

Book Review: Myths, Politicians, and Money: The Truth Behind the Free Market

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Had things worked out differently, **Bryan Gould** could well have become Britain's first foreign-born Prime Minister. Instead, he became the Master of Wellington University, and a noted economist and historian. Here **Sean Kippin** reviews **Myths, Politicians, and Money**, in which Gould charts the establishment of a malign neoliberal economic order and argues that the West needs to change if it is to lead once again.

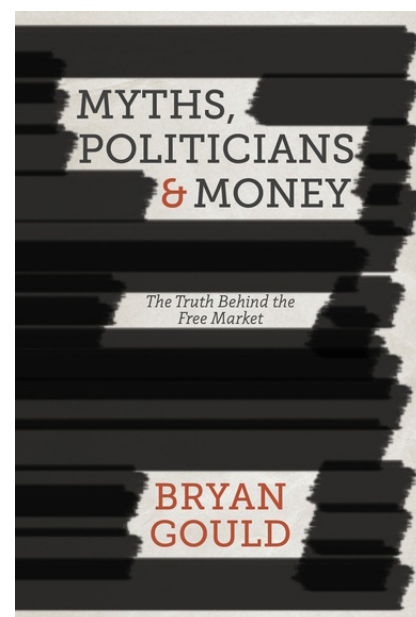


Myths, Politicians, and Money: The Truth Behind the Free Market.
Bryan Gould. Palgrave Macmillan. September 2013.

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When I received this book it took a few moments before I realised that the author was the same [Bryan Gould](#) who unsuccessfully contested the UK Labour Party leadership back in 1992 on a modernising, eurosceptic platform. Though eventually comfortably beaten, it is worth thinking about the course events may have taken had it been he, and not John Smith, who had triumphed and become Prime Minister presumptive of what was then Britain's likely next government.

Smith, of course, died prematurely after two years in post, opening up the vacancy that led to Tony Blair's long leadership of the party. Had Gould won we can assume it would have been he who contested the 1997 General Election against a tired, loathed and discredited Conservative Government. Judging by the analysis he offers us in this 250 page meditation on the international economy, the resilience of our democratic structures, and its interaction with the free market, we can be sure that British politics would have taken a very different course had that 1992 leadership election resulted in the New Zealander's victory.



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Gould begins the 243 page *Myths, Politicians and Money* with a discussion of the American political scientist Francis Fukuyama's famous proclamation that we had – via the defeat of Fascism at the end of the Second World War and the end of the Cold War some 40 years later – reached the end-state of human political, economic and social development in the form of the liberal democratic nation state. Gould argues that Fukuyama's analysis didn't take account of the extent to which democratic institutions can be undermined by the free markets he saw as a necessary element of their effective functioning.

In proving that the two do not in fact go hand in hand, *Myths, Politicians and Money* unpicks the different events that led to the rise of an unfettered global free market, empowering international investors to set up shop on terms advantageous to their interests. Via discussions of the failings of European integration, monetarism, economic mismanagement at domestic policy level, and the global financial crisis, Gould looks at what lies behind the West's economic and democratic decline.

The book's core claim is that the Western world has fallen victim to an essentially anti-democratic consensus in which the interests of international capital, rather than the will of the people expressed through democratic institutions, have come to guide policy. How did we get there? Gould charts a course through the last thirty years of international economic policy-making, and concludes that the late 1970s onwards saw a steady skewing of national priorities towards the interests of a small, unrepresentative, and selfish clique of international financiers, hedge fund managers and bankers. All of this has left us with a democracy so in hoc to the interests of finance that we have been left with the illusion of democracy but without the institutional capacity to do anything about it.

Gould focuses on the rise of multi-national corporations, the political integration of trading partners, and the advent of floating exchange rates in preference to the old, fixed Bretton-Woods agreement. According to the author, this facilitated the transformation of a set of clearly distinguishable economic national entities to one single global identity, allowing little option to those national participants to mitigate for individual circumstance through targeted adjustments in exchange rates, and instead handing the task to those same markets which provoke the need for change.

In broad terms, the author argues for a sustained application of widely-held progressive values in seeking to keep at bay the titans of global capital. More specifically, he advocates a serious and sustained effort to reduce inequality and a renewed clampdown on foreign ownership of business and external control of domestic economies, which he argues is beneficial only to those outside investors who wish to cherry-pick overseas investments in order to maximise their own gains. In short, *Myths, Politicians and Money* makes the case for a redressed balance between democratic governance and corporate activity, between short-sighted financial plundering and long-term strategic economic planning, and between the individual, market and state.

It is this multi-disciplinary approach which combines political philosophy, history, macroeconomics and political science which makes this such an interesting read and Gould himself such an interesting figure.

It is certainly worth reading for a persuasive account of how, and to what extent our democratic institutions have been hollowed out, and just how far power has been passed from the ballot box to the board room. It is, in addition, a timely contribution to the current debate raging on the British left about the need – or otherwise – to shift from a tax-and-spend political economy to one which instead prioritises strategic interventions which change the way the economy works to achieve progressive ends.

Finally, it is useful to document just how much politics has shifted since Gould left the Westminster stage. Under Tony Blair and Gordon Brown, Labour ceased questioning the underlying assumptions of the Thatcherite economic settlement, when views like those expressed in this book would have been deeply unfashionable. It is testament to the extent that economic assumptions have shifted since 2008, and the scale of Labour's corresponding rethink that *Myths, Politicians and Markets* now sounds more like a statement of common sense than a radical left-wing manifesto.

Sean Kippin is Managing Editor of [Democratic Audit](#). He received a First Class (Hons) Degree in Politics from the University of Northumbria in 2008, and an MSc in Political Theory from the London School of Economics in 2011. From 2008 to 2012 he worked for the Rt Hon Nick Brown MP in Newcastle and in the House of Commons, and for Alex Cunningham MP. He has also worked at the Smith Institute think tank, and as an intern for the Co-operative Party. He has been at Democratic Audit since June 2013, and can be found on twitter at [@se_kip](#). [Read more reviews by Sean](#).

