

**Lacanian Psychoanalytic Theory and the Historical Progression  
of Discourse: The Shifting of Social and Institutional  
Identity in Post-World War II America**

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**ABSTRACT**

The purpose of this study is to present an alternative way of analyzing the behavior of our leading social and governmental institutions through the employment of Lacanian psychoanalytic theory, specifically Lacan's theory of discourse. Lacan used the term discourse to show that a society's primary social link is founded on language, reflected back through society in the form of discursive practices. According to Lacanian discourse theory, a subject's movement into language and the social bond that is created between people as a result of this movement are at the center of our current cultural condition. More mainstream approaches to organizational behavior have traditionally focused on observed human action to explain human behavior and the correlation of this behavior with possible remedial actions. Lacanian discourse theory, with its foundation in psychoanalytic theory, enables the formulation of a model of institutional behavior that goes beyond more mainstream approaches by focusing on behavior at the unconscious level.

The central premise of this dissertation is that there has been a cultural shift in the United States from the dominant form of discourse of the modern era to a new form of discourse. This new discourse has led to serious disconnections between our current social bond and true human desire. By employing Lacanian discourse theory, changes in

the deeper, structural level of how a society relates to and communicates with each other will be revealed, thus providing greater insight into the current social condition of the United States and how this condition affects the behavior of its leading public institutions.

## **ACKNOWLEDGEMENTS**

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To Neil Seiden, a colleague at work and a fellow doctoral student. Thank you for giving me the time and resources to complete this effort. I hope that you soon will get back to completing your degree.

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To my dissertation committee, Joe Rees, Larkin Dudley, Jim Wolf and Cynthia McSwain. I could not have picked a better group. You were great to work with and I learned a lot from you. I also want to thank the late John Little, one of my original committee members and a fellow student who provided me with some early much needed encouragement.

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Finally, to my wife Mickie. Although I may have complained about your continued urging to “just finish it”, as in most things, you were right all along. Now we can get on with the next phase of our great lives in beautiful New England because I finished it!

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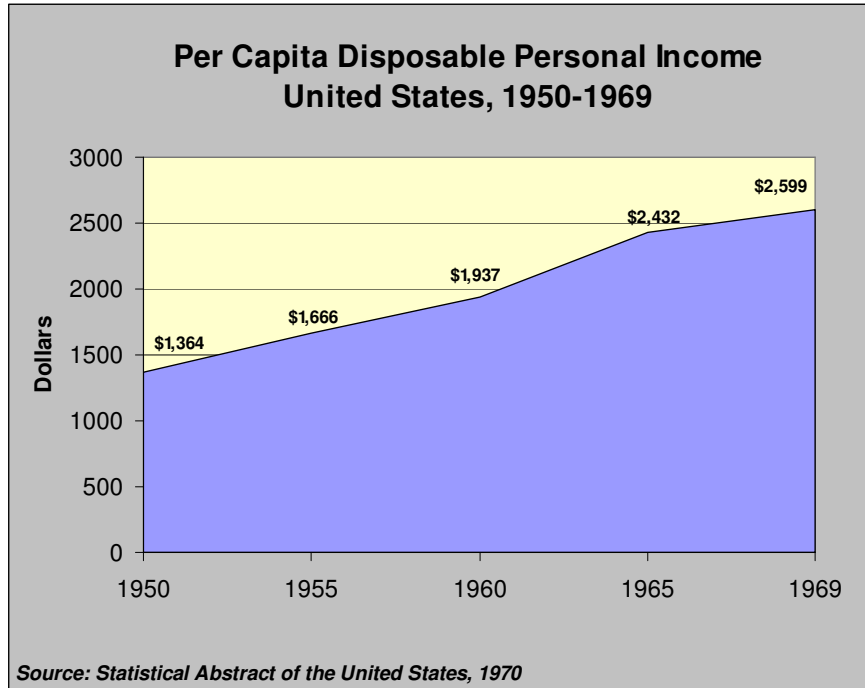
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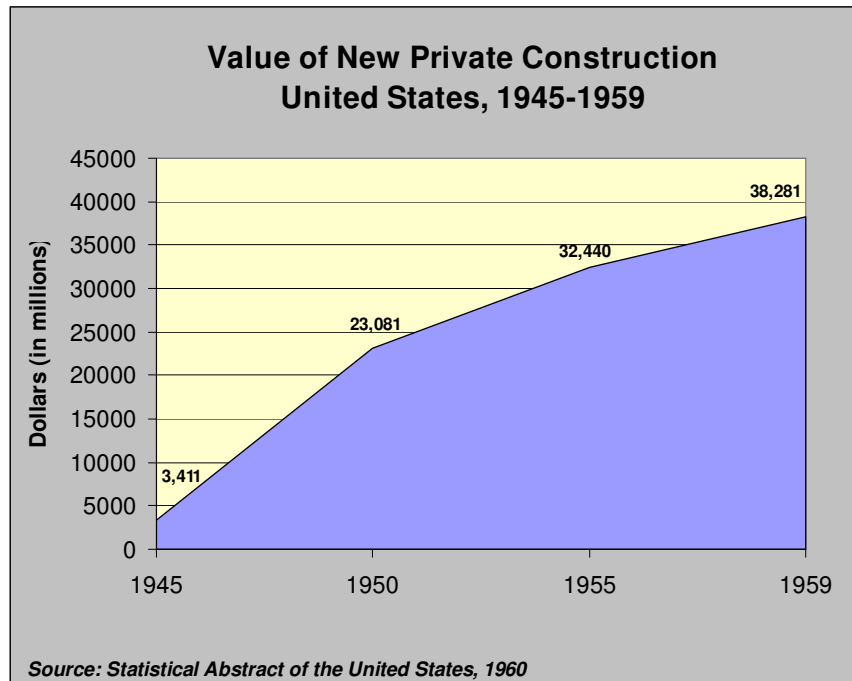
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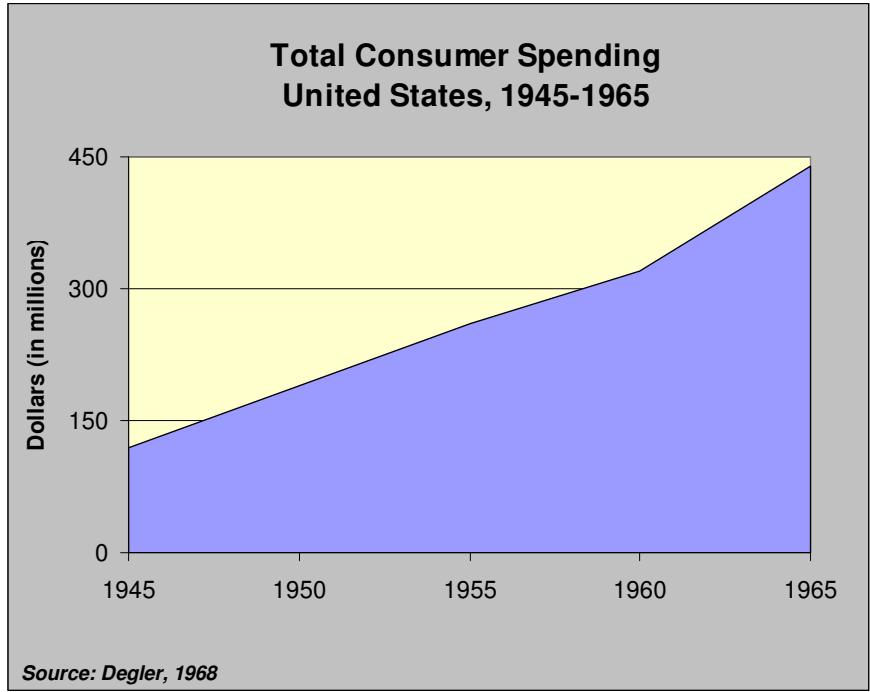
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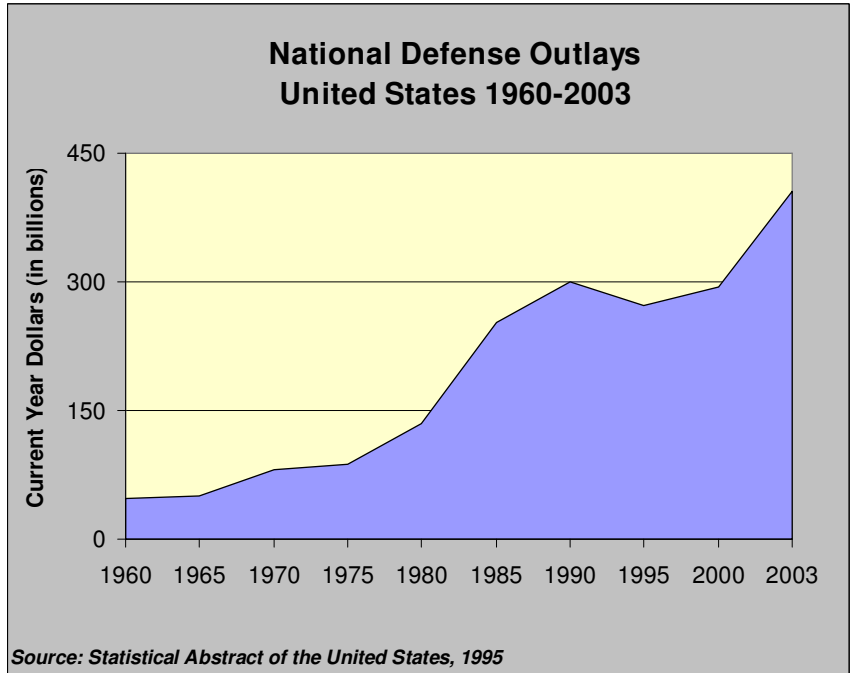
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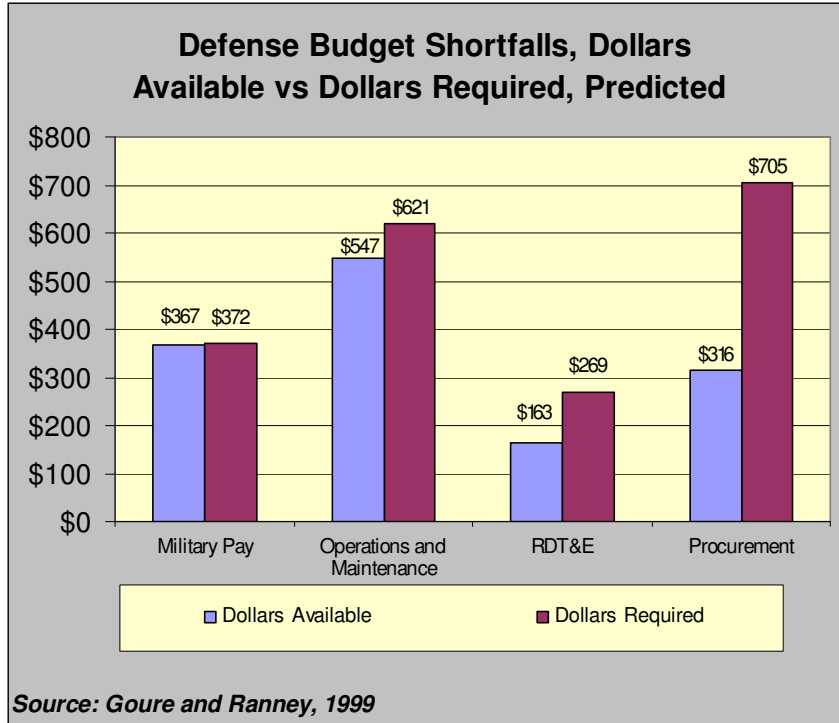
**Figure 2**



**Figure 3**



**Figure 4**



**Figure 5**

## **FOREWARD**

In the winter of 1998 I was selected to attend the Program Manager's Course at the Defense Systems Management College, located at Fort Belvoir, Virginia. At the time I was a federal civil servant and a manager with the U.S Navy, namely the Naval Sea Systems Command in Arlington, Virginia. I was also drawing nearer to completing all of my classroom requirements for a doctoral degree in public administration from Virginia Tech, after having completed my master's degree in public administration at Virginia Tech in 1994.

The Program Manager's Course consisted of a few hundred upper-level civilian U.S. Department of Defense employees, active duty military members, and a few defense contractor personnel from some of the largest defense contractors in the country. The program was full time, five days per week of classroom learning, with various guest speakers and other non-classroom activities included. The curriculum was broadly designed to be a 15-week crash course on the defense acquisition process, with concentrated study in financial management, engineering and program management.

At the same time, I was finishing up my last few classes at Virginia Tech, one of which was a Capstone seminar taught by Dr. Orion White of Virginia Tech and Dr. Cynthia McSwain of George Washington University, together also known as O.C. McSwite in public administration publishing circles. This particular Capstone seminar had taken as its bold objective the study of the relationship of Lacanian psychoanalytic theory to the theoretical underpinnings of the field of public administration. This proved

to be a slippery slope for many of us in the class, as we were not only faced with strange and unfamiliar concepts, the capstone seminar required a theoretical leap which not everyone was ready to make at the time.

For the past few years prior to this I had been searching for a theoretical frame for what I hoped would someday be my dissertation, although I knew I still had a long way to go to get there. For me, Lacanian psychoanalytic theory was new and different and I thought could perhaps be the theory to hang my future dissertation on. Despite the confusion of some other professors that I had worked with in the past and a few of my peers in the classroom, I embraced this new theory. Through dogged determination and the energy that comes with unfurling new theoretical concepts, and with the support of Orion White and Cynthia McSwain, I began to work through many of the abstract concepts that make up Lacanian psychoanalytic theory, eventually focusing on Lacan's theories on discourse.

My intellectual breakthrough occurred in early 1999. My program management class at the Defense Systems Management College had been called to the lecture auditorium for another guest speaker. This time it was a Navy Captain whose name today escapes me but who was there to talk to the entire class about lessons learned from the A-12 aircraft program. What little I knew of this subject I had read in the Washington Post. The program had begun in 1984, and after years of development the Secretary of Defense ultimately canceled the program after a series of missteps by both the private

contractors and the Navy. The U.S. Navy ended up spending billions of dollars on the A-12 program, all for an aircraft that never got off the ground.

The presenter proceeded to spend the next hour discussing how the checks and balances built into the defense acquisition process failed under this particular program, and how the Department of Defense had made significant changes in their rules of behavior and acquisition processes to ensure that a procurement scandal like the A-12 would never happen again. As I listened, my anger slowly began to build, perhaps due to the number of times that I had heard presentations and explanations like this before, which to me by this time had begun to ring a bit hollow. I knew that there was more to this than the cosmetic level issues and recommendations that the Navy Captain was able to present in a one hour time period. I thought to myself that if I could develop and apply a new theory and a different way of looking at problems like this one, perhaps I could shed some new light on what types of behavior were really behind this.

That event and the Capstone seminar sent me down a path that five years later has culminated in what is before you now. After three major family relocations since 2002, first from the Washington, DC area to rural Vermont, and then to Western Massachusetts and finally to the Boston suburbs, and after two major employment changes, from federal civil service to information technology and now to manufacturing, I believe I have finally made the link between Lacanian discourse theory and its relation to institutional behavior. I hope that this work provides a credible yet alternative way for the public administration community to look at the behavior of large public institutions as we

collectively move forward in the murky waters that is 21<sup>st</sup> century public administration theory.



## **INTRODUCTION**

The central premise of this dissertation is that there has been a cultural shift in the United States from the dominant form of discourse of the modern era to a new form of discourse. The new dominant discourse of which I write has existed in a less developed form in the U.S. and the industrialized world for most of the 20<sup>th</sup> century, but began to gain greater influence over U.S. society during the 1950's and 1960's. During the mid to late 1960's, the societal shift towards this new form of discourse became clearly apparent throughout American society as large-scale anti-Vietnam war protests and other large-scale social movements swept the country. At the same time, this shift in discourse began affecting the behavior of major U.S. government institutions and the actors within these institutions, as these institutions not only reflected society but also created and upheld a social contract with society as well. This period of American history has been marked by unprecedented social and institutional changes that are still being sorted out today some 40 years later.

This new form of discourse first surfaced publicly in the social conscience of the United States during the early 1950's when the civil rights movement began to gain momentum and became known to the general public. The civil rights movement and the other major social movements that would follow it were largely led by disaffected groups who had grown frustrated with the dominant social order and dominant discourse that had become hegemonic over U.S. society after World War II. This public disaffection

manifested itself at first through the civil rights movement beginning in the mid-1950's, and then further revealed itself through a growing estrangement that gripped younger generations of Americans in the early 1960's. This estrangement of many in the younger generation was vocalized as they took their place in adult society, mainly through their attendance at colleges and universities and in the workplace of the 1960's. Despite having come of age after World War II during a time of unprecedented economic growth, many of these young adults felt ambivalence towards mainstream society and towards the social inequalities that had been growing since World War II.

Through the study of the discourse theories of the late French psychoanalyst Jacques Lacan, this dissertation will analyze the discursive practices of American society over the last 100 years and its cumulative effect on the functioning of perhaps the United State's most influential public institution, the United States Department of Defense. By employing Lacanian discourse theory, changes in the deeper, structural level of how a society relates to and communicates with each other will be revealed, thus providing greater insight into the current social condition of the United States. Lacan's discourse theory maintains that language and discourse are linked to distinct patterns of social behavior and social organization. Through more extensive considerations of culture and identity, Lacan's theories provide a broad, generic framework for explaining human action as it relates to both human behavior and institutional practices.

Through the use of Lacanian discourse theory, this dissertation will show that since the mid-1960's in the United States, the effectiveness and ability of the governing

discourse of the modern era to provide a stable foundation for human action has declined as serious and observable flaws with this discourse have emerged. The new governing discourse that has arisen to replace it is currently fostering not only new and unprecedented forms of social behavior, this behavior is starting to cause serious organizational problems for major institutions as it reverberates throughout the American political system and American society. The consequences of the shift from one dominant discourse to a new dominant discourse is of foremost significance for the field of public administration, for the cultural and institutional devices particular to the dominant discourse that have sustained American society and institutional life in the past will be unable to sustain it in the future. It is of vital importance for the field of public administration to recognize the deeper, underlying structure of this shift in discourse and the resulting social condition that this shift has produced. Failure by the field to recognize these structures to date has led to a number of incorrect and misguided approaches, approaches that will keep public administration from fulfilling its primary mission of constructing a set of sound administrative practices that both represent and best serve society.

# CHAPTER 1

## REVIEW OF THE LITERATURE

### Introduction

This dissertation will enhance the understanding of organizational theory and the subset of organizational theory that seeks to understand how the culture of a society expresses itself within organizations and thereby affects organizational functioning. I will do this by focusing on the link between cultural patterns, cultural foundations and their relationship to organizational behavior through the lens of psychoanalytic theory. While most traditional approaches of studying organizations focus only on the conscious behavior of individuals and groups, the approach taken here contends that organizations cannot be properly studied and organizational functioning cannot be improved unless unconscious processes are exposed and understood.

As the review that follows this introduction will show, the majority of the research in the field of organizational theory in general and organizational culture specifically focuses on the internal organizational setting. This widespread and accepted approach attempts to read and understand organizational culture within the organization, then determine how to represent those values in the organization. This type of study of organizations generally assumes that members of an organization are conscious and self

aware and that there exists a generic set of universal cultural values that can be identified and managed.

This dissertation takes a different view of organizational behavior, and as such, it follows in the tradition of organizational theory and research that seeks to understand how societal culture expresses itself within organizations and thereby affects organizational functioning. It will enhance the field of organizational theory and provide a different way of looking at organizational behavior based not in conscious processes, but in the effect that unconscious aspects of society have on organizational behavior.

The specific perspective I will use is the discourse theory of French psychoanalyst Jacques Lacan—not the entire edifice of his psychoanalytic theory. Lacan’s discourse theory maintains that language and discourse are linked to distinct patterns of social behavior and social organization. It addresses the question of how a social bond is formed among people and offers a way of explaining the pattern of social action that results from this bond. Lacan identified distinct discourses during different periods of history and he also identified corresponding variations of the social bond during these periods. This dissertation will focus on the current social bond in which the United States now finds itself and will describe how that bond plays out at the level of society and institutional life.

This dissertation will add to the literature in the field of organizational theory in general and more specifically to the research in the field that looks at how societal culture

expresses itself within organizations by going beyond the more mainstream model of organizational and social culture that underpins this literature. This more mainstream model emphasizes explicitly or implicitly held values as the main substance of culture. Lacan, in contrast, sees culture at its most generic level as arising from an unconscious collusion, a collusion by which the limits in the foundation of human consciousness itself are smoothed over. This collusion is expressed through the dominant discourse of a given time, accomplished through effacement by creating a rule of truth through which the discourse is grounded. The crisis that has been created out of this is that the governing truths of the dominant discourse of the modern era are ultimately challenged, bringing into question the very foundation of human action. As a result, the governing discourse has been replaced with a new and highly unstable discourse that has grown out of the open questioning of the truths of the previous discourse.

The model of culture employed in this study views culture as being set at the level of the unconscious, as represented by the discourse that dominates at a given point in historical social development. Thus, this dissertation will present a model of organizational behavior that will expand the organizational theory literature in the field by going beyond those behaviors that are explained through observed human action and focusing on human behavior at the unconscious level. By focusing on the subset of organizational theory that looks at how the culture of a society expresses itself within organizations and affects organizational functioning, this dissertation will enable the reader to see the major disconnect between our current widely-held sense of the cultural matrix that is at work in the U.S. and the truer reality that is operating at the level of the

unconscious. This dissertation will portray this social disconnection through the theoretic lens of Lacanian psychoanalytic theory, showing not only how these developments occurred in perhaps the leading U.S. public institution, the United States Department of Defense, but will also show how these institutional developments were an augury for the broader cultural changes that have been occurring in the United States for the past 50 years.

### **Societal Culture and Organizational Behavior**

A number of organizational theorists have attempted to explain organizational behavior through cultural analysis. In his study of French organizational structures, Michael Crozier writes that organizational action can be understood in terms of the basic “personality traits” that are characteristic of the cultural and institutional systems of a given society. According to Crozier, a sociology of organization and a sociology of cultural systems are equally necessary for a general theory of human action. Crozier writes that it is necessary to go beyond the individual analysis of work satisfaction so as to both better understand the way employees participate in the social system and to form a better understanding of organizational behavior.<sup>1</sup>

James D. Thompson wrote that organizations are subsystems of larger systems and must be examined in light of their interdependence with this context. He stated that it is important to look at social organization and organizational activity and how they

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<sup>1</sup> Crozier, Michael. The Bureaucratic Phenomenon. Chicago, IL: The University of Chicago Press, 1964.

affect the organization. Thompson argued that organizational phenomena are largely a function of the specific social structure rather than a professional or character trait.<sup>2</sup>

Fred Riggs, founder of the comparative administration movement within public administration, argues that in order to understand a given society, we must learn something about the social structure and social dynamics of its culture. Riggs and the comparative administration group examined how differences in social, cultural and historical aspects can be theorized. His theories seek to explain the nature of public administration and public institutions in terms of the specific cultural and social world of various societies. The comparative administration group increasingly recognized and explored the cultural shaping of administrative techniques through their concern for procedural and organizational actions in the public realm. Riggs maintained that every country has a unique historical experience, social structure and population, and changes to the administrative structure must be made within the existing cultural context.<sup>3</sup>

The comparative administration movement in public administration began after World War II and peaked during the late 1960's and early 1970's, continuing after that at a lower level of activity.<sup>4</sup> Riggs main body of work after the peak of this movement

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<sup>2</sup> Thompson, James D. et. al., ed. Comparative Studies in Administration. Pittsburgh, PA: University of Pittsburgh Press, 1959.

<sup>3</sup> Riggs, Fred. "Public Administration in America: Why Our Uniqueness is Exceptional and Important." Public Administration Review (Jan/Feb 1998): 22-31.

Riggs, Fred. "Public Administration: A Comparativist Framework." Public Administration Review (Nov/Dec 1991): 473-477.

Riggs, Fred. Frontiers of Development Administration. North Carolina: Duke University Press, 1970.

Riggs, Fred W. The Ecology of Public Administration. New York: Asia Publishing House, 1961.



centered around public bureaucracy and presidentialism, as he applied his theories gained from overseas studies to the U.S. Riggs suggested that the indigenous system of public bureaucracy found in the U.S. is a creature of unique cultural and historical factors. While some thirty countries have adopted the American presidential system of government, most countries have suffered catastrophic breakdown with this system. Riggs concludes that the American system has succeeded because a peculiar set of cultural and historical factors restrains bureaucratic power, allowing the presidential system to operate successfully.<sup>5</sup>

Mary Douglas and Aaron Wildavsky performed similar studies to Riggs. Douglas, an anthropologist, developed a cultural theory of groups which states that the social structure of a culture and the resulting social context of an individual is responsible for observed variations in cultural practices.<sup>6</sup> She teamed with Wildavsky in studying political theory, together arguing that the rational economic consumer model was as much a product of cultural contexts as it was a product of an autonomous, self-interested individual.<sup>7</sup>

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<sup>4</sup> Heady, Ferrel. "Comparative and International PA: Building Intellectual Bridges." Public Administration Review (Jan/Feb 98): 32-39.

<sup>5</sup> Riggs, Fred. "Public Administration in America: Why Our Uniqueness is Exceptional and Important." Public Administration Review (Jan/Feb 1998): 22-31.

Riggs, Fred. "Public Administration: A Comparativist Framework." Public Administration Review (Nov/Dec 1991): 473-477.

<sup>6</sup> Douglas, Mary. Natural Symbols: Explorations in Cosmology. London: Rout, Ledge & Kegan, 1973.

<sup>7</sup> Douglas, Mary and Aaron Wildavsky. Risk and Culture: An Essay on the Selection of Technical and Environmental Dangers. Berkeley: University of California Press, 1982.

The work of the American Society for Public Administration's Section on International and Comparative Administration and its flagship Journal, Public Administration and Development, have continued the work of Fred Riggs and the comparative administration movement, though in a more restrained capacity. The journal directs its efforts to the practice of public administration in less industrialized economies; the core areas of study include decentralization and local government, urban services and free market principles.<sup>8</sup> The majority of work in this journal and in the field of comparative administration, however, often fails to perform a detailed analysis of cultural characteristics. While this literature shows a tendency to make prescriptions about the inadequacies of the administrative functioning of the governments of less-industrialized groups, it rarely includes an in-depth cultural analysis.

There are a few exceptions with the dominant approach of this group. For example, Jane Shaw disavows the universal approach to management that reflects western origins and assumptions in favor of a culture-specific view. She studied the culture of the Pathan tribe of Northwest Pakistan, utilizing Hofstede's four dimensions of culture to examine how cultural characteristics manifested themselves in daily behavior and how they contrasted with the author's western orientation. Shaw concluded that successfully assisting government organizations in foreign cultures requires a study of the specific culture, its management style and how management practices are handled.<sup>9</sup>

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<sup>8</sup> Collins, Paul and Brian Smith. "Perspectives on the Retrospective: Lessons from Five Decades of Debate." Public Administration and Development (1999, Vol. 19): 427-437.

<sup>9</sup> Shaw, Jane. "Cultural Variations in Management Practice: An Exploration of the Management Trainer's Dilemma." Public Administration and Development (1998, Vol. 18): 399-412.

## **Comparative Management**

Comparative management has grown out of the globalization of the corporate world that began in the late 1970's and early 1980's and focuses primarily on the private sector. Comparative management examines the ways in which culture influences management theory and practice, focusing on the similarities and differences in management and organization between countries in order to understand and manage cultural differences.

The comparative management movement followed the 1960's shift in organization theory from a closed-systems approach to an open-systems approach, spurred on by the growing globalization of business and society. In the late 1960's, organizational research shifted from a descriptive to an analytical approach, seeking an explanation for the causes of specific structural arrangements of behavioral patterns and organizational effectiveness. The emphasis on the analytical method highlighted a growing effort to establish empirical reasons why different degrees of variation existed in the structure of individual organizations, as well as to examine the impact of different structural patterns on behavior and effectiveness.<sup>10</sup>

In the early 1980's, following the high point of the comparative administration movement in public administration, Linda Smircich summarized various areas of research that dominated the study of culture and organization. In the field of comparative

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<sup>10</sup> Negandhi, Anant R. "Comparative Management and Organization Theory: A Marriage Needed." The Academy of Management Journal (June, 1975): 334-344.

management, culture was considered to be a background factor, an explanatory variable or a broad framework which influences the development and reinforcement of beliefs. The major bodies of work in comparative management share the conception that culture is imported into the organization through its members. The primary research agenda for comparative management is to chart the differences among cultures, locate clusters of similarities and draw implications for organizational effectiveness.<sup>11</sup>

Comparative management adopts various approaches, the dominant one being the behavioral approach, which attempts to explain behavioral patterns between individuals and groups in organizational settings. The behavioral approach maintains that prevalent beliefs, value systems and need hierarchies are functions of a given culture. Therefore, by establishing relationships between these concepts and the managerial practices of an organization, the impact of cultural variables on management practices and organizational effectiveness can be ascertained.

The comparative management movement is similar to the comparative administration movement described earlier in that one of its primary focus points is how societal culture expresses itself within organizations. Culture is defined broadly and describes the characteristics of a particular group of people with shared values, assumptions, belief systems and behavioral patterns that are distinct from other groups. Monir Tayeb writes that various methodologies for assessing culture have grown out of

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<sup>11</sup> Smircich, Linda. "Concepts of Culture and Organizational Analysis." Administrative Science Quarterly (Sept 1983): 340-360.

the comparative management literature, first identified by Hofstede in 1980. Hofstede proposed four cultural dimensions as a means to explain specific cultures. Following this work, Fiske identified four universal patterns of social behavior. Additionally, Schwartz and Bilsky presented a theory of universal structure of value that was used to cluster cultures into different groups to explain similarities and differences. By breaking down culture into its constituent characteristics, these writers attempt to provide understandable descriptions of culture as a means to facilitate cross-cultural comparisons.<sup>12</sup>

Intra-cultural analysis is a descriptive study of a society's culture as it contributes to an understanding of the issues and problems of managing and organizing across cultures. An example is Meek and Song's study, "The Impact of Culture on the Management Values and Beliefs of Korean Firms," published in the Journal of Comparative International Management. The authors examine the relationship between Korean cultural values and corporate management practices. To identify culture, the authors use key categorical dimensions of culture adopted by Edgar Schein to define the elements of Korean national culture. They claim that the study of value and belief systems should be the first step in understanding the impact of national culture on management practices. The authors outline several important aspects of Korean culture and then examine their impact on management values and beliefs. They conclude that the Korean core cultural values of harmony, unity and vertical social relations strongly

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<sup>12</sup> Tayeb, Monir. "Conducting Research Across Cultures: Overcoming Drawbacks and Obstacles." International Journal of Cross Cultural Management (2001, Vol. 1): 91-108.

influence Korean firms and that these management values and beliefs play a profound role in shaping organizational practices.<sup>13</sup>

Other leading comparative management journals, such as the Journal of Cross Cultural Management, compare socio-cultural values of managers in private firms in order to make cross-cultural comparisons. The general assumption taken here is that internal work cultures vary across countries and are partly influenced by the cultural patterns of the managers and workers under study.<sup>14</sup>

Tayeb and others have criticized the methodology employed by the comparative management field, a field which is similar to the methodology employed in the mainstream organizational culture literature to be described below. The generic criticism of these methodologies is that national culture can not be simplified and reduced to a handful of categories into which some cultures are placed and others excluded, for this only provides a myopic and incomplete picture of culture.<sup>15</sup>

### **Organizational Culture**

Much of the work that focuses on understanding how societal culture

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<sup>13</sup> Meek, Christopher B. and Song, Young Hack. "The Impact of Culture on the Management Values and Beliefs of Korean Firms." The Journal of Comparative International Management (June 1998): 287-320.

<sup>14</sup> Ardichvili, Alexander and Alexander Gasparishvili. "Socio-cultural Values, Internal Work Cultures and Leadership Styles in Four Post-communist Countries: Russia, Georgia, Kazakhstan and the Krygyz Republic." International Journal of Cross Cultural Management (Aug 2001): 227-241.

<sup>15</sup> Tayeb, 2001.

expresses itself within organizations and affects organizational functioning was eclipsed in the early 1980's by the organizational culture movement. This approach focuses almost exclusively on the internal organizational setting, attempting to read and understand organizational culture within the organization and then determine how to represent those values in the organization.

This body of work is characterized by a focus on the internal world of the organization as a means to differentiate an organization's cultural personality. Edgar Schein, one of the leading writers in this field, maintains that culture in organizations can be identified and changed to suit changing organizational needs. Schein developed a set of dimensions for organizational culture as a means to measure the culture of an organization and to change and manage the culture as required to meet a changing environment.<sup>16</sup>

Beyer and Trice's text, The Culture of Work Organizations, takes a middle-ground view of organizational culture. They recognize that identifying and managing culture is not as easy as some writers have suggested, yet while difficult, is still achievable. Instead of simple means of identifying, measuring and managing organizational culture through surveys, interviews and observations, they advocate using more sophisticated methods, such as identification and cataloging of cultural signs, symbols and language.<sup>17</sup>

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<sup>16</sup> Schein, Edgar. Organizational Culture and Leadership. San Francisco: Josey-Bass, 1985.

<sup>17</sup> Beyer, Janice M. and Harrison M. Trice. The Cultures of Work Organizations. Englewood Cliffs, NJ: Prentice-Hall, Inc., 1993.

The organizational culture literature defines human identity as generally self aware and conscious and claims that there exists a generic set of identifiable cultural values that can be measured and manipulated. This approach also focuses exclusively on the internal organizational setting, and there is little consideration of the societal acculturation process in this approach.

### **Neo-institutionalism**

Another organizational movement that has generated much interest and attention since the 1970's is institutional theory. Modern-day institutional theory grew out of the mid-1960's emphasis on open-systems theory, which transformed existing approaches to organizational studies by insisting on the importance of the environment as it constrains, shapes and penetrates the organization.<sup>18</sup>

Institutionalism and the later movement known as neo-institutionalism view organizations as social entities embedded in complex networks of beliefs, cultural schemes and conventions that shape their practices.<sup>19</sup> Neo-institutionalism, according to W. Richard Scott, sees institutions as transported by various carriers—cultures, social structures and routines—that operate at multiple levels. Culture may exist in the wider environment at the societal or world level, or it may be restricted in its jurisdiction,

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<sup>18</sup> Scott, W. Richard. Institutions and Organizations. Thousand Oaks, CA: Sage Publications, 1995.

<sup>19</sup> Hasselbladh, Hans and Jannis Kalinikos. "The Project of Rationalization: A Critique and Reappraisal of Neo-institutionalism in Organization Studies." Organization Studies (2000, 21/4): 697-720.



applying only to specific organizational fields or organizations. Scott writes that some type of cultural beliefs will be specific to a given organization or one of its subsystems, and gives rise to a corporate culture, while other cultural systems operate at a more general level. Cultural beliefs exist not only in the wider society but also as ideas or values in the heads of organizational actors.<sup>20</sup>

Scott writes that students of organizations are mainly interested in assessing whether and to what extent institutional systems affect individual organizations or groups of organizations. Thus, most of the empirical literature produced since the mid-1970's in this field treats institutions as independent variables. This framework focuses on the examination of institutional effects on organizations, organizational populations and organizational fields.<sup>21</sup>

Hasselbladh and Kalinikos write that the primary empirical agenda of neo-institutionalism is the exploration of structural isomorphism as an aspect of the bureaucratization process.<sup>22</sup> Scott writes that organizational structural forms are widely shared across many organizations, thus creating similar forms or structural equivalence and similar relations among firms.<sup>23</sup> Research in this area has covered a wide range of institutional processes, including strategic control, structural change and how certain organizational forms become dominant.

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<sup>20</sup> Scott, W. Richard. Institutions and Organizations. Thousand Oaks, CA: Sage Publications, 1995.

<sup>21</sup> Scott, 1995.

<sup>22</sup> Hasselbladh and Kalinikos, 2000.

<sup>23</sup> Scott, 1995.

Since neo-institutional theory assumes a relatively unproblematic translation of social patterns into organizations, it lacks a robust explanation of how social ideas and social patterns are translated into specific organizational actions. In the neo-institutional view, words and language stand to serve as clear points of reference for organizational action. Neo-institutionalism views organizations as social entities, embedded in complex networks of beliefs and cultural schemes that shape their practices. Neo-institutionalism also sees institutions as transported by various carriers—cultures, social structures and routines—that operate at multiple levels.

### **The Discourse Movement**

Another stream of literature gaining momentum in the 1970's in organizational studies is the discourse movement. The linguistic turn of the late twentieth century has led to a widespread and growing interest in discourse in social sciences generally and organization studies specifically. In the late 1970's, organizational scholars began to draw attention to the symbolic and metaphorical aspects of organizational discourse and to the central role of language as a carrier of shared understanding in the creation and maintenance of organizational structures. Discourse analysis not only highlights the role of language as an instrumental means of information exchange, but also as a constitutive force of social and organizational reality.<sup>24</sup>

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<sup>24</sup> Hendry, John and Loizos Heracleous. "Discourse and the Study of Organizations: Toward a Structuralist Perspective." Human Relations (Oct 2000): 1251-1283.

Discourse analysis encompasses a wide range of research that illuminates the ways in which discursive practices are deeply implicated in daily organizational processes and the routines of organizational behavior. Tony Watson writes that discourse is the principal means by which organizational members create a coherent social reality.<sup>25</sup> Discourse theory maintains that social reality is systematically constructed through the process of naming, classifying and relating, creating some semblance of stability and order and a relatively sustainable, functioning world.

Robert Chia writes that instead of thinking about a social theory of organizing, it would better serve organizational researchers to understand how organizations have come to develop deeply entrenched habits of thought and how they arrive at possibilities for action. Studying organizations as a discourse is therefore crucial for a deeper appreciation of the underlying motivational forces shaping organizational decisions.<sup>26</sup>

Discourse analysis is the principle means by which organizational researchers employ discourse theory. Discourse analysis is the systematic study of the texts of an organization, including written or spoken language, cultural artifacts and visual representations. Hardy writes that research on organizational discourse centers on the texts that compose and are composed in and by organizations. Texts, therefore, are the sites for the emergence of complex social meaning.<sup>27</sup>

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<sup>25</sup> Watson, Tony J. "Discourse and Organization." Human Relations (Apr 2000): 559-573.

<sup>26</sup> Chia, Robert. "Discourse Analysis as Organizational Analysis." Organization (2000, 7/3): 513-518.

<sup>27</sup> Hardy, Cynthia. "Researching Organizational Discourse." International Studies of Management and Organization. (2001, 31/3): 25-47.

Discourse theory and neo-institutionalism share much in common, mainly that organizations are social entities transported by various cultural and social carriers. It is in the level of analysis where these approaches diverge. Research efforts in neo-institutionalism focus on structural isomorphism, or similar forms for organizations in similar fields. Studies into structural isomorphism have focused their attention on how certain organizational structures become dominant and what effect those organizational structures have on the operations of an organization. Discourse theory, on the other hand, examines and catalogs the written and spoken texts throughout an organization. These texts are seen as the primary carrier of shared understanding in the creation and maintenance of organizational structures.

The discourse movement also has a growing following in the field of public administration. The central premise of this group of researchers is that humans are socially constructed and are constantly constructing social realities through discourse. These theorists maintain that meaning in organizations and society can best be arrived at through discourse analysis rather than empirical measurement and rational analysis.<sup>28</sup>

### **Organizational Psychodynamics**

Another movement in organizational studies that has gained momentum since the 1960's is organizational psychodynamics. Linda Smircich defined organizational

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<sup>28</sup> McSwite, O.C. "The New Normativism and the Discourse Movement: A Meditation." Administrative Theory and Praxis (Sep 1998): 377-381.

psychodynamics as a way to look at culture and organizations through the expression of unconscious psychological processes. In this view, organizational practices are understood as projections of unconscious processes and analyzed in reference to the interplay between unconscious processes and their conscious manifestation.<sup>29</sup>

Today, there is a large body of literature regarding the importance of the unconscious dynamics of a social system. Argyris and Schon argued that organizational theorists should focus on unconscious processes to open up an organization's unconscious identity.<sup>30</sup> Manfred Kets de Vries writes that for scholars of organization studies to properly understand their world, they must find the hidden and unconscious meanings, motives and consequences behind social behavior. He looked for basic themes and configurations in the text of organizational actors, seeking meaning in what at first glance may seem random or insignificant acts.<sup>31</sup> Michael Diamond writes that relationships between organizational members are primarily influenced by unconscious assumptions and expectations. He states that organizational culture itself originates from unconscious relational patterns between and among members. For Diamond, the real problems of an organization are a matter of organizational identity, which is governed predominately by unconscious processes.<sup>32</sup>

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<sup>29</sup> Smircich, Linda. "Concepts of Culture and Organizational Analysis." Administrative Science Quarterly (Sept 1983): 340-360.

<sup>30</sup> Argyris, Chris and Donald Schon. Organizational Learning. Reading, MA: Addison Wesley, 1978.

<sup>31</sup> Kets de Vries, Manfred. Organizations on the Couch. San Francisco: Josey-Bass, 1991.

<sup>32</sup> Diamond, Michael A. The Unconscious Life of Organizations. Westport, CT: Quorum Books, 1993.

The existing literature in the field of organizational psychodynamics is strictly psychoanalytic in the sense that it starts from and largely focuses upon the psychology of the individual. Although Lacan's discourse theory is also based in psychoanalytic theory, Lacan's discourse theory is more a theory of social organization. The Lacanian perspective is fundamentally different in that it starts from the assumption that individual identity and organizational psychodynamics must be understood from the point of view of society, or what Lacan called the symbolic order. From this perspective both social and individual dynamics are cast in a new light.

### **Summary**

In summary, this dissertation will contribute to the field of organizational theory, specifically to the area of study that seeks to understand how societal culture is transmitted and expresses itself within organizations and thereby affects organizational functioning. It will lead to a greater understanding of organizations by focusing on the relationship between organizational behavior and the cultural beliefs of society. While it has much in common with the literature on organizational culture, institutional theory, discourse theory and organizational psychodynamics, it follows the established literature that seeks to explain organizational behavior through the cultural analysis of society. It will provide a different way of looking at organizational behavior and culture through the lens of Lacanian discourse theory, one that looks at the effect that the unconscious aspects of society has on organizational behavior and on the wider culture.

The approach taken in this dissertation understands and describes culture in a different way than the other literatures described earlier. These literatures all share a tendency to see culture in a normative context in terms of values. As stated earlier, Lacan, in contrast, sees culture at its most generic level as arising from an unconscious collusion, a collusion by which the limits in the foundation of human consciousness itself are smoothed over. This collusion is expressed through the dominant discourse of a specific era, accomplished through effacement by positing a rule of truth through which discourse is grounded. The crisis that has been created out of this is that the governing truths of the dominant discourse of the modern era are ultimately challenged, bringing into question the very foundation of human action. As a result, the governing discourse has been replaced with a new discourse that has grown out of the open questioning of the truths of the previous discourse. The rule that this new discourse posits is a highly unstable one that whatever attracts desire or sells is true.

By explaining organizational behavior through the cultural analysis of a society, one that is based in psychoanalytic theory as framed by Lacan's theory of discourse, this dissertation will show ways in which deep-rooted behavioral patterns are historically produced and thereby influence organizational action. The use of Lacanian discourse theory goes beyond the standard discourse theory that has been defined and utilized by most organizational researchers. That brand of discourse theory largely maintains that organizational behavior can be examined and cataloged through an analysis of the spoken and written texts of an organization. Lacanian discourse theory shows how discourse is historically produced and how social organization develops over time, thus providing a

deeper, more historical and ultimately a more potent analysis of human behavior in both society and in social institutions.

In my opinion, the central theme of organizational theory as it relates to the field of public administration today is based on the market model, in that the field of public administration has accepted the idea that human behavior in organizations can be reduced to a small set of needs and desires. This is consistent with the recent spread of market principles throughout most of the world through a phenomenon known as globalization. This dominant view has given rise to the administration of government programs at all levels of society through the application of rational and efficient administrative practices. The model of human identity that this propagates is that people are rational beings who seek to be satisfied through rational calculations. Both public administration theory and mainstream governmental administrative practices have taken a form consistent with the central ideas of the market model and are organized around this notion. It is safe to say that many of the recent reforms at all levels of government, movements like New Public Administration, Reinventing Government and Balanced Scorecard could not have gained the following they have without public administration adopting a form consistent with this view of human behavior.

