to step into the void that was left by the church. I think now it's going to be these digital platforms. And that worries me to no end. And I hope I'm not entirely correct about that.

### **Jesse Hirsh:**

I mean, I'll jump in just because Charles is busy taking notes. I take issue, Charles, with your alluded to premise that the Neo-Feudal system arrives because it's better, or because people want it, or because there's any appeal to it.

I, while I'm not a determinist, I sort of see the Neo feudal state arising by default. Partly by accident, but partly as a consequence of there being no other viable alternative. And I think that happens in the context of a failing empire or even a failing civilization. But I also think that that happens in an inability or failure to respond to technology.

And that I do I very much agree with Harold in this, who, in his book Empire and Communications, argued that with every new communications technology, a new empire emerges that harnesses the opportunities and advantages of that technology. And I think that's what we're seeing now. And I think short of the Chinese state, there really isn't a nation-state that is effectively employing the technology in a way that gives them the advantage that allows them to expand their authority and power. I actually don't think the Chinese state is a nation-state. I think that it has the very much the capacity to become a network state not just because of the Chinese diaspora, but because of the global nature of the Chinese economy.

I mean, we could argue that America could have been a network state if it wasn't so blinded by its own insularity and nationalism, but I think Facebook and Google and Amazon, and these other digital behemoths, they are becoming network states by default.

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And I think the feudal metaphor is appropriate because it really is an economy or a society of lords and serfs. That there are only a few lords who controlled the means of production, who control the wealth; and everyone else has a surf. And that they're not citizens. They don't have rights. At best they're consumers, but if they got no money, doesn't really matter much to be a consumer. And so just as Facebook users are beholden to Mark Zuckerberg or Amazon workers are beholden to boss Bezos.

I think the Neo-Feudal evocation speaks to the power imbalance, speaks to the power consolidation, and speaks to the sentiment of helplessness that many people in our world feel. And I think it's compounded by borders. And it's compounded by a lack of mobility, especially with this pandemic, because the digital mantra, the digital virtue is mobility. That it doesn't matter where you are in the internet. You can go anywhere you want, unless you're a human with a body, in which case your movement is incredibly restricted. And I think that's another reason why the Neo-feudal metaphor is very apt and appropriate.

But to bring it back to where I started, I don't think it's a matter of choice or appeal or desire. I think it's a matter of complacency and neglect. That the Neo-Feudal state is arising because of a lack of creativity, a lack of political will, maybe even a lack of charisma when it comes to the alternatives [inaudible 19:36] revolution. Which is not to say that Neoliberalism hasn't done everything it could to undermine any alternative to Neoliberalism, but it's not really Neoliberalism that is becoming the Neo-Feudalism. The Neo-Feudalism is arising, not because of Neo-Feudalism, but because of the technology and the willingness to harness that technology. And that's for King Zuckerberg or Lord Zuckerberg, however you want to call him, is a very clear example of the kind of Might Is Right that marks this Neo-Feudal era.

### **Charles Hugh Smith:**

Yeah, well, you've found a – that's a treasure trove of topics. And I guess I'd like to rephrase my...

I think you're right that you're describing how Neo-Feudalism is a default setting because the previous arrangements are crumbling and there's no other alternative that works for the powers that be. And I guess I would agree with that conception in the sense when I'm thinking back to the decline of Rome and you mentioned this book *Empire and Communication*, which I've never heard of. And it's very interesting. Makes perfect sense. My mind is already thinking like, wow, you know, look at the communication system that the Romans established with their road system. That enabled their empire because they had rather speedy communication and they could move their armies rapidly and all this other stuff. So I think that's very good.

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The book I want to refer to is called *The Inheritance of Rome*; and it's this big, thick – I don't know, four or five hundred-page history of this exact juncture we're talking about, where the post Roman era lasted for hundreds of years. That Charlemagne considered – as Mark said in the other episode – he considered himself the Holy Roman emperor, right? Definitely the inheritance of Rome. And so, how did that system – that centralized power – actually protected the peasantry? Because they still had some rights and then that devolved and eroded into fiefdoms and feudalism; and the peasantry lost the powers that had been protected by the central authority, right? They'd lost the sort of recourse that they had. They lost the ability to own land that became a very scarce commodity, if you will, for a peasant to own land.