I believe that the view of human behavior adopted by the majority in the field of public administration is misguided and will not serve to further the field's primary purpose, that of fashioning administrative practices which both represent and best serve



society. Positioned between policy makers and citizens, public administrators play the key role in shaping and translating government policies into administrative action.

As stated earlier, this dissertation will present a theory of organizations that will transcend the standard research methods for the social sciences. It will not follow the standard practice of examining the patterns and relationships of observed human action as is done in more mainstream approaches. What it will do is stretch the organizational theory literature in the field and go beyond only those behaviors that are seen and experienced; it will do this by focusing on human behavior at the unconscious level. For example, this view of behavior at the level of the unconscious will show how American social movements of the 1950's and 1960's were largely a manifestation of the alienation of U.S. society's collective unconscious, and how these and other changes in society have led to the formation of a new and different social bond. It is this new social bond that is having dramatic effects on the behavior of many of our leading institutions today.

This approach will enable the reader to see that our current social bond has no connection with true human desire; in fact, it works directly against this connection by focusing on ego-based desires. The social bond that has been created and allowed to take hold of society has drifted farther away from the true desires of American society. Society has transgressed to the point that Americans are now largely living in a world of illusion, where everyday words and images bear little resemblance to the true reality of the social situation. In that American society has reached this point, our government and social institutions, in that they are compromised of society's members, have reached this

point as well. Some social critics have gone as far as to say that American society is collaborating in a grand lie due to this massive disconnection between words and images and reality. This is of the utmost importance for the field of public administration, for the cultural and institutional devices that have sustained society thus far will not continue to sustain it in the future, as dissatisfaction with the ability of both cultural production and institutional life grows to the point that no amount of culture shaping will be able to contain it.

As stated earlier, the approach taken in this dissertation will enable a more vibrant portrayal of the effects of this social disconnection with reality in both society and large public institutions through the employment of Lacanian psychoanalytic theory, showing how this change in the social bond has affected a leading American public institution. The main accomplishment that this dissertation will make specifically to the field of public administration, then, is to portray a new way of looking at the behavior of large public institutions, one that will hopefully lead to healthier organizational and administrative practices by rearranging the model that forms the basis for the relationship between the public administrator and the citizen. This new relationship between the administrator and the citizen will enable public administration to move forward as a field theoretically and to better align administrative policies with a more accurate conception of human identity.

## CHAPTER 2

### RESEARCH STRATEGY

#### Introduction

The central premise of this dissertation is that there has been a shift in the United States from the dominant discourse of the modern era to a new form of discourse that has come to dominate American society. The research to support this premise will focus on the period of American history from 1900 to the present day, with specific attention on the major historical events that took place from 1946 to 1968. During this period, the United States underwent unprecedented social and economic changes. These changes mirror the ones that Lacan saw in the world as he formulated his theories on discourse in the second half of the 20<sup>th</sup> century. To analyze this period of change in American history, I will focus on four main areas of study; economic, business, political and social. I will show how changes in 20<sup>th</sup> century America in these areas correspond to the changes Lacan observed and described through his theories on discourse.

Because the majority of changes in these areas occurred in the United States from 1946 to the late 1960's, this period of history will be paid close attention. This period of history also follows closely with the shift in discourse described earlier that is one of the central doctrines of Lacanian discourse theory. I will describe this period of American history and the shift from the dominant discourse of the time largely through an analysis of the Vietnam War and the major social movements of the time. These major social

movements will focus in the following areas; civil rights, the women's movement, the student free speech movement and anti-Vietnam war demonstrations. The Vietnam War will be described and analyzed in terms of how it was conceived and managed by U.S. military and political leaders. For the theoretical frame, I will overlay this historical analysis with a detailed description of Lacan's theories on discourse. Additional detail on this research area will be provided later in this section of the dissertation.

To describe the shift in the major discourse of the era to a new discourse, I will utilize three case studies, told in the form of vignettes, that will illustrate how this new discourse operates when it becomes the dominant discourse in a major public institution, the United States Department of Defense. Three specific organizational processes will be studied; weapons procurement, warfare strategy and budgeting. These processes will provide illustrations that support the central premise of this dissertation of a major shift in the governing discourse for American society.

This dissertation will focus solely on the United States, because of all the industrialized and wealthier nations, the conflict between rapid economic growth, dynamic and economic change and social stability is currently greatest in the United States. The United States economic system is currently one of the most unrestricted free markets in the world, one where the supreme measure of value can be found in the effectiveness of the free market to deliver low cost goods. Because of the hyper nature of the U.S. economic system and the contradictions that this causes in everyday social life,

the United States is at the forefront of the shift in discourse that forms the central premise of this dissertation.

### **Research Approach and Central Premise**

As stated earlier, the research for this study will focus on the period of American history from 1900 to the present day with specific attention on the period 1946 to 1968. During this time, the United States underwent unprecedented social and economic changes that Lacan observed as he formulated his theories on discourse. The research literature and overall approach were chosen because they support the central premise on which the argument of this dissertation is based, i.e., that there has been a shift in the dominant discourse of the modern era to a new dominant discourse. This shift will be described through the exposition of Lacanian discourse theory and the employment of two of Lacan's four discourses. The new dominant discourse will be described in terms of the major changes going on in the United States in the economy, the business world, politics and in social life.

Lacanian discourse theory is largely a characterization of the social bond that is formed between people and the social action that results from that bond. Thus, it takes a broad societal view of the controlling discourse that comes to govern behavior in a given era of history. The style of the dissertation, then, attempts to match the style that Lacan employed as he developed his discourse theory. Lacanian discourse theory will be employed to show how the modern world has largely been governed by what Lacan

termed the discourse of the university, and how a new discourse, the discourse of the market, has gained hegemony in institutional life and in society. The rise and fall of these discourses closely parallel the post-World War II economic expansion of the United States and the subsequent social upheavals that reached a boiling point in the 1960's.

The most popular mode of social science research today is empirical behaviorism in that this method tries to explain human behavior by finding relationships in observed behavior. In contrast, the research methodology of this dissertation is structural analysis and the research style of this dissertation is mainly qualitative. Structural analysis is a more multi-layered approach that generates explanations for events by looking at the underlying core logic that drives human behavior. This underlying logic offers a subtle and powerful account of human action not otherwise attainable through more traditional means. Structural analysis, while empirical in its own way, it is not the standard empirical analysis that is performed in mainstream cultural or organizational analysis, and the underlying logic that structural analysis reveals generally operates at a deeper level than the more popular method described above. The approach taken in this dissertation was perhaps more popular in an earlier era, before the shift from descriptive approaches to more analytical approaches of organizational analysis became widespread. The style of this dissertation, the broad view of culture and organizations that is taken and the descriptive approach are all intentional and necessary for a dissertation with such a highly theoretical method.

The main assumption of the paradigmatic frame out of which this dissertation operates is that objectivity in social analysis is an illusion. Throughout my academic career, I have been openly skeptical of more traditional forms of cultural analysis that purport to be objective and as such, this study attempts to steer clear of these more conventional frames of analysis. Based on these predispositions, this dissertation does not address its central premise, that there has been a shift in the governing discourse for American society, through the use of mainstream analytical approaches. Instead, the approach taken here is more storytelling and descriptive.

While there exists a number of controversies with many of Lacan's theories, most of those controversies relate to Lacan personally, his psychoanalytic method, and his views on sex and gender. The translation of Lacanian discourse theory to social science is not a widespread use of Lacan's theories and as such does not garner the level of controversy as some of Lacan's other theories. The majority of leading Lacanian researchers have not paid much attention to his theories of discourse; in fact, the only leading Lacanian researcher who has spent considerable time working with Lacanian discourse theory is Mark Bracher, whose material is widely referenced in this dissertation. Lacan's theories of discourse are arguably the most stable of his theories and there are currently no existing major controversies with Lacanian discourse theory

Employment of Lacanian discourse theory as it ultimately relates to organizational behavior is a novel approach in the field of public administration. However, it is an approach whose time has come and one which is greatly needed in the

field today. I believe that the account I provide of how societal culture affects organizational behavior is a plausible one and one that could not be produced through other methods. These standards, plausibility and originality, are the rules of truth which this analysis seeks to meet.

In that I have chosen certain data and portrayed it in specific ways to support my central premise and my predispositions, the research literature chosen for this study could be said to be biased in this direction. The data selected, particularly the case studies, illustrates on a structural level the central truth behind what I believe is going on with government institutions today. There is precedent for this approach in the works of noted sociologist Pitirim Sorokin. Sorokin's logical-meaningful method of research argued that data that was used to support analysis and conclusions must as a criteria be meaningful and possess integrity as well as being logical and sensible. Sorokin recognized that researchers in the social sciences chose particular variables and rejected others because they view the former as meaningful for human action, implicitly accepting or rejecting certain variables they employ in terms of their implications for the point of their study.<sup>33</sup>

### **Lacanian Discourse Theory**

Lacan used the term discourse to show that a society's primary social link is founded on language; this social link is reflected back through society in the form of

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<sup>33</sup> Nett, Roger and Gideon Sjoberg. A Methodology for Social Research. New York: Harper and Row, 1968.



discursive practices. Lacan first proposed his theory of discourse in 1968, basing his theories on observations he made regarding four main discourses that he believed had special significance throughout modern history. He introduced his theory of discourse as a means to depict from a psychoanalytic perspective how the social foundation of human action is founded on language.

To explain Lacanian discourse theory, I will rely on texts by some of the leading writers on Lacan. In addition to published works by Lacan, later in his career, Lacan communicated his theories through a series of seminars, which have since been transcribed and interpreted by various writers. In addition, Lacan's psychoanalytic theories have crossed over into many other disciplines, such as literary criticism, law, film theory and cultural studies. I will employ articles from journals dedicated exclusively to the study of Lacanian psychoanalytic theory and many other journals that apply Lacan's theories to various cultural issues.

### **Historical Periods**

To describe the period of American history from 1900-1945, I will follow the well-established literature and historical accounts regarding early American industry, the higher education system, social life and the growth of the social sciences. This period will be utilized to frame the next period under study, 1946 through the mid-1960's. For

this period, I will also follow the well-established literature and historical accounts in four main areas of U.S. society: economic, business and industry, politics and social life.

For the economic trends and issues of these periods, I will examine the effects of the unprecedented growth in personal discretionary income, the rise in gross national product and the emergence of a large personal lending and credit market. Business and industry issues that will be explored include the growing relationship between business, industry and the federal government and increasing corporate consolidation. I will also analyze corporate management styles of these periods, including the movement to a systems analysis approach, the application of hard science to commercial operations and production and the growth of bureaucracies.

Political issues to be analyzed will center on the government investment provided to various industries and suburban infrastructure projects after World War II. On the industry side, this includes the transferring of wartime production, government technology and government property to private firms for peacetime consumer production. Infrastructure issues to be covered include government involvement in utility expansion, the building of highways and sanitation systems and financial subsidies and credits for home ownership and higher education.

Social trends and issues to be explored include the massive migration from cities to suburbs and the growth of home ownership. Other trends to be discussed include a growing affluence among the middle class, high marriage rates and high birth rates.

These trends fueled the purchase of consumer goods and spurred the dawn of modern consumerism in the United States.

The changes in the economic, business, political and social world will be utilized to underscore the significant change from the early 1900's to the end of World War II through the 1960's that took place in the U.S. The changes in these areas helped define a nation coming out of a World War and produced an identifiable set of culture beliefs. At the same time, other social trends operated in direct contrast to those mentioned above. For instance, despite the burgeoning middle class, by 1960 25% of Americans were at or below the poverty level. In addition, federal subsidies for suburban infrastructure worsened the plight of the inner city poor by curtailing resources to these areas while quietly systematizing racist policies. Ironically, many of these trends in the 1950's, appearing so successful and progressive to many, at the same time were sowing the seeds of social unrest that would characterize the 1960's.

To frame this period of history, I will rely on historical texts, articles and other narrative forms written from the mid-1960's to the current day. There are a number of journals, many in the field of public administration, that attempt to interpret this period of history in terms of current social issues. Also, there is a large body of literature on the "postmodern condition" which corresponds in some ways with Lacan's discourse theory.<sup>34</sup>

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<sup>34</sup> There has been an enormous amount of writing on postmodernism and the postmodern condition in the past 30 or so years, so much so that in my opinion the term postmodern has become a buzzword for any social behavior or social form that seems to be new or different. As a result, I agree with Best and Kellner in their observation that use of this term has lost much of its relevance and has become a convenient way

Various narratives on the period portray a series of growing social uprisings, limited at first, but growing in size and effect as the 1960's proceeded. These social movements began with the civil rights movement in the mid 1950's. However, lesser-known civil rights actions had been taking place for many years prior. Other important social movements that will be analyzed include the student free speech movement, the anti-war movement and the women's movement. At the same time, a small majority of the country remained relatively conservative, continuing to support government institutions and the U.S. military involvement in Vietnam while remaining opposed to social protest in general. Even at the height of the Vietnam War, about half of all Americans supported the government and the U.S. aims in Vietnam. Thus, this period of U.S. history is marked by seriously conflicting views by many Americans. Clearly, the social unrest of the time has contributed to many of the structural changes in society and social institutions that have come about in the past thirty years.

### **The Vietnam War**

The Vietnam War and the anti-war movement were the most public symbols of the changes occurring in American society. To describe and evaluate the Vietnam War in the context of this dissertation, I will concentrate on the military and political leadership and how they conceived of and managed the war efforts. Specific focus will be paid to

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for many scholars to avoid the practice of in-depth and relevant theorizing. In addition, Lacan's work and this dissertation more closely follow the lines of structuralist and post-structuralist thought, which draws distinct differences with postmodernism. As such, the term postmodernism does not appear any further in this dissertation except as a reference. For a thorough explanation of postmodernism, see Best and Kellner's Postmodern Theory, The Postmodern Turn and The Postmodern Adventure.

the Vietnam War because it represents a break from the dominant discourse practiced by both society and social institutions towards a new form of discourse. In that it does this, it helps to illustrate and validate the central premise of this dissertation, that being that a major shift has occurred from the dominant discourse of the modern era to a new dominant discourse.

Specifically, organizational tactics of the Vietnam War that will be explored include the overall management style of military leaders, leaders who attempted to utilize the principles of scientific management and statistical control that had become widely popular after World War II. The use of public relations will also be explored. Public relations was used by military leaders to make it appear that the Vietnam War was proceeding in a rational, orderly fashion, therefore validating the strategy and overall management of the war. I will investigate such questions as what strategies were employed, why certain strategies were chosen over others, and how and why the war was managed and conducted in the manner that it was. By performing an in-depth analysis of the mindset of the Defense Department as an organization, I will explore the belief that grew out of World War II that the U.S. military was invincible and could not possibly lose a war, especially not to a tiny, third world nation like North Vietnam. I will also explore the access that the U.S. military had to unprecedented amounts of money, resources, and firepower and the effect that this had on military strategy. Lastly, I will explore popular societal myths that the U.S. and its military undertook a moral initiative and were only trying to help the worlds less fortunate through their actions in Vietnam.

For the section of the dissertation on the management of the Vietnam War and the leadership of the Department of Defense, I will rely on texts, articles and other narratives dealing with American strategy in Vietnam, as well as various government and private studies on the Vietnam War. There is also a large amount of first-hand data available from various films and documentaries that will be employed.

### **Case Studies**

The management of the Vietnam War by the Department of Defense and political leaders helps set up the next section of the research, the case study section. This dissertation will examine three case studies, told in the form of vignettes, to show how a new discourse operates when it becomes the dominant discourse in an institution, in this case the U.S. Department of Defense. According to Stein, case studies in public administration are used to show the issues and problem in their particular institutional context and are designed to evoke a discussion of solutions that are possible, likely and appropriate in that particular institutional environment. Case studies also provide an opportunity for vicarious governmental experience and are designed to develop intelligent interpretations of governmental decisions and more generally, of governmental behavior.<sup>35</sup>

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<sup>35</sup> Stein, Harold. "Introduction". In Public Administration and Policy Development: A Case Book. Harold Stein, ed. New York: Harcourt, Brace and Co. 1952.

These case studies will discuss significant organizational initiatives undertaken by the Defense Department since Vietnam in the areas of weapons procurement, warfare strategy and budgeting. They were specifically chosen because they provide illustrations that support the central premise of the dissertation, that there has been a major shift from the dominant discourse of the modern era to a new dominant discourse in both society and social institutions.

The first case study will cover the Navy's A-12 aircraft program. This research will consist of a large volume of factual accounts as well as public testimony that illustrate the failed analytic methods employed in this weapons program. The Navy A-12 Avenger Aircraft program began in 1984 when two teams of private defense contractor were awarded a contract to design a carrier-based, deep-strike stealth aircraft. After years of development, the Secretary of Defense eventually canceled the program after a series of missteps by both the contractors and the U.S. Navy. All told, the Navy spent over three billion dollars on the A-12 program and was successfully sued by the contractor to recover an additional two billion dollars.

The next case study will analyze the public relations methods employed by the Defense Department in the 1990 Gulf War. Due to stringent controls on information, the Gulf War was depicted as a triumphant display of American resolve, skill and technology against a clearly evil enemy and an unequivocal national success. Contrary to this belief, there is a large body of literature that will be examined that depicts the Gulf War as

mainly a war of images, where what was portrayed through television and newspapers was selectively chosen and tightly controlled by the Defense Department.

The final case study will look at the disconnection between military strategy and budget estimates during the period from 1980 to the current day. The mismatch between the top-level strategy of the military and the budgets to fund those strategies has been historically misaligned. However, this problem was exacerbated in the 1980's when the U.S. military received significant increases to their budget as the top-level military strategy was greatly expanded. This ultimately resulted in a military strategy that was unsustainable due to the failure of military budgets to keep pace with the burgeoning strategy. Since the 1980's military build-up, the U.S. military has been unable to reconcile strategy and budgets. This case study will serve as an example of a current administrative problem that has come about under the discourse of the market and is one of the strongest indications yet of the dominance of this discourse throughout the Defense Department. The Defense Department is currently locked in a budgetary death spiral because the way it operates its organization does not match the way it budgets and spends. There is an extensive body of literature on this topic, including government and private reports, public budget documents, as well as the first hand experience of the author.



## Summary

To reiterate, the central premise of this dissertation is that there has been a shift in the governing discourse for American society and social institutions to a new governing discourse. The research has been chosen and presented in such a way as to bolster that claim. Lacanian discourse theory will be described and analyzed in detail to provide an understanding of the theoretical frame of the dissertation.

An overall description of the historical period of 20<sup>th</sup> century America will also be presented, with special focus on the period from 1946 to 1968 when significant changes in American society took place. This period closely parallels the break in the progression of the discourse of the university and a movement towards the adoption of a new discourse, the discourse of the market. An analysis of specific characteristics of the Vietnam War and the major social movements of the era will serve to elucidate this shift in discourse.

Finally, three case studies will be put forth that will show how a major social institution operates once the shift in discourse has taken place and what implications these new forms of institutional behavior have for public administration.

## CHAPTER 3

### LACANIAN DISCOURSE THEORY

#### Introduction

Lacan's discourse theory maintains that language and discourse are linked to distinct patterns of social behavior and social organization. Lacan defined the term discourse as a social link founded on language, reflected back through society in the form of discursive practices. He first proposed his theory of discourse in the late 1960's in France. Lacan based his theory of discourse on evidence he saw throughout the world of four dominant discourses that he believed had special significance in modern society. He was particularly influenced by the French university system, having taught in various schools throughout his career. For Lacan during this time, the introduction of his discourse theory formalized his ideas on psychoanalytic theory and how the social foundation of human action is formed. Lacan was a man of his time and was greatly interested in the events going on in the world at the time. Thus, his theory of discourse coincided with the social turmoil that was occurring in the western world and certain eastern bloc countries in the late 1960's.<sup>36</sup>

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<sup>36</sup> Vanier, Alain. "Some Remarks on the Symptom and the Social Link: Lacan with Marx." Journal for the Psychoanalysis of Culture and Society (Spring 2001): 40-45.

## **The Linguistic Turn**

There has been a procession of literature beginning in the late 1960's on the theoretical nature of language and its ability to govern human behavior. This movement represents a distinct break from the modernist view of language and will be discussed below. Gergen and Thatchenkerry have chronicled the changes in the theoretical view of language that began around the period of the Enlightenment. They write that the view that has carried into the modern era is that language is truth bearing, the principal means by which we inform other people and our culture of the results of our observations and thoughts. According to this view, language furnishes the most transparent expression of individual thought and rationality. Words, in effect, are carriers of truth.<sup>37</sup>

Best and Kellner write that beginning with the theories of Nietzsche, there was a philosophical turn away from the modern discourse of truth, certainty and universality and a rejection of grand historical narratives. This so called "linguistic turn" incorporated the idea that language does not carry stable meaning, thereby shattering rational assumptions about language, knowledge and linguistic representation. This linguistic turn introduced the idea that different linguistic maps bring a diverse sense of reality and separate claims to truth. This led to a shift toward a more contextual and contingent view of language, one where language does not represent reality, rather it shapes and

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<sup>37</sup> Gergen, Kenneth J. and Joseph Thatchenkerry. "Organization Science as Social Construction: Postmodern Potentials." The Journal of Applied Behavioral Science (Dec, 1996): 356-377.

constructs it. According to Best and Kellner, these ideas have challenged the foundational premises of modern thought.<sup>38</sup>

King writes that recent lines of inquiry into language reject the belief that the world is organized logically and that the best methods for understanding the world are rational analytic ones. As a result, the deterministic and mechanistic view of modern thought has shifted to a paradigm that sees the world as imprecise and uncertain.<sup>39</sup>

### **Lacanian Discourse Theory**

According to Lacanian discourse theory, a subject's movement into language and the social bond that is created between people as a result of this movement are at the center of our current cultural condition. Lacan's theories on language closely correspond with the idea of sliding, unstable meaning in language described above that is now a widespread idea in social theory. Joel Dor has noted that Lacan's originality lies in introducing certain concepts from linguistics into the field of psychoanalytic theory and then raising the theory into a general hypothesis concerning the unconscious. For Lacan, a psychiatrist and psychoanalyst, it is in the act of language that the unconscious emerges and finds its locus of expression.<sup>40</sup> It is this period of initial movement into language that

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<sup>38</sup> Best, Steven and Douglas Kellner. The Postmodern Turn. New York: Guilford Press, 1997.

<sup>39</sup> King, Cheryl. "Talking Beyond the Rational." American Review of Public Administration (Sep 2000): 271-291.

<sup>40</sup> Dor, Joel. Introduction to the Reading of Lacan: The Unconscious Structured Like a Language. London: Jason Aronson, Inc., 1997.

both creates and organizes the unconscious, hence the famous Lacan utterance, “The unconscious is structured like a language.”<sup>41</sup>

While Lacan’s view of language coincides closely with the linguistic turn described above, Lacan was able to articulate how sliding, unstable meaning played out at the level of social dynamics through discourse. First of all, Lacan saw the subject’s movement into language as entailing a loss. This loss creates an absence as the subject is forced to give up their organic existence and enter the world of language. It is this absence that Lacan placed at the center of human civilization and culture. The absence is formed when the ascension into language kills our organic existence such that our organic being disappears and only the signifiers of a language system live on in the subject.<sup>42</sup> This suppressed organic existence is beyond signification in the new world of language and the absence that is created is repressed into our newly forming unconscious. Prior to this, the organic subject had not experienced this absence and thus had no need for an unconscious aspect to its being. According to Lacan, the ascension into the world of language and language itself is founded on this absence, and without the creation of such a loss language cannot properly operate. The primary signifiers of a language, therefore, refer to this absence, to something that cannot be known in the process of

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<sup>41</sup> Ragland-Sullivan, Ellie. Jacques Lacan and the Philosophy of Psychoanalysis. Urbana: University of Illinois Press, 1986.

<sup>42</sup> Fink, Bruce. The Lacanian Subject: Between Language and Jouissance. Princeton, NJ: Princeton University Press, 1995.

signification. As a result, the primary signifiers of a language, the source of all meaning, can never be given a stable definition, it can only refer to an unknowable absence.<sup>43</sup>

Lacan's theory of discourse begins from the point that the symbolic order that constitutes society has no Master Signifier or "first word"—which is to say that there is no primary source of self evident meaning from which the meaning of other words can be made clear and unambiguous. The reason for this goes back to the fundamental dynamics by which human language operates as the venue for human consciousness. Owing to this dynamic, language is incapable of generating a final anchor point or generic basis for the rule of law. However, human consciousness and language itself is such that a clear master signifier is required for a language system to operate. According to Lacan's discourse theory, the impossibility of a clear master signifier for society is the root cause of our current cultural condition. Since stable social order is impossible without the foundation of a master signifier, and since language is incapable of meaning must be glossed over in order to produce a workable society and to maintain the mental hygiene of individuals. The social bond, then, forms as a kind of collusion among members of society to engage in a process of effacement by which the lack of a master signifier is covered over.<sup>44</sup>

As discussed earlier, Lacan's concept of identity means that the conscious subject is incomplete and afflicted with an absence, or vacancy. This vacancy at the core of

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<sup>43</sup> McSwite, O.C. "The Good, the Bad, and the Impossible: A Psychoanalytic Perspective on the Discourse of Ethics." Unpublished.

<sup>44</sup> Dr. Orion White, Classroom Instruction, 1998-2000.

signification is the built-in problem with language and is the main reason why the effectiveness of the dominant discourse of an era seems to be on an unstoppable and inevitable degradation over time. According to Lacan, the central problem with all language systems is that the primary signifiers, the basis for all meaning, are founded on this vacancy and are therefore not definable. Despite attempts to cover over the lack of a master signifier and thus sustain the illusion that stable meaning is possible, a dominant discourse inevitably fails at this attempt and degrades over time.

As stated previously, Lacanian discourse theory is largely a characterization of the social bond that is formed between people and the social action that results from that bond. In that Lacan identifies four distinct identifiable discourses, there are also corresponding variations of the social bond under each discourse. Bruce Fink claims that Lacan suggested a historical movement of the four discourses, beginning with his first discourse, the discourse of the master. This so-called historical progression of discourse will be discussed in greater depth in the next section. Lacan suggested that each of the four discourses had a certain relationship with the other three and therefore each would eventually produce the other over time.<sup>45</sup> He developed his theory of discourse in the 1960's and early 1970's while teaching in the French university system and actively seeing patients as a psychoanalyst. Based on the social upheavals going on at the time, particularly in the United States and France, Lacan attempted to explain ongoing social

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<sup>45</sup> Fink, Bruce. The Lacanian Subject: Between Language and Jouissance. Princeton, NJ: Princeton University Press, 1995.

Fink, Bruce. A Clinical Introduction to Lacanian Psychoanalysis: Theory and Technique. Cambridge, MA: Harvard University Press, 1997.

movements by blending his work with individual patients, his experiences in the French university system and his observations on the changes taking place in society.

In Lacan's first discourse, the discourse of the master, the master signifier is embodied in a literal master, usually a religious or political leader like a king or a pope, one who often fuses both the divine and worldly to stand above and rule the common man. This master serves as the final arbiter of moral and factual truth, thereby eliminating the inherent ambiguity in language and giving the rule of law a powerful force. This type of master ultimately became discredited as scientific knowledge developed and the word of the master came to be seen as uninformed and arbitrary.<sup>46</sup>

As this occurred, a new, more modern discourse arose, the discourse of the university, which provides a grounding for the laws of society through the process of rational inquiry. The social bond under this discourse gravitates towards the support of the process of knowledge development rather than the deference to the decrees of the master. The new master signifier in the discourse of the university shifts the reliance by society from an autocratic human master to an organizing schema based in scientific truth.<sup>47</sup> It is important to note that this shift in discourse is not a radical development but a conservative one, in that this discourse attempts to rescue the now-exposed master signifier from the crisis that has developed around it.

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<sup>46</sup> Fink, 1995, 1997.

<sup>47</sup> Fink, 1995, 1997.



As the discourse of the university became deligitimated due to the abstract principles that resulted from its over-reliance on scientific knowledge, the next discourse, the discourse of the hysteric, which I will call the discourse of the market for this dissertation, developed to provide a new master and thereby rescue the discourse of the university. The master that ultimately replaced the discourse of the university is a bit more complicated one, however. As discussed earlier, all societal members are incomplete, and this incompleteness, or vacancy, is the built-in problem with all forms of communication and is the central reason why all discourses and their ruling masters degrade over time. This incompleteness means that organic and natural human desire and the objects of that desire can never be fulfilled, for the language system that has been adopted in the conscious world can never properly reflect these unconscious desires. According to Verhaege, the moment one speaks, one has lost the primary objects of desire and becomes divided between the master signifiers of a discourse. The result of this process of acculturation through language is a permanently unstable identity and a static desire that can never be satisfied and will never dissipate.<sup>48</sup>

In Lacan's next discourse, the discourse of the market, which Lacan called the discourse of the hysteric, the impossibility of ever realizing our unconscious, organic desire is brought to the forefront. The discourse of the market is characterized by open questioning of the master signifiers of a discourse, leading to an endless battle between societal members and the master of the discourse. This social phenomenon began to play out in the 1950's and 1960's in both the United States and Europe. In France during the

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<sup>48</sup> Verhaege, Paul. "From Impossibility to Inability: Lacan's Theory on the Four Discourses". The Letter. Lacanian Perspectives on Psychoanalysis. (Spring, 1995): 91-108.

1960's, for example, leftist groups, radical student groups and organized labor united in demonstrations against the government and society similar to those demonstrations occurring in the United States at the time.<sup>49</sup>

As all discourses in Lacanian discourse theory require a master, the new master in the discourse of the market is desire itself. The link to hysteria is in the fact that unconscious desire is reoriented to attract desire in ones self,<sup>50</sup> just as the market operates on the basis of attracting desire for the products and services it offers. What happens though, as the idea of truth as knowledge fails, is an emerging view of truth which is validated through bringing attention to oneself through popular response, one where whatever is able to gain attention at the moment becomes what is true.

Over the past 40 years or so the discourse of the market has become ingrained in the United States and many other societies as more and more countries move towards the adoption of free market principles, to the point that there no longer seems to be any viable system other than American-style aggressive free-market capitalism. This has intensified in the past ten years with the globalization movement and the rise of huge multinational corporations.

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<sup>49</sup> In the spring of 1968, during the Paris Insurrection, student groups battled police in violent street clashes that helped set off a general strike which almost toppled the government. Lacan did not see the French student uprisings as effective and believed that since all discourses needed a master to operate, all revolutions ended up justifying a new master. During one episode, Lacan told the students that, "You are looking for a new master, you will surely find one." He was highly critical of student radicals who claimed to be following his theories. Lacan believed that the student radicals were part of the same discourse of the university that they claimed to be against. As Lacan saw it, all discourses require a master, and this was why Lacan viewed the Paris insurrection as merely a means for a new master to be installed.

Verhaege, Paul. "From Impossibility to Inability: Lacan's Theory on the Four Discourses". The Letter. Lacanian Perspectives on Psychoanalysis. (Spring, 1995): 91-108.

<sup>50</sup> Verhaege, 1995.

Remnants of the discourse of the master and the discourse of the university are still operating today in U.S. society because the influences of previous dominant discourses do not completely disappear as a new discourse takes over the machinations of society. While some vestiges of both the discourse of the master and discourse of the university are still operating today in society, it is clear that the discourse of the market has eclipsed these discourses and become the ruling discourse for U.S. society.

Lacan's work follows the line of 1960's and 1970's French structuralist thought that predicted a historical process of social regression that would eventually have severe consequences for both social institutions and society. This group of structural theorists saw different forms of social identity as historically produced and therefore saw human consciousness as being different in distinct historical periods. However, Lacan differed from the structuralist thought of the day. While the structuralists aspired to clear and total explanation of human action through language, Lacan differed from them by acknowledging the role of the unconscious in social life and denying that clear explanations for human action are possible.

Lacan used his theory of discourse to explain what he saw as the social and cultural regression occurring in France and much of the world at the time. His theory of discourse showed a completely different way of viewing culture, in that it viewed cultural processes at a deeper, structural level, as identified through historical changes in human identity and human consciousness. Lacan's historical progression of discourse predicts that the modern discourse of his era, characterized by the scientific, objective world first

made popular during the Enlightenment, would eventually begin to seriously contradict itself as the fragilities of the rational, scientific approach were exposed.

This dissertation will illustrate how the cultural trends of the United States in the twentieth century exemplify Lacan's idea of the historical progression of discourse. Based on Lacan's theoretical structure of his discourse theory, he predicted that all discourses would eventually degrade over time as it became clearer to societal members that the dominant discourse was unable to provide definitive meaning and stable social roles. During the 1950's, both U.S. society and social institutions shifted to a more rational, analytical and scientific approach to social and institutional life, and the discrepancies between the abstract rationales this shift produced and actual human behavior intensified. This dissertation will, in the process, support the idea that understanding history in this manner yields insight not otherwise available with a more mainstream approach to social analysis.

### **The Discourse of the Master**

Lacan's discourse theory consists of four major discourses and proceeds along a historical continuum from early civilization to modern society. The discourse of the master is listed by Lacan as the first discourse and is closely intertwined with Lacan's second discourse, the discourse of the university. The discourse of the master, while logically primitive, is necessary for the subsequent development of the other three discourses. In this discourse, the master can be either an individual or an institution. An

example of an individual being is a king or queen and the institution would be a monarchy or organized religion. The relationship between the master and the individual subject in society emanates from the unquestioned power of the individual or institutional master, wielded by virtue of brute force or the mere authority of the master's position.<sup>51</sup>

Because it is founded on an absolute authority, the discourse of the master is able to remove the arbitrariness out of everyday life by providing a stable and predictable foundation for social action and a basis for all knowledge and belief in society. But like all discourses, the vacancy that the governing master signifiers of a language system are founded on is eventually exposed. According to Fink, for the master to maintain his position, they must show no weaknesses and must hide the fact that like everyone else, they are flawed beings of language.<sup>52</sup> This masking of human weakness can only be done for so long until these flaws gradually become obvious to the masses. Eventually, the discourse of the master begins to contradict itself, either due to internal inconsistencies or because of a lack of congruence between the master's doctrine and the knowledge that is created by the master's cohorts. According to Lacan, a discourse starts to unravel when it elaborates itself in a direction that makes it difficult to maintain, as began to happen under the discourse of the master.

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<sup>51</sup> Schroeder, Jeanne L. "The Four Discourses of Law: A Lacanian Analysis of Legal Practice and Scholarship." *Texas Law Review* (2000, 79/15): 15-98.

<sup>52</sup> Fink, Bruce. *The Lacanian Subject: Between Language and Jouissance*. Princeton, NJ: Princeton University Press, 1995.

The societal shift from one discourse to the next is characterized by ever so slight changes in the relationship between the people and the master signifiers that govern society. This shift takes a number of years before a change can finally be recognized and is made up of thousands of minor fluctuations in behavior. Thus, attaching one or two seminal events that precipitated the unraveling of the discourse of the master is difficult. From my analysis, it would seem that initial cracks in the discourse of the master became noticeable in the western world in the 13<sup>th</sup> century, around the time of the publication of “Summa Theologica” by St. Thomas Aquinas’s. Rifkin writes that Aquinas opined that man was granted two higher faculties by god, reason and faith, and Aquinas desired for reason to flourish in the practical realm as long as it did not usurp the spiritual realm.<sup>53</sup> Thus, for perhaps the first time in western civilization, a leading public figure openly questioned the power of God and religion, advocating a greater balance between practical considerations governed by reason and spiritual considerations governed by faith.

### **The Discourse of the University**

The next discourse, the discourse of the university, emerged from the first discourse as the master’s dominance came into question by the general public. In line with Lacan’s historical progression of discourse, the two worlds of reason and spirituality identified by Aquinas continued to battle each other for dominance over society. By the 1600’s, the concept of rationality began to be employed by a new generation of philosophers to challenge established doctrine. The discourse of the master ultimately

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<sup>53</sup> Rifkin, Joel. The Hydrogen Economy: The Creation of the Worldwide Energy Web and the Redistribution of Power on Earth. New York: Penguin Books, 2002.

failed and was rescued by the discourse of the university because it was no longer able to answer the challenges from this new style of thought. The leading philosophers and thinkers of the day offered more compelling arguments to solve the problems of society than the discourse of the master could, and ultimately reason triumphed over faith and a new master and new discourse were installed. The writings of scientists and philosophers like Bacon, Descartes and Newton led the way as their writings unequivocally positioned reason over faith and reason eventually became the dominant paradigm in the management of societal affairs. From the 1300's to the 1600's, the church was gradually replaced as the organizing schema for society as a new institutional model called the nation-state emerged. This new nation-state model was designed to spread reason in the form of modern science, technology and commerce.<sup>54</sup>

The discourse of the university, which had become the dominant discourse for social action in the western world by 1700, shifted the claim for the obedience of the subject from a position based on the master's domination to a position based on knowledge, claiming its authority through reason and expertise. The social bond under this discourse slowly gravitated towards the support of the process of knowledge development rather than the deference to the decrees of the ruling master. This discourse is characterized by established norms and by a rigorous method of inquiry and analysis. It is the full embodiment of Cartesian and Newtonian principles in that systematic knowledge and reason serve as the ultimate authority. The discourse of the university has been described as an encyclopedic endeavor to exhaust a field of study, manifesting itself

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<sup>54</sup> Rifkin, 2002.

through a process of extensive analysis aimed at gaining perspective through rational, scientific means.<sup>55</sup>

From the 1700's to the late 1960's, western society operated under the discourse of the university as the dominant discourse, and the position of the individual subject in society has been largely determined by it. This pattern of discourse is also present in several major institutional realms, most notably in educational systems and large bureaucratic organizations. Lacan and many leading Lacanian scholars seem to agree with the claim made earlier that the discourse of the university rescued the exposed master signifier in the discourse of the master from the crisis that developed around it. In fact, Lacan seems to agree with the 1960's critique that the university is an arm of capitalist production and the military-industrial complex, suggesting that the truth behind this discourse is the continuation of the discourse of the master through the veil of superior knowledge.<sup>56</sup> Bracher agrees with this view, writing that the discourse of the university functions as an avatar of the discourse of the master by promulgating master signifiers hidden behind systematic knowledge. It is a highly powerful discourse because it operates for the most part surreptitiously, hidden beneath the veil of reason and expertise.<sup>57</sup>

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<sup>55</sup> Schroeder, 2000.

<sup>56</sup> Fink, 1995.

<sup>57</sup> Bracher, et. al, ed. Lacanian Theory of Discourse: Subject, Structure, and Society. New York: New York University Press, 1994.  
Bracher, Mark. Lacan, Discourse and Social Change: A Psychoanalytic Cultural Criticism. Ithaca, NY: Cornell University Press, 1993.



For the discourse of the university to succeed and maintain its hold on society for so many centuries, it maintained an underlying belief in progress that was achieved through the furtherance of science and rational thought. But like the discourse of the master and all discourses, it is afflicted with a fundamental flaw in its structure, that being the vacancy that lies at its core in the form of an indefinable master signifier. Thus, the discourse of the university could only continue for so long before its contradictions were revealed. In the 20<sup>th</sup> century, this discourse began to fail for many societies as the abstract rationales generated from logical, scientific expertise and a realist attitude started to conflict and contradict themselves. While supplementary narratives were created to render the flaws in this discourse innocuous, the flaws eventually caused the discourse to unravel.<sup>58</sup>

The discourse of the university ultimately failed in the United States in the mid-20<sup>th</sup> century and was rescued and thereby replaced by the discourse of the market mainly because the abstract principles created under the discourse eventually created more ambiguities and questions than it could resolve. In addition, the discourse of the university began to come into question because it was more imposed on people as its influence waned. This led to an even greater questioning of the validity of the truths of the discourse being imposed, and it began to alienate many Americans in the post-World War II era. A new master and new discourse were therefore needed to help resolve the inherent contradictions of the discourse of the university and to provide more workable solutions to the perceived problems of society.

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<sup>58</sup> McSwite, unpublished.

## **The Discourse of the Market**

As the discourse of the university failed, it gradually has been replaced by what Lacan called the discourse of the hysteric, which I will refer to here as the discourse of the market. Lacan wrote that eventually the discourse of the master and the discourse of the university would be exposed and that challenges to them would emerge. The discourse of the market is the challenge to the discourse of the university, incorporating doubt and questioning to counter rational analysis and challenging its knowledge base as incomplete. The discourse of the market confronts the discourse of the university as the product of a closed system, the main point of which is to serve as a rationalization of itself.<sup>59</sup>

The discourse of the market constantly challenges the established basis for knowledge, pointing out its contradictions. As the discourse of the university declines, the discourse of the market replaces the foundation for signified knowledge established under the discourse of the university, the master signifiers. Since the foundation of knowledge is placed in such disarray, in its place the discourse of the market establishes as its new master signifier an individualist market concept as the new foundation for knowledge. As such, the need for precise knowledge is eclipsed by market-based

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<sup>59</sup> McSwite, unpublished.

principles, mainly the need to successfully sell oneself and therefore become an object of desire.<sup>60</sup>

Verhaege writes that the human desire brought forth in the discourse of the market is pure and unmasked desire itself, and the social bond that is created in this discourse, unlike the discourse of the university, is what was termed by Freud as the hysterical identification with unsatisfiable objects of desire. Since human desire operates at the unconscious level, it can never be identified and satisfied in our system of language that operates at the conscious level. Therefore, hysteria as the basis for a social bond brings the impossibility of the fulfillment of our desire to the forefront.<sup>61</sup> There is no longer anything to gloss over this organic desire, no proclamations of a ruling human master and no hiding behind knowledge as the solution to the perceived ills of society.

Under the discourse of the market, the dissolution of the widely-held idea that knowledge can produce clear answers about the problems of society and the forces that drive human existence ultimately results in a constant battle between the human subject and the master of the discourse. This battle between the master's knowledge and the human subject is the key characteristic of the discourse of the market. It is the quest for knowledge and the notion that scientific truths can satisfy human desire that led to the dissolution of the discourse of the university and the rise of a new master and new discourse. However, the difference in the discourse of the market is that at its most

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<sup>60</sup> McSwite, unpublished.

<sup>61</sup> Verhaege, 1995.

fundamental level, there is an immediate opposition between the master's knowledge and unsatisfiable human desire. As stated earlier, with this general foundation for discourse in disarray, the organizing motivation under the discourse of the market has gradually become desire itself, and a quest by the individual subject in these societies to become the object of desire.<sup>62</sup>

The types of behavior that result from this discourse are significantly different than in the discourse of the university and discourse of the master. Attention, or drawing attention to oneself, has become a common practice in this discourse as people try to hold themselves up as the object of desire. The quest for knowledge is reconfigured and becomes oriented towards becoming an appealing object of desire to another, and any action that is oriented toward becoming this object of desire is deemed to be the one true or good behavior. The rule of truth is replaced by a contingent market-based approach that supports the notion that if something (or someone) is able to draw attention to himself, that attention and whatever develops from that are deemed acceptable and good.<sup>63</sup> As truth is replaced by awareness and attention in society, reality as we know it is elevated to a new level, cut off further from our real existence and from human desire. As this has gradually been occurring in the United States since the 1950's, more and more human action has moved away from the real of our existence and has gravitated towards illusion and hype.<sup>64</sup> In the process, this has generated a type of hysterically

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<sup>62</sup> Orion White, *Classroom Instruction*, 1998-2000.

<sup>63</sup> McSwite, unpublished.

<sup>64</sup> Kroiz, Lauren. "Reality, Hyperreality". The University of Chicago. *Theories of Media*. (Winter, 2002)

generated hyper-reality, thus giving further strength to the claim that the social bond formed under this discourse is a kind of mass collusion to cover over the lack of an effective master signifier.

The hyper-reality of which I write is a novel concept in modern society. It is characterized by a relatively open opposition between appearances and reality, where reality is obscured by words and symbols in a world where these words and symbols now create only a suggestion and resemblance to what is real. Umberto Eco asserts that society has moved into a historical moment in which authenticity is no longer historical but visual, where whatever seems visually real is assumed to be so.<sup>65</sup>

The social bond that has formed under the discourse of the market in U.S. society has created a constant play for attention and approval that has begun to permeate its major institutions. Under this discourse, organizational action has begun to generate towards the implicit norm that any action that receives approval is an acceptable action, that whatever sells in the organization, as in the marketplace, is satisfactory and welcome. This concept will be elaborated on further and become evident in the case studies of the United States Department of Defense.