And so, to kind of pick up one of the other threads you mentioned, if we want to take that kind of quasi-Marxist look at this, we're going to go: Okay, what is power? What is wealth? It's like ownership of capital, right? Because once you own capital, then you own the income streams, and then the political power that you can buy with those income streams. And so feudalism really kind of stripped the peasantry of the ability or right to have capital. And then the rise of the middle class that broke down feudalism was these free states in the Netherlands and so on where people could go and you had the right to acquire private capital and make use of that, and then form these guilds and create political power with that.

So, okay. So now we have Neo-Feudalism, where in my view the average person really has limited ability to acquire meaningful capital. You can buy a house, but that's sunk capital. It doesn't generate any income. And in fact, it's kind of a form of consumption and all of us are sort of self employed. And so we're struggling against all the barriers that have been erected against that kind of ownership of capital. So, and the capital that is recognized now, the value is all in this big tech oligarchy that we're talking about. So. Interesting stuff.

And in terms of a network state – that's a scary thought because really what I'm thinking in regards to your comments about China is it's China's private oligarchies versus the rest of the world's oligarchies battling for supremacy of platform protocol.

### **Mark Jeftovic:**

I love that phrase “network state”, by the way. I mean, I don't love the idea of what that represents, but I think it's a great term that captures what we're talking about here. I never took what Charles was saying as like an endorsement of the Neo-Feudalism, or it's the only viable thing that's left. I think it was just sort of like, this is the inexorable impetus in history. Taking us there for better or for worse was kind of how I was reading into it.

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But one of your points, Jesse, where you talked about the means of production of yesteryear is like the means of production now is control over the flow of the data now. And you see it even now – China, the first network state where the battle lines for the economic battles is incorporating the actual “private companies” domiciled in the state. So Huawei is almost an appendage of the Chinese state in terms of furthering state aims and conducting economic surveillance or espionage or whatever. If you subscribe to those views.

### Jesse Hirsh:

I mean, if I could push back real quick. Yeah. I think I don't disagree with Huawei's actions or role, but I think the way you described them is in the context of the nation state and the nation state is a very top down integrated command and control structure. But a network state, it's really about mutual benefit. So Huawei as a node in the Chinese network state, Yes, it is part of the state apparatus, but it's independent in so far as Huawei is just going to pursue Huawei's interests. And because they're part of the network state, those interests align with the interests of the communist party and align with the interest of the Chinese state as a whole. So it allows them to deny charges from Western officials that you're under control of the Chinese government, because legitimately they're not. They're in rhythm, the Chinese **firm out [26:43]**. They're in tune with the Chinese government, which Facebook is in tune with the American government, right?

It's not the disingenuous sort of way of thinking about national interest and geopolitical strategy, but that's where I think Tiktok is interesting. And Tiktok, more than Huawei, really freaks out traditional **politicians [27:10]**. And I think legitimately is a tool **[inaudible 27:14]** **espionage** as well as a potential tool of propaganda and political spin. And so it is interesting to see the American and Australian governments come out and say, we're going to ban it. That we have national security reasons. We have geopolitical reasons to ban this particular social media app. And I think that it is a pivotal moment in the rise of the Neo-Feudal era, partly because it measures the power of the nation-state and whether they really do have the ability to ban this thing. Cause maybe they don't. Like maybe kids can figure out how a VPN works. And maybe there'll be ways in which Tiktok can resiliently defy this type of national ban.

Now part of this is inspired by India where India has banned Tiktok, and it's less to do with Tiktok and more to do with the border dispute between India and China. But nonetheless, Tiktok has had a very subversive role in India causing a number of different riots and enabling a number of different protests. And this isn't the first time that the government banned Tiktok. Now the Indian internet is a little easier for them to ban an app because they have much greater state based control over their telecom networks than Australia or



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the United States does. But the fact that the US and Australia is even proposing it, I think is risky.

I mean, earlier, we talked about people vanishing from the historical record, and it made me think that Leon Trotsky was the first example of the Streisand effect because Leon Trotsky, after he was kind of banished from the Soviet Union and the politburo, he was kind of a nobody. And it was the fact that Stalin went to such great lengths to censor him that people got interested in him. That all of a sudden, there was like, who is this Leon Trotsky guy that Stalin really wants to censor? And of course, now we call that the Streisand effect. That as soon as you try to take something away from people, they want it even more.

And that's why I wonder if this is going to be Tiktok's renaissance. That even just the threat of banning them empowers the platform even further and speaks to this dynamic in which nation States have less and less power and influence. And these tech [inaudible 29:50] not only transcend them, not only have greater power and influence, but are now completely untouchable. That there's very little that can be done with Tiktok being a node in the Chinese network-state. Does that then force the US government to get more serious about ensuring that Facebook is a powerful node in the American network state; to then reinforce your paranoia, Mark, that maybe the Libra currency is not just the future of Facebook. It's the future of the United States. That the Libra currency is what's going to bail out the shit show that is the American economy in the America fiscal environment.