This concept of what is approved is acceptable and correct has also been clearly exposed in the past 5 years in the United States business community, as many large corporations and some of the U.S.'s more venerable institutions have become mired in

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<sup>65</sup> Kroiz, 2002.

wide-spread accounting scandals. The recent collapse of many of these large corporations illustrates the rejection of generally accepted accounting principles and how alternative methods of accounting have become widespread as struggling companies attempt to hide the true status of their situation. It also shows how generally accepted accounting principles, principles that have been worked out over a number of years and based on scientific accounting methods, can no longer provide a stable foundation for business behavior. These principles can no longer provide effective controls in a business society now operating under a new discourse in which reality is overwhelmed by a new hyper-realistic market-based approach.

Under the discourse of the market, the exposed lack of effective primary signifiers under the discourse of the university eventually translates into a challenge to anyone who possesses knowledge. As this shift in discourse occurs, traditional and time-honored textual codes, rules and norms were confronted and found lacking and new ones emerged. When this happened, the discourse of the university was unable to establish a sound explanation for this exposed lack of knowledge and the discourse of the market began to gain hegemony over it, slowly becoming the dominant discourse in society. Challenges to the discourse of the university ultimately led to the view described earlier that there is no basis of knowledge so encompassing that it ever fully explains reality.

Bracher writes that the discourse of the market is largely a manifestation of the alienation of the subject that occurs under the discourse of the university. This alienation occurs as the quest for scientific knowledge and rational analysis crowds out any

remaining connection with the unconscious mind. The problem with the discourse of the market, however, lies in its demanding that master signifiers be recreated from within the very system from which the first two discourses came to dominate.<sup>66</sup> Lacan criticized the discourse of the market for this very reason, evidenced by his response to the uprisings of students and organized labor in France in the late 1960's.

Beginning in the mid 1950's in the United States, the discourse of the market started to replace the discourse of the university, even though the apex of the hegemony of the discourse of the university did not occur until the mid-1960's. Since the mid-1960's, the discourse of the market has gradually become the controlling discourse for U.S. society. In many ways, this social change reflects the movement away from modernism that is now a widespread idea in social theory. In the discourse of the market, as in all discourses, language does not carry stable meanings; instead, words, thoughts and ideas are given a contingent and contextual interpretation. The impossibility of stable meaning leads to the inability of discourse to fulfill its primary social function to produce such meaning. With the foundation of language in such disarray, fundamentally new patterns of behavior that are unique to society begin to emerge, displayed mainly through individual preferences and desires. As the discourse of the market becomes prevalent in organizational life, social institutions become immobilized to some degree as the symbolic order loses its power to define stable social role behaviors. At the level of the institution, established organizational processes and procedures are challenged and

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<sup>66</sup> Bracher, 1994, 1993.

tossed aside and traditional and time-honored methods of communicating are problematized and undermined.

### **The Discourse of the Analyst**

Lacan's final discourse is the discourse of the analyst. According to Lacan, this discourse offers the only effective means of countering the psychological and social tyranny of language. It does so by putting the alienated subject in the position of assuming and enacting responsibility for his or her own life and eventually producing new master signifiers and formulating a new identity.<sup>67</sup> The discourse of the analyst forces a reexamination of the relationship between the production of symbolic knowledge and the existence of reality beyond this knowledge. The subject in this discourse would be able to acknowledge the way that language defines human existence and eventually realize that all knowledge is incomplete and that all language systems end up circumventing the objects that they try to represent.<sup>68</sup> This would inevitably lead to a dose of healthy skepticism about the intact symbolic order and ultimately new forms of communication and new types of human behavior would result. While some Lacanian

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<sup>67</sup> Bracher, et. al, ed. Lacanian Theory of Discourse: Subject, Structure, and Society. New York: New York University Press, 1994.

Bracher, Mark. Lacan, Discourse and Social Change: A Psychoanalytic Cultural Criticism. Ithaca, NY: Cornell University Press, 1993.

<sup>68</sup> Samuels, Robert. "APCS, Postmodern Discourse, and the Discourse of the Analyst". *The Journal for the Psychoanalysis of Culture and Society* (Fall 1998): 2-7.



writers have speculated about how the discourse of the analyst would play out at the social level, it is not relevant to the project of this dissertation.<sup>69</sup>

### **Summary**

Lacan's discourse theory maintains that language and discourse are linked to distinct patterns of social behavior and social organization. Lacan described the term discourse as a social link founded on language, reflected back through society in the form of identifiable discursive practices. Lacan's view of language coincides with the linguistic turn of the twentieth century, away from the view that language is truth bearing and towards a more contingent view of language. Through his theory of discourse, Lacan articulated how sliding, unstable meaning played out in society through discourse. For Lacan, the instability of language as it plays out through history has the most fundamental consequences in setting the course of social development.

This dissertation focuses on two of Lacan's four discourses, the discourse of the university and the discourse of the market. The discourse of the university has been the dominant discourse of modern society, with its origins in Enlightenment philosophy. This discourse has maintained its dominance in society by establishing knowledge, reason and expertise as the basis for social choice. It is characterized by rigorous methods of inquiry where logic and reason serve as the ultimate authority.

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<sup>69</sup> Bruce Fink, one of the foremost authorities on the theories of Lacan, provides an understandable explanation of Lacan's four discourses in his 1995 book, The Lacanian Subject: Between Language and Jouissance.

The discourse of the market is the challenge to the discourse of the university, questioning its basis for knowledge. As the discourse of the market comes to replace the discourse of the university and begins to dominate social relations, traditional textual codes established during the previous discourse fall into disarray and new types of behaviors begin to emerge.

The discourse of the market gained dominance due to the failure of the discourse of the university and the alienation of the human subject under it, in that a human connection to the unconscious mind and organic existence was crowded out by scientific knowledge and rational thought. As the discourse of the university failed to fulfill its primary function of providing stable social meaning, the rise of the discourse of the market enabled new behavioral patterns to emerge. It is these new behavioral patterns that have emerged that are today causing serious problems in the functioning of American social institutions.

## CHAPTER 4

### **THE HISTORICAL PROGRESSION OF DISCOURSE**

According to the approach taken in this dissertation, periods of history can be identified and described through an analysis of the dominant discourse of the period. Lacan called the first pronounced, identifiable discourse that explains the social relations of an era the discourse of the master. In historical terms, this discourse comes before the period of history that began with the Enlightenment. This period was characterized by a permanent ruling class and a supreme leader whose power and rule were unquestioned. This period of social relations in world history was marked by the widespread belief in the divine right of kings, which held that the ruler was put in the position of supreme power by God; therefore, this position could not be questioned. Also during this time, the power and wealth of organized religion dominated western society, while religion was often closely aligned with the ruling classes.

Although the discourse of the master created a few wealthy and powerful leaders, it also created a huge peasant class. It remained the dominant discourse for society for many generations because it provided a clear and stable foundation for social behavior. It still exists today in a similar form in many non-western developing and third world nations. Under the discourse of the master, people knew what was expected of them and conformed to the prevailing norms of society, rarely questioning the system of rule publicly. Like all discourses, this system began to break down for a number of historical

reasons as the subjugated people began to question why things were like they were. After a period of disruption as this discourse degraded, a new discourse gradually took over.

Because the shift from one identifiable discourse to a new discourse takes centuries to unfold and is marked by small, seemingly insignificant fluctuations in behavior, it is difficult if not impossible to pinpoint a specific time when the shift from the discourse of the master to the discourse of the university took place. As stated previously, initial cracks in the discourse of the master became noticeable in the western world in the 13<sup>th</sup> century around the time of the publication of Summa Theologica by St. Thomas Aquinas. Aquinas wrote that man was granted two higher faculties by god, reason and faith. His writings emphasized the desire for reason to flourish in the administration of society as long as it did not usurp the spiritual realm of the church.

Lacan labeled the new discourse that gradually replaced the discourse of the master the discourse of the university. This discourse grew out of the Enlightenment period and was given credence as a functioning and appropriate method of social relations by theorists such as Bacon, Descartes and Newton. They saw humans as ego-centered and believed life could be reduced to easily manageable behaviors. They believed that once human action was broken down and analyzed, universal societal processes could be engineered to regulate behavior based on the rational method. This period has been described by Best and Kellner as the time of the dethronement of God and removal of organized religion as the locus of knowledge. As this occurred, a new epistemology was constructed, one in which mathematics and experimental science were

seen as the keys to unlocking the mysteries of the universe. For men like Bacon, Descartes and Newton, the world was a vast machine governed by universal laws that function in a stable and orderly way, understood and controlled by the rational mind.<sup>70</sup>

This discourse continued as the dominant discourse of western civilization from the sixteenth century on. In the United States during the first third of the twentieth century, the discourse of the university began to permeate and eventually dominate the operation of large, industrial firms, the curriculum of colleges and universities and the administrative functioning of large government institutions. The discourse was further inculcated into society during the United States mobilization for World War II, as the federal government empowered large private industrial firms to manufacture wartime goods and enlisted universities to conduct advanced scientific research for the war effort.

At the dawn of the 20<sup>th</sup> century, as the discourse of the university continued to be the governing discourse for human action, small, seemingly insignificant pockets of opposition to the prevailing discourse emerged. As the discourse of the university came to permeate major institutions of society, a small but growing disaffection slowly festered. In the social sciences, Freud's Interpretation of Dreams concluded that events early on in an individual's life that seemed to be forgotten could shape people's behavior. Thus, the concept of the unconscious was born. Jung, after breaking philosophically with Freud, went on to conclude that at a deeper level a collective unconscious was shared by

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<sup>70</sup> Best, Steven and Douglas Kellner. The Postmodern Turn. New York: Guilford Press, 1997.

all members of society. Freud and Jung's works were in direct contrast to the notion of the rational mind that had emerged during the Enlightenment.

In the art world at the turn of the century, artists like Picasso began to look beneath the surface of appearances to explore connections between previously unappreciated structures. Concurrently, post-impressionist artists attempted to capture the emotional significance of the world rather than merely record the world as they believed the impressionist movement had. In literature, such writers as Joyce, Eliot and Lewis criticized western society's emphasis on the acquisition of material goods. These writers felt that endemic inequalities in capitalist structures would ultimately threaten social cohesion. Also during this time, Wittgenstein began to theorize on the limitations of language as a carrier of true meaning. On the social front, in the year 1909 the first attempts in the United States were made to create a permanent organization to work for civil rights for American blacks through a meeting of the National Negro Conference.<sup>71</sup>

After World War I, a group of western social thinkers formed the Frankfurt School and revived the concept of alienation in social theory. These thinkers saw alienation as a primary product of the modern life, thereby making it impossible for people to fulfill their needs through work and through the social mechanisms of modern life. This group theorized that at the height of human progress and vast wealth creation in western civilization, these things were being increasingly used for preventing rather than constructing a better society. Around the same time, existentialist philosophers

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<sup>71</sup> Watson, 2002.

theorized that the primary goal of science and technology was the conquest of man over nature. The early existentialists saw a different side to human nature, and like the Frankfurt School, believed that science and technology was becoming intent on mastery rather than understanding.<sup>72</sup>

These actions during the first third of the 20<sup>th</sup> century in such areas as social science, art and literature and in various social organizations were the beginnings of a delicate movement that was in opposition to the major discourse of the time, the discourse of the university. During this time, however, these actions remained somewhat beneath the surface of everyday society.

Later in the twentieth century, the Allied victory during World War II was viewed by the United States and immortalized in U.S. society as a triumph of resources and technology, brought to fruition by scientific management and managerial control of large institutions. Post-World War II America would experience unprecedented economic growth, quickly becoming the single economic superpower in the world. But like the discourse of the master before it, the discourse of the university began to lose its ability to provide clear reference points for society. At the height of this discourse in the United States, post-World War II 1950's society, flaws in the discourse began to publicly appear as a number of disaffected groups began to publicly voice their distaste for the prevailing social order. A new discourse began to appear, and social relations and social institutions began to be transformed.

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<sup>72</sup> Watson, 2002.

This new discourse was publicly articulated through the actions of the major social movements of the 1960's, most notably in the civil rights movement, the student free speech movement, the women's movement and the anti-war movement. This period of U.S. history highlighted the fact that the great truths of the discourse of the university were fraudulent, in that they were too inadequately specified to compel social arrangements that could express them. The social movements that came to a head in the 1960's challenged the prevailing social order and the social institutions that had been established to support this order. It exposed intrinsic institutionalized racism against blacks, discriminatory practices against women, inconsistencies in the system of higher education and contradictions in the U.S. government's handling of the Vietnam War.

The new discourse that gained dominance during this period of social disruption is still playing itself out today. Lacan called this the discourse of the hysteric, which will be called the discourse of the market for this dissertation. The new discourse first appeared as overt opposition to the prevailing social and institutional order and gradually infused itself into social and institutional life. The current problems facing modern institutions and the social order brought about under the discourse of the market will be explained first by looking back at the rise and eventual fall of the discourse of the university as the central discourse for U.S. society.



## CHAPTER 5

### A HISTORICAL OVERVIEW OF THE UNITED STATES

#### Introduction

At the dawn of the twentieth century in the United States and much of the western world, new ideas of modern management and control based in scientific principles began to appear, as large industrial firms gradually gained greater control over the means of production. The idea of managing a firm based on rational, scientific processes reflected the principles of scientific management which had been popularized through the work of Frederick Taylor at the turn of the twentieth century. In what has been described as a twentieth century manifestation of rationalist, enlightenment philosophy, Taylor applied rationalism to the analysis of industrial work. He and his followers advocated an approach based on the principles of science and engineering, which they extended to the analysis and control of the activities of people. The central idea of scientific management was that people could be measured, analyzed and controlled by engineering techniques, techniques that had been applied previously to physical objects.<sup>73</sup>

Around the same time, a new kind of financial accounting system in industrial firms was being created called control accounting. It began in 1902 when the Dupont family began looking for ways to centrally control their growing business empire. The

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<sup>73</sup> Aitken, Hugh G. J. Scientific Management in Action: Taylorism at Watertown Arsenal, 1908-1915. Princeton, NJ: Princeton University Press, 1985.

Duponts along with Donaldson Brown invented a solution that took account of all of the varied activities in producing goods, enabling them to make more efficient decisions on the allocation of funds among their various business divisions. Financial data soon became a tool for centralized control of a company's operations and numbers became its common language. Control accounting was later refined and popularized by Alfred Sloan in the management of General Motors.<sup>74</sup>

American higher education during the first third of the twentieth century followed the lead of large industrial producers and general trends in society and began to place a stronger emphasis on science and mathematics in their curriculum. The study of science and mathematics in turn promoted the use of rational, quantitative techniques to frame problems. By the mid-1930's, university business schools began to emphasize courses of study in economics and business management. These schools applied new methods of management, mainly systems analysis, statistical control and control accounting as it was unfolding in some of America's largest and most progressive companies.<sup>75</sup>

The turn by both large business and major universities towards the study and application of science and mathematics soon led to the application of rational, scientific techniques to help solve the problems of society. During this time the field of social science adopted the notion that patterns of human behavior discovered through social research could be translated into laws and structural configurations that were

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<sup>74</sup> Shapley, Deborah. Promise and Power: The Life and Times of Robert McNamara. Boston: Little, Brown and Company, 1993.

<sup>75</sup> Shapley, 1993.

scientifically testable and universal.<sup>76</sup> Theorists and writers on government administration came to profess considerable faith in the power of social science to aid government in carrying out their administrative responsibilities, believing that scientific knowledge could link specific human action with particular ends of the state.<sup>77</sup>

### **American Wartime Production**

The American and world economy prior to World War II was in severe crisis, characterized by low industrial production and high unemployment to the point of daily plant closures. Various U.S. government policies during the depression of the 1930's generally failed to improve the American economy. With the onset of World War II, however, the economic outlook began to improve. Upon the United State's ascension into World War II, the production of war goods was centralized under federal government supervision and the largest industrial firms were awarded federal contracts to manufacture wartime goods. Prior to U.S. mobilization for World War II, much of the country's industrial production was decentralized in smaller, regional firms.<sup>78</sup>

U.S. wartime production was run by a small yet powerful group of government managers who understood that the U.S. needed to rapidly increase their industrial

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<sup>76</sup> Loveridge, Ray. "Social Science as Social Reconstruction: A Celebration of Discontinuity or a Test of the Resilience of Belief." Human Relations: (Vol 50:8, 1997), 879-884.

<sup>77</sup> Spicer, Michael W. "Public Administration, Social Science, and Political Association." Administration and Society (Mar 1998): 35-52.

<sup>78</sup> Gibson, James William. The Perfect War: Technowar in Vietnam. Boston, MA: The Atlantic Monthly Press, 1986.

production. These men believed that only the largest industrial firms possessed a production system that could successfully convert to wartime production and produce wartime goods quickly and efficiently. These select firms had production systems based in scientific processes, were invested in the latest technologies and possessed a modern management system. By placing the majority of wartime production in the hands of a small number of large industrial firms, the federal government created a state-organized and state-financed, highly-centralized process of wartime industrial production of which a few large firms came to dominate.<sup>79</sup>

With the rise in industrial production to support the war effort, managerial science and the newly emerging science of statistical control began to be incorporated into the war production effort. At the same time, hard sciences also gained primacy in these large industrial firms. During World War II, industrial firms, the federal government and leading universities hired thousands of scientists as industrial firms and universities began to transform themselves into vast weapons laboratories. During this time, science was introduced into the economic production process and military weapons process to an unprecedented degree.<sup>80</sup>

As managerial science became incorporated into industrial production to support World War II, statistical techniques and systems analysis were adopted by the

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<sup>79</sup> Gibson, 1986.

<sup>80</sup> Gibson, 1986.

Department of War as a management tool to control the overall military organization.<sup>81</sup> The military office responsible for this was run by Charles “Tex” Thornton, working under the Assistant Secretary of War for Air, Robert Lovett. Thornton possessed both a knack for statistics and the ability to verbally and vividly interpret statistical data for the higher-ups in the military structure. At the time, few people working for the military had a prowess for the application of statistical data to modern military supply and logistics problems. In 1942, Thornton began a search to hire people to assist him with his new duties and soon settled upon a group of young professors from the Harvard business school, a group that included future Secretary of Defense Robert McNamara.<sup>82</sup> Harvard, like today, had one of the top business schools in the country, and was especially known for teaching the new methods of management control described earlier. McNamara graduated from the Harvard business school in the late 1930’s and had begun teaching control accounting courses there immediately after graduation.

The Harvard group that Thornton enlisted to assist the war effort came of age in the late 1920’s and early 1930’s, just as the leading universities began placing a stronger emphasis on scientific principles and mathematics in their curriculum. For McNamara, who received his undergraduate degree at the University of California at Berkeley, the logic of mathematics resonated with him. His undergraduate curriculum and acumen with quantitative techniques matched the direction of the age, highlighted by the application of logic and reason to economic problems, politics and the furtherance of

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<sup>81</sup> The United States Department of Defense was not created until 1947. Prior to that, it was called the Department of War.

<sup>82</sup> Shapley, 1993.

society. Shapley writes that during his time at Berkeley, McNamara learned to talk and think in numbers, a consciously adopted style that became his identity.<sup>83</sup>

Tex Thornton explained to the Harvard delegation that there was currently no system to manage the projected force needed in World War II or to allocate air resources among the various theaters. Thornton envisioned a system that would track airplanes, engines, crews, spare parts and other inventory to manage the air war. The Harvard group agreed to join Thornton and began visiting air bases and gathering information in order to create a system of statistical control. Within a year, the entire air operation was quantified and analyzed and items like parts used, bomb tonnage delivered, fuel consumed, pilot loss and recovery and enemy casualties were all included in the system. Shapley writes that men educated and experienced in statistics like McNamara and Thornton were able to see and interpret data that were not obvious to the untrained eye. Their ability to base policy recommendations on detailed analysis was unprecedented and made them look informed and analytical when briefing more senior leaders.<sup>84</sup> The lessons of the power of information and the importance of data were not lost on these men as they returned to their civilian lives at the end of World War II.

This period of American history is characterized by the further expansion of Lacan's discourse of the university as the prevailing discourse in American society. The faith in scientific, rational analysis, the emphasis on reason and expertise and the belief that knowledge gained through scientific means can serve as a universal authority all

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<sup>83</sup> Shapley, 1993.

<sup>84</sup> Shapley, 1993.

gained widespread support throughout American society during this time. The growth of scientific management and the rise of managerial science and statistical control became the dominant approach to organizing and managing. As a select group of large industrial firms came to dominate the business landscape, scientific management and bureaucratic structures came to rule major U.S. companies. Colleges and universities moved towards a curriculum dominated by science and mathematics and business schools emphasized statistical analysis and control accounting as the latest forms of management. At the same time, institutions of government began to profess considerable faith in the power of social science to aid in carrying out administrative responsibilities, based on the belief that scientific knowledge could link patterns of human action with specified ends of the state.<sup>85</sup>

During this period of American history, the discourse of the university furthered its grip on business, government and society as the United States undertook the monumental task of mobilizing for World War II. Large industrial firms, practicing advanced forms of scientific management, were awarded government contracts based on the belief that they could more easily and quickly begin production of wartime goods. Concurrently, the Department of War began to adopt advanced statistical techniques to manage the war effort. During the war, the American air operation was quantified and analyzed through the application of statistics. For the Department of War, this was the first widespread application of statistical control and analysis for military operations and served as a precursor to the future management of the organization.

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<sup>85</sup> Shapley, 1993.

America's leading institutions in the business world, higher education and government were the at the forefront of maneuvering the discourse of the university to become even more ingrained in society throughout the first half of the 20<sup>th</sup> century. This further entrenchment of the discourse of the university as the one true way to conduct business and social affairs was validated in the country's eyes through America's success in World War II and the emergence of the United States as the one true superpower after the war. Based on the further successes that emerged after World War II for the United States, the discourse of the university would become even more ingrained in society while at the same time deficiencies in the ability of the discourse to provide stable social meaning began to become apparent.

The buzz of the triumph of the Allied forces in World War II deflated soon after the war ended as America and its allies were faced with enormous economic problems on the home front. European nations and Japan were physically devastated from the war and their economies were structurally unsound. Due to decreased domestic productive capacity, many nations became highly dependent on imports, especially from the United States, and as a result ran serious budget deficits.<sup>86</sup>

Many Americans fully expected the U.S. economy to struggle as it faced severe unemployment due to the post-war decrease in industrial production and government spending as well as from the millions of military men returning from the war and flooding the job market at home. Carl Degler wrote that a survey of 15,000 businessmen

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<sup>86</sup> Degler, Carl N. Affluence and Anxiety: 1945-present. New York: Scott, Foresman and Company, 1968.



after the war showed that they fully expected a depression and large-scale unemployment to occur within a decade.<sup>87</sup>

In contrast to Europe and Japan, the U.S. emerged with their internal production capability intact, since the war had not been fought on U.S. soil. Rather than having to rebuild factories and industries, the main economic issue for the U.S. was the conversion from wartime to peacetime production of intact industries.. This was to be the determining factor that fueled the post-World War II economic boom that will be explained below.

Soon after the war the U.S. government and private industrial leaders set about on a massive effort to re-equip U.S. industry for peacetime production. One of the first things the government did was remove itself from entire industries that they controlled during the war. William Chafe writes that the government disposed of their investments in such items as aluminum, aircraft and machine tools, giving private businesses the facilities they needed to jump start production for peacetime industries. Furthermore, the government served as the primary sponsor of many technological breakthroughs during the war. These breakthroughs spawned whole new post-war industries in such areas as aerospace, chemicals, electronics and plastics.<sup>88</sup>

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<sup>87</sup> Degler, 1968.

<sup>88</sup> Chafe, William H. The Unfinished Journey: America Since World War II. New York: Oxford University Press, 1995.

## Economic Changes

The economy of the United States suffered some difficulties in transitioning to peacetime, but these problems were relatively minor compared to the more serious economic problems suffered by Europe and Japan. Massive unemployment, predicted by many Americans as millions of soldiers returned home and industries transitioned to peacetime production, never materialized. Most of the men returning from war were able to secure positions relatively quickly, although a good portion came at the expense of women and blacks who had been vital to the war production effort but who were quickly replaced when forced to compete for jobs against returning veterans. Women in particular lost their jobs in droves. After VJ day, over 800,000 people were laid off in the aircraft industry alone—most of them women. This occurred in other major manufacturing sectors as well. Other companies imposed restrictions on hiring married women or women over a certain age once the wartime labor shortage ended.<sup>89</sup>

Chafe points out an interesting phenomenon regarding the replacement of wartime workers. In the first year after the war, for example, 3.25 million women were laid off or lost their jobs and women overall were laid off at a rate 75% higher than men. Yet during the same period, 2.75 million women were hired. By the end of 1947, women's employment rates had returned to wartime levels, although it was now concentrated in the lower-paying clerical and services industries rather than the higher paying manufacturing

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<sup>89</sup> Chafe, 1995.

industries.<sup>90</sup> For the U.S. from 1946 to the early 1960's, unemployment remained relatively low as the peacetime economy expanded.

By 1960, per capita income had grown by 35%. This was accompanied by a larger number of women working than ever before and the dawn of the two-income family. Average real income in the U.S. from 1948 to 1960 grew as much as it had from 1900 to 1948. The number of households with discretionary income doubled from 1950 to 1960. By 1956, 60% of American households were labeled middle class, earning between \$3,000 and \$10,000 annually (See Figure 1).<sup>91</sup>

### **Government Support**

As the economy grew and wartime industries were quickly converted to peacetime production, government at all levels began to serve as an economic catalyst. The GI bill provided education benefits, business loans and low-interest mortgages for returning soldiers. With relatively low unemployment and many women working, millions of American men were able to attend college at government expense and to buy their first home rather easily. The availability of free college education, low-interest mortgages and steady employment encouraged early marriage and childbearing. By 1950, nearly 60% of all 18-24 year old women were married as compared to 42% in 1940. The marriage boom soon led to the baby boom; between 1950 and 1960, the U.S.

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<sup>90</sup> Chafe, 1995.

<sup>91</sup> Chafe, 1995.

population grew by almost 30 million people, more than three times the population growth from 1930 to 1940.<sup>92</sup>

The growing marriage and birth rate and the increased affluence of a larger number of people who were able to maintain steady, well-paying jobs began to put pressure on cities and communities for suitable housing and infrastructure. In these areas, the federal government stepped in and played perhaps their most important role in fostering post-World War II economic growth. They provided generous subsidies to home ownership lending institutions and low-interest mortgages fueled a housing boom. The federal government also provided funds to states and localities for the extension of electricity, for the building of roads and highways and for new sewer and traffic systems. This enabled real estate developers and local communities on the outskirts of major cities to quickly construct the infrastructure needed for a housing buildup. Housing soon shot up in previously undeveloped areas to meet the demand of the growing, affluent population. The effects of the government policies and the ability of real estate developers and local communities to build houses outside of the major city center fueled the growth of the American suburb that characterized the 1950's. Between 1950 and 1960, 18 million people moved from the city to the suburbs and spending on home construction grew by 900%. Between 1950 and 1960, 85% of all new housing was built in the suburbs and by 1960 60% of Americans owned their own home (See Figure 2).<sup>93</sup>

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<sup>92</sup> Chafe, 1995.

<sup>93</sup> Chafe, 1995.

## **Business and Industry**

This growth of the American suburb and the increase in single-family homes fueled a massive increase in the desire for consumer goods and technological conveniences and for cars to get to jobs located in the central cities. Purchases of consumer goods such as televisions, refrigerators and washing machines fueled a 1950's consumer boom. Many of these products were made by giant industrial firms like General Electric and Westinghouse, some of the largest providers of wartime products during World War II who benefited greatly from the post-World War II conversion to a peacetime economy. The profits of American automobile manufacturers also grew significantly in the 1950's. By 1960, 75% of all American families owned their own car and American carmakers became some of the most profitable of the industrial giants.<sup>94</sup>

Scientific breakthroughs and new forms of management controls that grew largely out of the American war effort fostered a revolution in the occupational structure of the country. Large firms, many having received specific impetus from war production, were able to quickly convert to peacetime production. This conversion was helped by the demographics of the U.S. population, certain government benefits like the GI bill and the advantage these firms received from government war production.

Chafe writes that after World War II, a knowledge revolution quickly transformed the occupational structure of the United States. As more and more workers achieved higher levels of education they began to apply their business management training being

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<sup>94</sup> Chafe, 1995.

taught in just about all universities by this time. Relatively new techniques like systems analysis and operations research came to be widely used in the more progressive larger firms. This spawned a growth in management controls and led to more-widespread and entrenched forms of bureaucratic behavior.<sup>95</sup> This unprecedented change, labeled by some as the dawn of the organization man, was clearly a driving force in big business in 1950's America. By 1956, the country crossed the line from industrial to post-industrial when white-collar workers began to outnumber blue-collar workers for the first time.

Another important phenomenon was the growing relationship between the federal government, private industry and major universities. After the war the federal government began investing in scientific research, funding private businesses and quasi-public research institutions and providing funds to universities to set up their own research facilities. Universities worked closely with private industry in producing scientists, engineers and business professionals to work in the large industrial firms that were taking hold of the corporate world. This fueled the growth of higher education, as a college degree, especially in science, engineering or business came to be seen as a ticket to steady, long-term employment.<sup>96</sup>

### **American Society**

The efforts of private businesses and the government after the war soon created an economic juggernaut. Americans on the whole grew more affluent as per capita

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<sup>95</sup> Chafe, 1995.

<sup>96</sup> Chafe, 1995.

income increased and discretionary income doubled. By 1956, almost 2/3 of all Americans were considered middle class. Education levels also rose as millions of men attended college for free under the GI bill and easy credit enabled many people to borrow money to buy their first home. By the mid-1950's, many college-educated men entered professional life by joining large corporations. Steady jobs and low-interest mortgages enabled the baby boom and fueled the growth of suburbs where land was cheap and plentiful. Steady employment, the growth in housing, increasing marriage rates and the baby boom fed a desire among new homeowners for modern, technological conveniences for the home, leading to the birth of a consumer society in the U.S.<sup>97</sup> By 1960, consumerism became perhaps the single most definable characteristic of American society (See Figure 3). It would later become one of the primary drivers for the social discontent that was to follow.

### **Social Change and the Discourse of the University**

American society in the post-war years clearly marked the high point of the discourse of the university. The government served as a catalyst for economic growth by enabling millions of returning soldiers to attend college on the GI Bill, many of whom took up the study of science, engineering and business administration. The government manipulated financial markets, providing mortgages with low-down payments and low interest rates for returning veterans. It also incentivized private financial markets to offer easily obtainable home mortgages. The government turned over to private industry whole industries and factories that had been owned and operated by the government

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<sup>97</sup> Chafe, 1995.

during the war. This gave these companies an advantage in facilities and markets for conversion to the production of peacetime consumer products. At the same time, the government provided money and technology to build the necessary infrastructure to support the housing boom rippling through the United States in the 1950's.

As more Americans gained higher education and steady, well-paying jobs, incomes began to rise. This phenomenon, coupled with the ease of attaining housing, gave rise to a consumer industry of technologically modern conveniences that were purchased at a record pace.

American business also underwent significant changes during this time, becoming further entrenched in management styles that reflected the discourse of the university. A knowledge revolution overtook American business in the 1950's, highlighted by a changing occupational structure towards higher-educated people. Systems analysis and operations research formed the backbone of the new style of management of the American firm.

At the same time, the relationship between the government, business and universities continued to grow. The federal government poured money into research and development and universities and private industry benefited. The university system continued to increase the number of graduates in math, science, engineering and business, creating a steady stream of college graduates to meet the growing demands of government and private industry.



## Summary

Earlier, I placed the beginning of the transition from the discourse of the master to the discourse of the university during the fourteenth century. One of the first identifiable historical markers for this transition was Aquinas's Summa Theologica, followed in the 1600's by the philosophies of such men as Bacon, Descartes and Newton.

In the United States and other western nations, the realization of the rationalist philosophies of the 1600's began with the industrial revolution of the late 1800's. During this time machines came to supplement human labor, making people feel less dependent on the forces of nature and more dependent on industrial production for their livelihood.

With the dawn of the industrial age, new ideas of management and control of large, industrial firms based in scientific principles appeared, as popularized by Frederick Taylor. Universities soon began to reorient their curriculum in order to follow societal trends as well as supply graduates for the newly forming managerial class of workers. During this time, university curriculum became more focused in science and mathematics and graduate business schools increasingly concentrated on courses of study in systems analysis, statistics and accounting. This shift to industrial production through the use of heavy machinery, as well as the dawn of the scientifically managed firm, led to the application of scientific techniques to address societal problems and the dawn of modern social science.

In pre-World War II America, the discourse of the university had made significant gains in becoming the ruling discourse of American society. Yet during this time, America's agrarian and agricultural sectors remained strong, despite the heavy migration to the cities due to the availability of new, industrial jobs.

In post-World War II America, the discourse of the university had become completely entrenched in American society, reaching its pinnacle in the early 1960's. The faith in scientific, rational analysis, the emphasis on reason and expertise and the belief in scientific knowledge came together in the industrial sector, in higher education, in government and throughout society to form the dominant view that progress could be achieved through the application of scientific analysis and rationalist thought. Harvey has described this period in history as positivistic, techno-centric and rationalistic, identified with the belief in linear progress, absolute truths, the rational planning of an ideal social order and the standardization of knowledge and production.<sup>98</sup>

What occurred after World War II was more than a change in social sensibilities, it was a change in social consciousness itself. This change had been brewing since the late 1800's, and by the early 1960's, the shift in social behavior and discourse was clearly distinguishable from the pre-World War II period. Harvey writes that behavioral practices that became hegemonic after 1945 exhibited a much more comfortable relation to the dominant power centers in society. That system, organized along Fordist-

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<sup>98</sup> Harvey, David. The Condition of Postmodernity: An Enquiry into the Origins of Cultural Change. New York: Blackwell Publishers, 1989.

Keynesian lines, appeared relatively stable as the United States provided significant social, economic and educational advancement for millions of its citizens.<sup>99</sup>

This pattern of social behavior, as well as the dominant discourse, which Lacan labeled the discourse of the university, initially gained control over society because it relieved the anxieties that were caused as the discourse of the master decayed. Harvey states that “the development of rational forms of social organization and rational modes of thought promised liberation from the irrationalities of myth, religion, superstition, and release from arbitrary powers”.<sup>100</sup> In addition, the discourse of the university clearly demonstrated the benefits of knowledge through scientific means as the U.S. emerged from World War II in a highly advantageous economic and technological position.

As discussed earlier, in Lacanian discourse theory all discourses are affected with a fundamental flaw in their structure. This flaw is based on the vacancy that lies at the core of the primary signifiers of any language system. The loss that is encountered upon a subject’s ascension into language creates an absence as the subject is forced to give up their organic existence and enter the world of language. It is this absence that Lacan placed at the center of human civilization and culture. The absence is formed when the ascension into language kills our organic existence such that our organic being disappears and only the signifiers of a language system live on in the subject.<sup>101</sup> This suppressed

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<sup>99</sup> Harvey, 1989.

<sup>100</sup> Harvey, 1989.

<sup>101</sup> Fink, 1995.

organic existence is beyond signification in the new world of language and the absence that is created is repressed into our newly forming unconscious. According to Lacan, the ascension into the world of language and language itself is founded on this absence, and without the creation of such a loss language cannot properly operate. The primary signifiers of a language, therefore, refer to this absence, to something that cannot be known in the process of signification. As a result, the primary signifiers of a language, the source of all meaning, can never be given a stable definition, it can only refer to an unknowable absence.

The problems that are encountered as a result of this fundamental flaw in the logic of a discourse can only be hidden for so long. As one discourse grows to dominate and control social behavior, the flaws associated with it are magnified. Thus, by the mid-1950's, the solidification of the discourse of the university in American society had created an undercurrent of dissatisfaction for many individuals and groups that did not share in the advances in higher education and the vast wealth creation after World War II. The underlying attitude of progress through the application of scientific knowledge that characterized this time in history began to be undermined and questioned, and dissatisfaction emerged for significant numbers of people excluded from economic growth. Furthermore, the hypothetical manner in which science and quantitative techniques were applied to the everyday problems of society engendered a feeling of meaninglessness for many. Thus, the discourse of the university that enveloped many businesses and social institutions in the 1950's and early 1960's had begun to lose its effectiveness by the mid 1960's. As the level of dissatisfaction grew, opposition to the

prevailing social order and the dominant discourse appeared. When this opposition first appeared publicly in the 1950's, further attempts were made by the dominant class to more fully impose the discourse upon society, which resulted in an even larger backlash and a hastening of the ultimate dissolution of the discourse

The discourse of the university led ultimately to a feeling of alienation for many Americans, even those who had gained educationally and economically from the post-World War II economic bubble. As the discourse of the university continued to fail to provide a stable set of reference points for social action, it also had begun to crowd out a connection to the unconscious mind through its over reliance on scientific principles and rational thought. This crowding out of the unconscious, both individual and collectively, severed any connection individuals and the larger society may have had to their organic existence and eventually led to widespread social upheavals.

## CHAPTER 6

### **ROBERT MCNAMARA AND THE RISE OF MANAGERIALISM**

Shortly after the war, many of the men who worked in information management and statistical control for the Department of War soon found themselves in the corporate world. The team of analysts from Harvard who formed the statistical control system used to manage the air war landed at Ford Motor Company. Tex Thornton, Robert McNamara and other Harvard statistical control men were hired by Henry Ford II to help turn the struggling automaker around. The Ford Motor Company was an American legend, but by the mid 1930's it had taken a backseat to General Motors and Chrysler as the preeminent U.S. auto manufacturer. Close to collapse in the 1930's, Ford had been temporarily saved by World War II, during which they made aircraft, engines and tanks. According to Shapley, McNamara and the others, dubbed the whiz kids, were given a blank check to roam throughout Ford's operations. They quickly did so, "pelting employees with questions, writing down answers, pooling facts."<sup>102</sup>

David Halberstam chronicles this in his book, The Reckoning:

"Within the company they were feared and resented from the start. They went everywhere and pried into everything, asking endless questions."

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<sup>102</sup> Shapley, 1993.

For Robert McNamara, his analytical methods quickly made him the man who knew everything about Ford, as he pioneered a new kind of managerial philosophy that he had learned at Berkeley and Harvard and honed during World War II.<sup>103</sup>

Halberstam's The Reckoning, a voluminous work about the rise and fall of the U.S. auto industry, chronicles the coming of the whiz kids as an important moment that reflected a major change that was taking place in many large American companies. The whiz kids were forerunners of the new class in American business in that their knowledge was not product-oriented and concrete but more abstract, about systems and processes. At Ford they did not take their pleasure from making cars but from numbers; for them, cars were secondary. Their approach was largely theoretical and their discourse was adopted from the halls of the nation's top business schools.<sup>104</sup>

As Halberstam points out, by the mid 1950's the language of numbers had taken over at Ford and at many other large companies throughout the United States. Dissenting voices at Ford from the manufacturing, engineering, and sales sectors were unable to compete with this new style of expression. The knowledge of those dissenting voices was based more on uncodified experience and intuition and possessed no set of equal truths to counter the onslaught of numbers, charts and graphs. McNamara and his team prospered at Ford, experiencing even grander success than in the war years. In short, they were geniuses with numbers and could see relationships in numbers long before others could. Throughout the Ford Motor Company order and control was imposed and

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<sup>103</sup> Halberstam, David. The Reckoning. New York: William Morrow and Company, Inc., 1986.

<sup>104</sup> Halberstam, 1986.

one of the worst run companies in America was turned into one of the most efficient. For the first time the company could accurately estimate its financial position and how much it was spending and earning through all of the divisions and sectors of the company. As the power of the finance people grew and eventually took over Ford, they built a modern bureaucracy around themselves, transforming at once the company and its purpose.<sup>105</sup>

Halberstam also writes that McNamara represented the rootless, educated man of the postwar era. Better educated and experienced than previous generations, he had far greater freedoms and was far less tied to locality and job in the traditional sense. The new science of numbers led to a growing belief that it could be applied universally to any business situation; thus company and location were no longer as important. McNamara embodied much of the new era's strengths as well as its weaknesses, for although highly educated for the time, he represented knowledge without experience.<sup>106</sup>

McNamara's education and experience in government and corporate America was what enabled him to embody the characteristics of the discourse of the university. He was able to put his education, his business acumen and his World War II experiences into practice at both Ford and the Department of Defense. At both institutions, he applied the system of analyzing all variants of a problem through formal analysis and in the process instilled a new type of discourse on the organizations that he controlled.

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<sup>105</sup> Halberstam, 1986.

<sup>106</sup> Halberstam, 1986.



McNamara was able to successfully apply systems thinking and analysis at the Ford Motor Company and later the Department of Defense largely because U.S. culture was shifting in that direction. Noticeable shifts in U.S. culture can be traced to the U.S. mobilization for World War II, but changes had been occurring since the industrial revolution of the late 1800's and the reorganization of organizational life towards large, production-based industrial enterprises.

More advanced bureaucratic organizing mechanisms were created and established in the first third of the twentieth century, and the nation's higher education system, particularly the elite universities, had begun to shift their curriculum towards these new schemas. Greater interest and emphasis came to be placed on science and mathematics and graduate business curriculums emerged that were immersed in quantitative methods, systems thinking and statistical analysis.

McNamara came of age during this time, and his high intelligence and natural talent for numbers and analytical problem solving was a perfect fit for a society changing in these directions. He was educated in the nation's elite universities, earning a master's degree from the Harvard business school and staying on at Harvard as a professor of business, where he concentrated his studies and teaching in the newly emerging schools of systems thinking and quantitative analysis.

McNamara's natural abilities and advanced education were a perfect fit for the emphasis on systems analysis and statistics that had made serious inroads into the management of large organizations such as the military, who in the late 1930's were

presented with a monumental task, mobilizing the U.S. for World War II and managing the war effort once U.S. involvement became unavoidable. U.S. and allied success on the WW II battlefield further ensconced systems thinking and quantitative analysis in the management of organizational life and in university curriculum, and these ideas and practices eventually came to dominate everyday American life and American culture.

McNamara helped turn Ford Motor Company from an aging, struggling industrial giant to a more efficiently run and profitable enterprise by applying the very principles he had learned in business school and applied in WW II. By the time McNamara took over the U.S. Department of Defense in 1961, U.S. culture had fully embraced and accepted these principles. His early efforts in the Defense Department were in perfect tune with the expectations of the Kennedy administration and U.S. society, that of transforming a large, unwieldy organization into one that relied on systems analysis and quantitative techniques to make decisions and run its operations.

As the U.S. became more involved in Vietnam, McNamara attempted to apply these same widely accepted techniques and principles that had proven so successful in the past. This approach made perfect sense at first, as the U.S. was dealing with a third world nation 10,000 miles away involved in a civil war that most Americans knew nothing about. McNamara had been taught and believed, as did most Americans, that the principles and techniques employed during World War II and the post-World War II business world could be successfully applied to any situation, be it an automobile production line or war in Vietnam.

## CHAPTER 7

### THE SEEDS OF DISCONTENT

#### Introduction

As the economic, social and political sectors came together to create unprecedented social change and economic growth, seeds of discontent were being sown as American society moved into the 1960's. For example, the government money that was plowed into suburban infrastructure and cheap home loans worsened the plight of the inner city poor by taking government resources away from this group. In addition, it systematized an informal racism against inhabitants of the older inner city, who were poorer, less educated and represented by large numbers of recent immigrants and non-white minorities.<sup>107</sup>

Stephanie Coontz, in The Way We Never Were: American Families and the Nostalgia Trip, writes that the unparalleled growth of the middle class in the United States in the 1950's was based on a temporary conjuncture of economic, social and political factors. However, as great wealth came to be concentrated in a small percentage of wealthy Americans and 60% of Americans by 1960 were middle class, 25% of

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<sup>107</sup> Coontz, Stephanie. The Way We Never Were: American Families and the Nostalgia Trip. New York: Basic Books, 2000.