**Charles Hugh Smith:**

Can I just, this is...

Oh, go ahead, Mark.

**Mark Jeftovic:**

You know what, go ahead, Charles. I'm going to hold these thoughts cause I had like about a million different directions blow up in my brain. Go ahead.

**Charles Hugh Smith:**

Oh, no, well, I'll keep my comment just short and specific, which is Jesse's commentary makes me think of the Empire Strikes Back. And so kind of like that narrative is the empire's attempts to strike back and fails. And that the forces are too uncontrollable, you know to decentralize et cetera. But I also think back to our conversation last time about



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the French revolution and that it's possible, at least in my mind, that there could be a countercultural revolt where the populace rebels against the control of big tech which is kind of like the equivalent of the nobility and attempts to basically destroy them, as recognizing them as a threat and tries to destroy them by whatever means are available. So that's..

Go ahead, Mark. Take it away.

### **Mark Jeftovic:**

You got me going again on top of that. But first, it was funny when you were talking about Trotsky is the first Streisand effect. It just as an – almost a brief aside – then it could almost be the Stalin effect, because the Soviets tried to just erase Stalin from the history as well once he died. And then if you say to anyone who was the Soviet – general secretary, probably more people will say Stalin is more remembered than even Lennon was. But the idea around when you were talking about the mechanics of banning Tiktok, I had a little bit of thinking that this goes back to the platform versus protocol dynamic that we talk about a lot. And so, it might be difficult for India to ban something like Tiktok, but if America decides to ban Tiktok, they basically go to Apple and Google and they say, pull this from the app store. And that's pretty well it for Tiktok. And the kids are going to have to jailbreak their phones to get Tiktok in, compared to –

I saw you pull face.

### **Jesse Hirsh:**

They'd make a web version.

### **Mark Jeftovic:**

I was just getting to that. And the web version is what? The web version is a protocol, not a platform. So again, what we've just done is we've kind of hit on that weakness between a platform and a protocol that I was even going to concede... gave me a slight touch of optimism about where the direction of where things are going, because the protocols can always circumvent censorship in central control and the platforms are more exposed to it.

The other thing, this whole idea we're talking about with the network state. The nation state and the network – all of this tension is kind of gearing towards a flipping, right?

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Where the nation state is treating almost the network platforms as a junior partner in this simpatico, we're sort of merging into this new entity and which really, I think the real end game – well not in anybody's particular mind – is that the networks are going to flip over with the nation state. So suddenly the nation state becomes the junior partner to the network nobility, so to speak.

### **Jesse Hirsh:**

Well, if, I mean by –

I appreciate your metaphor. And if we were to take it at face value, which I'm willing to, then that's already happened.

### **Mark Jeftovic:**

Yeah. I mean –

### **Jesse Hirsh:**

Well, most of those digital platforms treat nation states as junior partners and most nation States treat those platforms as literal big brother.

### **Mark Jeftovic:**

Do you know – this is kind of an aside – but it's relevant. Do you remember?

I realize I make so many movie references on these salons that people must think I'm a complete couch potato, but I watch very little television. But the movie enemy of the state with Will Smith and Gene Hackman, it was one of the early sort of –

### **Jesse Hirsh:**

The remake of an original Gene Hackman movie where its conversation Will Smith character. Yes,

### **Mark Jeftovic:**

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Yes. Great movie. But the thing I remember throughout *Enemy of the State* was every time John Voight's character or one of his minions would yell across the NSA control general: I want to satellite over that thing and I want this done and I want this. Look, like Jack Black's character, He'd always be on his phone and you'd go, it's already done. Click. And he said that about four times through the movie, it's like somebody is ordering some kind of blanket surveillance and Jack Black's character, the techie in front of the monitor's going, it's already done. It's already done. It's already done. And I remember noticing that, and that came out years before Snowden came out and said, Hey, Guess what. It's already done.

And that's to your point where a lot of times out of the three of us will say, Well, I think this is heading this way. And there's this tectonic shift that's going to take generations to play out. And then Jesse, you'll say, we're already there. We've been there since this event. 20 years in the past put us there.

### **Jesse Hirsh:**

But to your point about movies, it's because our culture keeps us in the past. And so we don't pay attention to the present.

### **Mark Jeftovic:**

Right.