Americans remained poor. By 1960, the federal government had not passed much social legislation since World War II and remained more focused on foreign relations, the buildup of the economy and the fight against communism. There were no social programs like food stamps, welfare and medical insurance to help ease the growing poverty of many Americans. Many middle class and wealthy Americans, now living in the distant suburbs, were shielded from the growing problems left behind in America's major cities.<sup>108</sup>

The plight of many black Americans, concentrated mainly in Northern inner cities and the South, had not improve measurably from post-World War II to the early 1960's despite the ever-expanding American economy. Although organized black protest surfaced soon after the end of the war over jobs and voting rights, the protests generated promises from state and federal officials but received little substantive action.<sup>109</sup> The persistent pattern of overt and concealed racism against blacks continued after the war, and by the late 1950's, many black Americans faced a reality of poverty and racism similar to that which existed at the end of World War II, despite the economic gains made by many Americans.

The dissatisfaction of women with the dominant social arrangements of the time also began to surface. Coontz writes that during the 1940's and 1950's, a novel rearrangement of family ideals and male-female relations was accomplished, and the

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<sup>108</sup> Coontz, 2000.

<sup>109</sup> Chafe, 1995.

emphasis on producing a whole world of satisfaction and amusement within the suburban nuclear family had no precedent. The successful 1950's middle class family was achieved at enormous cost to the wife, who for the most part was expected to subordinate her own needs and aspirations to those of her husband and children.<sup>110</sup>

The rise of an affluent consumer culture also began engendering critics. Writers like William Whyte, Sloan Wilson and John Kenneth Galbraith began sounding warning bells about rampant consumerism and the hidden perils of widespread affluence, which highlighted the social problems and inequalities this shift was causing.<sup>111</sup> C. Wright Mills's 1956 book, The Power Elite, critiqued how society and history was being concentrated in the hands of a few corporate and government organizations. Mills also criticized the nature of the new consumer society that emerged in the brief span of time since the end of World War II.<sup>112</sup> Mills's works would later become a reference point for the widespread unrest on college campuses and the student free speech movement in the 1960's.

The seeds of discontent had been laid quietly in the 1950's by the pattern of economic, social, political and business trends that had emerged after World War II. As a result, the late 1950's and 1960's gave rise to large-scale protests, first made public by

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<sup>110</sup> Coontz, 2000.

<sup>111</sup> In 1956, William Whyte published The Organization Man, which criticized the business world and the removal of the entrepreneurial spirit in favor of the managerial ethos. Sloan Wilson published The Man in the Grey Flannel Suit in 1955, the story of an ambitious professional man and World War II veteran who becomes conflicted between work and family commitments. John Kenneth Galbraith's 1958 book, The Affluent Society, criticized the satisfaction gained from the growing affluence of many Americans.

<sup>112</sup> Mills, C. Wright. The Power Elite. New York: Oxford University Press, 1956.

blacks in the civil rights movement. The civil rights movement would be followed by the student free speech movement and the women's movement. These social movements would all be eclipsed, and at the same time held together, by widespread protests on the American military involvement in Vietnam.

All of the political, economic, social and business trends described earlier began converging in the late 1950's and early 1960's, and this created small but increasing numbers of Americans unhappy with the way post-war American society was turning out. The first social protests that gained notoriety were by Southern blacks in the mid-1950's. While blacks had been voicing their disaffection since the end of World War II, the Truman and Eisenhower administrations and the U.S. Congress had taken little substantive action on rewriting policies to alleviate the more egregious patterns of racism.

Todd Gitlin writes that the seeds of protest in the 1960's began in the 1950's when a small subculture grew out of the national obsession with family and property, cramped by the postwar abundance of homes and mortgages, steady jobs and organization. They began to unplug from standard circuits of family, job and good behavior to overthrow sexual taboos and "to commit disobedience against a national dress code which required trimmed minds to match trimmed lawns."<sup>113</sup> Adam Garfinkel writes that the social disconnections, alienation and anxiety that became apparent in the 1960's grew out of the 1950's when the moral underpinnings of American public life

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<sup>113</sup> Gitlin, Todd. The Sixties: Years of Hope, Days of Rage. New York: Bantam Books, 1987.

began to clash with the recognition of racial prejudices and the passionless morality of the technocratic mind.<sup>114</sup>

### **The Civil Rights Movement**

The U.S. civil rights movement gained national notoriety in Montgomery, Alabama in 1955 when Rosa Parks, a black woman, refused to move out of the white section of a public bus and to the back of the bus into the black section. A bus boycott by blacks in Montgomery ensued that lasted 381 days and produced the first national black civil rights leader in Martin Luther King. The early protests in Alabama provided the organizing basis for a mass social movement and laid the foundation for the larger civil rights movement of the 1960's.<sup>115</sup>

The civil rights movement was further ignited in 1960 when four black college students entered a Woolworth's store in Greensboro, North Carolina, sat at the lunch counter and requested to be served, even though Woolworth's store policy was to not serve blacks at the lunch counter. The movement quickly spread, and by the end of the week, a thousand students joined in protests in downtown Greensboro. Chafe writes that the Woolworth policy was a classic example of American racism, where despite federal legislation, local leaders, mainly older white males, allowed racism to flourish. For example, despite attempts by local governments and school board leaders to desegregate

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<sup>114</sup> Garfinkle, Adam. Telltale Hearts: The Origins and Impacts of the Vietnam Antiwar Movement. New York, St. Martin's Griffin, 1995.

<sup>115</sup> Chafe, 1995.

schools after the 1954 *Brown vs. The Board of Topeka Kansas* U.S. Supreme Court decision, state political and economic leaders failed to offer their support. As a result, formal government initiatives to ease racism were mostly unsuccessful.<sup>116</sup> Additionally, when state or federal government leaders issued directives and ultimatums to local communities, a lack of follow-up enabled these communities to do nothing, thus quietly continuing century-old patterns of racist behavior.

By 1963, the civil rights movement was on the national radarscope on a daily basis. The early part of the 1960's became a confusing time for many Americans as white college students and progressives joined the civil rights movement and began to work side by side with blacks. In the early 1960's, the quest for civil rights and racial equality portrayed on a national scale the contradictions of the post-war progress of America.<sup>117</sup> How, when so many people in America seemed to be so comfortable, could such a large group of people be so discontented? The civil rights movement displayed some of the systemic inequities that resulted from post-World War II economic growth. All the more important, the movement started at the grass roots level, and it planted the seeds of grass-roots protest in other groups also dissatisfied with post-war American society.

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<sup>116</sup> Chafe, 1995.

<sup>117</sup> Chafe, 1995.



## **The Student Free Speech Movement**

The student free speech movement that gripped many campuses in the early 1960's initially grew out of frustration with the United States House Un-American Activities Committee, or HUAC. In May 1960, a group of students at The University of California at Berkeley, California's flagship public university, organized a protest against HUAC's suppression of political freedom and free speech. The protest occurred at San Francisco's City Hall and ended when police doused students with fire hoses and then dragged them down the city hall steps and off to jail. HUAC quickly responded with a film called Operation Abolition which attempted to portray the protests against them as a vast communist plot to overthrow the government.<sup>118</sup>

These early campus protests underscored the student's willingness to confront the university system and government policies over what they saw as basic American liberties. While a grass roots movement like the civil rights movement, the free speech movement was also very different in that the protestors were mainly white, affluent and well educated, raised in a time of incredible prosperity for most Americans. They were the first generation of Americans who never faced economic difficulty and by the early 1960's their affluence was taken for granted. By economic measures, these students should have been quite content, being able to attend a prestigious university like Berkeley where upon graduation their ascension into the well-paid professional world would be all but assured.

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<sup>118</sup> Kitchell, Mark. Berkeley in the Sixties. Produced and directed by Mark Kitchell. 120 min. Kitchell Films, 1990.

A major demographic trend during this time was the first wave of post-war baby boomers coming of college age and beginning to attend American colleges and universities. Todd Gitlin writes that by the early 1960's, America became the first nation in the history of the world to have more college students than farmers. The growth of Berkeley at the start of the 1960's, like many universities during this time, was unprecedented. Due to this growth, many large universities became large-scale producers of knowledge, or what has been called "knowledge factories."<sup>119</sup> Since the 1930's, Berkeley had successfully built strong ties to the federal government and had been running one of the government's nuclear weapons labs. It was also intertwined with the business community, performing research for major corporations and placing students in high-paying jobs within these corporations upon graduation.

The 1960 opening address by Berkeley President Clark Kerr is characteristic of the changes going on in the higher education system and society at the time. Kerr stated:

*"The university is being called upon to previously unimagined numbers of students, to respond to the expanding claims of national service, to merge its activities with industry as never before. Characteristic of this transformation is the growth of the knowledge industry, which is coming to permeate government and business, to draw into it more and more people raised to higher and higher levels of skill. Production, distribution and consumption of knowledge is said to account for 29% of GNP, and knowledge production is increasing at about twice the rate of the*

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<sup>119</sup> Gitlin, 1986.

*economy. What the railroads did for the second half of the 19<sup>th</sup> century and the automobile did for the first half of this century may be done for the second half of this century by the knowledge industry. That is, as a focal point for national growth.”<sup>120</sup>*

After the student uprisings against HUAC, the Berkeley administration moved to limit growing student activism around such causes as nuclear weapons, apartheid, free speech and civil rights by outlawing political activity on campus. Due to these restrictions, the students began to see themselves as an oppressed class—surely an astounding perception considering the culture most of the students were raised in. These were the best students from one of the best universities, destined to become the future managers of the country. But as the free speech issue at Berkeley began to play out, the students experienced firsthand some of the heavy-handed tactics the university administration undertook as they disallowed political activity on the Berkeley campus and placed limits on the student’s speech. The students gradually came to see the limiting of free speech as an attempt by the university to preserve its institutional authority over them. As Kitchell shows, the longer the crisis continued, the more the students began to see similar trends in society. They came to realize that the application of knowledge put them out of touch with the broader society, that it separated technology from values and that it severed the intellect from the heart. For many students, the

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<sup>120</sup> Kitchell, 1990.

student movement, spurred on by the civil rights movement, became the only endeavor that had any meaning.<sup>121</sup>

The crisis at Berkeley reached a head in November 1964 when the university administration and the California Board of Regents voted to allow political activity back on campus but limited the leftist and civil rights groups by outlawing civil disobedience. The university also disciplined those students and student organizations involved in widespread campus protests the month before. This decision led to further campus protests and the collapse of the authority of the University's administration. These actions prompted a now famous speech by 1960's student protest organizer Mario Savio during a face-off with the University administration. Savio proclaimed:

*"I ask you to consider, if this is a firm, and the Board of Regents are the Board of Directors, and if Kerr (Berkeley President) is the manager, then we are a bunch of employees and a bunch of raw materials. But we're a bunch of raw materials that don't want to have any process put upon us, don't mean to be made into any product, don't mean to end up being bought by some clients of the university—be their government, their industry, their organized labor, be their anyone. We're human beings. There is a time when the operation of the machine becomes so odious, makes you so sick at heart, that you can't possibly take part...and you've got to indicate to the*

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<sup>121</sup> Kitchell, 1990.

*people who run it, to the people who own it, that unless you're free, the machine will be prevented from working at all.”<sup>122</sup>*

This excerpt of the speech sums up the general feelings and stark realizations that the students involved in the free speech movement at Berkeley and other universities had gained by the mid-1960's. It underscored the cozy relationship between the university system, the state and federal government and the corporations that schools like Berkeley had worked so hard to build. It also drew attention to the dissatisfaction that many students felt towards this relationship, feeling that they were being made into tools of the government and corporate world as they received their education. As the energy around the free speech movement began to subside in 1964, the civil rights movement continued, spurred on by the charisma of Martin Luther King, increasing participation by blacks, and assistance by many white college students and leftist groups.

By early 1964, the Johnson Administration had begun to increase American troop involvement in Vietnam, after receiving approval from Congress in the Tonkin Gulf Resolution. The year 1965 was highlighted by the Selma to Montgomery civil rights march, led by Martin Luther King, as well as a growing public disenchantment with U.S. policy towards Vietnam. Anti-Vietnam feelings were particularly strong among college students and leftist and radical groups who had become acquainted with social protest from the early civil rights movement and the free speech movement. Todd Gitlin writes that protest groups of the early 1960's identified themselves with people who had been systematically left out of the post-war economic prosperity. While the economy of the

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<sup>122</sup> Kitchell, 1990.

1950's created an ever-larger middle class and the unprecedented growth of real income, gains were not distributed evenly. As student groups and others came to realize that there were a large number of people blocked from the affluence that had been attained by many, the American dream as they understood it was discredited.<sup>123</sup> A few of the more sophisticated leftist and radical groups, like the leaders of the free speech movement earlier, began to see deeper, structural patterns in the behavior of the U.S. government and the institutions built-up over the years to support the goals of government.

For many of those who were involved in the free speech movement at Berkeley in the early 1960's, it was the first realization that people in power altered the way things were in order to maintain a position of authority. Many people began to see that the mechanisms at work during the free speech movement from the university and government authorities were mechanisms in operation throughout society.<sup>124</sup> As the protest groups gained momentum and began to move against American involvement in Vietnam, new forms of energy were created against an even bigger opponent, the U.S. military-industrial complex and the Johnson administration.

### **The Anti-war Movement**

As anti-war protests began to gain momentum and eclipse both the free speech and civil rights movement in 1964 and 1965 on college campuses, Vietnam Day was held

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<sup>123</sup> Gitlin, 1986.

<sup>124</sup> Kitchell, 1990.

at Berkeley. A now famous speech was delivered by a leading protest organizer, Paul Potter that caught the spirit of the event. Potter proclaimed:

*“Most of us grew up thinking the U.S. was a great and humble nation that only involved themselves in the affairs of other countries reluctantly and as a last resort...Vietnam has separated people from their illusions about the morality and integrity of this country’s purposes internationally. Never again will the self-righteous, saccharine moralism of promising \$1 billion of aid while we spend billions to destroy them, never again will that moralism have the power to persuade us of the decency of this country’s moral aims. What kind of a system is it that justifies the United States in seizing the destinies of other people and using them callously for our own end? We must name that system and change it and control it or it will destroy us.”<sup>125</sup>*

By the mid-1960’s, the various protest groups throughout American society, demonstrating mainly for civil rights and against the Vietnam War, were pitted against the dominant institutions and the dominant culture that arose after World War II. It has been described as a period of time when many Americans began to sense there was something deeply wrong with the dominant technical, rationalist approach and that the passionless managerialism of powerful institutions like universities and the Department of Defense had systemic problems with their functioning. People began to recognize the

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<sup>125</sup> Kitchell, 1990.

effects on society as the managerial class wielded extraordinary power through impersonal, technologically driven institutions that seemed to exist outside of any normal discourse.<sup>126</sup>

This growing view of the world from within the student movement and among leftist groups began to spread to a larger portion of American society due to the American conduct in Vietnam. At the beginning of the American troop buildup in Vietnam in 1964, a small number of people saw the American involvement in Vietnam as a military run amok, caught up in post-World War II American culture that saw America as a good and just nation, one that was only trying to help the Vietnamese ward off communism. As American involvement grew over the next few years and as more Americans died, the promises of the military and government leaders for a quick victory in Vietnam evaporated.

By 1968, the country was virtually split on whether the United States should be involved in Vietnam, about half the country believing that Vietnam had been a mistake. In addition to the protest groups who had opposed the war since the beginning of U.S. troop escalation, many with more moderate political beliefs began to believe that Vietnam was indeed a mistake for the United States, although much of that was due to the increasing military difficulties the U.S. faced in Vietnam. Concurrently, many conservatives began to see Vietnam as a mistake as well, because they saw the U.S. government as unwilling to commit the necessary firepower and resources required to win the war. By 1968, for various reasons, the anti-war movement grew to include more

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<sup>126</sup> Garfinkel, 1995.



moderate and conservative Americans. At the same time, about half the country still remained opposed to the major protest groups, as the method of some of these groups grew increasingly radical and violent. By 1970, after the U.S. incursion into Cambodia, demonstrations erupted at half of the nations colleges and universities. By this time, the youth and student movement was joined by professionals, government employees and returning Vietnam veterans.<sup>127</sup>

Gitlin writes that by 1968, many people began to conclude that something was radically wrong with the heart of America—that Vietnam wasn't just a bad policy but was symptomatic of core problems in U.S. society. The cement of loyalty that people tender to institutions, the one that certifies the existing order deserves to continue, was rapidly decomposing. Many Americans came to believe that since a widely unpopular war lasted as long as it did despite assurances from military and political leaders that American victory was in sight, that the war was a symptom that some enormous, unstoppable machinery was at work that was making it continue.<sup>128</sup>

### **The Women's Movement**

In the mid 1960's, the women's movement also became a major social movement in the U.S. In the post-World War II economy that emerged in the U.S., many women were replaced from high paying manufacturing jobs they held during the war. Although

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<sup>127</sup> Garfinkel, 1995.

<sup>128</sup> Gitlin, 1986.

most were able to find work quickly, they were largely relegated to less-demanding and lower-paying jobs in the service industry and clerical fields. Compared to other industrialized countries after World War II, American women worked less and had more children.<sup>129</sup>

The women's movement began to emerge after Betty Friedan's 1963 book The Feminine Mystique, and what she labeled as the "the problem that has no name." Friedan wrote that the feminine mystique was based on a view that women's troubles in the past were that they tried to be like men, instead of accepting their own nature, which can find fulfillment only in sexual passivity, male domination and nurturing maternal love.

Friedan wrote:

*"The new mystique makes the housewife-mothers, who never had a chance to be anything else, the model for all women...It simply makes certain concrete, finite domestic aspects of feminine existence...into a religion, a pattern by which all women must now live or deny their femininity."*<sup>130</sup>

Women came to understand that like other minority groups, they were being systematically discriminated against in important areas of society—in education, in politics, in the workplace and in social relationships with men. By 1966, the National

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<sup>129</sup> Gitlin, 1986.

<sup>130</sup> Friedan, Betty The Feminine Mystique. New York: Norton Books, 1963.

Organization for Women was founded, and in 1970 approximately 50,000 women marched in Central Park.<sup>131</sup>

As more women attended college in the 1960's the discriminatory practices of the university system were revealed to them. These practices included the number of women verses men attending top universities, and the under-representation of women in certain academic fields such as math, science and engineering. On the political scene, women came to see the domination of all political spheres by white males as a lack of interest and action for female-oriented political issues. As more women graduated college, they experienced the systematic discrimination in professional life as they were relegated to less important roles, paid less than men for similar work and encountered the glass ceiling in their quest for advancement. In social relationships, many women were stunned at how they were treated by men with whom they worked side by side in the civil rights and antiwar movements.

### **Challenges to the Discourse of the University**

This period of American history signified the waning of the discourse of the university as the dominant discourse of American society and the rise of the discourse of the market. The first overt challenge to the prevailing discourse came from southern blacks who had been largely left out of the economic prosperity of the 1950's. By the mid-1950's, the dominant discourse of society could no longer contain the escalating dissatisfaction of blacks and the burgeoning civil rights movement. The early civil rights

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<sup>131</sup> Gitlin, 1986.

movement was a response against the institutionalized racism that was a part of everyday life. When faced with a growing and organized response from blacks against racism, major institutions responded by attempting to reassert their authority.

While organized civil rights groups began to protest their treatment in society, other movements were stirring. As middle-class affluence grew, more and more young Americans were able to attend college and college enrollment by the early 1960's was at an all-time high. They were faced with a university system that they saw as inhibiting their constitutional rights of political freedom and free speech, one beholden to the money flowing from government and private industry. As a result, large groups of students reacted against the university leaders, directly challenging them in a series of public confrontations.

As the civil rights movement took hold, women also began to voice their disaffection. Women came to see the inherent discrimination they suffered in the areas of work, male-female relationships, education and government policymaking. Women soon organized a powerful coalition to confront the dominant system that supported such discrimination.

All of these social movements were eclipsed in scope and size by the anti-war movement. Small groups of students and radicals began protesting in the mid-1960's against the U.S. involvement in Vietnam, claiming that the U.S. should not have gotten involved in Vietnam in the first place, and that the way the U.S. was conducting the war

was devastating the Vietnamese countryside and culture. This movement directly confronted the major institutions of the United States: The Department of Defense, the U.S. military, and the Office of the President. This was the same military that had been hailed as triumphant heroes only twenty years before, and the same government that had been lauded for bringing unprecedented economic growth to post-war America.

This period of American history was the real breaking point for American society in turning away from the discourse of the university and the beginning of the movement to the discourse of the market. As has been stated previously, at the height of the discourse of the university in the United States, post-World War II 1950's society, flaws in the discourse began to publicly appear as a number of disaffected groups began to openly voice their distaste for the prevailing social order. As this new discourse began to take hold, social relations and social institutions began to be transformed as they adopted the characteristics of this new discourse.

One of the reasons that the discourse of the university began to fail was because of the over-reliance on knowledge to govern social and institutional action. As this reliance on knowledge grew, the shortcomings inherent in it became readily apparent and hastened its fall as the governing discourse. A second reason that the influence of the discourse of the university began to come into question in the 1950's and early 1960's was that it became more and more imposed on people, leading to a greater questioning of the validity of the truths of the discourse being imposed.

In addition, the constant striving under the discourse of the university to find out how things really worked began to alienate many Americans in the post-World War II era. Perhaps the most glaring example of this occurrence was the Kinsey Report, published first in 1948 under the title, “Sexual Behavior in the Human Male”, with a second study published in 1953 titled “Sexual Behavior in the Human Female.” The report was an exhaustive study that posed 300-500 questions to its subjects; today it is still the largest study ever conducted on sexual behavior.<sup>132</sup> Not only did the Kinsey Report go against many of the more conservative ingrained beliefs regarding sexual behavior from the first half of the 20<sup>th</sup> century, society in general was also turned off by its detailed findings of people’s sexual practices, which until then had remained largely private and unspoken.<sup>133</sup> The civil rights movement and later the women’s movement, like the Kinsey Report, also imposed new ideas and beliefs on white males that formally marginalized groups, in this case blacks and women, were now as intelligent and deserving as white males.

## **Summary**

Lacanian discourse theory maintains that eventually the discourse of the university would be exposed for its shortcomings and challenges to it would emerge. As individuals and groups in the 1960’s began to openly challenge the dominant institutions and norms of behavior of the era, society began to move away from the discourse of the

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<sup>132</sup> Kinsey, Alfred C. *Sexual Behavior in the Human Male*. Indiana: Indiana University Press, 1998.  
Kinsey, Alfred C. *Sexual Behavior in the Human Female*. Indiana: Indiana University Press, 1998.

<sup>133</sup> Gathorne-Hardy, Jonathan. *Sex the Measure of All Things: A Life of Alfred C. Kinsey*. Indiana: University of Indiana Press, 2000.

university as its flaws were publicly exposed on a grand scale for the first time. The new discourse that began to emerge served as a challenge to the establishment and the conventional basis of knowledge as it pointed out their internal contradictions. In addition, the discourse of the university increasingly imposed its tenets on society, leading to further questioning of the discourse's basis of knowledge. As this occurred in the 1960's, the discourse of the university was unable to establish a sound explanation for its exposed shortcomings and a new discourse, the discourse of the market, began to gain hegemony in American society.

The flaws in the discourse of the university could only be contained for so long, and it took the period of history during the late 1960's to publicly expose these flaws. Since discourses operate at a deep, structural level and are culturally embedded, a shift in discourse occurs relatively unnoticed at the conscious, surface level. What is noticeable, however, is the outward manifestation of this shift. Fundamentally new behavioral patterns began to emerge in society, patterns which openly challenge the discourse of the university and its basis of knowledge. American society has been fundamentally changed as the discourse of the market has solidified its position as the dominant discourse in society.

Looking at Lacan's theory of discourse as a historical movement shows that all social action has been governed by some organizing schema, described by Lacan as a discourse. According to Lacan, in the pre-enlightenment western world the organizing discourse was the discourse of the master. The rise and slow descent of the dominance of

this discourse has been chronicled in earlier sections of this dissertation. As cracks in the supremacy of this discourse slowly became apparent to the masses, a new organizing discourse was needed to rescue, in a sense, the discourse of the master. Since a functional discourse is always needed as a foundation for human action, the discourse of the university emerged to replace the discourse of the master as this foundation. This shifted the basis for social action from the declarations of an autocratic ruler or the proclamations of organized religion to one based in scientific truths. As the discourse of the university continued for many centuries as the dominant discourse for society, its underpinnings of rational analysis and scientific truths became more sophisticated as scientific discoveries were made and new methods of analysis were created.

According to Lacanian discourse theory, however, there are fundamental flaws in all discourses. These flaws will eventually be exposed and when they are, societies will begin to search for a new discourse to replace the discredited one. Similar to the slow descent of the discourse of the master and its replacement by the discourse of the university, the discourse of the market came to replace, or rescue, the discourse of the university and become the foundational discourse for American society. Being that all discourses operate at an embedded structural level, this shift in discourse is overlooked at the conscious level, but what does become noticeable is the emergence of novel, outward behavior by both individuals and social institutions. This shift in discourse that began publicly in the mid-1950's would severely impact the major international policy initiative of the Johnson administration, that being the increased American involvement in the Vietnam War.



## CHAPTER 8

### THE UNITED STATES INVOLVEMENT IN VIETNAM

#### Introduction

When studying culture, the impact that leading social institutions have on the culture of a society cannot be overlooked. These leading institutions are not only the products of a society, but they are inhabited by the very representatives of the society under which they were created. The United States Defense Department is not only one of the largest institutions in the U.S., it commands significant financial resources in both the public and private sector and has a major effect on U.S. policymaking. During World War II, the influence of the Department of Defense grew tremendously as the United States built the most sophisticated and successful military organization in history. While the U.S. Department of Defense and the size of the U.S. military was significantly downsized after the buildup for World War II, The Korean War and the Vietnam War, since 1980 the Defense Department has experienced significant growth in its annual budget and in the scope of its mission. Since the beginning of the 20<sup>th</sup> century, not only have millions of U.S. citizens been directly involved in the establishment and management of the Department of Defense and the military services, it has also affected the larger civilian culture in significant ways. Due to the size and scope of the U.S. Defense Department, it can safely be stated that it both reflects and affects large-scale social changes in U.S. society, and today remains as perhaps the most influential U.S. public institution.

The Allied victory in World War II and the American contribution to that victory were viewed by the American people as a triumph of resources, technology and industrial and military genius. Over the next twenty years, Americans came to think of the successes of their military as a bellwether for the success of their society.<sup>134</sup> As the country's military planners and political leadership began to take their military supremacy for granted, so too the American people began to take for granted their sustained post-World War II economic expansion described earlier. Through the early 1960's, the United State's core beliefs in science and technology, its faith in the idea of progress through scientific means and its perceived moral clarity continued to greatly influence society. These trends reflected the similar shifting of beliefs and attitudes in the Defense Department.<sup>135</sup>

At the conclusion of World War II, various large U.S. institutions and organizations began to gain considerable power over both the means of production as well as the mechanisms of government. These groups included large U.S. corporations that had profited greatly from the build-up for World War II, corporations that were hard at work shifting their production to adjust to a growing peacetime economy. These groups also included government agencies at the federal, state and local levels. While many federal policies were enacted to spur economic growth immediately after World War II, state and local governments formulated policies and began to build the

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<sup>134</sup> Isaacs, Arnold R. Vietnam Shadows: The War, Its Ghosts, and Its Legacy. Baltimore, MD: The Johns Hopkins University Press, 1997.

<sup>135</sup> Garfinkle, 1995.

infrastructure that would make possible the mass migration from central cities to outlying suburbs characteristic of post-World War II America. The Defense Department and the military services adjusted to a bi-polar world of communism versus capitalism as its resources were reconfigured to address the perceived threat from the U.S.S.R and the eastern bloc countries. At the same time, the U.S. State Department and other agencies addressed the task of getting U.S. Allies and Japan back on their feet after they suffered tremendous losses during World War II.<sup>136</sup>

The Defense Department, the State Department and other federal government agencies concerned with bringing Europe and Japan back to a higher level of economic output had a major impact on U.S. culture during this time. U.S. efforts at overseas economic development quickly proved more successful than originally imagined, and soon after World War II ended, the Defense Department showed its willingness to battle the spread of communism by engaging in the Korean War. These federal institutions successfully reconfigured their missions and as a result their successes and resolve began to influence social and cultural practices. The Department of Defense showed congruence with society in their increasing reliance on technology for the sustainment of military power, and the State Department and other federal agencies successfully exported the U.S. model of economic growth to former allies and enemies alike. The country's many economic successes, its ability to successfully export their economic model throughout the world, and its powerful, technologically sophisticated military all fed the idea that America was the very model of the best possible society. At this time, it was believed by many that the U.S. style of free enterprise and its technological

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<sup>136</sup> Garfinkel, 1995.

advantages over all other countries could end unemployment by making opportunity universal, could negotiate domestic differences, and could contain communism.<sup>137</sup>

### **Robert McNamara and the Department of Defense**

In 1961, Robert McNamara, the new Secretary of Defense under President Kennedy, represented the education, belief and experience in scientific management and systems analysis that had moved into a position of cultural hegemony in U.S. society after World War II. McNamara proved to be the perfect technocrat to assume the reigns of the Defense Department, for President Kennedy believed that getting hold of the mammoth organization would require finding a way to manage and systematize it. McNamara, being a product of the boom in the study and application of the social sciences and business management principles for administrative decision-making, was perhaps the first American political official to bring the assumptions and methods of social science and business management to the highest levels of power. The Department of Defense soon adopted rationality and quantification as its central organizational themes, driven from the top down by McNamara and his “whiz kids”. In doing so, the Department of Defense was following the predominant view of social science and business management popular at the time.<sup>138</sup>

Prior to and during World War II, each individual military service, the Army, the Navy and the Air Force, formulated and submitted its own budget independently of the

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<sup>137</sup> Gitlin, 1987.

<sup>138</sup> Heilbrunn, Jacob. “The Hollow Man.” The New Republic (3/22/93): 31-38.

other services and bereft of a guiding and integrated military strategy. When the military services found it impossible to agree on postwar strategic plans and force structures, the National Security Act of 1947 was established, creating the Office of the Secretary of Defense and the Office of the Joint Chiefs of Staff. The first Secretary of Defense, James Forrestal, attempted to achieve a measure of coherence in military planning and control over each service by applying rationality into the planning of force structures. While Forrestal's ideas made good business sense, he was unable to bring the services into alignment and budgets and strategy continued to overlap. Secretaries of Defense throughout the 1950's were unable to move the services any further in organizing strategies and budgets. Strategies continued to overlap and service rivalries for budgets became more intense during the Eisenhower military draw down and defense budget reductions of the 1950's. Because of this, during the 1950's defense budgets were basically divided in 1/3 parts, and each service spent money as they saw fit despite the efforts of their civilian leaders to better organize them.<sup>139</sup>

Upon taking over the reigns of the Department of Defense in early 1961 after briefly rising to the Presidency of Ford Motor Company, Robert McNamara also found each service formulating its own requirements and budgets independently of the other. What he found, for example, was the Army planning for a long-term war of attrition while the Air Force strategy was based on a short, nuclear war. McNamara soon realized

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<sup>139</sup> Kaufman, William M. The McNamara Strategy. New York: Harper and Row, 1964.

that each service clung to the mission it most cherished and sought annual funding along those priorities.<sup>140</sup>

Senator John Kennedy, prior to his election as president in 1960, had been a vocal critic of the military budget, believing the Defense Department was preparing to fight the kind of war that the U.S. was least likely to fight. Kennedy believed that the U.S. military had painted itself into a corner where the only strategic choice was large-scale, conventional or nuclear war, not the small leftist and communist insurgencies he believed were the future of warfare. When President Kennedy chose Robert McNamara to be his Secretary of Defense, he instructed him to reappraise the entire defense strategy and to develop the troop force necessary to fight the conflicts Kennedy saw coming.<sup>141</sup>

In his first few months as Secretary of Defense, McNamara oversaw an overhaul of the Defense Department's budget and administration, its nuclear force strategy and its strategies regarding conventional military forces. Shapley writes that McNamara relied extensively on the quantification of all issues through objective analysis, believing these techniques would yield correct answers.<sup>142</sup> From his experiences at Ford Motor Company, McNamara had come to see that numbers equated to power. His time at Ford led him to believe that a huge company could be revolutionized when its activities were reduced to numbers, analysis and profit margins, and he carried these ideas into the

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<sup>140</sup> Kaufman, 1964.

<sup>141</sup> Shapley, 1993.

<sup>142</sup> Shapley, 1993.

Department of Defense with him. This view was confirmed in his 1995 memoir, where he wrote that he intended for the big decisions at the Defense Department be made on the basis of study and analysis and not simply by perpetuating the practice of allocating blocs of funds to the various services and letting them use the money as they saw fit.<sup>143</sup>

Unlike all previous Secretaries of Defense before him, McNamara was able to get control over the defense budget as he and his team of management experts and statisticians quickly gained power in the organization. They instituted the methodological analysis reminiscent of the whiz kid's years at Ford and began to shift the basis for decision-making at the Defense Department to this approach. The military infrastructure at the time was not steeped in the language of numbers as McNamara and his team were, and the military services were at first unable to understand and support the application of statistical analysis to defend their budgets and strategies. They were quickly overwhelmed by requests for facts and data, and unfamiliar with the techniques of quantitative analysis, they were unable to satisfy McNamara and his team. The military services were unable to compete with the impressive team of experts that McNamara had assembled, those most familiar with this new style of management.<sup>144</sup>

Almost immediately, the military services felt threatened and overwhelmed as civilian analysts infringed on their decision-making authority through requests for data and through new requirements for data-drive decision making. However, as the military

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<sup>143</sup> McNamara, Robert S. In Retrospect: The Tragedy and Lessons of Vietnam. New York: Vintage Books, 1995.

<sup>144</sup> Shapley, 1993.

services began to understand and become comfortable with McNamara's style of probing and data gathering, they began to build up headquarter staffs and their bureaucracies to answer the unending questions and requests for formal reports and statistics. They very quickly became steeped in the techniques that McNamara and his team had brought with them from business schools and corporate America. As this occurred, decision making across the board in the Department of Defense became more grounded in numbers, statistics and quantitative analysis.<sup>145</sup>

As the military services grew more adept at how to respond effectively to McNamara's requests for analysis and quantification regarding major decisions of strategy and budget allocation, they began to supply McNamara and his team with the requested analysis. As the military services became more fluent with analytical tools and techniques, however, they began to see and capitalize on the inadequacies of McNamara's system to their own advantage. One major shortcoming that was quickly identified by the services was the enormous volume of paper generated for the required analysis, which soon overwhelmed the capabilities of McNamara's staff and made it difficult for McNamara's team to evaluate the underlying logic of such analysis due to staffing shortages and time constraints. As a result, the volume of data that was being produced by the services and the lack of time and resources necessary to perform a proper review of the data led to a flood of analytical data provided by the services that was taken at face value by McNamara and his top decision makers.<sup>146</sup>

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<sup>145</sup> Shapley, 1993.

<sup>146</sup> Shapley, 1993.



A second major shortcoming was the inability of McNamara's team to implement decisions once they were made, as they lacked not only the required manpower to perform adequate oversight of policy implementation, but the political acumen to succeed in an institution that had a large political dimension to it. As a result of these two shortcomings, the military services quickly learned to present data that supported their position because the data, though often faulty, was usually not closely scrutinized. In addition, the services often ignored McNamara's decisions upon implementation in the field because they understood the difficulties the Defense Secretary and his staff would have overseeing implementation.<sup>147</sup> One such instance of the difficulties of effective oversight of policy implementation is discussed below.

President Kennedy wanted the military services, particularly the Army, to adapt to a new strategic doctrine that addressed unconventional warfare. Kennedy and McNamara quickly ran into conflict with the Army, an Army that had been preparing unimpeded for a conventional war since the end of World War II. Andrew Krepinevich writes that the Army responded negatively to Kennedy's call to reevaluate its doctrine of heavy units, massive firepower and high technology in favor of stripped down light infantry. Krepinevich's study of Army doctrine in the 1960's reveals that the Army gave Kennedy, McNamara and other civilian leaders the impression that they were taking action towards the President's directives on unconventional warfare when in fact they were not. Once Kennedy and McNamara had issued policy directives for the Army to reevaluate its core doctrine, the Army bureaucracy was set in motion, studies were undertaken, boards were convened and troops began to be briefed on unconventional tactics. These formal and

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<sup>147</sup> Shapley, 1993.

established organizational practices intended to reevaluate Army doctrine gave the impression to civilian military leaders that the Army had begun implementing McNamara's policy directives. However, the measurements of progress set forth by McNamara's team to assess successful policy implementation of unconventional warfare training proved insufficient.<sup>148</sup>

For example, basic Army training in areas such as map reading and civil defense were relabeled "counter-guerilla operations." Additionally, the Army added an occasional sentence or two in standard training texts regarding the possibility of irregular forces. The lack of effective oversight of the Defense Secretary and his staff enabled the Army to circumvent the true spirit of this initiative and count these training courses as meeting the requirements of unconventional warfare training. These superficial changes allowed the Army to report to McNamara that entire training courses were devoted to unconventional warfare training, when in fact the curriculum had not changed, only a few words had been added to the course title. This helped the Army to maintain their core doctrine of heavy units, massive firepower and high technology while giving the impression to the Secretary of Defense that they were shifting their doctrine to light infantry and counter-insurgency tactics. Krepinevich writes that at no time did unconventional warfare really occupy a substantial place in the Army doctrine during this time. The Army was fully aware of the problems in the review of policy implementation, and taking its cue from the rigorous demands for statistics set forth by McNamara,

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<sup>148</sup> Krepinevich, Andrew F. The Army and Vietnam. Baltimore, MD: The Johns Hopkins University Press, 1986.

produced statistics that claimed dramatic increases in the hours devoted to unconventional warfare training, when in fact very little had changed.<sup>149</sup>

By the time the U.S. military became more heavily engaged in Vietnam by 1964, the military services in general and the Army in particular had learned to adjust to the new demands of their civilian leader and his management team. The services began to staff up headquarters offices and quickly adopted the language of numbers and statistics that McNamara's system now required of them. McNamara's inability to get the services to fully cooperate with him went mostly unnoticed because of deficient mechanisms to review the basis for decision making and to track policy implementation. In addition, McNamara's managerial style, steeped in the coolness of numbers and statistics, did not consider and therefore allow him and his staff to see the historical foundations and political dimensions of the individual service's behavior. McNamara's system came to digest only a small amount of submitted data and analysis and eventually ended up digesting only the information that suited its version of reality or served its bureaucratic interests while ignoring dissonant views and disconfirming information. The military services quickly learned how to speak McNamara's language, and their organizational responses were soon cloaked in the rational, analytical style that McNamara preferred. Many of these responses, however, were triumphs of style over substance and only served to protect the institutional proclivities of each service. By the time of increased U.S. involvement in Vietnam, McNamara's management system had already been revealed by each military service as severely inadequate.

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<sup>149</sup> Krepinevich, 1986.

McNamara's first few years as the Secretary of Defense were spent attempting to reorient the military services towards his preferred management style, one where major decisions were steeped in the quantification of problems and the analysis of proposed solutions through numbers and statistics. This was the style that McNamara had been taught and had practiced over the years. It was a style that was directly attributable to his and his country's successes in World War II and in the post-World War II peacetime ascendance of the U.S. as the world's foremost economic and military power.

McNamara's management style surely reflected Lacan's discourse of the university described earlier, a discourse that since the end of World War II had strengthened its grip on the functioning of U.S. society. This discourse has been described as one that manifests itself through a process of extensive analysis, aimed at gaining perspective and informing decision-making through rational, scientific means that are characterized by established norms and by a rigorous method of inquiry and analysis.

In an organizational setting, the widespread use of this approach as the governing organizational discourse lays the claim for obedience and control of organizational members from a position based on knowledge, claiming its authority through reason and expertise. This is in contrast to the discourse of the master, which is the preceding discourse that was supplanted by the discourse of the university. To illustrate this difference, a comparison can be made between McNamara's Department of Defense and The Federal Bureau of Investigation, which during this time was tightly controlled by its

long-time leader, J. Edgar Hoover. Hoover's control and power over the organization emanated by virtue of both brute force and the authority of his position.<sup>150</sup> Hoover was able to provide a stable foundation for organizational action with this style, one in which he alone provided the basis for all knowledge and action. In that he was able to do this, Hoover insulated himself from the problems with the operation of the discourse of the university that had become so evident in McNamara's Department of Defense. The evident problems with rational analysis and the reliance on knowledge as the basis for all decision making in an organization did not affect Hoover's ability to effectively control the FBI for decades. This was in stark contrast to McNamara, who ultimately lost the ability to effectively manage the Defense Department through his reliance on the aforementioned techniques.

McNamara attempted to manage his organization through the belief and practice of scientific, rational analysis, claiming his authority over the organization not through autocratic domination like Hoover, but through reason and expertise backed up by quantitative analysis. McNamara attempted to establish a rigorous system of quantitative inquiry and analysis that would guide all major policy decisions. For McNamara, this would ensure that the most efficient decisions would be reached while at the same time reinforcing his trust and belief in the rational, quantitative method.

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<sup>150</sup> Lewis, Eugene. Public Entrepreneurship: Toward a Theory of Bureaucratic Political Power: The Organizational Lives of Hyman Rickover, J. Edgar Hoover, and Robert Moses. Indiana: Indiana University Press, 1980.

Although McNamara's style appeared to bring the military services under tighter control by its civilian leaders, early cracks were evident in McNamara's system. While he was able to establish a budgeting system that gave the Secretary of Defense increased understanding of military spending, he was never able to reorient the military services core doctrine towards his and President Kennedy's perspective, as discussed earlier in this section.

The failings of McNamara's system in these areas, when viewed at the societal discourse level, mirror some of the wider cultural shifts appearing in American society at this time. In the early 1960's, social movements had begun to appear that openly challenged some of the orthodoxies of post World War II mainstream American society, movements like the fight for civil rights by American blacks and challenges to university administration policies by college students. The emergence of these social actions sent an early message that there were large groups of Americans dissatisfied with the systems and policies that had gained prominence during the post-World War II period in history when the discourse of the university stood alone as the guiding discourse for American society. These challenges to this governing discourse exposed the shortcomings of it and opened doors for many in society to capitalize on these shortcomings for their own advantage. This exposition and eventual rejection of the guiding discourse can be seen not only in society, but also in major social institutions such as the Department of Defense. In this institution during this period of American history, the central discourse was one based on the scientific technique and the use of quantitative analysis to frame major decisions. Just like in American society, as the flaws in this discourse were

uncovered, the military services began to take advantage of these flaws for their own advantage.

In American society, these open challenges to what prior to was socially accepted behavior presage the challenges McNamara would face as the U.S. military became more entrenched in the Vietnam War. During McNamara's early tenure, opposition to his policies and methods was mainly tacit, cloaked in official reports and a blur of statistical measurements. The contradictions inherent in McNamara's system and the opposition that resulted from it could be covered over to a degree and remain undetected during a time of peace when no major military actions were being undertaken. As the U.S. became more involved in Vietnam, however, its awesome military power was projected publicly on the world stage, and the deficiencies of McNamara's system soon became all too obvious.

What was becoming apparent in the early 1960's both in the Department of Defense and in society was the acceleration of a shift in discourse from what Lacan labeled the discourse of the university to the next discourse, the discourse of the market. As explained earlier, a societal shift from one discourse to the next is a slow, gradual process. Even though the discourse of the university had begun to erode in the early twentieth century in the U.S., prior to the late 1950's and early 1960's this erosion had been subtle and relatively hidden to the general population. By the early 1960's, the inefficiencies and flaws in the discourse of the university had begun to reach a critical mass that had started to become clear on a large scale to the general public. As this occurred, the discourse of the market began to rise up and pervade the controlling aspects

of society and began to slowly replace the discourse of the university as the controlling discourse for institutional life and for society. This gradual shift that had begun earlier in the century could no longer be contained by the early 1960's. As has been stated earlier, from a psychological viewpoint the discourse of the market began to make gains due to the alienation of the human subject under the discourse of the university, in that a human connection to the unconscious mind and organic existence was crowded out by scientific knowledge and rational thought. As this shift in discourse started to reach critical mass, both discourses began to operate at the same time because the new discourse was not yet powerful and accepted enough to be fully operative.