### **Jesse Hirsh:**

Charles?

### **Charles Hugh Smith:**

Well, that's a whole topic right there. And we should talk about movies one time because you know, there's a whole superhero thing. I mean, there's just this huge you me and Freudian cornucopia, if you look at what films and genres take hold and then fade and die.

But anyways, I was just going to mention the cultural revolution in China back when China was a mirror nation state. And I've been thinking about it recently. And I was remembering that when I was a teenager in the sixties, I'm a young teen, I tried to read everything I



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could on China, because I was fascinated by the scale and the idealism of their initial revolution. And we have to go back into that 1949, early 50s era.

And it's amazing what that revolution accomplished. It overthrew like it eliminated opium addiction, prostitution the oppression of landlords. I mean, it elevated women to not 100% status with men, but way above where they were pre-revolution. And the peasantry, if you will, the masses were idealistic about this revolution because it was transformative in everyday life.

To Mark, to your point of what affects everyday life. Well, the state and the communist party affected everyday life. Literally every minute of everyday life. But then the state created a lot of missteps. A lot of it was due to Mao's kind of mercurial personality and his character flaws. So the great leap forward cost tens of millions of people their lives. And so I think that the cultural revolution which occurred which Mao instigated without really understanding what he was unleashing. It gathered momentum because I think the masses were extremely frustrated with the failure of the central state. Richard offered them such promise in the beginning. And so they took it out on virtually any kind of authority. And so you talk about toppling statues and then now, US grant goes down and Frederick Douglas goes down and I think that the frustration can take down any authority. And that includes big tech. I could see a cultural revolution arising in which people are tossing their smartphones on a fire, and they're pulling down the Facebook and Apple headquarters just to like the best deal and that's, that's an interesting historical juncture and I think that that may not be likely, but I consider it a possibility.

### **Jesse Hirsh:**

I appreciate where you ended this remark and the one before, because on the one hand, I absolutely agree with your assessment of a larger tech lash or a larger backlash against the technology giants. But I also found it interesting the way in which you use the word masses, which is absolutely appropriate for the context of the Chinese revolution and the cultural revolution and masses to go back to Harold Innis and to a certain extent, Marshall McLuhan. Masses are a byproduct of newsprint and radio and television because they are mass media. One could argue that those media created mass. That before the industrial revolution, there were no masses. So part of what made the feudal era so lasting, so intransigent, was that the serfs were not United, right? This is kind of marked as a one-on-one.

That the industrial revolution created the ingredients for the revolution because it created the working class. Because it created the proletariat. It took all these peasants from all over the countryside, brought them into the same factory where they can look each other in the eye and say, let's unite. And let's overthrow our oppressors. And part of Russian



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communism was debating, well, we're not industrialized. So what do we do with all these peasants? Cause all these Russian peasants do not have the same unity that the working class does. And that's partly why Stalin was such a terror because he was dealing with the peasantry. He did not have a unified class versus Mao had it easier because he didn't have a working class, right? He just had the proletariat and he was able to use mass communication, radio newsprint, later, television to create the Chinese masses and create a sense of unity. But that era is over.

What we now have instead of mass media is molecular media, right? The idea that instead of creating a mass, it fosters individuals, it fosters networks, it fosters tribes, it fosters small groups. So we no longer have the unity that we were afforded as the proletariat. We no longer had the unity that was given to us as the radio audience or the television audience. Instead, now we're the network audience. And as the network audience, that's why the word ally has become such a touch point. Such a hot word. Because networks need to negotiate alliances and they need to negotiate formations.

And I think the divide and conquer strategy is part of why we feel a certain resignation to thinking that we're headed into the direction we are because the masses don't exist anymore. Unions don't exist anymore. The proletariat doesn't exist anymore. Even the middle class has arguably become a relic of history in the dustbin of history with some holdouts I will acknowledge, but we need to be talking about what is the new identity that unites people, that has them together.

And back to your point, Charles, that's where maybe the Facebook user is a point of unity. You know, that's where maybe the social media user, the subject of surveillance is the unifying identity that we can all rally behind. And yet the counter argument to that is if you look at Facebook, it's one big flame war. It's just everybody fighting everything about whatever. And maybe that's the brilliance of identity politics as a divide and conquer tactic. Is it inherently divides everybody to such granularity that there is no way to actually get unity back to fight the power of that beat.