The United States became involved in the struggle of South Vietnam against the North Vietnamese communist insurgency after the French lost a decisive battle in Vietnam at Dienbenphu in 1954. The U.S. first provided aid to the French and eventually assumed all financial burdens for Vietnam. When the French finally pulled out of Vietnam, the U.S. began sending military advisers and financial aid to assist the South Vietnamese army and to help stabilize the South Vietnamese leadership. By 1963, the U.S. had been unable to effectively bolster the regime of South Vietnam or turn the South Vietnamese Army into an effective fighting force against the communist insurgents.

Consistent with newly established organizational practices, Secretary of Defense McNamara in 1962 set out to establish a set of performance measurements to chart military progress in Vietnam. McNamara's system of progress measurement owed much to his days as a statistical control officer in World War II. The system that was devised



for Vietnam calculated such things as enemy and friendly body counts, the amount and use of weapons and the number killed—called kill ratios—the number of patrols and missions flown, rounds fired, weapons distributed, enemy weapons seized, prisoners taken and so on. In the early stages of McNamara's progress measurement system, 1963 and early 1964, the system was heavily dependent on South Vietnamese soldiers for information on the war's progress since the South Vietnamese were doing the majority of the actual fighting while the U.S. remained in an advisory capacity. Despite data flowing from U.S. field commanders at the time like Army Colonel John Paul Vann, who reported that the communist insurgency was growing in South Vietnam and that U.S. tactics thus far had proven ineffective, the statistics coming from the South Vietnamese through the U.S. leadership in Vietnam to McNamara and his staff told a different story.

The first leader of the U.S. forces in Vietnam, Army General Paul Harkins, had learned to operate successfully in the narrow, bureaucratic terms set forth by the military. Once in Vietnam in the early 1960's, he came under great pressure from McNamara and President Johnson for a quick resolution to the conflict. Pressured at the same time by McNamara to provide statistics to measure the war's progress, he and his staff created a system of reporting that not only collected inaccurate statistics, but also distorted them further in their reporting. The pressure from higher up that Harkins encountered was passed down his chain of command with the clear understanding that negative conclusions were not to be drawn from reports coming out of South Vietnam. Shapley

writes that the Army from the very start of measuring progress in Vietnam conspired to ensure that bad news did not reach the Secretary of Defense.<sup>151</sup>

This was made easy on the Army because McNamara and his staff, while able to accurately review some amount of the numbers and statistics coming to them from Vietnam, could not really understand the implications from the data or use the data to arrive at policy decisions in a highly complicated endeavor like the Vietnam War. Therefore, the conclusions they reached through rigorous analysis were often limited in their scope. To combat this deficiency, McNamara regularly traveled to Vietnam and the military leaders in Vietnam regularly traveled to Washington. As Shapley writes, on his trips McNamara would send ahead a list of questions, giving military leaders the time to work up “fine-sounding answers.”<sup>152</sup> One example of this behavior is chronicled in Newman’s JFK and Vietnam. Newman relates a story that before Secretary McNamara’s arrival in Vietnam on one particular occasion, General Harkins and some junior officers were preparing a map of government-controlled and enemy-controlled areas for their briefing to McNamara. Harkins reportedly told the briefing officer that the map had too much red on it, red indicating enemy-controlled areas. The officer promptly began tearing red parts off the map. One of the officers in the room later witnessed Harkins using the same map to brief McNamara and the data presented was assumed to be true by McNamara.<sup>153</sup>

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<sup>151</sup> Shapley, 1993.

<sup>152</sup> Shapley, 1993.

<sup>153</sup> Newman, John M. JFK and Vietnam: Deception, Intrigue, and the Struggle for Power. New York: Warner Books, 1992.

Not only was the data for the reporting system being smoothed over and readily accepted at various levels, some of the measurement parameters and conclusions being drawn were misleading. For example, the measurement of weapons distributed—weapons given to the South Vietnam by the U.S.—led directly to the increased arming of the enemy. This was because the measurement system ignored the culture and politics of South Vietnam, as many guns were sold or given to the enemy. Thus, progress in the number of weapons distributed was actually counterproductive to the U.S. war effort. Neil Sheehan brings this phenomenon to light through the eyes of Army Colonel John Paul Vann. Vann witnessed firsthand the counter-productive effects of massive U.S. bombing of the communists insurgents in South Vietnam, in that it also destroyed the local villages of South Vietnamese peasants, which led them to support the Viet Cong communist insurgency.<sup>154</sup>

As the American involvement in the war increased after 1964, it was the Americans that became responsible for quantifying progress of the war instead of the South Vietnamese. The counting of enemy dead, called body counts, provides an interesting example of the difficulties the American military faced in collecting accurate data.<sup>155</sup> Since the North Vietnamese had a habit of dragging their dead away from the battlefield, upon arrival on the now deserted battlefield to count enemy deaths anything that looked like a possible enemy death would be counted. This included the observance

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<sup>154</sup> Sheehan, Neil. A Bright Shining Lie: John Paul Vann and America in Vietnam. New York: Random House, 1988.

<sup>155</sup> Shapley, 1993.

of an enemy rifle or bloody fragment of clothing, even though there was no body nearby. In fact, there was really no way to accurately assess the true number of enemy dead, so those American soldiers assigned to this duty would simply make numbers up.

Shapley confirmed this practice in her biography of McNamara. For example, early on in the conflict, the U.S. military relied on the South Vietnamese Air Force to estimate enemy killed after a mission. Anyone the pilots thought they killed was added to the count even though they could not see much looking down at trees and shrubs as they flew quickly by. It was estimated that in the spring of 1963 the enemy body count was inflated by 40%.<sup>156</sup>

Evidence has been produced that the measurement system set up by McNamara and military leaders in Vietnam was not an exact science and left much room for interpretation. More importantly, some of the measurement criteria were not measuring progress at all because the tactics being measured were in fact counter-productive. McNamara admits in his 1995 memoirs that the monitoring of progress, which he considered a bedrock principle of good management, was very poorly handled in Vietnam. He writes that the military was uncertain how to evaluate results in a non-conventional war and that he eventually discovered that many of the measures were misleading and erroneous.<sup>157</sup>

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<sup>156</sup> Shapley, 1993.

<sup>157</sup> McNamara, 1995.

The measurement of progress in Vietnam opened up a slew of organizational problems and led to the further bureaucratization of the military as it conducted the Vietnam War. Loren Baritz writes that the measurement system turned military leaders into bureaucratic managers as they tried to manipulate statistics rather than fight the Vietnam War. The military leaders in Vietnam became insulated as the multi-layered organization below them passed massive amounts of information and analysis up and down the line. Measuring things like the body count required deception to succeed, and the bogus results were not truly indicative of American progress. It forced military personnel to concentrate on the short term, with an emphasis on providing pleasing results to their superiors, often regardless of what was really happening in the field of battle.<sup>158</sup>

As the measurement system progressed, the Army as an organization became deeply mired in it. Based on pressure from above, the official Army practice became optimistic reporting. The Army also made the crucial mistake of tying progress reports from the field to the careers of Army leaders in charge of reporting statistics. Those who did not file optimistic reports found their careers jeopardized, so they emphasized the positive and eliminated the negative from their progress reports. This phenomenon was projected outside of the Defense Department as well. In 1963, for example, a State Department report utilizing Defense Department data concluded that the war was not progressing as the military had stated. The Army, striving to maintain its monopoly over the interpretation of this data, moved to block additional State Department analysis on

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<sup>158</sup> Baritz, Loren. Backfire: A History of How American Culture Led Us into Vietnam and Made Us Fight the Way We Did. Baltimore, MD: The Johns Hopkins University Press, 1998.

Vietnam, convincing McNamara that the Army should be the only group permitted to appraise the military dimensions of Vietnam.<sup>159</sup>

This progress measurement system added fuel to the growing problem of careerism in the military, leading to an overemphasis on one's individual career to the detriment of the organization. A tour in Vietnam in a leadership capacity became a requirement for promotion for most career officers. As a result, the number of officers needing to spend time in Vietnam and produce positive results led to a system that rotated officers through Vietnam on six-month or one-year tours of duty. This inflicted great harm on important ingredients for success like group cohesion and leadership experience.

McNamara's management of the Vietnam War through control, quantification and analysis was a major reason for the U.S. failure there. McNamara's system focused on measuring resources and results but not on how resources were being used and what the results really meant. As actual military results in Vietnam began to veer from official reports that America was winning the war, McNamara as early as 1963 began to doubt the information he was receiving. But since his system was based on the breakdown of large sets of data into smaller sets for the purpose of dissection and analysis, it did not focus on questions of strategy and thus obscured some of the truths of Vietnam. By not digging deeper into the true meaning of the information and not asking the big questions, McNamara acted as the complete technocrat, simply smoothing the way and managing.<sup>160</sup>

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<sup>159</sup> Krepinevich, 1986.

<sup>160</sup> Shapley, 1993.

## **Military Mindset in Vietnam**

As stated earlier, the U.S. Army since World War II had been preparing for a conventional land war, presumably in Europe against the Soviet communist bloc. Neil Sheehan writes that World War II was seen as a triumph of American resources, technology, and industrial and military genius. The postwar years had been so satisfying for America that by 1960 both American society and the U.S. military had become a victim of its own achievements— stupefied by too much money, too many material resources and too much power and success.<sup>161</sup> Loren Baritz writes that the industrial bureaucratization of the Defense Department that was started during World War II was carried over after the war to the point that at the time of Vietnam, the entire military system was highly bureaucratized.<sup>162</sup> As they entered Vietnam, the Army specifically and the military services in general possessed many of the same qualities that characterized American society—a history of successes, abundant resources, technological prowess and a belief in the superiority of their methods.

In Neil Sheehan's 1988 book A Bright Shining Lie, the career of U.S. Army Colonel John Paul Vann is described to illustrate both the military mindset during Vietnam and how the imprint of our nation's culture influenced strategic decision-making. The title character, an Army officer and then civilian contractor in Vietnam, manifested the faith and optimism of post-World War II America. Vann believed that

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<sup>161</sup> Sheehan, 1988.

<sup>162</sup> Baritz, 1998.

any challenge could be overcome by will and by the disciplined application of intellect, technology, money and armed force. Vann's beliefs were characteristic of the post-World War II U.S. military view of itself as righteous and moral. Vann was also convinced of the invincibility and universal application of the U.S. system of warfare, which consisted of building a giant killing machine that subjected an enemy to the prodigious firepower that American technology provided.<sup>163</sup>

At the time of Vietnam, the entire ecology of America's military organization depended on increasingly complex weapons and technology.<sup>164</sup> Gibson, in The Perfect War: Technowar in Vietnam, writes that the U.S. sought to eliminate an armed revolutionary movement in Vietnam through management techniques and military technology. The wide disjuncture in technology between the U.S. and the Vietnamese gave the U.S. an air of confidence and the mindset that they could not possibly lose against an unsophisticated enemy; victory was guaranteed through the application of massive firepower and technology.<sup>165</sup>

As the war progressed, the closed system that the Department of Defense had created was unable to see that far superior U.S. firepower and technology had been largely ineffective and often counterproductive. Instead of reassessing its strategy, the military requested the Secretary of Defense for more of the same: more bombs, more

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<sup>163</sup> Sheehan, 1988.

<sup>164</sup> Baritz, 1998.

<sup>165</sup> Gibson, James William. The Perfect War: Technowar in Vietnam. Boston, MA: The Atlantic Monthly Press, 1986.



men, and more technology. The military failures until then in Vietnam were attributed to poor coordination between the U.S. and South Vietnam and a shortage of material resources. The U.S. military believed that the South Vietnamese would eventually embrace the U.S. strategy and that the pacification program in the South Vietnamese countryside would be successful if the U.S. increased their use of firepower against the communist insurgents in South Vietnam.<sup>166</sup>

Andrew Krepinevich writes that by 1964 the U.S. Army had come to believe that their failures to date were not an indicator of inappropriate strategies and methods but a sign that those methods had not been properly applied. The U.S. military continued to view the Vietnam War as a military problem and not a political one. This allowed the Army to fall back on the familiar military remedies of material advantage, technology and conventional operations as a means to win the war.<sup>167</sup>

### **The Attrition Strategy**

The attrition strategy that the Army adopted in 1964 as they began to mobilize significant numbers of U.S. troops was based on the premise that the U.S. war machine would kill a greater number of enemy soldiers than the U.S. and South Vietnamese would suffer. They went so far as to put estimates of U.S. verses enemy killed—the kill ratio—

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<sup>166</sup> The pacification program was an attempt by the U.S. to rid the South Vietnamese countryside of communists insurgents, or Viet Cong. The U.S. use of heavy firepower, however, destroyed many South Vietnamese villages. As a result, the U.S. attempted to move whole villages into “strategic hamlets” as a way to keep the Viet Cong away from them and to more openly engage the enemy. Most experts agree that the pacification program and strategic hamlets was ineffective and served to turn the South Vietnamese villagers against the U.S.

<sup>167</sup> Krepinevich, 1988.

as high as 10 to 1. Based on the estimated number of available enemy troops, the U.S. military could confidently estimate with the use of statistics and analysis when the “crossover point” would be reached—the point that enemy soldiers begin to be killed faster than they can be replaced. According to this logic, all the U.S. military had to do was engage the enemy with their prodigious firepower and technology and this firepower would then kill large numbers of enemy soldiers and eventually force their surrender.<sup>168</sup>

Krepinevich writes that the attrition strategy was a natural outgrowth of the U.S. military’s organizational recipe for success that played to their established advantages of material abundance, technological superiority and an abhorrence of casualties. The massive firepower that the U.S. could inflict on the enemy was felt to be the most efficient way to generate a high enemy body count while minimizing U.S. casualties. He writes that the controversial use of herbicides, defoliants and heavy bombing fit neatly into the U.S. military concept of attrition.<sup>169</sup>

The U.S. military did not seem to understand that a strategy based on attrition would take a long time to effect a winning solution and would necessitate the addition of ever-larger numbers of U.S. troops. While the Army and civilian leaders did not take into account the political dimensions of Vietnam society, they also did not take into account the political history and culture of American society. This history pointed to the fact that democratic nations like the United States can only endure warfare for a limited period of time before all-important public support begins to erode.

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<sup>168</sup> Krepinevich, 1988.

<sup>169</sup> Krepinevich, 1988.

The rise in American casualty rates in Vietnam in the mid 1960's was the attrition strategy in action. Based on this strategy, higher U.S. casualties meant higher enemy casualties. Based on 10 to 1 kill ratios and statistical analysis, by the mid-1960's the Army believed that the crossover point would be reached in the near future. But as U.S. casualties mounted and a larger share of Americans began to protest U.S. actions in Vietnam, the Army strategy of attrition resulted in more pain and suffering for both sides than American society was willing to bear. Once this happened, support for the war effort began to wane and by 1968 about half of all Americans were philosophically opposed to the war. Elected political leaders soon began to publicly question the Army's strategy and eventually withdrew support.<sup>170</sup> This became more widespread in the U.S. following the Tet Offensive in the spring of 1968. Krepinevich writes that the Tet Offensive led to an explicit rejection of the Army strategy by the civilian leadership, the refusal to send more troops and eventual limits placed on the procurement and use of additional military resources.<sup>171</sup>

Deborah Shapley writes that McNamara accepted the U.S. military's attrition strategy and used this strategy as a means to gain approval for increased U.S. troop strength. In one such request, McNamara told President Johnson that the enemy was

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<sup>170</sup> Krepinevich, 1988.

<sup>171</sup> The Tet Offensive began in late January 1968, when Viet Cong and North Vietnamese troops attacked deep into South Vietnam, targeting among other areas the U.S. Military Headquarters and the U.S. embassy in Saigon. Although they were eventually repelled by U.S. troops and suffered heavy losses, the Tet offensive directly contradicted optimistic U.S. military reports. On the home front, American society and many elected officials began to more seriously question the U.S. approach in Vietnam after the Tet Offensive.

winning largely because the ratio of guerilla to anti-guerilla forces was unfavorable to the U.S. and the number of U.S. troops was too small to make a significant difference in the traditional 10 to 1 formula. Thus, by redressing force ratios—supplying more men—the U.S. could shift the war to their favor.<sup>172</sup>

Douglas Kinnard, in his 1979 book The War Managers, summarized a questionnaire sent out to 173 Army generals who had managed the war in Vietnam, of which 2/3 responded. The generals admitted that the military strategy in Vietnam failed because the Army approached Vietnam like World War II and the Korean War and thus failed to understand and appreciate the political side of the war. As a result, there was no consideration of the harmful side effects of U.S. strategies and technology on Vietnamese society. Kinnard concludes that by failing to understand the essential nature of the war, the military failed to adopt the correct strategy to defeat the enemy.<sup>173</sup>

McNamara admits as much in his 1995 memoirs. He agrees that the U.S. military basically stumbled into the attrition strategy and that there was never a full and open debate on what U.S. force would ultimately be needed, what the costs would be and whether or not it would be successful. McNamara writes that since the U.S. military was supremely confident in their ability to quickly win the war, there was never a full assessment early on in the conflict of the possibility of U.S. failure. He admits that the political and social dimension in South Vietnam should have led the U.S. to rethink the

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<sup>172</sup> Shapley, 1993.

<sup>173</sup> Kinnard, Douglas. The War Managers: American Generals Reflect on Vietnam. New York: Da Capo Press, Inc.: 1979

basic objectives in Vietnam, but it did not. Once in Vietnam, the U.S. military failed to recognize the limitations of modern, high-tech warfare on unconventional forces and thus failed to adapt military tactics to fight a different kind of war.<sup>174</sup>

Ironically, it was McNamara's and his key advisers that in 1967 began to see that the Army attrition strategy was not nearly as effective as it claimed and the United States would probably not emerge victorious. They drew the conclusion for the first time that additional U.S. troops would not have an effect on the war. They concluded that kill ratios and enemy body counts had been badly inflated, and that the number of enemy troops available was significantly greater than the U.S. Army had estimated. Thus, they concluded the attrition strategy would probably never reach the crossover point.

Robert McNamara's 1995 book, In Retrospect: The Tragedy and Lessons of Vietnam, helps us understand the managerialist philosophy employed by the Defense Department during the Vietnam War and through the present day. McNamara's approach to organizing human activities was to define a clear objective, develop a plan to achieve that objective and systematically monitor progress against the plan. If progress was deficient, the plan could be adjusted and corrective action to accelerate progress could be introduced.<sup>175</sup> His techniques proved effective in gaining control over the Defense Department budget process and the allocation of financial resources. It proved drastically ineffective, however, in the management of the Vietnam War. Ironically for McNamara,

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<sup>174</sup> McNamara, 1995.

<sup>175</sup> McNamara, 1995.

the Vietnam War would become the least effective and most costly military endeavor in American history.

McNamara himself supported many of the above conclusions of his management of the Vietnam War admitted the 2003 academy award winning documentary of his life titled “The Fog of War.” In this film, McNamara states a number of key lessons that he had learned during his life, including that “rationality will not save us” and that “belief and seeing are most often wrong.” In the conclusion of the film, McNamara alludes to his failed policies and approach to the Vietnam War when he states that one must be prepared to reexamine their reasoning, especially during war, because “war is so complex, it is beyond the capabilities of the human mind to comprehend.”<sup>176</sup>

### **The Vietnam War and American Society**

For American society, the Vietnam War became the 1960’s most powerful symbol of damaged ideals and loss of shared myths and societal values. It gave visible shape to the great cultural changes sweeping over American society, more than any other event of its era. What seemed so clear during the period of 1945 to 1965—the moral standards of the country’s leaders, the benefits of science and technology that led to economic growth and the moral way the U.S. made war—were all brought into question once the U.S. became fully involved in Vietnam. The resulting message of the war for many Americans was that the government was corrupt and untruthful and that terrible

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<sup>176</sup> Morris, Errol. The Fog of War: Eleven Lessons from the Life of Robert S. McNamara. Directed by Errol Morris. 107 min. Columbia TriStar Pictures, 2003.

damage can result due to the sheer technical power that the U.S. had developed.

Confidence and moral clarity, the bedrocks of the American attitude after World War II, came to be seen as arrogance and ignorance as the war progressed.<sup>177</sup>

Bibby writes that the Vietnam War needs to be seen as the groundwork for many of our late twentieth century cultural conditions because many of the issues raised during the war still echo in our culture today.<sup>178</sup> The Vietnam War showed that the U.S. could be defeated militarily. It also showed that despite its superpower status, the U.S. was no more moral than other nations, and in fact maybe less so. Perhaps no other event in U.S. history cast sterner doubt on the efficacy of the managerialist philosophy as a practice and on the usefulness of clear-eyed technical analysis. Turner writes that after the Vietnam War, everything America stood for only a few years earlier now seemed to be all lies and illusions.<sup>179</sup>

Michael Bibby writes that the Vietnam War must be understood in relation to the paradigmatic shifts in politics, social life and the economic gains at the time, what he calls the key elements of culture.<sup>180</sup> Loren Baritz characterizes the Vietnam War as a magnifying glass that enlarged aspects of some of the ways that Americans think and act.

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<sup>177</sup> Isaacs, Arnold R. Vietnam Shadows: The War, Its Ghosts, and Its Legacy. Baltimore, MD: The Johns Hopkins University Press, 1997.

<sup>178</sup> Bibby, Michael, ed. The Vietnam War and Postmodernity. USA: The University of Massachusetts Press, 1999.

<sup>179</sup> Turner, Fred. Echoes of Combat: The Vietnam War in American Memory. New York, Anchor Books, 1994.

<sup>180</sup> Bibby, 1999.

He describes the American way of war as congruent with an American way of life and an American culture. The attitudes that flow from a culture's deep assumptions help to organize the way it thinks about itself and about the world. In Vietnam, the U.S. military searched for technologies and machinery that would allow it to fight a clean, efficient war, using ever more complicated and sophisticated tools.<sup>181</sup>

As a result of the U.S. loss in Vietnam, the term "Vietnam Syndrome" arose after the war to describe the state of America's military and its failed foreign policy. Klare defines the Vietnam syndrome as the American public's disinclination to engage in further military interventions in internal third world conflicts. He believes the Vietnam syndrome has led to the greatest institutional setback for the U.S. military since demobilization after the Korean War.<sup>182</sup> The Vietnam syndrome was clearly apparent during the Reagan presidency. While Ronald Reagan promised to make the restoration of American power his number one priority, he remained wary of the Vietnam legacy. Although the Reagan administration attempted to fully erase the Vietnam syndrome from the public consciousness, the memories of U.S. paralysis and despair in Vietnam remained potent and in the public eye.

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<sup>181</sup> Baritz, 1998.

<sup>182</sup> Klare, Michael T. Beyond the Vietnam Syndrome: U.S. Intervention in the 1980's. Washington, DC: The Institute for Policy Studies, 1981.



## **The Vietnam War and the Discourse of the University**

The Kennedy administration was perhaps the last group of political leaders to fully embody the discourse of the university that has been described earlier. Kennedy was a man of action, one who believed that the reasoned application of scientific principles could benefit the United States at home and abroad. This view led him to recruit and hire Robert McNamara as his Secretary of Defense. McNamara impressed Kennedy because they shared the same orientation towards action and the same view that all problems could be managed by a rational approach to solving problems. McNamara applied this approach to the operations of the Defense Department and within a few years this discourse became embedded throughout the Department of Defense. As American involvement in Vietnam escalated in 1964, the Defense Department was firmly ensconced in the discourse of the university. This discourse was characterized by unquestioned success, abundant resources and faith in superior methods, reflecting U.S. society's belief in the same things. The military firmly believed that any challenge could be overcome by intellect, technology, money and power.

As discussed in earlier sections, by the mid-1960's bellwethers of the discourse of the market had begun to appear in society through such social actions as the civil rights movement and the free speech movement. These movements served to question the dominant social arrangements that had come about since World War II during the height of the dominance of the discourse of the university. During this time, the discourse of the market also came to pervade the Defense Department as fundamental flaws in the

discourse of the university and its approach to organizational functioning and military action in Vietnam began to surface.

One of the first signs of the degradation of the discourse of the university in the Defense Department was the action of the Army in preparing itself for non-conventional warfare. The Army used bureaucratic mechanisms and bogus statistical analysis to make it look like as if they were making counter-insurgency an Army doctrine. The Army response included the convening of official boards and panels and the briefing of troops on counter-insurgency, yet they never really undertook counter-insurgency doctrine at all. While the Army added an occasional sentence or two in standard training texts regarding the possibility of irregular forces, they did this to be able to count the entire course as unconventional warfare training even though it was not. The Army then produced statistics that showed dramatic increases in the training devoted to counterinsurgency.<sup>183</sup> Thus, the Army exploited the flaws in McNamara's system to further their own, narrow interests, hiding behind bureaucratic formalities like official boards and panels and a whirlwind of statistics to make it appear that something was happening that was really not happening.

At the same time that the discourse of the university was breaking down in American society, we begin to see some of the flaws in the discourse of the university as it operated in the Defense Department and we also begin see some of the first institutional responses that exploited these flaws. This behavior would mirror the management of the Vietnam War that was to come.

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<sup>183</sup> Krepinevich, 1986.

## **The Progress Measurement System**

The progress measurement system in Vietnam that was established by Secretary McNamara and adhered to by the U.S. military was perhaps the clearest indication of the failure of the discourse of the university and the rise of the discourse of the market in the Defense Department. The system established a set of quantitative performance measurements to measure the progress of the war. It was believed that once data was collected, trends could be seen as to the effectiveness of various tactics, objective statistical analysis would be performed and tactics could be modified based on the data.<sup>184</sup> As McNamara wrote in his 1995 memoir, the system reflected his approach to organizing human activity, developed at Harvard and applied successfully in World War II and at Ford Motor Company. This approach was to define a clear objective, develop a plan to achieve that objective and systematically monitor progress against the plan; if progress was deficient based on analysis of the collected data the plan could be adjusted and corrective behaviors introduced.<sup>185</sup>

It was mentioned earlier that Lacanian discourse theory sees a fundamental flaw in all discourses and in language itself. As the full embodiment of the discourse of the university, McNamara's performance measurement system in Vietnam quickly began to display serious flaws with its operation. The system ignored the fundamental nature and mission of the military, that being the defense of the nation and the waging of war. Similar to the system installed at Ford Motor Company, it ignored the core roles and

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<sup>184</sup> Shapley, 1993.

<sup>185</sup> McNamara, 1995.

responsibilities of the armed forces because it dealt with only a portion of how the military and the Defense Department truly operated. By focusing on results of military actions, the system ignored the larger strategic, political, cultural and historical aspects of the Vietnam War. Because of this, the American public gradually came to see the disconnects between the intended operational initiatives of the U.S. military and the results of some of those initiatives.<sup>186</sup>

As a result of its narrow approach, the progress measurement system only received and digested the information that suited its limited capabilities and understanding of U.S. military operations in Vietnam. As U.S. operations progressed, the system was unable to decipher the mounds of information that were being collected and passed up the chain of command. As the data became more indecipherable and meaningless, the systematic monitoring of progress and the adjustments to the strategy employed became impossible. Yet the military and McNamara continued to adhere to the system and used its flawed data to publicly proclaim that the U.S. was making progress and victory was in sight.<sup>187</sup>

The enormous pressures put on the military leaders in Vietnam for positive results, coupled with the rigors of keeping up large amount of statistics requested from McNamara's team proved too much for these leaders. As a result, the military put in place a system of data collection that was badly flawed. Some of the statistical measurements such as enemy body counts could not be measured accurately and a large

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<sup>186</sup> Shapley, 1993.

<sup>187</sup> Shapley, 1993.

amount of guesswork was required. In addition to collecting faulty data, the data that was collected was smoothed to make it look better than it actually was, in the process validating the strategies and tactics employed.<sup>188</sup> The military acted as if the data being collected and analyzed was actually valid data, basing their strategies and requests for additional resources on the false progress being made. Again, despite the serious flaws in the system the military continued to utilize it.

Early on in the measurement of progress in Vietnam, the civilian leaders that were receiving the data also realized that the data was badly flawed. However, since it appeared that the system was collecting data that validated the approaches and strategies being employed, they chose to ignore the problems with the measurement system. The installation of the progress measurement system led to a further bureaucratization of the Defense Department as military leaders became managers of the bureaucracy. It also led to a focus on short-term gains instead of long-term strategies and fueled the problems of careerism that greatly afflicted the military during Vietnam.

Through the progress measurement system established by McNamara to track and evaluate the progress of the American involvement in Vietnam, we start to see the beginnings of the shift to the discourse of the market as the Defense Department began to embody the characteristics of this discourse. The actions of the U.S. military in reporting information through the progress measurement system forced an individualistic approach on the military in that it singled out military commanders, who were then required to report the various statistics of their military unit up the chain of command. Thus, a more

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<sup>188</sup> Shapley, 1993.

individualized market-like concept for progress reporting was encouraged and supported. This led to behaviors and reported statistics that bore less and less resemblance to what was actually happening on the battlefield, leading to further reinforcement of not only the practice of reporting inaccurate data, but a continuation of those battlefield strategies that continued to be unsuccessful.

With the shorter rotations in and out of Vietnam for those military officers responsible for reporting progress, and with the ability to get away with manipulating progress reports for the short time that that was spent in the country, the progress measurement system became a mass collusion among military commanders to cover over the truth of the situation and to create an alternative reality. This alternative reality was of a nature that allowed military leaders to hold themselves up as successful, where they would then be seen as a desirous member of the military by following the practice of inaccurate reporting, then being quickly rotated home to a promotion back in the United States. The progress measurement system became a system that was separated from truth and reality, one based on illusion and hype, leading to an alternative reality.

### **Military Strategy**

The strategy of the U.S. Army in Vietnam was attrition brought about by the use of conventional forces that would simply kill more of the enemy than the enemy would of them. The attrition strategy was measured through the progress measurement system by enemy kill ratios, the number of enemy dead to American and South Vietnamese dead.

The system showed kill ratios of 10 to 1 in favor of the U.S-led effort. Based on this measurement, the Army was able to predict a crossover point in Vietnam, the point where the rate of enemy killed would outstrip the ability of the enemy to replenish their troops. This strategy was based on two things; a positive kill-ratio and accurate estimates of the number of enemy troops. Both were badly miscalculated. Kill ratios of 10 to 1 were grossly overestimated, especially later in the war as the enemy improved their battlefield tactics. In addition, the U.S. underestimated the size of the enemy's troops as well as the additional troops from the general population that the enemy could draw on for reinforcements.<sup>189</sup> The crossover point remained an elusive and fictitious statistic that badly hurt the credibility of military and civilian leaders.

It has been stated that the managerial ethos and the system of measuring progress did not allow enough room for consideration of strategic, historical, political and cultural aspects of the war. It also did not permit a consideration of the harmful effects of the massive bombing campaign and the use of napalm, herbicides and other defoliants. The lack of consideration in this area also badly hurt the credibility of military and civilian leaders.

The Vietnam War, more than any other event during this time, showed the gross inadequacies of the organizational systems and processes adopted by the Department of Defense and widely accepted by society, practices and beliefs that were characteristic of Lacan's discourse of the university. As the measurement system and the use of technology and firepower failed to win the war for the United States, the whole approach

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<sup>189</sup> Shapley, 1993.

taken by the Defense Department in Vietnam came under question. As feelings against the war grew in American society, the leaders of the Defense Department and the President continued to assure the American people that America was winning the war and that the war would be over soon, despite clear evidence to the contrary. These leaders, stuck in a closed system, were unable and unwilling to allow that the U.S. military could possibly be unsuccessful in Vietnam; it simply did not fit with their view of how the world worked.

Similar to the description of the U.S. Army's dalliance with counter-insurgency training, the military used the performance measurement system to project success in Vietnam. They hid behind a blur of statistics and numbers that proved too voluminous and complicated for anyone to decipher into coherent analysis or discernable courses of action, as well as making it appear that something was happening that was not.

This is a further elaboration of the flaws in the discourse of the university that have been described earlier as it operated in the Defense Department, although on a grander scale. Unlike Ford Motor Company, where McNamara's managerial style was perfected, the United States Department of Defense possessed technologies and capabilities that could wreak enormous destruction on a population. This discourse becomes all the more dangerous when brought to bear on an organization like the U.S. Department of Defense.



Military strategy in Vietnam is another sign that the discourse of the market had begun to make serious inroads in the functioning of the defense department. Despite mounds of information to the contrary that the attrition strategy was not an effective strategy for winning the Vietnam war, coupled with an acknowledged inaccurate data gathering system, the military and political leaders responsible for war strategy created an alternative reality, one separated from the true reality of the situation, and one based on mass collusion among its participants, similar to the performance measuring system described earlier.

At the end of the American involvement in the Vietnam War, the methods followed by senior military and civilian defense leaders were completely discredited, signifying an end to the effectiveness of these methods in the Defense Department, although many of these methods continue to exist today. At the same time, social protests against the war and in support of civil rights and women's rights also signified an end to the dominance of the discourse of the university for other major social institutions and for society.

This resulted in a post-Vietnam era Defense Department in gradual transition from the discourse of the university to the discourse of the market. The Defense Department, trying to shake free from the disaster of Vietnam, was forced to undertake new responsibilities and formulate new organizational action at the same time that the dominant discourse governing the foundation of organizational action had been discredited.

## Summary

While a conventional analysis of the discourse of the university and how it related to American actions in Vietnam is quite accessible due to the rich literature surrounding this important period in American history, applying Lacan's discourse theory shows how this period played out at a deeper, structural level. Lacan's discourse theory, at its core, is a theory that explains the links between unconscious desires and human behavior through an identifiable discourse. For Lacan, it is through discourse that the unconscious emerges and finds its locus of expression.

The period of American history from the mid 1960's to early 1970's during which the majority of American involvement in Vietnam took place was one of these distinct periods of American history that many structuralist writers envisioned. Not only were there rapid changes occurring in society through a wave of social activism, the Vietnam War became the major signal that the governing discourse for American society was changing and with it, human consciousness and identity itself. This governing discourse, the discourse of the university, proved unable to hold up against these challenges. Its deterioration, which was foreshadowed throughout the 1950's and early 1960's, became rapid in the mid 1960's. At the height of American troop strength in Vietnam in 1967-1968, this discourse had ceased to provide the stable foundation for social action required of all dominating discourses. Since a dominant discourse is required as the basis for action, it was soon replaced, or perhaps rescued, by the discourse of the market.

More profoundly, this rapid deterioration of the discourse of the university indicated not only a major shift in human behavior but also a change in consciousness itself. The behaviors exhibited by those Americans involved in the Vietnam War would not have been possible in an earlier time when the major governing discourse was able to provide a more clear and grounded basis for human action. With the disintegration of this foundational basis, novel behaviors became possible because there was no longer a powerful enough discourse to guide behavior. No other event in American history cast more doubt on the efficacy of the governing discourse of the time, and by the mid-1960's, its flaws were so readily apparent that they were easily exploited by the military services and individual military members for both personal and institutional advancement.

By this time as well, the flaws in the discourse of the university had been made apparent to the larger population. As has been discussed in detail earlier, serious public challenges to this dominant discourse emerged during this time in such areas as civil rights, the role of women in society, free speech and organized opposition to the Vietnam War. While the dominant discourse had faced less serious challenges from the beginning of the 20<sup>th</sup> century on, it experienced a rapid deterioration by the mid-1960's as these challenges became too great to overcome.

## **Transition After the Vietnam War**

Any organization that undertakes the mission and responsibilities that the United States Department of Defense does will inevitably have problems with how it functions. The Defense Department has over two million active duty and reserve members, and millions of civilian workers and contractors that support it. As its annual budgets equals or exceeds the gross national product of most countries, the U.S. Department of Defense as an organization has perhaps the most complex and varied functions of any organization in the world.

While problems in the functioning of this organization would be expected, some of the more serious problems that emerged after the Vietnam War have significantly impeded the functioning of the Defense Department. This dissertation will present three case studies to show how Lacan's discourse of the market operates when it becomes the dominant discourse in an institution. These case studies represent significant organizational initiatives undertaken by the Defense Department since Vietnam in the areas of weapons procurement, warfare strategy and budgeting. They have been selected because they support the central premise of the dissertation that there has been a major shift from the dominant discourse of the modern era to a new discourse in both society and social institutions. These case studies do not represent all aspects of the functioning of the Defense Department, for all of these issues cannot be discussed here. Regarding weapons procurement, I will analyze one procurement case out of many, the Navy A-12 aircraft program. In the area of warfare strategy, I will look at public relations and the

management of the media during the Gulf War and how this policy evolved since Vietnam. Regarding the annual budget process, I will study the disconnection between strategy and budgets. Again, these case studies were chosen because they represent evidence of a shift from the discourse of the university to the discourse of the market in the Department of Defense.

A shift in the major discourse for an organization to a new discourse is started by a general questioning of the major discourse in operation. The viability of a discourse depends on its ability to inscribe sustainable master signifiers as a foundation for human action. In this case, as the master signifiers of the discourse of the university were no longer able to provide such a foundation, a shift began to occur in the Department of Defense as the governing discourse became discredited.

As the Defense Department began to shift from the discourse of the university to the discourse of the market during the late 1960's, it began to take on new and different characteristics. One characteristic of the discourse of the market is that it constantly challenges the established basis for knowledge, pointing out the contradictions and partiality of knowledge. This challenge leads to a view that there is no basis of knowledge so encompassing that it ever fully explains reality. Eventually, the exposed lack of an identifiable master signifier translates into a challenge to anyone who possesses knowledge. As a shift in discourse occurs, traditional and time-honored textual codes, rules and norms are confronted and found lacking and new ones emerge. The discourse of the university was unable to establish a sound explanation for this exposed

lack of knowledge and the discourse of the market began to gain hegemony, slowly becoming the dominant discourse.

The overtaking of the discourse of the university by the discourse of the market in the Defense Department has led to new forms of organizational behavior. Where there was once established standards for organizational action, these standards have fallen into disarray, leading to a view of organizational action that is more contingent and contextual. Under this view, the actions of individual members take place without stable guidelines. In the Defense Department, the lack of an effective symbolic context to guide behavior reduces much organizational behavior to the preservation of narrow, bureaucratic self-interests.

As discussed earlier, with the foundation of the discourse of the university in disarray and the discourse of the market gradually taking over, the types of behavior that develop under this new discourse are significantly different than in the discourse of the university. The organizing motivation under the new discourse had gradually become human desire itself and a quest by the individual subject to attempt to become the object of desire. Attention, or drawing attention to oneself, has become a common practice in this discourse as people try to hold themselves up to others as this object of desire. The quest for knowledge, unlike in the discourse of the university, becomes oriented towards becoming an appealing object of desire to another. Since the ability to identify the reality of a situation becomes more tenuous, any action that is oriented toward becoming this object of desire is deemed to be a true or good behavior, and thus acceptable. The rule of

truth is replaced by a contingent market-based approach that supports the notion that if something (or someone) is able to draw attention to himself, that attention and whatever develops from that are deemed acceptable and good. As truth is replaced by awareness and attention, reality as we know it is elevated to a new level, cut off further from our real existence and from our human desire.

As explained earlier, this social phenomenon and the shifting of the social bond has gradually been occurring in the United States since the 1950's, and more and more human action has moved away from the true reality of human existence and has gravitated towards illusion and hype. In the process, this has generated a type of hysterically generated hyper-reality throughout society, thus giving further strength to the claim that the social bond formed under the discourse of the market is a kind of mass collusion to cover over the lack of a master signifier. This social degradation has permeated into our major social institutions, as leading institutions like the United States Department of Defense not only mirror society but has a major effect on society and social change as well.

At the same time, many organizational actors continue to cling to the discourse of the university, even though this discourse is no longer capable of providing stable referent points for standards of behavior. To combat the flaws in the discourse of the university exposed during the 1960's, the Defense Department has created supplementary narratives—mainly through increased rules and procedures that attempt to render these

flaws innocuous, enabling it to continue to project an air of rationality and certainty into organizational initiatives.

The three case studies illustrate how the transition from the discourse of the university to the discourse of the market has occurred in the Department of Defense. This transition has been largely hidden beneath the veil of formal, bureaucratic procedures, difficult to see through mainstream approaches of organizational analysis. By employing structural analysis, I will focus on the underlying logic that forms the basis for this behavior, which will show how current organizational practices are reflective of the discourse of the market. While organizational actions seem to reflect established rules and procedures of behavior, these rules have been discredited since the Vietnam War and now exist primarily to advance the narrow interests of organizational actors and their organizations. While the discourse of the university may appear to be operating effectively in the Department of Defense, it has been severely undermined and replaced by the discourse of the market as the governing discourse.



## **CHAPTER 9**

### **CASE STUDIES**

#### **Introduction**

This section of the dissertation will examine three case studies with regards to the United States Department of Defense; the Navy A-12 aircraft program, the Persian Gulf War and the disconnection between military strategies and budgets. These case studies, told more in the form of vignettes, are presented to show how a new discourse, the discourse of the market, operates when it becomes the dominant discourse in a major U.S. institution, in this case the U.S. Department of Defense. These case studies will discuss significant organizational initiatives undertaken by the Defense Department since Vietnam in the aforementioned areas, specifically chosen because they provide illustrations that support the central premise of the dissertation, that there has been a shift from the primary discourse of the modern era to a new form of discourse. These case studies will illustrate how this shift in discourse has taken place in a major U.S. institution and will discuss the ramifications of this shift in discourse.

As discussed previously, the first case study will address the Navy's A-12 aircraft program. Begun in 1984, after years of development the Secretary of Defense ultimately canceled the program after a series of missteps by both the contractors and the Navy. The U.S. Navy spent billions of dollars on the A-12 program, all for an aircraft that never

got off the ground. The next case study will analyze the public relations methods employed by the Defense Department in the 1990 Gulf War. Due to stringent controls on information, the Gulf War was depicted as a triumphant display of American resolve, skill and technology against a clearly evil enemy and an unequivocal national success. This case study will analyze the genesis of that public relations campaign and will supply a counter view that argues that the Gulf War was mainly a war of images, where what was portrayed through television and newspapers was selectively chosen and tightly controlled by the Defense Department. The final case study will look at the mismatch between military strategy and budget estimates during the period from 1980 to the current day. Current military strategy is unsustainable due to the failure of military budgets to keep pace with growing world commitments. Thus, the Defense Department is currently locked in a budgetary death spiral because the way it operates does not match the way it budgets and spends.

The A-12 case is the most involved and complicated of the three studies presented. The A-12 program played out over a ten year span with multiple layers of government and private contractors involved in the program's outcome, an outcome that is still not fully adjudicated. In addition, much of the behavior described in the case study is very detailed bureaucratic behavior by a number of individuals, and thus is perhaps more subtle than in the other case studies presented. In that this is the most detailed of the three studies, it is placed as the first and leading case study in this dissertation.

As stated above, these case studies are being employed to illustrate and thereby bolster the central premise of this dissertation that a shift has occurred from the governing discourse of the modern era to a new form of discourse, and to highlight some of the implications of this shift for major institutions and for society. This shift in discourse has elicited novel types of behavior in both society and institutional life that were otherwise not possible under the previous governing discourse. These behaviors will be underscored and explained through the explication of the below case studies.

The organizational processes under study will reveal traditional institutional patterns of behavior that by most historical accounts have never worked very well. The difference in these long-established behavioral patterns, however, is that the behaviors and processes being studied have taken place under a new discourse, the discourse of the market. Under the discourse of the market, there is a different set of cultural values and a different social bond overlaying both major institutions and U.S. society, a social bond under which the organizational behaviors exhibited in the following case studies have failed abjectly. In previous periods under the discourse of the university, these faulty organizational processes and the resulting organizational behavior took place under a culture and a social bond that to a point could overcome these problems, one which enabled the organization to function and fulfill its mission despite obvious shortcomings. This was so because the discourse of the university posed reason as an abstract transactional standard, a standard to which organizational outcomes could be upheld and one that for a long time was respected by societal members. For instance, the weapons acquisition case will show traditional patterns of institutional behavior that historically

produce weapons systems that are laden with significant schedule delays, reduced technical functionality and significant cost overruns. However, under the discourse of the university, the Defense Department could overcome and contain serious cost, schedule and technical problems on similar programs and successfully execute weapons acquisition programs. The weapons acquisition case study will show how under the discourse of the market, similar cost, schedule and technical issues can not be overcome as they were under the discourse of the university.

The analysis in the 1990 Gulf War case study will show the historic difficulties in managing the media in a major military action as well as the difficulties in depicting accurate and independent journalistic coverage of major military actions. While this has been a long-term problem for the U.S. military and U.S. society, there has been significant and intrinsic changes to how journalistic reporting of military actions is managed under the discourse of the market. For perhaps the first time in a major U.S. military action, the consensus in the aftermath of the 1990 Gulf War was that this war was largely one of images, where what was portrayed by the military and the media was almost completely removed from what was actually happening. The changes in the U.S. military's management of the media during the 1990 Gulf War would not have been possible in an earlier time under the discourse of the university, and has had significant effects on the U.S. military as an institution as well as on U.S. culture and society.

The Gulf War case study focuses on one aspect of that war, and presents perhaps a more classic example of the discourse of the market in operation. Thus, the description

and analysis of these actions are somewhat less extensive than in the A-12 case study, and as a result it could be said that this case study is not as extensive as the A-12 case study that precedes it. This case study does clearly present, though, changes to the management of the media during wartime by the Defense Department, changes that closely reflect the change from the discourse of the university to the discourse of the market that is the central foundation of this dissertation.

The final case study will also provide an historical analysis of an important organizational process in the Department of Defense that also never worked very well. The process of establishing and executing the annual Defense Department budget has long been fraught with problems and inconsistencies since the unification of the military services and the creation of the Department of Defense in 1947. These budgeting inconsistencies, however, always seemed to get resolved under the discourse of the university to the point that the military services were eventually able to come together to work out their differences. This was so because the discourse of the university posed reason as the transactional standard within the Defense Department, a standard to which organizational outcomes like strategy and budgets could be upheld and respected by organizational members. However, the inherent problems with this organizational process over the past twenty five years have grown more intractable under the discourse of the market and has led to near-paralysis on the part of the Defense Department in aligning military strategy and fiscal resources. The actions now being taken under the discourse of the market to cover over annual strategy-budget discrepancies would not have been possible or plausible in an earlier time under the discourse of the university.

The data and conclusions made in the Defense Department budgeting process take a more generic approach to the organizational behavior of the Defense Department, and as a result it could be said that this case study is not as robust and compelling as the lead case study of the A-12 program. However, this case study stands on its own as a clear example of a more generic organizational process that has grown more problematic under the discourse of the market.

In summary, the A-12 weapons acquisition case study will serve as the lead case study for this dissertation, and as such will be the most developed of the three case studies. While the case studies on the Gulf War and defense budgeting also offer plausible support for the central premise of this dissertation, the A-12 case study will function as the most important of the three case studies for this dissertation.

# **THE U.S. NAVY A-12 AIRCRAFT PROGRAM**

## **Introduction**

The U.S. Navy's A-12 Avenger aircraft program began in 1984 when two teams of private defense contractor were awarded a contract to perform conceptual design studies. The A-12 was being designed to incorporate stealth technology, a technology that was conceived to make U.S. aircraft nearly undetectable to enemy radar systems. Stealth was the hot aircraft technology of the 1980's, pioneered by the Air Force in their development of the B-2 and F-117 aircraft that had begun just a few years before the A-12. The A-12 was to be designed to take off and land on an aircraft carrier, thus providing the Navy with a carrier-based deep-strike capability similar to the Air Force's land-based, deep-strike capability.<sup>190</sup>

In January 1988, the team of McDonnell Douglas and General Dynamics were awarded a fixed price incentive contract with a contract ceiling price of \$4.77 billion.<sup>191</sup> The losing Northrop team, which was developing stealth technologies for the Air Force, refused to bid on the program due to the fixed-price nature of the contract for what they saw as a highly developmental effort. The contract called for delivery of eight flight test

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<sup>190</sup> Personal knowledge of the author.

<sup>191</sup> A fixed price incentive contract allows the contractor to spend up to a certain target price and receive full profit. Once the target price is reached, the company can spend up to the ceiling price of the contract and share the difference in costs between the target price and ceiling price with the government. Once the ceiling price is reached, the contractor receives no additional funds from the government, and is obligated to complete the contract without additional reimbursement.

aircraft and five full-scale ground test aircraft, with first flight of the prototype scheduled for June 1990. The first group of A-12's was expected to be combat ready by 1996.

From the beginning, the program was under a variety of intense pressures, although this was really no different than most major military procurement programs that take up a significant percentage of the defense procurement budget while pushing the envelope of modern technology. One of the main pressures the Navy faced was of a budgetary nature. There was concern from many in the Defense Department that the Navy could not afford the multitude of aircraft programs they had started during the 1980's military buildup and that eventually some programs would have to be cut for budgetary reasons. In addition, there were major disagreements from senior strategists about which service should possess the deep strike mission, the Navy or the Air Force, with many favoring that deep-strike capability solely be the mission of the Air Force.<sup>192</sup>

Another pressure facing the A-12 program came from the nature of stealth technology itself. Although the Air Force was slightly ahead of the Navy in development of stealth technology, stealth was at the time highly theoretical and unproven, and only a few defense contractors were familiar with it. Thus, prior to the full-scale development of the A-12, the program was facing tight budgets, unproven technology and a lack of consensus on the aircraft's mission. The pressures the A-12 program faced, however,

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<sup>192</sup> Deep strike capability refers to the ability to fly long missions deep into the enemy's heartland.



were generally no different than many other major weapons development programs that incorporate state-of-the-art technology.<sup>193</sup>

The fixed-price type contract became an immediate problem for the A-12 because it meant that after a certain price, the contractor would be obligated to complete the program with no further reimbursement from the government. The increase in the awarding of fixed-price type contracts had become a major policy initiative in 1981 under incoming Secretary of the Navy John Lehman. Lehman saw fixed-price contracting, even in highly developmental contracts, as an effective way to hold contractors responsible for the runaway costs that plagued most weapons programs in the past. He believed that this practice would make contractors more responsible for their contract bids and development costs. A fixed-price contract for a weapons development program with new, unproven technology was not a standard business practice before Secretary Lehman took office and had usually been reserved for the production phase of a contract, only instituted after a few systems had been produced and the major technical problems had been worked out.<sup>194</sup>

Technical problems on the program became apparent to the contractors soon after the contract was awarded. The first major problem that was encountered had to do with the weight of the aircraft. Lightweight composite materials were to be used to keep the weight of the aircraft down, which would enhance the range and the maneuverability of

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<sup>193</sup> Vistica, Gregory L. Fall From Glory: The Men Who Sank the U.S. Navy. New York: Simon and Shuster, 1995.

<sup>194</sup> Vistica, 1995.

the aircraft and enable it to take off and land on an aircraft carrier. The weight issue was critical to the success of the aircraft and drove the other design issues. If the total weight limits were not met, the maneuverability of the aircraft would be brought into question, thus jeopardizing the entire program.<sup>195</sup>

### **The A-12 Acquisition Process**

To procure major military weapons systems, a highly complicated and involved process has evolved over the years within the Defense Department. This process is characterized by a series of stringent program milestones that must be formally satisfied before the program can proceed to the next level of development. These milestones are defined by established rules and statutes and each milestone must be satisfied before work towards the next milestone can be started. This process will be explained here in some detail because it's understanding is important in order to see how and why the A-12 program went wrong.<sup>196</sup>

A weapons program of the magnitude of the A-12 must be conceived years in advance, therefore, it must be included in Defense Department advanced planning documents. At the time, the major planning documents were the Five Year Defense Plan and the Extended Planning Annex. These documents establish the overall military strategy for the Defense Department over the next five years and include a weapons

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<sup>195</sup> Stevenson, James P. The \$5 Billion Misunderstanding: The Collapse of the Navy's A-12 Stealth Bomber Program. Annapolis, MD: The Naval Institute Press, 2001.

<sup>196</sup> Personal knowledge of the author.

acquisition strategy along with a list of new weapons that will be developed. Another document, the Program Objective Memorandum, represents a military service's request for their share of the budget in support of the Five Year Defense Plan.<sup>197</sup>

As interest grew at the Defense Department for a deep-strike stealth aircraft for the Navy, a cost estimate was put together that was presented to the Defense Resources Board, the body that recommends to the Secretary of Defense budget and policy decisions. For the A-12 program, the Navy was allotted a total budget of \$3 billion, an estimate put together previously by the Defense Planning Analysis and Estimating Group. While the dollar amount for the new aircraft was specific, the technology and the design of the aircraft was not. There was a diverse view at the Defense Department of what exactly the Navy was designing, some believing it was a conventional, non-stealthy aircraft, others thinking it was for a stealthy airplane.<sup>198</sup>

From the beginning of the program, the Navy did not satisfy some of the formal steps required by law to get a new acquisition program formally approved. For example, the Navy classified the A-12 program as a black program, or special access. This meant that only a handful of people in the Defense Department and in Congress would know about the program and have access to information about it. The program would proceed without the normal level of review and oversight due to its secretive nature until the time when the weapon was close to completion. Due to its secretive nature, Secretary of the

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<sup>197</sup> Personal knowledge of the author.

<sup>198</sup> Stevenson, 2001.

Navy Lehman exempted the A-12 from the Selected Acquisition Reporting Process. The Selected Acquisition Report is an executive level review of the status of major acquisition programs that is sent to Congress. This exemption further limited congressional oversight of the program.<sup>199</sup>

In addition to a highly complicated and bureaucratic process to get a new weapons system approved and funded, there is also a stringent process for the actual production of a new weapons system. After completing the concept exploration phase, the A-12 contractors entered the demonstration and validation phase of the program. This is an early phase of the program that is intended to reduce risk on the program by having the contractors provide a risk reduction plan and a cost estimate for full-scale development. Upon completion of the demonstration and validation phase, the contractors estimated costs between \$6.4 and \$8 billion for full-scale development, more than twice the \$3 billion estimate the Navy had been given for all three phases of the program.<sup>200</sup>

In addition, the contractors continued to struggle in reaching the aircraft's minimum weight requirements, targets that could only be reached by using new, lightweight composite materials. The use of lightweight, super-strong composite materials was necessary in order to keep the weight of the plane down; weight was important because it determined the maneuverability of the plane, and whether the plane would ultimately be able to take-off and land on an aircraft carrier and fulfill its primary

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<sup>199</sup> Stevenson, 2001.

<sup>200</sup> Stevenson, 2001.

mission. These issues were not resolved in the demonstration and validation phase where a risk reduction plan was to be provided and the contractors moved into manufacturing and production of the aircraft without the weight issue resolved. Again, however, this situation is not uncommon for many new major weapons acquisitions programs that push the envelope of technology.<sup>201</sup>

By November 1985, the contractors had completed the demonstration and validation phase of the program, although they had not yet been paid for this work because Congress still had not appropriated funds for the A-12 program. The Navy's inability to pay for the work completed meant that the Navy was in violation of the Anti-deficiency Act, which prohibits the federal government from spending money until Congress has signed the appropriation bill or a continuing budget resolution is passed. The Navy also had not met the criteria to proceed with the full-scale development phase through the formal process that all major military acquisition plans must go through. More specifically, the Navy had not met the authority to proceed to Milestone I because the acquisition board that meets and approves all major acquisition programs to go forward had not approved the A-12 to do so. James Stevenson states that at this point, the Navy was asking the contractors to bid on the new technology before they had fully determined the risk issues involved. Nevertheless, the Navy issued a formal request for a fixed-price proposal for the full-scale development phase in December, 1986.<sup>202</sup>

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<sup>201</sup> Stevenson, 2001.

<sup>202</sup> Stevenson, 2001.

As the competing contractors mulled over the contract and the current state of the program, the team of Northrop, LTV and Grumman decided not to bid on the next phase of the contract, feeling it was irresponsible to accept a fixed-price contract. The team felt that a fixed-price contract would make it impossible to conduct a technologically innovative program fraught with so many unproven technical issues, despite the fact that one of the contractors, Northrop, had already invested billions of dollars in building stealth aircraft for the Air Force.<sup>203</sup>

Before receiving internal Defense Department approval to move forward with full-scale development, the A-12 program was required to undergo an independent cost evaluation. This analysis was to be performed by the Cost Analysis Improvement Group, or CAIG, an independent cost estimating group within the Defense Department with a reputation for performing rigorous and objective analysis. Although the CAIG requested various cost data from the Navy for both contract bidders, the Navy refused to give them the requested information, claiming it was sensitive to the competition. Stevenson writes that years later, a CAIG member reflected on the A-12 program and stated, “On the basis of the material that I had in hand, I concluded that there...was no problem that I could decipher with the material that had been presented to me.”<sup>204</sup> This was certainly not in the spirit of the governing statute, which called for “an independent estimate by an entity

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<sup>203</sup> Stevenson, 2001.

<sup>204</sup> The efforts by the CAIG during the A-12 program prompted U.S. Representative Andy Ireland, who conducted an A-12 congressional inquiry, to state that the CAIG was “nothing more than a conduit to contractor/service cost data and should be abolished.”

that is not under the supervision, direction, or control of the department that is directly responsible for carrying out the acquisition of the program.”<sup>205</sup>

Before moving into the full-scale development phase, internal requirements also called for approval by the Defense Acquisition Board, or DAB. The DAB was to determine if the A-12 had met all of its technical and legal requirements and to ascertain the level of risk and the appropriateness of the fixed-price contract. Two days prior to the DAB meeting, a DAB representative met with the Navy to ask questions required for approval. The Navy stonewalled the questioner and provided misleading answers to questions, prompting the official to report back to the DAB that, “I cannot effectively evaluate the technical risk involved in these efforts in the short time available.”<sup>206</sup> Although the Navy had not produced the required formal documentation prior to the DAB, the DAB relied on a review by another group, the Conventional Systems Committee, who quickly concluded that there were few identifiable program risks and that the program was ready for full-scale development.<sup>207</sup> Regardless, the Deputy Secretary of Defense signed the Acquisition Decision Memorandum approving the program for development.

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<sup>205</sup> Stevenson, 2001.

<sup>206</sup> Stevenson, 2001.

<sup>207</sup> Formal requirements include a Cost and Operational Effectiveness Analysis, a Decision Coordinating Paper, and a Mission Elements Need Statement.

## **Development of the A-12**

There are various progress reviews within a weapons development program, as well as a requirement for the contractors to submit monthly cost and performance reports. These monthly cost and performance reports are intended to track the expended costs and the adherence to the schedule of the program. Large defense contractors use the Defense Department's Cost and Schedule Control System to generate these formal cost and schedule reports and these systems are certified by the Department of Defense on a regular basis. Variances to the established baseline for the budget and schedule of weapons programs are estimated on a numeric scale, with a score of 1 being a perfect score, thus indicating that the program is on schedule and within budget. The program office within the Department of Defense responsible for the program rolls up this information on a quarterly basis in the Defense Acquisition Executive Summary, or DAES report. The DAES report is sent to groups in the Defense Department that are responsible for maintaining oversight of all weapons programs and all major acquisition programs must submit a quarterly DAES report.

Cost and schedule problems began to appear immediately with the A-12 program, not surprising when the program was rushed through its early stages, the contract type was questionable and the budget was inadequate from the start. As poor performance reports began to come in, Navy cost analysts made a range of estimates for the program, predicting final costs above what the contractors were predicting. The program manager on the A-12 program, Captain Lawrence Elberfeld, remained optimistic, stating, "While



cost and schedule variances indicate unfavorable performance to date, the more recent data received from the contractors reports a leveling off of the decline.” Elberfeld continued to ignore the higher Navy cost projections as he submitted the quarterly DAES reports for the program.<sup>208</sup>

In 1989, the comptroller for the Defense Department began addressing the military service’s budgets for the next budget cycle. While this was an annual process, the budget picture for the Defense Department had changed dramatically over the past five years. Large budget deficits coupled with a new presidential administration began to put pressure on the Defense Department budget, which had grown exponentially during the Reagan presidency. As a result, the defense Department had begun to look at ways to reduce their budget. Since the weapons acquisition budget was a large portion of the total defense budget, weapons program had become a prime target for cost cutting.<sup>209</sup>

One of the means at the comptroller’s disposal to assess budgets was through Program Budget Decisions, or PBD’s. For the A-12 program, an analyst from the comptroller shop was assigned to draft a PBD for the program, and visited the A-12 program office to gather data. The analyst was given half a day to review the data on the program and was not allowed to take notes or discuss cost projections. Despite these limitations, the analyst concluded that the program was two years behind schedule and

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<sup>208</sup> Stevenson, 2001.

<sup>209</sup> Personal knowledge of the author.

\$500 million over cost.<sup>210</sup> Based on this analysis, a draft PBD was circulated that could have ultimately cancelled the program.

The Navy quickly mounted institutional resistance to the PBD that threatened the program. Although those involved knew of the Comptroller's cost and schedule estimate, many ignored it since it was left out of the final PBD document. The PBD was eventually withdrawn, partly in exchange for a promise to accelerate a review of the program by the Conventional Systems Committee, and partly due to a standard bureaucratic response by the Navy that there was a plan of action to correct all deficiencies on the program. When the analysts from the Conventional Systems Committee traveled to the contractor sites to review the progress of the program, they verified the earlier findings of the Comptroller's Office regarding a slip in the production schedule. Despite these findings, the memorandum that went to the Defense Department's acquisition chief for the final approval to proceed ignored this information and recommended that the program proceed as planned.<sup>211</sup>

As world events in 1989 played out and additional pressures were put on government leaders to reduce the ballooning federal deficit, senior defense leaders began to review major aircraft programs in development. This review eventually became known as the Major Aircraft Review. The review set out to look at needs, current capabilities and the performance of existing aircraft programs. The CAIG, the

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<sup>210</sup> Carlson, Peter and George C. Wilson. "Excuse Me, Where's the Aircraft?" Washington Post Magazine: 10/29/95, 10-32.

<sup>211</sup> Stevenson, 2001.

independent analysis group that had previously reviewed the A-12 program, was assigned to review the status of all existing aircraft programs. When the CAIG approached the A-12 program manager, they were given official program costs, those estimates put together and officially briefed forward by the program manager. Other analyses and the contractor cost and performance reports were not reviewed.<sup>212</sup>

On January 18<sup>th</sup>, 1990, the CAIG visited the A-12 contractor sites. At the meeting, the CAIG came to the conclusion that the program was significantly behind schedule. Since all of their notes after the meeting were held for a security review due to the special access of the program, the CAIG expected to receive their notes in the mail once they returned. Upon return, the original notes from the meeting taken by CAIG members were either lost or transcribed as to render them useless. The CAIG subsequently never voiced their concerns raised at the meeting at the contractor sites.<sup>213</sup>

In preparation for the Major Aircraft Review with then Secretary of Defense Dick Cheney, the Undersecretary of Defense for Acquisition, John Betti, and Deputy Secretary of Defense, Donald Atwood, instructed an analyst on their staff to perform another independent cost analysis of the A-12. It was quickly reported back that the program was at least \$1 billion over budget and at least one year behind schedule, information that

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<sup>212</sup> Stevenson, 2001.

<sup>213</sup> Stevenson, 2001.

was derived from the DAES reports. The Secretary of the Navy, Lawrence Garrett, was notified of a new cost estimate, but the information was downplayed.<sup>214</sup>

In testimony to Congress on the results of the Major Aircraft Review, Secretary of Defense Richard Cheney, based on information he had received from senior Navy and Defense leaders, testified that the A-12 “appears to be reasonably well-handled at this point.” At the same time, the contractors were preparing a request for a restructuring of the contract due to massive cost and schedule delays. Prior to his congressional testimony, Cheney had visited the McDonnell Douglas factory where the A-12 was being built. Cheney and other defense officials were treated to what has been called a “Potemkin Village” of parts, displayed to give the appearance that the program was on schedule.<sup>215</sup> Prior to Cheney’s visit, the contractors had assembled large parts of the aircraft under production in order to make it appear that the aircraft was further along in production than it actually was. Just four days after his testimony, Cheney was forced to revise the A-12 cost estimates he had given to the Senate Armed Services Committee.<sup>216</sup>

Soon after Cheney’s testimony, the A-12 contractors submitted a letter recommending a restructuring of the contract. Captain Elberfeld prepared a briefing to his Navy superiors that proposed just such a contract restructuring, a major step in a large procurement program that signals that there are significant problems. Elberfeld then

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<sup>214</sup> Stevenson, 2001.

<sup>215</sup> In 1787, Prince Grigori Potemkin was rumored to have built artificial villages to impress Catherine the Great of Russia on her trip to visit the Ukraine, thus the term “Potemkin Village.”

<sup>216</sup> Carlson and Wilson, 1995.

briefed his findings to his superiors. He was told that his briefing must have a solution, or a work-around plan. Three days later, he gave an “Information Only” briefing to the same group, and again was told his briefing needed a solution. He was then instructed to restructure the presentation into an “issues and recommendation brief.” He next proposed a two-page “talking paper”, which differed substantially from the original proposed briefing. He was then ordered to shrink the talking paper to one page. Elberfeld and his immediate superiors then decided to focus only on the urgency of exercising the next contract option, and not to discuss the cost and schedule issues raised by the contractors in their letter. Then, Elberfeld was directed not to bring the talking paper to brief the Navy Acquisition Executive. At that meeting, the Navy received approval to exercise the contract option, and they did not discuss cost, schedule and technical risk identified by the contractor’s via formal letter a few weeks before.<sup>217</sup>

At this point, however, the Navy could no longer contain the cost and schedule problems after the contractors made it public, and over the next six months the Navy went through a period of daily briefings and requests for information to various offices and oversight groups. They also cooperated with an investigation undertaken by the Secretary of the Navy which culminated in the Beach Report of November 1990. The Beach Report maintained that management controls, if properly exercised, should have identified the magnitude of cost and schedule risk in the A-12 program well before the Major Aircraft Review and Cheney’s congressional testimony. It concluded that management controls were not properly implemented and adhered to, and that although

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<sup>217</sup> Stevenson, 2001.

many knew the true status of the A-12 program, it was always cast in a positive, optimistic light.<sup>218</sup>

The Secretary of Defense eventually canceled the program after a series of missteps by both the contractors and the Navy culminated in a formal inquiry by the Department of Defense Inspector General. The contractors subsequently sued to recover the additional costs they spent on the program as well as punitive damages, and were awarded \$2 billion, which has since been held up in appellate courts since the mid 1990's. All told, the U.S. Navy spent over three billion dollars, and was successfully sued by the contractor to recover an additional two billion dollars, all for an airplane that never got off the ground.

### **Analysis**

An analysis of the information provided for the A-12 procurement case study illuminates subtleties of organizational behavior within the Defense Department , behavior that has become commonplace in many large government institutions since the end of the Vietnam War. From the very beginning, internal and external pressures were placed on the program. While every large military program faces budget difficulties as they proceed through the process, the A-12 program, conceived at the height of the Reagan defense build-up, moved into the development stage as defense budgets were dropping. There was also pressure in developing state-of-the-art, highly complex

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<sup>218</sup> Beach, Chester Paul Jr. A-12 Administrative Inquiry. 11/28/90.

technology, because technology is historically the critical link in schedule and budget adherence for most military programs. Lastly, the fixed-price contract put enormous pressure on the defense contractors who were trying to turn a modicum of profit or at least break even on the development portion of the program. Compared to most large, military programs, the A-12 began under a higher degree of difficulty than most programs, especially since the backbone of the program, stealth technology, was relatively unproven.

### **Information Sharing Between the Navy and the Air Force**

The lack of effective information sharing between the Navy and the Air Force also contributed to the difficulties the program faced. It has been reported that the Air Force failed to provide the Navy and its contractors with the necessary information regarding stealth technology that the Air Force had been developing, but a deeper analysis reveals a more complicated story. The military services historically have not cooperated effectively with each other in most instances. Prior to the 1960's, each service operated independently of each other, despite the Defense Act of 1947 that formed the Department of Defense. This act was supposed to unite military strategy for all the services under cabinet-level civilian command. Prior to 1947, the military services formulated their own budgets, which fit their view of military strategy. As a result, institutional proclivities have emerged over the years, with each service competing for a larger budget and thus an expanded mission. It was not until the 1960's that the

Secretary of Defense was able to unite the services by creating an administrative system that enabled the Secretary of Defense to gain visibility and management over each services budget. While the institutional proclivities of each service continued, the Secretary of Defense gained the capability to better match budgets with roles and missions. Since the 1960's, the competition between each service has continued and the annual fight for budget share still equates to each service's overall mission.<sup>219</sup>

From a narrow, institutional perspective then, the Air Force had no real incentive to assist the Navy on the A-12 program, because failure by the Navy to develop the A-12 program would delay or eliminate their deep-strike capability, leaving it solely under the auspices of the Air Force. While Stevenson's definitive account of the A-12 program states that the Air Force did little to help the Navy, other accounts point to greater cooperation by the Air Force. It seems that the Air Force did in fact attempt to assist the Navy on a number of occasions, and it was often times the Navy that was unwilling to accept Air Force assistance.

Upon award of a contract for development of the A-12, the Navy had agreed that they would provide the contractors with the latest information on the development of stealth technology, to be gleaned from the Air Force B-2 stealth bomber program already underway. Stevenson writes that the Air Force was completely unwilling to share the lessons learned from their stealth aircraft developments. The Air Force, like all of the services, sees the continuation of its mission tied to achieving dominance over the other services, a dominance that can be measured through budget share. Over the years, the

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<sup>219</sup> Stevenson, 2001.



Air Force had successfully commandeered the deep-strike capability from the Navy, and was furthering their hold on it through their development of stealth aircraft. Thus, the Air Force was not likely to share this mission with the Navy willingly.<sup>220</sup>

Other researchers dispute the claim the Air Force did not cooperate with the Navy. Probably the view closest to the truth is that both the Air Force and the Navy were both unwilling and unable to effectively share information with each other because of the historical competition between the two groups, and because the civilian leadership was unable to get both groups to cooperate effectively with each other. The Navy assumed effective cooperation with the Air Force as a means to convince decision makers that stealth technology was more proven than it really was in order for the program to be approved more easily. After the program was approved for development, the Navy never followed through completely to work with the Air Force in obtaining the necessary information for their contractors, hiding behind bureaucratic mechanisms to inhibit cooperation. The Air Force, while officially agreeing to help the Navy and publicly projecting a cooperative attitude, also hid behind bureaucratic mechanisms to inhibit cooperation.<sup>221</sup> By appearing to try to work with the other, both groups could thus project an image of cooperation and information sharing while in reality the exact opposite was happening. The fact that the Air Force's stealth programs and the Navy A-12 program were both classified as special access, and that not one person ever received a security clearance for both programs underscores this phenomenon.

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<sup>220</sup> Stevenson, 2001.

<sup>221</sup> Stevenson, 2001.

As a result of the A-12 program being classified as special access, a bureaucratic problem that emerged was the difficulty for military and civilian workers to obtain the proper security clearances to be able to work on the program. A special security clearance was required specifically for the A-12 program for all individuals working on the program. Those that had not received the special clearance could only receive minimal information on the program.<sup>222</sup> One of the reasons for a failure to exchange information between the Air Force and Navy was that each group's stealth programs were special access and many people with a security clearance for one program did not have a clearance for the other. As a result, information could only be exchanged between parties cleared for both programs, hampering the exchange of information.

### **The Weapons Acquisition Process**

The main culprit in the A-12 program appears to have been the process of military procurement itself. The built-in checks and balances inherent in the system have been modified over the years in an attempt to better review and evaluate the need and appropriateness of the weapon system. The established checks and balances in the weapons acquisition process are designed to ensure that the program is meeting system requirements while adhering to the established budget and schedule. When deviations in the need for the system, the technical development or the budget and schedule performance of the weapon occur, the procurement system is supposed to identify these deviations and provide solutions. These solutions could range from cancellation of the

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<sup>222</sup> Stevenson, 2001.

program, significant modification or continuation with increased budget or a lengthened schedule.

In the A-12 program, many formal checks and balances were either ignored or modified to suit the self-interest of certain parties in order to keep the program moving forward. For instance, the A-12 was exempted from the Strategy Acquisition Review, a high level review of the status of major acquisition programs that was designed to keep Congress apprised of the status of the program. This, coupled with the special access nature of the program, severely limited Congressional oversight in the early stages of the program. This made it easier for the Navy to get the A-12 program approved and into development. In addition, the requirements for progression into Milestone I of the program, the demonstration and validation phase, were never met.<sup>223</sup> Technically, each major program must receive approval before proceeding to the next phase of the program. This is done to ensure that each service has conducted a proper review of the program, and has attempted to reduce the technical, schedule and cost risk as much as possible.

As a major weapons program proceeds, each program must submit a quarterly DAES report to the Secretary of Defense as a means to keep senior defense officials apprised of program status. The DAES report is a status of the program's adherence to budget and schedule as well as an estimate to complete the program. As data is received from defense contractors as a program develops, they are reviewed by government cost analysts and a recommendation is made to the program manager as to the cost estimate at completion, often given within a range of estimates. It is the job of the program manager,

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<sup>223</sup> Stevenson, 2001.

with some discretion, to review the analysis and produce the DAES report. Not surprisingly, negative cost or schedule information is often interpreted optimistically by each service so as not to jeopardize the program. This practice is what led the program manager of the A-12 program to declare early on in the program that, “While cost and schedule variances indicate unfavorable performance to date, the more recent data received from the contractors reports a leveling off of the decline.”<sup>224</sup>

The process by which information is received, interpreted and made official in the DAES report is reminiscent of the system of performance measurement in Vietnam. First of all, the system of collecting and reporting progress on a large and complex weapons development system, while mandated by law, is far from perfect and often produces erroneous data. The contractor, the cost estimators, the program manager and his immediate superiors all review, interpret and often smooth the data, then forward it up the chain of command through their service program sponsors, who then forward it to senior defense leaders. By the time it is received at the top level, the data may be wholly unreflective of the true status of the program. With the number of offices and personnel involved in the process of producing and reviewing the DAES report, no one person can be held responsible for erroneous or misleading data. The action of any one individual thus becomes inconsequential to the whole process.

A second phenomenon regarding the DAES report, and many reports and data collection processes that occur on a regular basis per the weapons acquisition process, is the volume and the complexity of the data. Again, similar to data collected in the

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<sup>224</sup> Stevenson, 2001.

Vietnam War, the system so overloads the people working with the data that there is neither enough time nor an adequate level of understanding to effectively use the data and analysis to draw conclusions and arrive at courses of action. As a result, although higher-level decisions appear to be made based on formal analysis and factual data, in fact, the higher up the chain of command a decision travels, the more divorced from reality it becomes. As a result of the overly complicated system of formal data gathering and analysis, decisions come to be based on erroneous data, or often no data at all.

James Stevenson picks up on interesting organizational phenomena in the Defense Department in his book The \$5 Billion Misunderstanding. In a subsequent investigation after the A-12 problems became public, Secretary of the Navy Garrett justified his failure to remember information on the A-12 program as a result of information overload. Stevenson writes that this provides an insight into why so little effective oversight is actually performed by senior defense leaders. The defense acquisition process that has been built up over the years provides so much information that there is not enough time to read it, let alone analyze it.<sup>225</sup> Subsequently, the analysis by John Betti's staff was criticized by the Navy because the analyst had only a few days to review the program and did not possess the proper security clearance for the program, two built-in roadblocks that had been used repeatedly by the Navy program office to limit review and criticism. Over the years, information overload has become a major problem in the Defense Department. Reviewers simply do not have enough time to review, digest and analyze all of the important information and reports for all major weapons programs, and the sheer volume of information precludes penetrating and thoughtful analysis.

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<sup>225</sup> Stevenson, 2001.

In addition, most personnel involved in the defense acquisition system realize that the system of collecting and interpreting data does not really capture the true status of military programs. The abstract rationale by which processes and systems of data collection and analysis are created and implemented makes these systems miss a great deal of what is really happening in the complicated world of military weapons development. Although formal systems like the Cost and Schedule Control System are represented as a rational and scientific process to collect and interpret data, the users of the system do not fundamentally trust the data received from the system. This lack of trust and belief in the system leads to the smoothing and manipulation of data, enabling participants to make the interpretation of the data appear as they wish. This tacit acknowledgement of the frailties of data collection systems severely limits the usefulness of formal data collection and analysis. Since the process is so complicated and highly situational, any and all established positions based on formal data can be questioned and manipulated as self-interested parties see fit.

Another troubled practice is the use of independent analysis, which occurred numerous times on the A-12 program. The Cost Analysis Improvement Group, or CAIG, was required by statute to perform an independent cost evaluation of the A-12 program before it could move forward with development. But rather than cooperate with the CAIG's review, the Navy refused to provide all of the information requested, citing the ongoing competition between contractors. Rather than challenge the Navy and attempt to gain the information requested, the CAIG responded that based on the information they had received, there was no problem that could be deciphered with the material provided.

This response was then interpreted as approval of the independent evaluation and a satisfaction of the requirement. The CAIG's response insulated them from any responsibility because they were following the proper procedure, albeit with an incomplete data set. The Navy remained insulated as they hid behind the notion that they could not dispense competition sensitive information.

A similar event occurred during the review by the Defense Acquisition Board, or DAB. The Board was instituted to ensure that all new, major acquisition programs had met all of the technical and legal requirements, had mitigated appropriate risk levels and had the proper contract type in place. A DAB procurement official met with the A-12 program office two days prior to the review and pressed for time stated that, "I cannot effectively evaluate the technical risk involved in these efforts in the short time available." Despite the lack of an effective review, and that the A-12 program had not submitted the necessary documentation for DAB approval, the DAB relied on another group's analysis, the Conventional Systems Committee. Their cursory review concluded that there were "few identifiable risks", and that the program was ready for full-scale development.<sup>226</sup> The senior defense official who first reviewed the program prior to the DAB meeting was voicing an organizational problem discussed earlier, that senior leaders and their staffs have little free time to deal with the massive amount of information available or to perform serious analysis. Secondly, the language used by the Conventional Systems Committee reflects that used by the CAIG earlier, using open-ended, phrases like "few identifiable risks", words that are so ambiguous that they can be interpreted in any number of ways, usually in the direction that the decision maker

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<sup>226</sup> Stevenson, 2001.

intended in the first place. Furthermore, there is no association between the term “few identifiable risks” and the readiness of the program for further development. This is further evidence that the appearance of formal review boards and independent analysis produces little in the way of real analysis, making the actions of any one individual or group inconsequential to the whole process.

Another instance of this type of behavior was in the independent review ordered by the Comptroller of the Defense Department in the formulation of a Program Budget Decision, or PBD, a mechanism for the Comptroller to evaluate program status and budgets. The independent analyst sent to review the A-12 program, under severe time constraints, was only given half a day to perform his analysis, and was not permitted to take notes or discuss Navy cost projections due to the special access of the program.<sup>227</sup> As a result, the independent analysis was ultimately not included in the PBD because it was done too quickly and with an incomplete data set.

The Navy program manager criticized this independent analysis because the analyst performing the review did not have long-term knowledge of the program and had only been given a few days to perform the review. Evidence has shown, however, that this was the normal course of business for most of the independent analysis performed on the A-12 program. Independent analysis requires an outsider who will obviously not be familiar with the program, and most analysts were never given the proper time to perform their evaluation. Navy leaders took the criticism laid by the Program Manager seriously,

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<sup>227</sup> Stevenson, 2001.



and the analysis was ultimately discredited for these reasons, even though this is the only type of analysis that seems to be permitted by the system.

The best illustration of the problems in the organizational functioning of the Defense Department occurred in the Major Acquisition Review, instituted after the Cold War ended to re-evaluate future military requirements in light of world changes. In another review by the Cost Analysis Improvement Group, they visited the contractor site and found significant problems with the program. However, an official report could not be formulated because the notes taken at the meeting were either lost or wholly transcribed, blurring the official record of the review. In an even more egregious act, senior defense officials, including Secretary of Defense Cheney, were tricked into believing that the program was in good shape when they were treated to the aforementioned Potemkin village of aircraft parts when they visited the contractor sites.<sup>228</sup>

As pressure mounted against the A-12 program, senior defense leaders ordered another independent analysis, one entailing a review of the DAES reports submitted over a period of time. Ironically, this data had always been available because the DAES reports are submitted on a quarterly basis to these very officials. Comments by the Secretary of the Navy after the fact again indicate the enormous amount of information that is produced by the defense acquisition system, as well as the lack of time for senior defense leaders to perform a proper review and evaluation of defense programs. The Secretary of Defense went on to testify to Congress that the A-12 program was well

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<sup>228</sup> Stevenson, 2001.

managed, which was reputed a few days later through the formal admission by the contractors that they were hopelessly over budget and behind schedule.

The program manager, upon receipt of the contractor's request for a restructuring of the contract, formulated a brief that summarized the contractor's request. His superiors in the Navy told him that the briefing must have a solution and that a restructuring of the contract was not an acceptable one. A restructuring of a major defense contract at this stage of development would send warning signals up the chain of command, exposing serious flaws in the program and jeopardizing the program's future, ultimately bringing into question the viability of the Navy's deep-strike mission. Upon revisions of his brief, the program manager gave an "information only briefing", and was again told the briefing needed a solution, or a work-around plan. He was then told to restructure the briefing into an "issues and recommendation briefing." The program manager then proposed a two-page "talking paper", and was then directed to make the talking paper one page, and to address only the exercise of the next contract option, thus ignoring the request for a restructuring of the contract.<sup>229</sup> Eventually, this briefing was given to the Navy Acquisition Executive responsible for making the contract option decision and the issues of major contract restructuring as well as schedule and budget problems were ignored.<sup>230</sup>

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<sup>229</sup> The term "information only" is used in the Defense Department to indicate that the information contained in a document is not official information, so anyone receiving the information should not use the information to make official decisions about the program. An "issues and recommendation" briefing is a briefing that lists an issue or issues and provides a recommendation. This is normally used when an individual or group wishes to provide a solution to an issue, as the A-12 program manager's superiors had requested. A "talking paper" is a more informal document that briefly outlines the issues to be discussed but provides little specific information on paper.

<sup>230</sup> Stevenson, 2001.

This is further evidence of the use of language and bureaucratic techniques to obscure organizational reality. The requests by program manager's superiors for revised briefings, from "information only", to "issues and recommendations," to a "talking paper," underscores the ambiguity of the discourse that has grown up around the weapons acquisition process and the deleterious effects it can have. In promoting their narrow interest of the survival of the A-12 program, the Navy leaders followed a process that seemed to make sense every step of the way but resulted in no mention of the real issues at hand. For example, an "issues and recommendations" brief precluded the inclusion of any issue that did not have a recommendation. At that point, the program had far too many problems for the Navy to devise a solution for them, short of a restructuring of the contract or increased funding and a schedule extension, all of which would open the program up to increased scrutiny and possible cancellation. Thus, an "issues and recommendations" brief could not mention the real status of the A-12 program, for which the Navy did not have a recommendation, only an inventory of issues.

The A-12 internal investigation ordered by the Secretary of the Navy after the true A-12 status came to light culminated in the Beach report shortly before the program was terminated. The report attributed the A-12 fiasco to the fact that management controls were not properly exercised, for if they had been, according to the report, the true magnitude of the problems would have been identified before the Secretary of Defense Cheney's testimony.

## **Weapons Acquisition and Lacanian Discourse Theory**

The Defense Department's weapons acquisition process has evolved into its current form largely because this form benefits the parochial interests of the more powerful actors in the acquisition process and because U.S. society and its institutions have largely taken a form consistent with it. What we see from the case study above, and in all major weapons acquisition programs for that matter, is that there currently exists no unifying discourse or set of narratives that has the ability to transcend narrow self interests for the benefit of the larger institution. The Navy's interest of fielding the A-12 aircraft were driven largely by the goal of regaining a share of the deep-strike mission that had been commandeered by the Air Force as the Navy's equipment aged and as the Air Force developed long-range stealth technology before the Navy. The behavior of senior Navy and Defense Department officials led to the obviation of formal reporting requirements as the program matured, requirements required by statute. Perhaps more genuine behavior on the part of those involved in the program would have exposed the true status of the program long before this was revealed. These officials stonewalled various requests for data, and for other requests they supplied one-sided, overly optimistic data that hid the true status of the program. They cried foul when analysts correctly discovered the true status of the program, claiming that these analysts were inexperienced or had a lack of understanding of the program. Throughout all of this, the weapons acquisition process and the culture of the Department of Defense allowed these types of actions to occur.

When seen as individual, isolated occurrences, none of these actions in itself equates to serious wrongdoing. When viewed as a series of interrelated acts, however, a pattern of systematic wrongdoing emerges, one that resulted in the spending of billions of federal defense dollars with virtually nothing to show for it. The Navy hid behind the formal organizational functioning of the weapons acquisition system that has been built up over the years, working within the system and tweaking it as they saw fit in order to further their self-interest and ensure the procurement of a new aircraft.

It could well be said that most of what happened on the A-12 program happens on most major weapons programs to varying degrees. Often, formal reporting requirements are relaxed and turf is protected through the manipulation and control of data. This has resulted in weapons systems being approved for development before they are ready, and the obscuring of real cost and schedule data until the program is well underway and more difficult to cancel. All of these actions happen in degrees, but rarely has the number of wrongdoings of the A-12 ever been seen on other programs. The A-12 program clearly proceeded under difficult circumstances. The technology was new, budgets were tight, the mission was unclear and the program came of age at the end of the cold war. All of these circumstances, coupled by behavior that has become standard operating procedure in most major weapons programs, came together to create one of the biggest procurement scandals in Defense Department history.

As was discussed earlier, the management of large organizations by rational, bureaucratic means gained prominence in the early twentieth century, and was further

ingrained in major American institutions during the economic and industrial success of the 1950's and early 1960's. The takeover of all major U.S. corporations and major governmental institutions by rational and bureaucratic techniques of management characteristic that emerged are characteristic of the end stage of Lacan's discourse of the university.

Since the inception of the Office of the Secretary of Defense in 1947, all Secretaries of Defense have attempted to get the military services to work together in a more coordinated manner. Robert McNamara, taking the reigns of the Defense Department in 1961, saw the control and management of budgetary resources as the key to forcing coordination upon the services. McNamara and his team established elaborate organizational procedures to coordinate the annual budget requests of each service and the spending of approved budgets that at first proved largely successful.

McNamara's initiatives also spawned a movement throughout the Defense Department for additional controls in other areas through increased reliance on modern business techniques. As a result, increased rules and procedures proliferated throughout the 1970's and 1980's after McNamara left the Defense Department. In the area of weapons acquisition, it came to be thought that the addition of increased procedural controls on the acquisition process would greatly increase the likelihood that only necessary weapons programs would be fielded and unnecessary, unworkable or too costly programs would not. While these organizational processes characteristic of the discourse of the university persist in the Defense Department today, they have increasingly lost

relevance for most organizational actors. The multiple steps in the defense acquisition process have been established over the years under the pretext that they further ensure rational decision making for military weapons programs. Adherence to all of these processes, it is believed, will preclude such events like the A-12 from happening. But the exposed shortcomings of the rational method enable formal rules and procedures to be manipulated for the self-interest of the groups involved. This creates organizational processes that are followed arbitrarily as they suit a particular situation and a specific interest

All of the formal reviews, oversight, data collection and analysis, while espoused by organizational actors as a rational and scientific process, are understood by these same members as contextual and relative and ultimately ineffective. Opening up all organizational processes to a contingent, situational view is a sure sign of the discourse of the market in full operation. It enables organizational actors to shape organizational practices in their own self-interest under the appearance of formal and rational organizational functioning.

The external appearance of scientific, rational certainty of organizational processes is merely a ruse, a public relations stunt that projects rational control. The contingent nature of all data flowing through the defense acquisition system, and the discounting of that same data, has led to the manipulation of information to serve narrow self-interests. Ironically, any attempts to create additional management controls under the appearance of adding reasonableness and objectivity to the process actually does the

opposite by creating greater ambiguity and less control. This situation continues in the Defense Department because the guiding principles of rationality and the analytical method have not been challenged by alternative organizational arrangements. There does not currently seem to be a better way to manage an organization like the Department of Defense. Thus, the system persists until better methods can be shown to be implementable throughout the organization.