### **Mark Jeftovic:**

That's why I'm, I'm probably leaning more pessimistic than optimistic these days, because I think you're right about that. And I don't foresee a tech backlash happening anytime within our lifetimes. People love their smartphones. They get dopamine hits from them 50 times an hour. They're not going to be throwing them into a bonfire. Sorry, Charles. It's not going to happen. They'll bastille the fed before they throw their iPhone in a bonfire. And that's why I think that these network nobility, the network nobles will inherit the power vacuum. And I say that with full resignation.



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Not this is going to be a really great, brave new world; great leap forward. It will be none of those things.

### **Jesse Hirsh:**

Well, let me push back and say, I don't think you should be resigned. I think you should be cynical. I think you should be disappointed. But let us not forget our assignment from last week, which is What is the Axis of Easy. And I think part of the point of the Axis of Easy is to either create alternatives, create the space for alternatives, or at the very least, explore alternatives while assessing what it is that's happening. And I don't think we should lose sight of that.

### **Mark Jeftovic:**

Do you know that during the Russian revolution, there was a civil war. You do know this, there was a civil war between the white russians and the red russians, right?

### **Jesse Hirsh:**

Well this is after the revolution. Yes. But yes.

### **Mark Jeftovic:**

Did you know that there was all that?

### **Jesse Hirsh:**

And the white Russians were really the imperial powers against the communists.

### **Mark Jeftovic:**

But do you know that there was also a third faction that were called The Greens and they sort of most closely identified with libertarians? Not in the sense we know them today, but sort of like ideologically, they kind of were down the middle there. And do you know that they were in that mix too? And they were kind of duking it out during that civil war. And my point is –



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### **Jesse Hirsh:**

Who are these... So back this up a little, who are they?

### **Mark Jeftovic:**

That's actually all I really know about them. I have an Anthony C. Sutton book who was talking about Wall Street's role in the rise of the Bolsheviks. And he dedicated that book to the green libertarians who fought against both the Tsarist Imperials and the Bolshevik socialists. And that's all anybody – that's all I know about them. And nobody knows about them. I've asked my libertarian friends about them.

### **Jesse Hirsh:**

So I would say that –

### **Mark Jeftovic:**

Hang on.

### **Jesse Hirsh:**

That's pretty light.

### **Mark Jeftovic:**

My point is –

### **Jesse Hirsh:**

I agree that there were people who weren't communists and who weren't idealists [46:22] who were opposing both.

### **Mark Jeftovic:**

Hang on. Will you let me finish my sentence? My point is, we're the greens. We're the guys that **daren't** [46:33] aligned with these big megalithic forces that no one's ever going to remember, and we'll be forgotten by history. That's what we are.

### **Jesse Hirsh:**

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<https://axisofeasy.com/podcast/salon-12-the-rise-and-fall-of-the-neo-feudal-networked-state/>



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I kind of knew you were going there. And that's why I was pushing back because I need to know more about the people you're comparing us to. Cause there's this thing called cancel culture right now. And I don't want to be associated with no history I don't understand.

### **Mark Jeftovic:**

Right. Let me, well, you know –

Suffice it to say that they were on the side of the angels and they were fighting for the the freedom of the individual person and against the tyranny of both the imperialists and the social and the Bolsheviks and grounded to history.

### **Jesse Hirsh:**

Again, I think you're taking off on a tangent that I'm not ready to go on. I was just saying, don't be resigned to the evil you see.

### **Mark Jeftovic:**

Yeah. I can see that, I guess.

### **Charles Hugh Smith:**

I want to speak up in favor of Jesse's description of the Axis of Easy.

And what a meta-conversation, right? We're having a conversation about our conversation.

Exploring alternatives. I think that's a darn good phrase. I mean, I think that covers a lot of ground and it captures I would say our ontology, like our sense of being who we are. And also our epistemology. Like, this is what we're interested in. This is what we're trying to learn about, you know? And so, and then I love being able to throw in those big philosophic words every once in a while. Force everybody to go Google them and stuff. Go ahead.



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### **Mark Jeftovic:**

I – but at the risk of completely appropriating Jessie's term – my favorite phrase is We See Beyond the Frame, which is your metaview slogan, right? So getting serious.

So yes, I, I succumb to pessimism and this defeatism, right? And I've been like that all week, probably for several weeks on end. But if you really want to distill it down – now that we're into this meta part of the conversation, that everything captures it as well – because you have all of these prevailing narratives that everybody is kind of just either fighting against or buying into. And then we kind of look at them and say, well, you know, I don't think people are really taking this X, Y or Z into account or I think the impetus behind the rise or fall of this narrative is over here and people aren't really paying a lot of attention to that. And so, I always loved that expression We See Beyond the Frame, which I'm not suggesting we steal it, but it's there.