In military weapons acquisition over the past 20 years, there has been a steady proliferation of added rules and procedures and an increase of oversight committees and formal review boards. These additional organizational mechanisms are created as a means to rationally administer increased oversight in all stages of military procurement when problems appear and to ensure that incidents like the A-12 program do not occur. But the discourse that these added rules and oversight functions were formulated under has long ago ceased to function effectively and can no longer provide effective and understandable guidelines to direct the defense acquisition process. Thus, the rules of the defense acquisition system are followed arbitrarily as they suit the particular situation and its players. Each step in the process provides just enough wiggle room for organizational actors to quietly manipulate the system to either their own personal advantage or the advantage of the military service that they represent. This is a direct result of the failure of the discourse of the university within the Defense Department to effectively govern the behavior of its participants. When these individual behaviors occur over and over again during the acquisition cycle of a particular weapon, the inability to effectively guide behavior can result in serious organizational dysfunction akin to the A-12 program.



McNamara's organizational initiatives in the 1960's at the Defense Department and the proliferation of added rules and procedures in the 1970's and beyond at the Defense Department in areas like weapons acquisition parallels the development of Lacan's theories on discourse and Lacan's prediction that over time, the central discourse of an era would begin to contradict itself as the inherent flaws of each discourse became apparent to the general population. Lacan also predicted that this contradiction would accelerate as a discourse began to reach the end of its useful life, that being its ability to govern behavior as a new discourse encroached upon it.

As has been discussed earlier in this dissertation, bureaucratic processes in the Defense Department were accelerated in the 1960's as a means for senior Defense Department civilian leaders to gain greater control of the organization. This resulted in increased rules and regulations in the 1970's and 1980's, and in the case of weapons acquisition and the A-12 program, many of these new organizational processes were to be an abysmal failure at governing organizational behavior. At the same time, American society was changing in a form consistent with the Department of Defense. During this time, the dominant discourse of the time was failing to provide both major institutions and society with stable reference points for human action, leading to both a shift in human behavior in general and a change in human consciousness itself.

With the degradation of the dominant discourse in society, the new discourse that began to emerge enabled human behavior to shift towards a more rule-less and individualistic approach, for there was now no longer an effective discourse to govern

behavior and to tell individuals what to do and how to act. Human behavior in general continued to shift in this direction in the post-McNamara era, and new forms of human expression came to be based more on internalized and individualistic foundations rather than outside rulemaking. As the societal members undergoing this shift came to inhabit or continued to inhabit large companies and large government institutions, organizational behavior also began to shift in ways consistent with the new societal forms of behavior that were emerging.

The result of this shift in human behavior for major institutions like the Department of Defense was occurring at the same time that additional organizational rules and procedures were proliferating in the attempt of senior organizational leaders to maintain control of the functioning of the organization. One could argue that as human behavior shifted as described above, this shift generated additional rules and procedures in the organization as previous ones proved ineffective.

The result of this behavioral shift became clear upon the cancellation of the A-12 program in the early 1990's and in its aftermath. The A-12 program stands as an exemplar of the conflict between an organization that creates a plethora of new rules and procedures designed to govern more aspects of organizational behavior and provide more top-down control for institutional leaders. This is in direct conflict with the changed nature of the individual in organizations and in society, who no longer view additional rules and procedures as a valid or legitimate means to govern their actions. The result of this is occurrences like the A-12, where many individuals important to the program

manipulated or flatly ignored established rules and procedures for what they viewed as furthering their own self interest or the self interest of their affiliated military service.

Further complicating this depiction of institutional and individual behavior is that this behavior is tacitly recognized by not only the leaders of an organization but by the organizational members as well. Leaders and members secretly understand that established rules and procedures hold only minimal sway over individual behavior. In a way, each institutional participant has made an unspoken pact with each other, whether conscious or not, acknowledging that the institution no longer possesses the ability to shape and control individual behavior to the degree necessary to evoke predictable organizational responses.

As discussed earlier, since the foundation of knowledge established under the discourse of the university is placed in disarray in the discourse of the market, the discourse of the market establishes as its new master signifier an individualist market concept as the new foundation for knowledge. As such, the need for precise knowledge is eclipsed by the need to successfully sell oneself and therefore become an object of desire. Human desire brought forth in the discourse of the market, therefore, is pure and unmasked desire itself, and the social bond that is created in this discourse becomes the identification with unsatisfiable objects of desire. The basis that the social bond under the discourse of the market is founded on brings the impossibility of the fulfillment of our desire to the forefront.

At its most fundamental level, the difference in the discourse of the market is that there is an immediate opposition between the master's knowledge and unsatisfiable human desire, one in which the organizing motivation under the discourse of the market is desire itself and a quest by the individual subject to become the object of desire himself. The behaviors under the discourse of the market are significantly different than in the discourse of the university, in that drawing attention to oneself has become a common practice in this discourse as people try to hold themselves up as an appealing object of desire. Any action that is oriented toward becoming this object of desire is deemed to be acceptable behavior. As this practice is elevated to the level of major public institutions, organizational action becomes even further cut off from true human existence and desire and continues to gravitates towards illusion rather than reality. This false reality that is generated gives further strength to the claim that the social bond formed under this discourse is a kind of mass collusion to cover over the lack of a master signifier.

The types of behavior that began to emerge in the Department of Defense during the Vietnam War that have been described earlier and the behaviors that were described in the story of the A-12 aircraft procurement bear some striking similarities. In addition, the behaviors in the A-12 case are ones that fit with the description of the changes in behavior brought about by the shift to the discourse of the market described above.

The behaviors of the major military and civilian personnel involved with making the key decisions for the A-12 program were based on receiving approval from their

superiors any way they could. In the end these people followed the implicit norm that the approval they gained meant that they were doing the right thing, regardless of what kind of information was available to support or not support such approval. This approval meant that on an individual level, these people could continue in their organizations and likely be promoted to higher offices.

At the same time, senior military personnel in favor of the A-12 continued to keep the A-12 program in the forefront of military strategy and planning, under the realization that any attention brought to the program was in the program's favor. This is because the support for the A-12 program was able to be manipulated by its supporters, as the data surrounding the program and the system of review set up to analyze it were easily maneuvered by those skilled in such a process.

Perhaps the clearest sign of the discourse of the market in operation was the unstated recognition of wrongdoing by both the leaders of the organization and by the organizational members as well. This is consistent with the notion that as behavior gravitates towards becoming the object of desire and truth is replaced by attention, more and more behavior has moved away from any relationship to reality, in the process creating a social bond based on this new form or reality, or hyper-reality. This gives further strength to the notion that in American society and our major social institutions, the social bond that is formed under the discourse of the market is a kind of mass complicity to cover over the fact that the master signifier of the discourse is severely lacking. In the A-12 case, in a way each institutional participant made an unspoken agreement with each other, akin to a social bond, that was based on deception and half-

truths. For years they sustained a major military procurement program through this organized mass complicity, in the process unknowingly acknowledged that the institution no longer possessed the ability to shape and control individual behavior.

# **THE PERSIAN GULF WAR**

## **Introduction**

Soon after the Vietnam War ended and the U.S. failure in Vietnam became widely acknowledged, a view began to emerge in the U.S. military and pro-military institutions that the primary reason the U.S. lost the Vietnam War was because the civilian leadership had too tightly controlled military operations. This line of thinking went that had the military been allowed to operate more freely and been given the time and resources needed to win, they would have ultimately prevailed.

This view, and the military's determination to never again allow what it saw as civilian meddling on the scale of Vietnam, led to military policies such as the Weinberger-Powell doctrine in the 1980's. Drafted during the Reagan presidency, it laid out a set of criteria for future military engagements. The doctrine states that vital interests must be at stake and that the U.S. should fight only wars it intends to win. The doctrine also insists on "reasonable assurances of public support, while rejecting force as an instrument of diplomacy."<sup>231</sup>

George Schultz, Secretary of State under Reagan, called this doctrine, "The Vietnam syndrome in spades, carried to an absurd level, and a complete abdication of the

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<sup>231</sup> Record, Jeffrey. "Weinberger-Powel Doctrine Doesn't Cut It." Naval Institute Proceedings (9/7/01): 1-6.

duties of leadership.”<sup>232</sup> Former Secretary of Defense James Schlesinger opposed the doctrine on the grounds that it supports “the emerging belief that the United States must fight only popular, winnable wars.”<sup>233</sup> Jeffrey Record criticizes the doctrine by questioning the use of the words “vital” and “winning”. Beyond the defense of U.S. territory, Record writes, there is no consensus on what constitutes vital interests. The term “winning” is even more elusive, because most wars are limited in their objectives, and it is always difficult to translate political goals into military ones.<sup>234</sup>

Another change in policy for the Defense Department that grew out of Vietnam was changes to the management and distribution of information, particularly during wartime. Congruent with the pro-military view of why the U.S. lost the Vietnam War, many groups maintained that a second reason why the U.S. military was defeated in Vietnam was because the American press reported news that was negative to the military, thus shifting popular opinion against the war. This view maintained that the media in general is anti-military and hostile to U.S. military aims. This view, coupled with the violent images from Vietnam that were shown on U.S. television, is cited as one of the main reasons that public opinion generally turned against the war.

This view of the detrimental effects of the media in Vietnam has been hotly debated. In a review of the literature on this subject, I found nothing to indicate that the

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<sup>232</sup> Schultz, George P. Turmoil and Triumph: My Years as Secretary of State. New York: Scribner, 1993.

<sup>233</sup> Isaacs, Arnold R. Vietnam Shadows: The War, Its Ghosts, and Its Legacy. Baltimore, MD: The Johns Hopkins University Press, 1997.

<sup>234</sup> Record, 2001.



American press in Vietnam was anti-military. In fact, throughout the early years of the conflict, the press seemed to be fully supportive of U.S. military action. The view of the press changed as some reporters began to correctly observe that the U.S. military strategy was ineffective, and the press began reporting some of the devastation that was being wrought on the country of Vietnam. These reporters were only reporting what they saw firsthand or what they were provided by U.S. military field commanders like John Paul Vann. Many of the military personnel who provided first-hand accounts to the press were witnessing first-hand the failures of U.S. policy and the pain being inflicted on Vietnamese civilians and their country. It seems evident that American reporters in Vietnam were generally not biased against the U.S. military and for the most part reported the information which they had access to.<sup>235</sup>

This negative view of the press led the Defense Department to conclude that the real public relations problem for the military in Vietnam lay in the access to information that certain reporters managed to achieve. As a result, defense leaders in the Reagan administration began to devise policies that would limit news coverage of future wars and military actions. This new censorship strategy, under formulation in the early 1980's, was based on the way the British military managed the press corps during the Falklands

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<sup>235</sup> For example, reporters like David Halberstam built a close relationship with John Paul Vann, the subject of Neil Sheehan's 1986 Pulitzer Prize winning book A Bright Shining Lie. Much of the insight that Halberstam gained and reported on was supplied by Vann, an Army field commander and later a civilian employee who witnessed first hand some of the counter-productive actions that the U.S. Army was taking. Harrison Salisbury, another major Vietnam reporter, was invited by North Vietnam to tour Hanoi in December 1966. There he saw some of the effects of the U.S. bombing campaign and some damage done to civilian areas. Salisbury was widely castigated for reporting what he observed, which directly contradicted the official Defense Department position that precision bombing of North Vietnam was striking military and infrastructure targets only.

Island Crisis, virtually banning all press coverage; what press coverage was allowed was so limited as to be inconsequential.<sup>236</sup>

The first experiment with the U.S. Department of Defense's new press management policy came in 1983 during the U.S. offensive in Grenada. The fundamental premise of the new policy was that wars and military actions were now to be covered by pools of reporters. Once these reporters arrive at the battle area, they were escorted in groups to areas chosen by the military at times determined by the military. Thus, the level of press access to real military action was decided for them in advance and they were only able to see what the U.S. military allowed them to see. In Grenada, the landing of U.S. troops was kept secret to the press until one hour before it began; over the next four days of action, the military kept the press virtually off the island.<sup>237</sup>

In Panama in 1986, the U.S. policy was revised. This time, the military delayed the departure of the media pool until two hours before the fighting started; upon the media's arrival reporters were stationed on an Army base away from the action. When reporters were finally allowed limited access to the battle site, the fighting had already ceased.<sup>238</sup>

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<sup>236</sup> Isaacs, 1997.

<sup>237</sup> Isaacs, 1997.

<sup>238</sup> MacArthur, John R. Second Front: Censorship and Propaganda in the Gulf War. New York: Hill and Wang, 1992.

## **Planning for the Gulf War**

As war between the U.S. and Iraq became ever more likely after Iraq's 1989 invasion of Kuwait, American military and political leaders were all too wary of the failure in Vietnam fifteen years earlier. The Defense Department undertook a full frontal assault on public relations in support of the war, peppered with allusions and direct references to Vietnam. During the buildup to war, for example, President George Bush proclaimed that, "If there must be war, I promise there will not be any murky endings...I've told the American people that this will not be another Vietnam...our troops will not be asked to fight with one hand tied behind their backs." General Schwarzkopf later said, "This is not going to be another Vietnam. We are going to wrap this thing up and get you all home as soon as possible."<sup>239</sup>

The official policy of the Defense Department was revealed to reporters during the U.S. buildup of troops after the Iraqi invasion of Kuwait. Basically, reporters would be confined to pools and escorted by military personnel at all times, and press reports would be reviewed by military personnel before being filed to ensure that they did not compromise the war effort. When a number of news organizations protested, they were lulled by promises from the Defense Department for "three-phased coverage", which would culminate in "unilateral coverage of activities." The news agencies acquiesced in

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<sup>239</sup> MacArthur, 1992.

their protests to the pools as they mistakenly believed three-phase coverage to be a commitment by the Defense Department for eventual uninhibited news coverage.<sup>240</sup>

In the Gulf War, the Defense Department made it difficult for the press to get access to the area of fighting. Reporters were required to travel through Saudi Arabia, and the Saudi government had a general mistrust of all media and was wary of hundreds of media personnel descending on their country. Thus, the Defense Department and Saudi government worked out an arrangement in which only a certain number of reporters were to be allowed to enter Saudi Arabia, thus limiting the number of reporters with access to military action.<sup>241</sup>

Once arriving in Saudi Arabia, groups of reporters were assigned to a military escort and guidelines were issued to the troops regarding interaction with the press. Press access to the battlefield was severely curtailed, contact with U.S. troops was limited and the press was forbidden from certain types of reporting. For instance, wounded or bleeding troops could not be photographed, troops could not be questioned about military strategy and tactics and military personnel could not be interviewed without the reporter's escort present. Additionally, written reports had to be cleared with the military through a bureaucratic process that often took up to two days. As a result, words were frequently

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<sup>240</sup> MacArthur, 1992.

<sup>241</sup> MacArthur, 1992.

changed and whole paragraphs were often removed from news reports about to be filed.<sup>242</sup>

### **The Gulf War and U.S. Society**

Hamid Mowlana discussed some of the major developments that characterize the relationship between the media and war makers during the Gulf War. He characterized the relationship as a trend towards media adherence to norms of the state, the use of public relations propaganda and the eventual merging of the media and the government into one public communication channel. This marked an attempt by the Defense Department to minimize the violence of war by avoiding anything real, characterized by a deliberate denial of the violence actually being perpetrated on other human beings.<sup>243</sup>

The Gulf War was what the U.S. public seemed to want and what the military seemed to need since the fifteen years after the American defeat in Vietnam. Rather than another painful, violent and morally ambiguous conflict, the Gulf War was portrayed as crisp, clean, uncomplicated and morally unambiguous. Due to stringent military controls on information, it was depicted as a triumphant display of American resolve, skill and technology against a clearly evil enemy and an unequivocal national success.<sup>244</sup> It was a war of images where what was portrayed through television and newspapers was tightly

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<sup>242</sup> MacArthur, 1992.

<sup>243</sup> Mowlana, Hamid, et. al., ed. Triumph of the Image. Boulder, CO: Westview Press, 1992.

<sup>244</sup> Isaacs, 1997.

controlled by a military intent on renewing a triumphant image. Hidden from view, however, were soldiers wounded and suffering, smart bombs that didn't hit their targets and the devastation wrought on an overrated Iraqi Army.<sup>245</sup>

Jeffords and Rabinowitz write that at the start of the 1990 Persian Gulf War, popular emphasis on the Vietnam War provided a means for reframing a discourse of national history and U.S. military actions by attempting to overturn the bad vibes of the Vietnam War. As a result, the Department of Defense explicitly chose a censorship strategy in dealing with the media and managing the war's images. They describe the Defense Department's censorship policies in the Gulf War as glorifying the nearly perfect technological arsenal of the U.S. military. Warfare was presented as antiseptic and technology was shown as being under absolute control and distant from the actual destruction. The Gulf War created the impression of a clean "techno-war", devoid of human suffering and death, conducted with surgical precision by wondrous machines, projected from the point of view of weapons and technology. The ensuing images and narratives of the Gulf War portrayed a certain coherence to the battles that took place. This made the recipient of these images, the general public, see the Persian Gulf War as a neat and tidy endeavor where advanced technology and superior strategy enabled the U.S. to enter and exit the Persian Gulf unscathed.<sup>246</sup>

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<sup>245</sup> An interesting side story to the public relations mechanism put in place by the Defense Department is the public relations campaign that took place from the time Iraq invaded Kuwait until the U.S. committed to free Kuwait. There was an intense lobbying effort by pro-military groups, lobbyists hired by the Kuwaiti government, and Kuwaiti government officials to convince the Bush Administration and Congress to take action. This story is fascinating in its own right, but outside the scope of this dissertation.

<sup>246</sup> Jeffords, Susan and Lauren Rabinowitz, ed. Seeing Through the Media: The Persian Gulf War. New Brunswick, NJ: Rutgers University Press,

MacArthur's analysis of the Persian Gulf War reveals some surprising facts. Despite the image of scores of radar-guided smart bombs hitting their intended targets with exacting precision, only 7% of bombs dropped in Iraq were radar-guided. Of the smart bombs dropped, approximately 10% missed their intended target; non-radar guided bombs missed their target 75% of the time. Overall, 70% of all explosives used missed their target. MacArthur also writes that the U.S. drastically miscalculated the size and capability of the Iraqi Army, overestimating the number of Iraqi troops in Kuwait by 75%. Additionally, the environment in Iraq favored the conventional training of the U.S. military, in that it was a clear, wide-open battlefield, where American advanced weaponry proved highly effective.<sup>247</sup>

The unprecedented censorship of the press altered the sense of reality of the war itself, making the Gulf War less significant, less meaningful and less politically consequential. It enabled the Defense Department to determine in advance what was seen and not seen, giving them the ability to program history in advance of any real action. By controlling information, censorship allowed the Defense Department to determine how its weapons and tactics would be discussed, interpreted, and understood.<sup>248</sup>

To summarize the censorship policies in the Gulf War, access to troops and the scene of the battle were severely limited and often non-existent, reporter's movements were monitored and restricted at all times and written press reports were reviewed and

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<sup>247</sup> MacArthur, 1992.

<sup>248</sup> Jeffords and Rabinowitz, 1994.

edited. The Defense Department set the grounds for what could and could not be shown and discussed, in the process creating an image of the war that was divorced from what was really happening.

### **The Gulf War and Lacanian Discourse Theory**

The management of the Gulf War mirrored the shift in discourse in the late twentieth century from the discourse of the university to the discourse of the market that has left a problematic discourse as the governing one for society. This shift has led to a lack of distinction between fantasy and reality and between the virtual world and the real world, as American society's governing discourse is no longer able to provide stable referent points that can provide these distinctions. There has been a deluge of literature on how the Persian Gulf War was a war of images, a media spectacle managed and manipulated by the prevailing institutions charged with the management of the war. Christopher Norris, in Uncritical Theory: Postmodernism, Intellectuals and the Gulf War, writes that the Persian Gulf War was a hyperreal scenario where truth and actual events were defined solely in rhetorical terms based on the latest simulated images and pre-packaged news reports. Norris quotes Baudrillard, a leading French postmodern theorist, who wrote that at the start of the Persian Gulf War society had lost all sense of the difference between the actual war and the war that would take place only in the minds and imaginations of a captive TV audience that was constantly bombarded with video-game imagery.<sup>249</sup> This is part of a wider trend in society that subjects individuals to

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<sup>249</sup> Norris, Christopher. Uncritical Theory: Postmodernism, Intellectuals and the Gulf War. Amherst: The University of Massachusetts Press, 1992.



institutional and societal manipulation through vast institutional and technical apparatuses that obscures the true nature and effect of the actual event. The lack of a stable discourse to govern American society enables the creation of a spectacle that both overwhelms and stupefies societal members, in the process distracting them to a point that certain institutions are able to gain ideological control over them.<sup>250</sup>

In Lacanian discourse theory, language does not carry stable meanings; instead, words, thoughts and ideas are given a contingent and contextual interpretation. The impossibility of stable meaning leads to the inability of discourse to fulfill its primary social function to produce such meaning. As this idea of unstable meaning becomes known by institutional members, established organizational processes and procedures are challenged and eventually tossed aside and traditional and time-honored methods of communicating are problematized and undermined. Lacan's discourse of the market incorporates doubt and questioning to counter the rational analysis of the discourse of the university. This discourse constantly challenges the established basis for knowledge, pointing out the contradictions and partiality of this knowledge. These challenges eventually put the foundation of a society's language system in such disarray that fundamentally new patterns of discourse begin to emerge, leading to behavioral patterns both new and unique to our society. As the discourse of the market becomes prevalent in organizational life, social institutions become immobilized to some degree as the symbolic order loses its power to define stable social role behaviors. Stable and predictable organizational behavior is replaced with a type of institutional manipulation,

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<sup>250</sup> Best and Kellner, 1997.

as powerful institutional devices are able to blur reality to a point and publicly project a greater measure of institutional control than is actually being exercised.

As discussed earlier, since the foundation of knowledge is placed in disarray in the discourse of the market, the discourse of the market establishes as its new master signifier an individualist market concept as the new foundation for knowledge. As such, the need for precise knowledge is eclipsed by the need to successfully sell oneself and therefore become an object of desire. The human desire that is brought forth in the discourse of the market is pure and unmasked desire itself, and the social bond that is created in this discourse becomes the identification with unsatisfiable objects of desire. The basis that the social bond under the discourse of the market is founded on brings the impossibility of the fulfillment of a subject's desire to the forefront.

In the discourse of the market, there is a built-in opposition between the master's knowledge and unsatisfiable human desire, one in which the organizing motivation under the discourse of the market is the quest by the individual subject to become the object of desire himself, where drawing attention to oneself has become a common practice. As this is elevated to the level of a society's major institutions, organizational action becomes even further cut off from our real existence and from human desire and continues to gravitate towards illusion rather than reality, thereby giving further strength to the claim that the social bond formed under this discourse is a kind of mass collusion to cover over the lack of a master signifier.

The types of behavior that began to emerge in the Department of Defense during the Vietnam War that and in the story of the A-12 program bear similarities with the 1990 Persian Gulf War in that all major decision makers were operating under a veil of mass collusion to a degree. The difference in the Gulf War, however, was that journalists joined in the collusion and broadcast the war's events on television 24 hours a day for all the world to see. What was lacking, though, was the perspective and content that goes with such broadcasts.

The censorship policies of the Defense Department are a way to make up for the loss of institutional control by creating supplementary narratives that attempt to render the flaws in the social bond of the organization innocuous. It is also an acknowledgement that the current institutional makeup is unable to formulate a coherent discourse regarding the use of military force. As a result, tight control of the images and narratives of military force becomes necessary. This is an attempt to artificially recreate new master signifiers, as well as an admission that the current master signifiers of the organization are not able to carry stable meaning. It is also a tacit acknowledgement by organizational leaders that Lacan's discourse of the market has gained dominance. The control and manipulation of images and narrative adds coherence to military warfare, which historically has been an inconsistent and unpredictable action. It depicts warfare as sanitized, devoid of violence and human suffering, conducted with surgical precision through fantastic, yet totally controllable technology. Institutionally, this helps the Defense Department and the U.S. military reframe a discourse on military action, in the process renewing the triumphant image of the U.S. military that was gained during World

War II but lost in Vietnam. This image making is exactly what many Lacanian writers are referring to when they characterize the discourse of the market as the practice of holding up oneself, or in this case one's institution, as an object of desire in society.

The manipulation of images makes warfare less institutionally and less politically significant, something that leaves the public's consciousness as quickly as it enters. This is a marked departure from the narrative of warfare that was evident in American society during the Vietnam War years. During this time, truer depictions of warfare contributed to large-scale social and political protests and became a major institutional setback for the Department of Defense.

At this point it is safe to say that the Gulf War could not have been fought and managed in the manner described above unless there has been a shift away from the discourse of the university to a new form of discourse. The submissive acceptance by the majority of American people for the Gulf War indicates not only a shift away from the major discourse of the twentieth century, but a shift in human consciousness at the social level as well. The Gulf War could not have been conducted in this manner, with the open manipulation of the media as well as total control of the narratives that are used to describe the war to its nation's citizens, unless American society had taken a form consistent with it.

The acquiescence by the news media and the majority of Americans shows that society as a whole has moved in the same direction, existing in a state of free fall due to

the absence of stable master signifiers to shape human action. Bombarded by confusing images of the war's progress, the American people only saw what the Defense Department decided in advance would be seen. The ease by which the Defense Department, perhaps America's most influential social institution, managed and exploited the images and narratives of war could prove very dangerous for a nation as militarily and economically powerful as the United States. The Gulf War has shown that there are no longer any firm boundaries of behavior, just a loose arrangement of easily manipulated imagery and narratives. Thus, any behavior, no matter how objectionable, can be reigned in and made to seem innocuous. It is this type of self-created and contextual imagery, exhibited by the U.S. military in the Gulf War, which now seems to serve as the governing discourse for societal action.

Recently, the Pentagon uncovered a new policy towards press coverage for the latest conflict in Iraq. The Pentagon announced that planned press access for the war will be subject to lesser controls than in the first Gulf War of 1990, though will not be unfettered access enjoyed on the battlefields of Vietnam. The Pentagon has promised that the press will not be far from military action and reporters may in fact accompany troops into battle at certain times. This new policy led to the press being imbedded with actual troops as military action was conducted.<sup>251</sup>

On the surface, this would appear a reversal of the press policies of the Defense Department that were instituted after the Vietnam War described earlier. However, upon closer inspection, it would seem that American society since the 1990 Gulf War has

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<sup>251</sup> Personal knowledge of the author.

shifted in such a way so that all sense of the differences between actual war and the war that would be covered in the press and through media outlets, mainly television, has already been obliterated. Therefore, it is no longer necessary to control the media as in the first Gulf War. The confusing nature of the current Gulf War and the policy of embedding reporters thus far have not seemed to produce any greater insight than during the first Gulf War.

Christopher Norris, in Uncritical Theory: Postmodernism, Intellectuals and the Gulf War, has written that in the Persian Gulf War, actual events were on simulated images and pre-packaged news reports, and quoting Baudrillard, writes that any sense of the difference between the actual war and the war shown on television had been lost on society. Norris goes on to write this trend was part of a wider trend in society where a vast institutional and technical apparatus subjects individuals to institutional and societal manipulation, thus obscuring the true nature and effect of the actual event.<sup>252</sup>

Brian Lowry recently wrote that television has always been a visceral medium that specializes in stories told up close and personal, and therefore news about war is no longer news in the old-fashioned sense. War coverage is now seen as story telling and entertainment, and as such, it has morphed into such a form that the public now finds it harder to discern where entertainment ends and news begins.<sup>253</sup> Haynes Johnson writes that while TV enables people to witness the great events of their times, it does so in a

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<sup>252</sup> Norris, 1992.

<sup>253</sup> Lowry, Brian. "War, if it Comes, may seem like Another Reality Series". Philadelphia Inquirer. (3/31/03), B4.

way that disconnects the televised image from reality, in its wake further fragmenting society like nothing before.<sup>254</sup>

With this understanding in hand by savvy media handlers, the Department of Defense is now willing to allow war reporters greater latitude and freedom in covering the war. Part of the reason for this change is the nature of the conflict—the majority of effort is nighttime precision bombing and other nighttime military maneuvers, something that is not easily covered and assessed by reporters. The U.S. military is also well experienced fighting in Iraq, and have a high degree of confidence for success with a great likelihood for limited U.S. casualties. Thus, greater access to news coverage of the war may very well serve to reinforce more positive images of the U.S. military. In the end, greater access to war by news organizations has not seemed to make a significant difference in the way war has been reported to date.

In the previous section of this dissertation regarding the A-12 program, I made the assertion that there is an unspoken, perhaps even unconscious pact between institutional participants. This pact holds that new or established rules and procedures have only minimal sway over individual behavior within that institution. It is clear to me that this type of individualistic behavior described above and in previous sections has proliferated throughout the Department of Defense and in all major social institutions for that matter. What is also clear from the description of the management and distribution of information to the press and the general public during the Gulf War is that senior Defense

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<sup>254</sup> Johnson, Haynes. The Best of Times: The Boom and Bust Years of America Before Everything Changed. New York: Harcourt, 2002.

Department leaders recognize some of their organizational shortcomings and their inability to control the behavior of organizational members. The way that the Defense Department chose to manage and distribute information during the Gulf War could mean one of two things: One, it could be an attempt by senior leaders to regain control of the functioning of the organization through the control of the narratives regarding warfare, or two, it could be a tacit acknowledgement that senior Defense Department leaders have lost the ability to develop and transmit clear narratives of the true meaning of a military endeavor. In any case, it is probably a mixture of both things occurring at the same time to varying degrees.

During the Gulf War, the military relied on the media, mainly through the almost exclusive use of television, to transmit an image of military action that would bolster the view of the military in the eyes of the public and public officials. However, the tightfisted management of all information from the conflict by the Defense Department made it more difficult to portray what was actually happening, not easier. The military in the 1990 Gulf War compartmentalized information in such a way that reporting from the war consisted of sound bites and disconnected pieces of military action with no context to it, all reported through a medium, television, that never possessed the ability to carry clear and realistic information in the first place. All of this occurred during a time in society when transmitting clear narratives in just about any setting had become highly problematic.



The U.S. military evolved towards tighter information management of the battlefield because at that point they had little else at their disposal institutionally to manage the behavior of their members or to affect the outcome of major policy or strategic initiatives. When most other attempts at more effective management had failed, the Defense Department turned to one of the only remaining techniques available to it, the management of the medium and the message. During the Gulf War, this strategy was proven ineffective and perhaps dangerous, and will continue to do so in the future. That is because this approach not only obscures the reality of military warfare, the transgression of war coverage into what has been called “a world in which everything becomes theater” makes warfare less institutionally and politically significant.<sup>255</sup> This is more than likely not one of the results that military leaders had hoped for and probably not one they even envisioned, but is one of the results achieved nonetheless.

As discussed previously in this section, the organizing motivation under the discourse of the market is the quest by the individual subject to become the object of desire himself, where drawing attention to oneself has become a common practice. The collective behavior of societal members to become an object of desire is elevated to the level of a society’s major institutions as societal members inhabit these institutions and bring these newly forming behaviors with them. As this behavior emerges at the level of the institution, organizational action becomes even further cut off from our real existence and from human desire, and collective organizational action continues to gravitate towards illusion rather than reality. The claim by Lacan and many leading Lacanian writers that the social bond formed under the discourse of the market is a kind of mass

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<sup>255</sup> Johnson, 2002.

collusion to cover over the lack of a master signifier is projected onto a society's major institutions, and the motivating force in institutional life and the social bond formed in institutions becomes one of collusion to gloss over the inability to govern organizational action. This inability to govern organizational action is the primary reason why initiatives like the censorship policies of the 1990 Gulf War are created and implemented, thus further bolstering the claim of this dissertation that the current social bond in the Department of Defense and many leading institutions is largely based on this type of hyper-real mass complicity. This is a social bond that has shifted markedly from the social bond of post-World War II U.S. society, one that now enables society and institutions to take on new behaviors heretofore unforeseen in previous generations.

## **STRATEGIC PLANNING AND BUDGETING IN THE DEFENSE DEPARTMENT**

Nearly all defense experts agree that there is a historical discrepancy between the annual military budget and strategic military requirements. This mismatch comes about because the long-range military plans for military weapons, troops and operations are formulated largely independent of expected current and future defense budgets. As a result, strategic requirements as identified by each branch of the military far exceed the actual dollars received to fund those requirements on an annual basis. This is not a new phenomenon in the Defense Department, in fact, it has been occurring since the 1950's. Although the discrepancy between budgets and requirements has grown and contracted at various times throughout the last fifty years, in the last twenty years new organizational practices have surfaced that have made this discrepancy more intractable.

### **History**

Each annual federal budget cycle for the Defense Department begins with the planning of military strategies, which includes an analysis of national military objectives and military threats. This phase of the budget cycle concludes when the Secretary of Defense issues strategic guidance to each military service. The services then respond with a draft budget, called the Program Objective Memorandum, or POM. The POM describes all of the military weapons and forces the services feel they need to execute the strategy. Eventually the POM is revised, and it becomes the formal budget submission to

the President, who can review and modify the budget request before submitting it to Congress. Prior to Robert McNamara taking over as the Secretary of Defense in 1961, previous Defense Secretaries had been relatively ineffective in forcing the military services to coordinate their budgets with official military strategy. To correct this, McNamara and his team instituted the Planning, Programming and Budgeting System, or PPBS, in the early 1960's. McNamara envisioned PPBS as a way to match budgets with strategy and to analyze the overlapping roles of each service in order to consolidate defense programs. It is still in use today in the Defense Department in a form that closely resembles the 1960's system.<sup>256</sup>

During the Vietnam War period, military planners regularly projected decreasing budgets in the annual budget cycle. Soon after the Vietnam War, however, despite the fact that steep budget cuts were anticipated and military forces were shrinking, military planners began projecting real budget growth in future years. By the late 1970's, military planners accelerated their predictions of even larger future budgets. The pro-defense stance taken by the Reagan Administration in 1981 led to predictions of even higher budget growth by military planners. It was at this point in the early 1980's that future budgets began to totally depart from the funding levels that would realistically be approved by Congress. In the 1990's, defense budgets were funded even higher than previously predicted and military planners continued to include even greater budget growth in their assumptions.<sup>257</sup>

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<sup>256</sup> Personal knowledge of the author.

<sup>257</sup> Spinney, Franklin C. The Madness of Versailles II. Alexandria, VA: 2000.

The disconnection between budgets and strategic requirements began to grow at the beginning of the Reagan Administration in 1981, followed by an unprecedented peacetime military buildup. Franklin Spinney, perhaps the foremost authority on this subject, writes that Reagan's budget build-up was a reaction to the frustrations of the post-Vietnam stories of equipment breakdowns, low morale and poorly trained crews. Spinney, in Defense Power Games, writes that beset by problems and humiliated by the defeat in Vietnam, the annual military budget request to Congress rose by 10% a year between 1980 and 1986 (See Figure 4). With this growth in the budget, the military services began to add new weapons systems and increased the amounts of existing weapons systems in the budget. Spinney states that increases in defense budgets during the 1980's accelerated the mismatch between strategic plans and fiscal reality between what the military wanted to spend and what realistic budgets would actually be. Spinney estimated this mismatch totaled over \$300 billion in the mid-1980's.<sup>258</sup>

The U.S. Navy in particular during the early 1980's experienced a significant increase in their shipbuilding budgets. In 1982 and 1983, the Secretary of the Navy, John Lehman, attempted to "front load" the budget as a means to add more ships to the Navy's fleet. Front loading is the practice of obtaining up-front money for new weapons by downplaying the future costs of building and maintaining the weapon system, thus making it easier to get high-cost programs approved. Secretary Lehman knew that if the Navy could get enough ships approved and under construction it would be difficult for Congress to stop the buildup. This is because construction of a Navy ship is a highly labor-intensive process, equating to thousands of well-paying jobs for those geographic

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<sup>258</sup> Spinney, Franklin C. Defense Power Games. Alexandria, VA: 1990.

areas involved in the defense work. Lehman also was aware that if the Navy's plan to increase their fleet size spread out dollars to important Congressional districts, it would be even harder for Congress to cancel the buildup.<sup>259</sup>

Most budget experts believed that Lehman's plan, requiring an unprecedented 8% real growth in the budget per year, would never be fully funded by Congress. The large increases, if approved, would force a showdown between the services, because enough funds were not available for the Navy unless Army and Air Force procurement and operations budgets were significantly reduced. Other experts feared that within ten years, the mismatch between the Navy's requirements and budgets would result in serious hardship for Navy operations and ship maintenance, because as more weapons were sent out in the field, increased personnel and maintenance levels would be required to maintain them, as well as increased budget dollars to fund this effort.<sup>260</sup>

In response to these concerns, the Navy claimed that they were actually driving down the unit cost of new procurement through competition and that their actual expenditures would be even lower than the estimates in their budget requests. Internal Defense Department studies showed that the Navy would require hundreds of billions more than their current estimate, and exposed as false the Navy claim that unit costs of new procurement would be reduced dramatically through competition. As the Navy's plans bumped up against fiscal reality, they began to downsize their once ambitious plan for a 600 ship Navy, further decreased in the early 1990's by the end of the Cold War and

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<sup>259</sup> Vistica, 1995.

<sup>260</sup> Vistica, 1995.

resulting decreases to the Defense Department budget. In its wake, the proposed Navy build-up left excess capacity, curtailed and unfinished programs and additional pressures on all parts of their budget.<sup>261</sup>

### **The Disconnection Between Strategies and Budgets Today**

There are two divergent views on the causes of the disconnection between budgets and strategy for the Defense Department. One view contends that the requirements-budget mismatch is a result of a failure by Presidential Administrations and Congress to pay for the amount of military force requested by the Defense Department. This view assumes that the budget requests made by the Defense Department closely match the military requirements laid out in the defense strategy. The second view contends that the Defense Department's budget problems are not the result of under-funding by the President or Congress, but are due to the organizational behavior of the Department of Defense. Proponents of both views contend that the Defense Department formulates military strategy relatively independently of financial resources, available weapons and personnel levels. In fact, a 1997 study commissioned by then Secretary of Defense William Cohen states that, "Currently, the Defense Department does not have a long-range plan to merge fiscal reality with Congressional, service .... and future plans."<sup>262</sup>

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<sup>261</sup> Vistica, 1995.

<sup>262</sup> Oden, Philip A., et. Al. Transforming Defense: National Security in the 21<sup>st</sup> Century. Arlington, VA: National Defense Panel, 1997.

In the acquisition of weapons, as weapons systems are added or existing amounts increased, a long tail of required funding ensues for development and fielding of the weapon and the maintenance of that weapon far into the future. By adding a large number of new weapons systems and increasing the overall weapons procurement budget in the 1980's, the Defense Department set the stage for increased budgets in the 1990's and beyond as the costs to operate and maintain the new weapons systems became a reality.<sup>263</sup>

In Defense Power Games, Spinney explains how 2.4 trillion dollars spent in the 1980's on defense brought the Defense Department's budget to the brink of chaos in the 1990's. Spinney explains how the Defense Department systematically underestimates future obligations regarding the following items: the costs of weapons in development, the number and cost of personnel, the costs and labor for the maintenance of equipment and the amount and cost of training. At the same time, the Defense Department assumes that the defense budget will grow at higher rates in the future and assume cost savings in various areas that usually fail to materialize. According to Spinney, increasing budgets and decreasing costs rarely happens; in fact, the opposite actions of increasing costs and decreasing budgets are the norm. The two main reasons for these phenomena, Spinney writes, are the front loading of new weapons programs and the political engineering of defense programs.<sup>264</sup>

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<sup>263</sup> Spinney, Franklin C. "Defense Time Bomb: F-22/JSF Case Study and Hypothetical Escape Option." Challenge: The Magazine of Economic Affairs (July/Aug 1996).

<sup>264</sup> Spinney, 1990.



Front loading is the practice of planting seed money for a new program while downplaying the future obligation, making it easier to get high-cost programs approved. Somewhat like front loading, political engineering is the strategy of getting a defense program started, then spreading federal dollars and jobs to as many important congressional districts as possible, thus ensuring congressional support. These two organizational practices, Spinney argues, create a pattern of decisions that guarantee costs will grow faster than budgets, the inevitable results being costly, highly-complex weapons, smaller forces, older equipment, spare part shortages and reduced training.<sup>265</sup>

A series of studies from the Center for Strategic and International Studies, a private non-profit institution that focuses on international public policy issues, comes to many of the same conclusions on the size and scope of the defense budget shortfall. Goure and Ranney write that few in government or military circles are seriously contemplating the level of expenditures that would permit the Defense Department to modernize their forces in accordance with the current military strategy established in the 1997 Quadrennial Defense Review and expanded upon by current Secretary of Defense Donald Rumsfeld. They see telltale signs of declining readiness, aging hardware and falling personnel retention rates that they attribute to under-funded budgets. They depart from Spinney's view, however, and lay the blame on the Clinton administration's failure to provide the funds necessary to pay for the forces needed.<sup>266</sup>

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<sup>265</sup> Spinney, 1990.

<sup>266</sup> Goure, Daniel and Jeffrey M. Ranney. Averting the Defense Train Wreck. Washington, DC: The Center for Strategic and International Studies Press, 1999.

Goure and Ranney claimed that in 1999 the present shortfall amounts to about \$100 billion annually between 2002 and 2006, which the Defense Department plans to absorb by postponing spending on new and upgraded weapons, thus adding to the aging of existing equipment, or by increasing their budget allocation (See Figure 5). Like Spinney, Goure and Ranney write that senior defense officials consider this to be an acceptable risk, based on their overly optimistic expectations about the size of their future budgets and the decreasing cost of future weapons programs.<sup>267</sup>

These organizational practices were underscored in the 1997 Quadrennial Defense Review, a major defense strategy document, and the subsequent testimony of senior defense leaders that the current force levels called out in military strategy was unsustainable at current budget levels. They testified to Congress that the Defense Department was facing annual budget shortfalls of at least \$17.5 billion. Then Undersecretary of Defense for Acquisition and Technology, Jacques Gansler, testified in 1998 that the Defense Department was trapped in a “death spiral”, where rising maintenance and repair costs of aging equipment was draining resources away from the modernization of defense forces. This was forcing the stretching out of weapons replacement schedules and the reduction of new equipment, raising weapons costs and further delaying weapons modernization.<sup>268</sup>

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<sup>267</sup> Goure and Ranney, 1999.

<sup>268</sup> Hillen, John. “Defense’s Death Spiral.” *Foreign Affairs* (Jul/Aug 1999): 2-7.

John Hillen agrees that the Defense Department is locked in a budgetary death spiral, because the way the organization operates has not caught up with the way it spends money. Hillen argues that military strategies and weapons systems match neither the national security strategy of the presidential administration nor the Defense Department's own blueprint for future military operations. Hillen believes that bigger defense budgets would only exacerbate the problem unless the Defense Department can find a way to link strategy with resources.<sup>269</sup>

### **Analysis and Summary**

As the Defense Department attempts to juggle annual budget shortfalls, a number of organizational problems become clear. The amount the Defense Department expects to buy of a particular weapons system under development is usually decreased as budgets are stretched out, raising the per item cost of a particular weapon. At the same time, budgets to upgrade existing weapons suffer because funding for this work gets superseded by newer weapon programs. Additionally, the Defense Department has shown a tendency to cut maintenance and training budgets during budget shortfalls, since these programs have the least short-term impact, but a large long-term impact.<sup>270</sup>

Another organizational practice adding to the mismatch between budgets and strategy is the Defense Department's Planning Programming and Budgeting System, or PPBS. This system was created in the early 1960's by Robert McNamara as a way to

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<sup>269</sup> Hillen, 1999.

<sup>270</sup> Vistica, 1995.

match budgets with strategy and to analyze overlapping roles. It is a system that is still being used today in the Department of Defense. The system was designed to support the federal budget process and to control spending but has never been able to match planning and budgeting.

Further complicating this problem is the highly political nature of the budgeting process, for what the Defense Department requests in their budget is usually modified by the President and Congress. For example, in the 1990's, the Clinton administration and Congress took an indecisive approach to defense budgets. Clinton, favoring domestic programs over defense, used the end of the Cold War to justify additional defense cuts. The Clinton administration, however, was not able to get the military to provide a coherent strategy to go along with the cuts in their budget.<sup>271</sup>

For example, the Defense Department submitted a 1994 budget that incorporated the first round of accelerated budget cuts but deferred their review of how military strategy and decreased budgets were to be coordinated. When they finally did submit a revised military strategy, they kept intact their major military responsibilities with the stipulation that current responsibilities could be achieved with a smaller and less costly force. Defense experts and supporters quickly charged that the defense budget was seriously under funded, and the Department of Defense later in the year conceded that there was a large budget shortfall, although they made no major adjustments to military strategy. Despite a supplemental funding initiative of \$26 billion, the Congressional

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<sup>271</sup> Goure and Ranney, 1999.