### **Jesse Hirsh:**

No, you can't steal it. It's free. You can take it and use it, and more power to you.

But really, we're talking about the difference between hamburgers and meatballs, right? In that exploring alternatives is seeing beyond the frame. Because if you can't see beyond the frame, you can't see the alternatives. And where I love the phrase Seeing Beyond the Frame, I think it's still a little too abstract for some people. And that, I think it's good to come up with metaphors that are accessible as possible. Cause the other thing that I think describes Axis of Easy is an open conversation, right? And that we're having a conversation. And it's a very open conversation because we believe in the kind of philosophical pursuit of truth or the philosophical pursuit of knowledge, but we're publishing it openly and we're putting it on the web and we're putting it on platform; settle out comments, and we're inviting comments. So we're asking other people to join this open conversation that explores alternatives as we try to look beyond the frame of what's happening in our world so that we can be critical.

So that we could say, Hey, we think there's this Neo-Feudal configuration of power that's emerging, where the few digital lords get to decide who gets to speak and how society is run. And the rest of us get squat. That's terrible, right?

That, I think, is our own kind of virus. That we're trying to infect people. And in that, I think it's also worth remembering that we're really here to rally the many against the few and not the few against the many, right? And so that's why it's important to be accessible. It's important to think of the larger group. And that's why I was fascinated by Charles', his use of the word the "masses". Because there's power in that word. There's a sense of the masses. No one can resist the masses. Facebook can't survive the masses. So there is



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I think, a desire through the Axis of Easy to recreate that broader sense of we're all in it together so that we could stand up against the Facebook. I don't want to throw my smartphone in a fire up with you there Mark, but we can throw Facebook into the fire and use an open source distributed protocol-based federated alternative that kind of gives us the same thing, but ties into our local labor based currency systems that have liberated us from the tyranny of global capital.

### **Charles Hugh Smith:**

Yeah. Very good point. Because you need your smartphone, even if it's a \$20 version to access the digital currencies. That you're getting paid for your labor in the community. So yeah.

I want to retract and digitally cut out that thing about throwing the iPhone in the fire. That's not a winner. It's thrilling the power structure in the fire metaphorically. I want to kind of end here.

Or in my commentary, I'm trying to tie together what you guys have been saying – is that and referring back to the Hanseatic league and which we talked about previously. And the reason why I want to bring that up again is one of the alternatives we want to discuss is the potential for a voluntary political association that then sets limits on things to our mutual benefit. In other words, the Hanseatic league was not imposed on anybody. It was like, well, this is mutually beneficial. I'm getting benefits here. I'm wealthier, I'm more secure. I'm getting a day to day improvement in my living by being a member of one of these states in the Hanseatic League. And so my example, I would say of how this might work as we've talked about the breakup of the nation states. Well then we start finding that the state of California can actually impose global restrictions on big tech, because you don't want to lose that 42 million or 43 million population state. And so, and in fact, I just had to re-jigger, add some stuff to my website to comply with these new regulations that are coming out from the state of California.

And you can say well to the degree that people can move out of the state of California or move there. That's a voluntary political association. And if it's large enough, then it's a point of leverage over the forces that we're talking about. Because you can't afford to lose that market. And also that mind share.

In other words, here is a state of 40 plus million people. It has enormous narrative power. Nevermind the political power. So that's my topic maybe for a future discussion. What are the alternatives out there that people could voluntarily join a blatantly political association that was mutually beneficial. That would then be a point of leverage in these larger forces we're discussing.



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**Jesse Hirsh:**

Right on.

**Mark Jeftovic:**

Jesse? Anything? Or...

**Jesse Hirsh:**

I'm good ending on that note. I thought that was fantastic.

**Mark Jeftovic:**

I'm good with that too. I'll just end with one thing saying that if we take the sort of a distilled down version of all three of what we were coming up with, what is Axis of Easy about? It would be exploring alternatives while looking beyond the frame in a world gone full cyberpunk.

**Charles Hugh Smith:**

Write it down, get it on the site.

**Mark Jeftovic:**

Yeah. All right. Okay.

So that's it for this week. like us on Spotify, Stitcher, iTunes. Comment on the YouTube video, tell all your friends, and send everyone to [axisofeasy.com](https://axisofeasy.com)

**Jesse Hirsh:**

Or just throw this podcast on the fire.

**Mark Jeftovic:**

Or just throw this podcast on the fire.

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**[closing credits]**