Budget Office in 1996 reported that cumulative budgetary shortfalls could reach \$100 billion by the 21<sup>st</sup> century.<sup>272</sup>

During the 2000 Presidential election, military leaders challenged both major candidates to fund the Defense Department to the amount needed so that budgets matched the established military requirements. Upon election of George W. Bush and the naming of Donald Rumsfeld as the Secretary of Defense, the military was forced to quickly respond to Rumsfeld's defense planning guidance. The military services, in their response, recommended no significant cuts in their force structure, and instead proposed another round of purported savings through business efficiencies and a delay in procurement of new weapons systems.

During its first term the current Bush administration proposed a spending plan that included the largest proposed defense buildup in a generation. Early in 2001, President Bush advocated increasing defense spending by \$45 billion over the next decade, while the military services have recommended an increase of \$60 billion per year, or \$600 billion over ten years. Bush's initial plans for the Defense Department was to increase future defense budgets by \$20 billion per year, and have the 2003 budget begin a transformation of the Defense Department.<sup>273</sup> It was not clear at the time what the Bush administration's long-term view on defense spending is, preferring to focus first on military strategy before committing to a specific budget amount. In addition, since

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<sup>272</sup> Ippolito, Dennis S. Federal Budget Policy and Defense Strategy. Strategic Studies Institute, 1996.

<sup>273</sup> Graham, Bradley and Dana Milbank. "Bush Calls Military Top Budget Priority." Washington Post (2/5/02): A07.

2003 Congress has authorized hundreds of billions of dollars for the U.S. led invasion of Iraq. Though not included in the annual defense budget, it has greatly impacted the U.S. federal budget deficit. In the latest Bush administration defense budget, minor decreases have been proposed as a means to attempt to offset the growing federal deficit.

Spurred on by the September 11<sup>th</sup> terrorist attack on the U.S. mainland, Bush proposed to Congress a 14% spending increase for the military for fiscal year 2003, for a total of \$379 billion, up from \$300 billion in 2000. Bush's focus on winning the war on terrorism is embodied in his request for a defense buildup, stating that one way to express the unity of the President and Congress on winning the war is for Congress to fully fund his budget request for defense.<sup>274</sup>

Budgeting has become as much a political game as it has an objective process to integrate military requirements and requisite budget levels. The Defense Department has created and nurtured a system that systematically underestimates future funding requirements in all areas of military operations, including the cost of weapons, the number and cost of personnel, the level and cost of the maintenance of weapons and the required amount of military training. This system has a built-in assumption that budgets will continue to grow in the future and that costs over time will decrease from current estimates despite the fact that 35 years of historical budget data have shown the opposite to be true. The Defense Department systematically front loads military projects, requesting a large percentage of funds up front for new weapons programs and

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<sup>274</sup> Graham and Milbank, 2002..

systematically underestimates the long-term cost of fielding and maintaining the weapon system. Congress willingly goes along with this approach, mainly because new, expensive weapons systems provide a great deal of money and jobs to many congressional districts.

The results of this practice over the years came to fruition in the early 1990's. With the end of the Cold War, large federal budget deficits and a presidential administration more interested in domestic programs, the glaring differences between what the military had planned to spend in the 1980's and beyond and fiscal reality were exposed. The result of the budget and strategy mismatch has been declining readiness, aging military hardware and falling personnel retention rates. As new and upgraded weapon systems are stretched out and the number of new weapons decreased to accommodate lower than anticipated budgets, the cost per item increases often negates any short-term savings. As new systems are delayed, old equipment continues to age, some past its useful life. The shortfalls in the budget also impact maintenance and training budgets, which lead to long-term operational problems.

McNamara's initiatives in the 1960's to gain greater control of the military services annual budget resulted in the creation of the PPBS system. In many respects, this system did enhance the ability of the Secretary of Defense to influence the annual budget process. However, since the late 1960's, the annual budget submittal of the Defense Department has grown increasingly separate from realistic fiscal expectations. The military build-up of the 1980's forced the Defense Department to once and for all

divorce strategy development with fiscal reality. The Department of Defense was able to do this because the budget process was created over a number of years and was based on rational, scientific approaches to financial management that were created in the early 1900's and painstakingly developed over the past 75 years, but which no longer carry weight. The development of advanced financial management systems reached its peak in the 1950's and 1960's, symbolically personified through McNamara's PPBS System. The rational Defense Department budgetary processes that grew out of almost 75 years of development began to lose effectiveness in the post-McNamara era. Although the system was able to control to a degree what was actually spent, it never effectively matched strategies with budget requests. While this oversight could have been easily corrected administratively, Defense Department senior leadership over the years has been both unable and unwilling to make this change happen.

The complexity and dysfunctionality of the planning, programming and budgeting process that the Defense Department created and follows ends up serving the short-term, narrow interests of each military service to the detriment of longer-term objectives. Each service continues to keep requirements in their budget that far outstrips future projected funding, in the hopes of someday receiving those funds in the way of increased federal defense budgets or decreased costs. Ironically, many defense analysts believe that decreases in costs through business efficiencies will rarely amount to anything close to what the Department of Defense estimates. They also believe that increased funding will only solve the short-term problem for the upcoming fiscal year and will actually exacerbate the problem in the long-term. As defense budgets are increased, the system



continues to drive budgets up over time, regardless of how many federal dollars are received. This will eventually lead to the same problem in future years that the funding increases sought to alleviate, that being the continued discrepancy between budgets and strategy.

The accounting systems being used by the Defense Department aggravates this organizational problem in that it is unable to properly match the planning function that sets the military requirements with the budgeting function that requests, receives and spends federal budget dollars. Despite repeated calls for reform and the emergence of new financial management technologies, the Defense Department has been unable and unwilling to reform their system to effectively manage their budget.

Over the past twenty five years or so, the Defense Department has existed in somewhat of a fiscal vacuum when it comes to matching strategic initiatives and budgetary cycles. As a result, defense budgets continue to lag approved defense strategies, and the powerful military-industrial complex is openly free to manipulate both strategies and budgets to achieve an institutional advantage in the federal budget process. As discussed earlier, there is a tacit acknowledgement of this phenomenon by Defense Department leaders, successive presidential administrations and legislative leaders. There is also a tacit acknowledgement that any single interest is unable to do anything to change this situation, as powerful individual and group interests have formed an impenetrable opposition against additional defense cuts of any kind.

The organizational mechanisms in place that form military strategy and establish budgets have long ago ceased to function effectively, even though the established planning and budgeting process continues to be followed. In theory, military strategy is formed by the President and his cabinet and advisors, voiced through the Secretary of Defense. The Secretary of Defense works with the Joints Chiefs of Staff and the military services in the development of military strategy. However, any modifications to current military strategy that are seen by individual services and the Joint Chiefs of Staff as threatening the military mission usually face serious institutional resistance. In the Clinton administration, for example, the animosity between the President and the military made the restructuring of military strategy in a post-cold war world highly difficult. This period was marked by large reductions in the defense budget without a concomitant reduction in the Defense Department's mission. Old strategies remained, and a widening gap developed between strategy and funds available. This was magnified by the defense build-up of the 1980's, for many of the costs for the completion of weapons systems started then came due in the 1990's.

The Defense Department has been unable to fix their accounting system to provide a better correlation between requirements and budgets despite a significant effort by the federal government to invest in new information management systems and advancements in financial management technology. The system has remained in place because it benefits the individual services and their parochial interests. The inability of senior defense leaders to gain an understanding of military planning and budgeting

enables certain interests to maintain a monopoly on the pertinent data, thus hiding the true status of the strategy-budget mismatch.

The PPBS system also remains as the Defense Department's primary accounting system because it permits both the systematic underestimation of future costs and the overestimation of future available funds. The systematic under representation of future costs enables the Defense Department to get more military programs started than would otherwise have been approved if more accurate estimates had been provided. Military planners know that a new weapons program is unlikely to be cancelled once significant progress has been made, thus assuring the development of new weapons systems at some level.

The mismatch between military requirements and defense budgets reached a critical point in the mid-1990's, as defense budgets were cut while the bills for weapons systems started in the 1980's came due. The price of new weapons and the cost and operations for many of these programs had been severely underestimated, creating greater pressure on the defense budget. To deal with this problem, the Defense Department began canceling or curtailing programs, cutting back on maintenance and training and extending the life of aging systems.

The problem became so critical in the late 1990's that defense leaders publicly admitted to significant shortfalls in the defense budget. During the presidential election of 2000, military leaders openly challenged each major presidential candidate to show

their support for the defense and safety of the nation by fully funding the existing defense strategy. Thus, military leaders manipulated the political system to achieve additional budget increases, thereby closing the gap between requirements and budgets. This action, the terrorist attacks of September 11<sup>th</sup> and the U.S. led invasion of Iraq in 2003 has enabled the Defense Department to gain action from President George W. Bush that significantly increased future budgets.

### **Lacanian Discourse Theory and the Disconnection Between Strategy and Budgeting**

Lacanian discourse theory maintains that as the flaws in the discourse of the university were exposed, fundamentally new patterns of discourse would begin to emerge, leading to behavioral patterns both new and unique to society. As discussed earlier, as the discourse of the university failed in U.S. society and major U.S. institutions, it gradually has been replaced by the discourse of the market. The discourse of the market is the challenge to the discourse of the university, incorporating doubt and questioning to counter rational analysis and challenging the discourse of the university's knowledge base as incomplete while pointing out its contradictions. As the discourse of the university declined, the new discourse, the discourse of the market, replaced the master signifiers and the foundation for signification in language established under the discourse of the university. As this foundation of knowledge was placed in disarray and the standard organizing schema for society was discredited, an individualistic market concept arose as the new master signifier of society. As this occurred, the foundation of

the discourse of the university, that being the need for precise knowledge, was ultimately eclipsed by individualistic free market principles and the need to successfully sell oneself and therefore become an object of desire.

It is the quest for knowledge and the notion that scientific truths can satisfy human desire that led to the dissolution of the discourse of the university and the rise of a new master and new discourse. Under the discourse of the market, the forces that drive human existence ultimately result in a constant battle between the human subject and the master of the discourse, and this battle between the master's knowledge and the human subject is the key characteristic of the discourse of the market. With the general foundation of the discourse of the university in disarray, the organizing motivation under the discourse of the market has gradually become a manifestation of individual desire itself and a quest by the subject in society to become an object of desire. The social bond that is created in this discourse has been described earlier as the hysterical identification with an unsatisfiable object of desire; hysteria as the basis for a social bond brings the impossibility of the fulfillment of our desire to the forefront.

In the discourse of the market, the built-in opposition between the master's knowledge and unobtainable human desire described above leads to the quest by the individual subject in the discourse of the market to become the object of desire himself, where drawing attention to oneself has become a common practice. The social bond that has formed under the discourse of the market in today's society has created a constant play for attention and approval that has begun to permeate our major institutions.

Organizational action has begun to generate towards the implicit norm that any action that receives approval is an acceptable action, that whatever sells in the organization, as in the marketplace, is satisfactory and welcome. As this becomes elevated to the level of society's major institutions, organizational action becomes even further cut off from our real existence and from human desire. As this occurs, organizational action continues to gravitate towards illusion rather than reality, thereby giving further strength to the claim that the social bond formed under this discourse is a kind of mass collusion to cover over the lack of a master signifier.

As discussed earlier, the characteristics adopted by U.S. society and institutions as they moved from the discourse of the university to the discourse of the market as the organizing schema for society was first manifested in the United States Department of Defense during the Vietnam War. This movement continued to take hold of the organization in the 1980's in such areas as weapons acquisition and in the annual budget process. With regards to the budgeting process and the disconnection between strategies and budgets in the Department of Defense, the first indications that this process reflected the discourse of the market was during the Reagan defense buildup of the 1980's.

Although this buildup fit in with the overall Reagan plan of increased defense budgets and lower taxes, during this time, there was no real plan to merge fiscal reality with future military requirements and sustainable budgets. For example, the drive by the Navy to build a 600 ship fleet was far removed from fiscal reality and from a true strategic need. This drive to enlarge the Navy ultimately took on a hyper-real life of its own by its leaders, devoid of any grounding in realistic and sustaining fiscal resources and

regardless of overall military fiscal soundness and without a foreseen military requirement. It was almost as if the Navy in this case was operating as if they were the only branch of the military, blind to overall military requirements and available resources. The result of this unsustainable buildup—remember that during this time annual federal deficits were at an all time high—was a military that became further out of balance both fiscally and operationally. The Defense Department has continued to exist in this hyper-real situation between their annual budgeting process and the established military requirement, with estimates that the annual budget is under funded by as much as 25% on an annual basis.

As a sure sign that a change has occurred towards the discourse of the market, for a time the Defense Department has responded to their annual budget shortfalls by what can be called cooking the books—underestimating costs, overestimating future savings and downplaying the seriousness of this discrepancy—as a way to depict the budget in line with military requirements. This is similar to some U.S. major corporations that have recently been exposed undertaking serious mismanagement of their fiscal status. As this budget discrepancy has become too large and world events have changed in the past five years, senior military leaders have begun to talk publicly about the disconnection between strategy and budgets, but in a way that openly challenges congressional and executive branch leaders to “fully fund defense”, lest they be called out as soft on defense and publicly challenged. In a sense they are giving up trying to hide this disconnection anymore, but when brought into the public light it begins to take on a new and perhaps unforeseen meaning. The defense budget debate has been turned around and has taken

on a different meaning when brought into the public realm, one where fully funding defense no matter the cost is seen as a good thing at all times, while being soft on defense is seen as a bad thing. In actuality, a politician or executive branch leader addressing the true situation of the mismatch in funding and strategy is in fact providing more assistance to the Defense Department by trying to balance the books and providing a solid and realistic foundation for future defense budgets and future military requirements. Perhaps if this solid foundation was in place today this question would play a larger role in evaluating current and future military actions.

The fact that increased budgets during the final Clinton years and the early Bush years has only exacerbated this situation rather than remedied it is a sure sign that this important organizational process is completely disconnected from any grounding in the true reality of the situation. The evidence that has been presented shows that large increases in the annual budget of the Defense Department only exacerbates the disconnection between strategies and budgets. This is so because usually a large amount of the increase to annual budgets will go towards additional or increased weapons systems. These weapons systems are almost all purposely underestimated by military planners and thus under funded, leading to decreases in the amount procured, a watering down of system requirements, and an elongated delivery schedule, thus ensuring that the weapons system does not meet the strategic requirements of quantity of systems, functionality and delivery need date. In addition, major weapons programs create a tail of additional funding requirements for logistics and maintenance support. A large portion of the defense budget is usually raided to meet other budget shortfalls, further



exacerbating the funding shortfall in weapons logistics and maintenance. This cycle is perpetuated on annual basis as military, executive, and congressional leaders seem either unwilling or unable to stop any further degradation. As a result, the Defense Department has continued to exist in this hyper-real situation between their annual budgeting process and the established military requirement with no seeming end in sight.

Efforts over the past 25 years to fix the budget process has thus far focused almost predominately on costs; the cost of weapons systems, the cost of maintenance and operations and personnel costs. Regarding weapons acquisitions, acquisition reform has not markedly decreased the unit cost of a weapons system when adjusted for inflation, despite years of various acquisition reform initiatives. The cost of maintenance and operations continues to rise as equipment is allowed to stay in service for a longer period and undergo less frequent maintenance due to budget pressures. With regards to personnel costs within the Defense Department itself, there has been a significant downsizing of civilian defense personnel as well as a downsizing of personnel counts for each military service. In the long run this may actually lead to increased future costs as more reliance and hence less oversight is placed on private military contractors to perform the work that was once the responsibility of federal civilian and military workers. Military planners continue to focus on costs and continue to show a lack of interest in linking strategy with available resources. Similar to the hyper-real situation of the annual budget process itself, the refusal of reform initiatives to focus on the root causes of the problem ensures that the disconnection between budgets and strategy will continue long into the future.

This problem is allowed to persist because the Defense Department, and in many ways presidential administrations and Congress, possess neither the institutional proclivities nor the management capabilities to evoke a change in behavior. The social bond in today's Department of Defense and in society prohibits almost all meaningful and purposeful reform from taking place. The manifestation of individual desire and individual action driven in the discourse of the market has so degraded major U.S. institutions like the Department of Defense that no amount of organizational shaping can regain control of vital organizational processes. As a result, most vital organizational processes in the Defense Department, processes like strategy and budgeting, are left untethered to the goals and objectives of the organization, unclear as they may be.

## CHAPTER 10

### SUMMARY AND FINAL CONCLUSIONS

#### Summary

This dissertation set out to explain that a shift has occurred from the major discourse of the modern era to a new form of discourse, placing this shift as the dissertation's central premise. The main discourse of the modern era, the discourse of the university, claims its position as the dominant discourse through knowledge, reason and expertise. It is characterized by heavy analysis through rational, scientific means where systematic knowledge and a reasoned approach serve as the ultimate authority. This discourse also maintains an underlying belief in progress through rational, scientific analysis.

In the U.S. from 1900 to 1945, the discourse of the university became firmly ensconced as the dominant discourse for society and for major public and private institutions. During this period, large industrial producers began to adopt the principles of scientific management and major universities soon followed by reorienting their curriculum towards science, mathematics, management and statistical analysis. Also during this time, the social sciences began to espouse the belief that patterns of human behavior could be discovered through empirical research and could be translated into universal laws and structural configurations of behavior that were scientifically testable

and verifiable. U.S. government institutions began to place considerable faith in scientific management to carry out their administrative responsibilities, adopting the belief that government institutions could more effectively link particular human actions with the ends of the state. With the rise of the discourse of the university throughout major private corporations, higher education and all levels of government, society in general took on the traits of the discourse, leading to the somewhat unique view that society could be furthered through rational thinking, management controls and technological means.

The discourse of the university was further instilled as the dominant discourse in the U.S. during World War II. The largest industrial firms, with production systems based in scientific management and the latest technology, received the majority of wartime production contracts. At the same time, statistical control and systems analysis were adopted by the Department of War as a management tool to control the overall military organization. Through this system, the entire air operation was quantified and analyzed and items like parts used, bomb tonnage delivered, fuel consumed, pilot loss and recovery and enemy casualties were all quantified and analyzed for the first time to more accurately predict and control the entire U.S. air operation.

During the 1930's and through the war years, Robert McNamara was educated and entered professional life as the discourse of the university strengthened its hold as the dominant discourse in American society. Educated at Berkeley and Harvard, McNamara brought the techniques of scientific management, control accounting and statistical

analysis to the Department of War in support of the effort to manage World War II air operations. He went on to apply the same techniques at Ford Motor Company, quickly turning Ford into a well-managed and highly profitable company during the 1950's.

The successes at Ford mirrored the economic success the U.S. would achieve after World War II. The largest wartime industrial producers—companies like Ford, General Electric, Westinghouse and General Motors—quickly began producing consumer goods for the American home after the war. American industry, with plentiful government assistance, became the leading producer and exporter of a multitude of technological devices. The American economy flourished, and the availability of steady, well-paying jobs contributed to a marriage and baby boom heretofore unseen in the modern industrialized world. As the population grew and incomes rose, pressures abounded for suitable housing for new families. With government assistance in mortgage lending and suburban infrastructure, the suburbs began to absorb the majority of the population growth, quickly diluting the downtown city as the major population center.

At the same time that the discourse of the university was reaching its peak in the 1950's in America, certain groups of people remained quietly excluded. Uneducated in the new ways of the working world and historically segregated into poorer communities, American blacks at the height of the post-World War II economic boom began to publicly voice their growing disaffection. Throughout the late 1950's and 1960's, widespread social protests around civil rights, free speech, women's rights and against the Vietnam War came to overshadow the economic progress of post-war America.

According to Lacanian discourse theory, the primary signifiers of a language, the source of all meaning in society, can never be given a clear or stable definition. This is because upon the subject's movement into language, the subject is forced to give something up, thus creating an absence. This absence at the core of signification is the fundamental flaw with all discourses and language systems, and it is the reason why the dominant discourse of a society degrades over time. As the dominant discourse degrades throughout society and social institutions, the illusion that stable meaning is possible is eventually exposed and the discourse begins to lose its hegemony over society.

Based on this inevitable degradation of the dominant discourse, Lacan theorized a historical movement of his four discourses, in the process viewing social identity as historically produced. Lacan predicted that the prevalent discourse of the modern era, the discourse of the university, would eventually begin to seriously contradict itself as the abstractness of the rational, scientific approach became apparent over time, and would gradually be replaced by a new discourse. With the replacement of the established discourse in society and social institutions, new possibilities for unique behavioral patterns became possible as a new dominant discourse began to govern societal action.

As the discourse of the university peaked and then began to degrade in the 1960's, perhaps nothing embodied this degradation as much as the Vietnam War. Robert McNamara's management of the Vietnam War remains a classic illustration of the discourse of the university in operation. It is also an example of how a discourse degrades over time, for at the end of McNamara's seven-year reign as Secretary of

Defense, the effectiveness of this discourse was in tatters in both the Department of Defense and throughout U.S. society.

As the prevailing discourse of the modern era was finally exposed and deligitimated in the 1960's, it gradually came to be replaced by a new discourse, the discourse of the market. As the master signifiers of the discourse of the university weakened and the discourse's inability to define stable social roles and behaviors became public, the discourse of the university became unable to produce stable social behavior, a discourse's primary function. The discourse of the market directly confronted the discourse of the university, at once challenging and questioning its established basis of knowledge. The discourse of the market pointed out the contradictions in the discourse of the university, supplementing these contradictions with a view that there is no basis of knowledge that could fully explain reality, and that the master signifiers of the discourse of the university were no longer able to provide stable references for societal action. The discourse of the market confronted traditional textual codes, rules and norms that had been established under the discourse of the university, ones standardized and practiced over the last few centuries, and replaced them with a more contingent and contextual approach to human discourse. With the foundation of the established discourse in disarray, new unforeseen behavioral patterns began to emerge in society, and social institutions become immobilized to a degree as established institutional processes and methods of communication were challenged and discarded.

The quest for knowledge and the notion that scientific truths can satisfy human desire under the discourse of the university is what led to the dissolution of the discourse of the university and the rise of a new master and new discourse. The key characteristic of the discourse of the market is the constant battle between the human subject and the master of the discourse, and the organizing motivation under the discourse of the market has gradually become a manifestation of individual desire itself and a quest by the subject in society to become an object of desire. The social bond that has formed under the discourse of the market in today's society has created a constant play for attention and approval by the individual that has begun to permeate our major institutions. Organizational action has begun to generate towards the implicit norm that any action that receives approval is an acceptable action, that whatever sells in the organization, as in the marketplace, is satisfactory and welcome. As this becomes elevated to the level of society's major institutions, organizational action becomes even further cut off from our real existence and from our human desire. As this occurs, organizational action continues to gravitate towards illusion rather than reality, transgressing to a form of hyper-reality that is disconnected from the true reality of human existence. This degradation of behavior gives credence to Lacan's notion that the social bond that is formed under the discourse of the market is a kind of societal mass complicity, one that is necessary in order to cover over the fact that the master signifier of the discourse is severely lacking.

The analysis of U.S. military action in Vietnam and the three case studies presented were employed to illustrate specific instances where the discourse of the market has gained hegemony in a major social institution, the United States Department



of Defense. The case studies highlighted the breakdown of the discourse of the university in the Department of Defense and showed how new forms of behavior and a new discourse have emerged.

Regarding the Vietnam War, perhaps no other event in American history cast more doubt on the efficacy of the discourse of the university, and by the mid-1960's the flaws in the discourse of the university were publicly apparent. As discussed earlier, the rapid deterioration of the discourse of the university during the Vietnam War indicated not only a major shift in human behavior but also a change in consciousness itself. The behaviors exhibited by those Americans involved in the Vietnam War would not have been possible in an earlier time when the discourse of the university was still able to provide a more clear and grounded basis for human action. With the disintegration of this foundational basis, novel behaviors became possible because there was no longer a powerful enough discourse to provide stable social behavior.

In the A-12 procurement case study, the guiding behavior of the key participants in the program was based on receiving approval from their superiors any way they could and continuing the program at all costs. The implicit norm that was followed was that program continuation meant that the key participants were doing the right thing, regardless of evidence to the contrary of the technical validity of the program and regardless of what rules and statutes were being violated. The wrongdoing by both the leaders of the organization and by the organizational members is consistent with the notion that as personal behavior gravitates towards becoming the object of desire and

truth is replaced by attention of any kind, behavior moves farther away from any relationship to reality. In the process, this creates a social bond based on a false, or hyper reality. From the A-12 case study we see that for years a major military procurement program was sustained through organized mass complicity, thus giving further strength to the notion that in our major social institutions, the social bond that is formed under the discourse of the market is a kind of collective collusion to cover over the fact that the master signifier of the discourse in the institution is severely lacking.

From the analysis of the 1990 Gulf War, the case study shows that the Gulf War could not have been fought and managed in the manner described unless there has been a shift away from the discourse of the university to a new form of discourse, a discourse with which American society has taken a form consistent with. The submissive acceptance by the majority of American society indicates not only a shift away from the discourse of the university but a shift in human consciousness at the social level as well. The ease by which the Defense Department, perhaps America's most influential public institution, managed and exploited the words and images of war for their own benefit shows that the social bond has evolved to a loose arrangement of easily manipulated imagery and narratives, a phenomenon not possible at the height of the discourse of the university. It is this type of self-created hyper-reality exhibited by the U.S. military in the Gulf War which now seems to serve as the governing discourse for societal action.

In the final case study, the disconnection between military strategy and annual military budgets could not have grown and continued to be the problem it is today unless

the U.S. Department of Defense was complicit in its creation and sustainment. The annual military budget is now dependent on an organizational deception for its creation and continuation, that being the practice of underestimating costs, overestimating future savings and downplaying the seriousness of the discrepancy. The Defense Department continues to exist in this hyper-real situation between their annual budgeting process and the established military requirement with no end in sight, with estimates that the annual budget is under funded by as much as 25% on an annual basis.

### **Final Conclusions**

This dissertation has attempted to show how the dominant discourse in American society and major institutions has changed over time, and how that discourse is today playing out in a major public institution. The consequences of the shift from the main discourse of the modern era to a new form of discourse for public institutions like the United States Department of Defense is of foremost significance for the field of public administration.

Today, evidence of the dominance of the discourse of the market abounds in the business world, in government institutions and throughout U.S. society. In the business world, the recent rise of alternative methods of financial accounting and noteworthy accounting scandals in large corporations is an excellent example of the discourse of the market in operation. Traditionally, generally accepted accounting principles, or GAAP, have served as the standard for which companies are evaluated and by which they

estimate their earnings. These principles have been worked out over a number of years, based on rational business principles and scientific accounting methods characteristic of Lacan's discourse of the university. In the past few years, it has become increasingly difficult for generally accepted accounting principles to govern how businesses are evaluated, as corporations look for alternative methods of accounting. One method that has emerged is pro forma reporting.

Traditionally, pro forma reporting was used to estimate the profitability of potential corporate mergers. In the late 1990's, Internet startup companies began using pro forma reporting as a way to exclude certain costs and expenses in order to show positive earnings. Without exception, pro forma results were always better than results in compliance with GAAP. For the majority of these companies, expenses significantly exceeded earnings. At the time this practice began, there was no established way to report pro forma results as they relate to traditional measures of income and expenses. Thus, a company could decide to exclude certain expenses that they determine to be irrelevant to the real performance of their company. Although pro forma reports do not conform to GAAP and are not filed with the Securities and Exchange Commission, many stock analysts in the 1990's began to base their estimates of the value of a company on pro forma numbers. The crash of Internet stocks over the past few years showed that hidden expenses were indeed important and that much of the value of Internet companies was built on a house of cards.

The recent collapse of Enron is further evidence of the discourse of the market in practice. Enron pioneered natural gas trading in the early 1990's, and along with this they insisted on using an alternative accounting method called mark to market accounting instead of the more accepted historical cost accounting. Under traditional accounting, the value associated with revenues and profits of a long-term natural gas supply contract would be realized when the revenues were received. Under the mark to market method, the entire estimated value for all the years of the supply contract are realized the first year. Through Enron's persistence, in 1991 the Securities and Exchange Commission agreed with the use of mark to market accounting for Enron's natural gas trading business.<sup>275</sup>

It illustrates the rejection of generally accepted accounting principles and how alternative methods of accounting have become widespread as struggling companies attempt to hide the true status of their situation. The fact that many large companies are currently reevaluating their accounting practices and balance sheets shows that these practices are not limited to Enron.

Even more problematic, accounting auditors and financial experts openly acknowledge that many companies now facing financial irregularities have stayed within the boundaries set forth by GAAP. Tyco is one example. Tyco pursued a pattern of aggressive accounting that was within the range of accounting permitted by GAAP. These methods, while flawed, were undertaken to increase earnings reports above what

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<sup>275</sup> Elkind, Peter and Bethany McLean. The Smartest Guys in the Room: The Amazing Rise and Scandalous Fall of Enron. New York: Penguin Books, 2003.

they would have otherwise been had a more traditional approach been taken.<sup>276</sup> The case of Tyco shows how Generally Accepted Accounting Principles, principles that have been worked out over a number of years and based on scientific accounting methods, can no longer provide a stable foundation for business behavior. This is because these principles were created during the time when the discourse of the university was the dominant discourse, but today they are no longer effective at maintaining control in a business society now operating under a new discourse where older and more traditional reference points can now be reinterpreted and exploited.

In American society today, there seems to be both a fundamental sense of dissatisfaction and at the same time a heightened search for meaning and certainty. The current mechanisms by which culture is produced add to this growing dissatisfaction because it denies the true aspects of human existence in favor of conscious satisfaction of ego desires. In turn, this denial of our true existence has led to a search for symbolic representation as a means to reconnect with it. However, the symbolic representation of the real of our existence is not possible under current forms of discourse. It is exactly at this point where societies encounter the opposite reaction to this impossibility through the search for personal or collective identity or the quest for more reliable moorings in a changing world, often characterized by a revival in the interest in social or religious institutions and the search for historical roots. Perhaps the recent 2004 presidential election in the U.S., once the post-election analysis is complete, will give credence to this development.

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<sup>276</sup> Eichenwald, Kurt. "Pushing Accounting Rules to the Edge of the Envelope". The New York Times. (12/31/02): 1-3.

Out of this current societal condition that the U.S. and much of the world now finds itself in, perhaps the dominant social movement today has emerged in reaction to the seemingly unstoppable process of globalization. Front and center in the globalization debate are global public institutions like The World Bank and The International Monetary Fund. Protests against these U.S. led institutions and the globalization movement come from individuals and groups that are generally unsatisfied by the proffered benefits described in the abstractions of market rhetoric —that everyone benefits in the long run from economic development and the globalization of the world into a network of strong trading partners. Protest groups seem to be saying that the institutions leading these changes are fundamentally misreading what people in general understand life to be about. They realize that we have all heard the arguments in favor of capitalism before throughout history, how expansion of trade and the opening of new markets will make the world better for everyone. As the deceptions and contradictions of this rhetoric have been revealed, our capacity to have faith in the inherent benefits of the free market and economic globalization become severely tested. There is something about it that just does not square with the reality of our human condition. That something is the fact that free market capitalism does not come close to capturing the truths of human needs and desires, and in fact works directly counter to it by diverting our attention onto ego needs.

Edward Luttwak writes in Turbo-Capitalism that the United States has the highest level of consumption along with some of the highest levels of personal dissatisfaction. According to Luttwak, the conflict between rapid economic growth, dynamic economic change and social stability is a huge contradiction that is sewn throughout the fabric of

U.S. society. It is a contradiction that can only last because it is endorsed by the majority of the country's government and business leaders and because of an aggressive refusal by the majority of Americans to recognize it.<sup>277</sup>

The United States economic system is currently one of the most unrestricted free markets in the world. In addition, the U.S. is overall the wealthiest nation on earth and is also the farthest along to being a 100% consumer society. No further proof of this consumer society is needed than President Bush's frequent extolling of the American public to spend money in order to assist in an economic recovery, most notably after the terrorist attacks of 2001 and upon passing tax refund legislation. In the United States today and much of the world, the supreme measure of value is the effectiveness of the free market in delivering the lowest possible prices to consumers. To enable such a society, however, the stability and security of established communities must be considered temporary and expendable, while the resulting social costs, mostly clandestine to the general public, remain enormous.<sup>278</sup>

In the United States, the leading cultural and governmental institutions have taken a form consistent with this free-market view. The current devices of cultural production and the approach taken by major U.S. institutions creates an ever-widening gap between the way people are depicted and the real way people experience themselves as being constituted. The cultural and institutional devices that have sustained U.S. society thus

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<sup>277</sup> Luttwak, Edward. Turbo-Capitalism. New York: Broadway, 1997.

<sup>278</sup> DeGraaf, John and others. Affluenza: The All-Consuming Epidemic. San Francisco: Berrett-Koehler Publishers, Inc., 2002.



far will not continue to sustain it in the future if things continue in this direction. If these current cultural and institutional devices proceed down their current path, dissatisfaction with the ability of both cultural production and institutional life will grow to the point that no amount of culture shaping will be able to contain it.

As the discourse of the university has diminished and lost its power to guide society, there are a large group of Americans and a large number of political leaders who wish to reestablish authority under the discourse of the university, or something like it, as a means to provide some sense of rationality to the chaos that is the world today. These attempts to reestablish this type of discourse have gained a popular following in the general public because they give the illusion that stable meaning in language is possible. It has filtered down to our major social institutions as these institutions have embraced the rhetoric of running social institutions more efficiently and business-like. Any attempt to reestablish the discourse of the university as the main discourse for American society will ultimately fail for the same reasons that the discourse failed in the 1960's. It will also serve to keep the discourse of the market or something like it as the dominant discourse of society by focusing on the very things that are counter-productive to human progress, those things that act against the real way that individual desires are constituted.

Thomas Friedman writes in The World is Flat that as globalization marches on unabated, social relationships between people will continue to change as the definition of culture, society and nation continue to be modified. Friedman cites the European Union as an example of the unprecedented power of globalization and the impending and

eventual end of the European nation-state. Friedman also writes that although the movement can not be stopped, a crucial development growing out of this movement that could raise world living standards is the convergence of technology and other events that are allowing large countries like India and China, with one third of the world's population, to become part of a global trading network, one that is leading to a massive explosion of wealth and significantly growing the middle class of both of these countries.<sup>279</sup>

Hardt and Negre, in the critically acclaimed book Empire, write that with the impending changes to cultures, in societies and nations that have already emerged and are emerging the social bond could be significantly changing and soon could come to be based on more of on individual to individual relationship and the increased sharing of the common human bond. Hardt and Negri maintain that "Empire"—traditionally understood as military or capitalist might—has perhaps embarked upon a new stage of historical development and is now better understood as a complex web of sociopolitical forces and that this "multitude" will ultimately transcend and defeat the new empire on its own terms.<sup>280</sup> Hardt and Negre identify a radical shift linked to the transformation of cultural and economic practices, particularly new conceptions of human identity and difference and new networks of communication.

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<sup>279</sup> Friedman, Thomas L. The World is Flat: A Brief History of the Twenty-First Century. New York: Farrar, Straus and Giroux, 2005.

<sup>280</sup> Hardt and Negri. Empire. Cambridge, MA. Harvard University Press, 2001.

Technological innovations that affect mass communication and ultimately how people relate to each other, such as the internet, are becoming collective forces of unprecedented and often unmanageable power. The breaking down of communication barriers through the internet is for perhaps the first time enabling collaboration on a massive scale across time and space not only possible but economical and is starting to result in fundamental shifts in power. Corporations are increasingly having to contend with ad hoc groups of customers who have the power to join forces online to coordinate their message, termed by Robert Hof as the democratization of industry and the economy by the people and for the people. Hof believes that the most influential corporations will have to figure out how to operate in this new environment and will be unable to keep secrets for long amid the chorus of online voices. Already, collective online brain trusts are collaborating via the internet to help companies solve problems and increasingly solve problems for themselves. One of the results of this, Hof writes, is that people have begun to take on more responsibility and contribute their own time and talent in new ways to get the most out of the new cooperative tools and services, perhaps some day leading to a fundamental change in the way people work together and relate to each other.<sup>281</sup>

But what do all of these movements and ideas described above purport for potential changes in human behavior and the possibility for improvement in the condition which U.S. society now finds itself? I believe that both Americans and much of the world will rely less and less on the stability of culture forming and the reliance on stable societies and more and more, reality will be created between individuals through

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<sup>281</sup> Hof, Robert. "The Power of Us". Business Week. (June 20, 2005): 75-87.

the creation of microenvironments around certain specific causes that galvanize large groups of people. The post analytical subject is moving out of the symbolic order that has been defined by the discourse of the university and the discourse of the market and into a more open and generalized symbolic order. In a more subtle sense, this is enabled in many ways by the discourse of the market itself, for the built-in instability of the discourse opens up the possibility for the creation of radical new approaches that could lead to major reforms and improvement of the human condition.

At the level of government institutions, the Department of Defense and other government institutions will have to start collaborating more with other governments, other government agencies, and with the various divisions within the organization itself, for the go-it-alone style that the Defense Department has adopted in many facets of their organization, such as in weapons procurement, is not going to work successfully in the future.

This dissertation has attempted to explain human behavior as it relates to administrative practices through broader considerations of culture and identity. The core focus has been on cultural identity through discourse, those behavioral patterns and the underlying logic of behavior that characterize a society. I believe this approach can enable the field of public administration to see that cultural identity is much more complicated than what it appears to be, opening up theories of administration to a whole new set of structural considerations of human identity.

This approach sheds considerable light on some central themes of public administration research in the field of organizational theory. One of these themes is the adoption of the market model and the view that public organizations could and should be run more efficiently and more like a private business. This belief has gained dominance largely because culture has taken a form consistent with it, seeing no alternative to capitalism and the efficiency model. The current process of cultural production affirms the model of human beings as having a fixed identity and grounded in a cluster of drives for which satisfaction is sought through rational calculation. The success or failure of transforming government institutions into an adjunct of the market, or even simply a sector of it, depends in part on the continued production of a set of culturally induced beliefs that support this idea. The production of cultural beliefs in this way depends on how similar the market model is with the actual profile of the human subject.

Public administration has largely adopted a form consistent with this view of culture described above, namely that humans have a fixed, knowable identity. This view has given rise to the idea that human satisfaction can be provided through the application of rational administrative practices, since this model of human identity maintains that people are rational beings who seek satisfaction through rational calculations. Widely accepted movements within public administration that maintain this model of human identity, such as reinventing government and new public management, will ultimately create an ever widening gap between the way people are depicted and the way people experience themselves as being constituted. These movements hold to what appears to be

a naïve belief that the parameters of human satisfaction and happiness are definable and attainable through rational devices.

Fortunately for the field of public administration, there are a growing number of writers in the field who are challenging the mainstream view that public administration seems to have adopted. Dissatisfaction with the methods of mainstream public administration is moving into public administration classrooms and into the literature of the field. Established journals such as *Administrative Theory and Practice* and *The American Behavioral Scientist* have devoted whole volumes to alternative approaches to public administration and the problems of society.

The late stage of human history where we now find ourselves may be headed for some serious manifest problems as the theoretical underpinning of the field of public administration continues to be based on an incorrect model of human subjectivity. What is needed in order to begin remedying this situation is a theory of social institutions founded on a psychological understanding more sophisticated than the one that underpins market theory. Lacan perhaps had a remedy for this seemingly intractable situation through his final discourse, the discourse of the analyst. The discourse of the analyst, or something similar to it, seems to offer an effective means of countering the psychological and social tyranny produced by the discourse of the market. It does so by forcing society to remove its societal mask and collectively reexamine the relationship between the production of symbolic knowledge and the existence of reality beyond this knowledge. Lacan believed that this could force society towards the collective realization that all

knowledge is incomplete and that all language systems end up circumventing the one true reality, that being our individual and collective unconscious desire. In discourse terms, this could then begin to produce new master signifiers and a new master, and thus a new social bond would begin to be formed that would reformulate our collective social identity. As in the early 20th century when small pockets of opposition appeared in response to the dominant discourse of the time, similar pockets of resistance are evident in our world today and perhaps hold out hope for the eventual establishment of a more workable social bond in the near future.

The real problem that the field of public administration must come to terms with is that the dominant discourse of the era, the discourse of the university, is over for good, and the discourse that American society is now in, the discourse of the market, is a dead end for both society and for the major institutions that support society. It is a failing discourse that is less and less able to provide society with a stable social order, one that must constantly create new and increasingly less effective ways to gloss over this inadequacy in order to attempt to produce a workable society and to maintain the slowly deteriorating mental hygiene of individuals. The resulting social bond that has formed among societal members emerges as a kind of mass collusion to engage in a process of effacement by which the lack of workable master signifiers is covered over.

As shown in the case studies in an earlier section, this social phenomenon is now filtering through the U.S.'s major social and political institutions. The United States political landscape has reached never-before-seen heights as both major political parties

are actively creating and then justifying their own view of reality, one where facts are dissected, reinterpreted and heightened to whatever the messenger chooses them to be. This has perhaps never been done better than by the current presidential administration, lending further credence to the argument of the total ineffectiveness of the current discourse under which we now find ourselves.

The major implication for the field of public administration is that the governing discourse for American society has failed, and that the now-common practice of covering over the severe inadequacies of the discourse of the market in order to attempt to produce a workable society and to maintain the mental hygiene of individuals is a dead-end for society and for public administration. It is vitally important that the field of public administration recognize this, as public administrators hold a key place in our social order, positioned as they are between policy makers and the citizen. What should be foremost on the agenda for the field is to attempt to figure out how administrative practices and key institutions can be fashioned in such a way as to rebuild a bold new social bond with citizens. A recognition of the inadequacies of our current social bond and a more honest and open relationship between our public institutions, public administrators and the general public, one founded on a broader concept of human identity, could create the leverage needed to move government institutions back toward the role of engaging the collective human struggle. Something like this seems to be the wisdom reflected in more traditional notions of administration as a process of working out how we want to live together. Is this not, after all, what we are all about?



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**VITA**  
**Dave Simpson**

**Academic Experience**

**Ph.D.** Public Administration. Virginia Polytechnic Institute and State University, Blacksburg, VA. Fall Semester, 2005.  
Dissertation: Lacanian Psychoanalytic Theory and the Historical Progression of Discourse: The Shifting of Social and Institutional Identity in Post-World War II America

**M.A.** Public Administration. Virginia Polytechnic Institute and State University, Blacksburg, VA. May 1994.

**B.S.** Public Policy. Kutztown University. Kutztown Pennsylvania. May 1987.

**Work Experience**

**DRS Technologies, Fitchburg, MA – 2003 to present**

I am currently the Program Manager for the design and build of a new electric drive propulsion system for a future U.S. Navy surface combatant ship. I am primarily responsible for managing all design and production activities across four DRS business units located throughout the United States.

**Kollmorgen Electro-Optical Corporation, Northampton, MA – 2002 to 2003**

Responsibilities included the subcontract and program management of the top tier supplier base for critical technologies, including issuing RFQ's, evaluating bids, awarding subcontracts, and managing supplier development and manufacturing efforts.

**American Management Systems, Fairfax, VA – 2000 to 2002**

I served as the project manager for the development and implementation of the Budget Exhibit Automation System for the U.S. Army Central Budget Office. The system automated the data collection for budget submissions and enabled web-based submittal of budget forms. Wrote training manuals, system administration manual and user's guide, performed testing at various sites, and led onsite training efforts for various users.

## **Naval Sea Systems Command, Washington, DC – 1990 to 2000**

Responsibilities included the management of the financial management section of the U.S. Navy's Submarine Technology Office. Responsible for annual budget formulation, budget execution and contracts management. Other responsibilities included the financial management of U.S. Navy Virginia Class Prototype R&D effort with General Dynamics Electric Boat Division.

### **Other Academic Experiences:**

- Successfully completed the Department of Defense's Program Management Course at the Defense Systems Management College, Fort Belvoir, VA, 1999.
- Founder and first president, CPAP Association. CPAP Association founded in 2000 as a community of students, alumni and faculty working together to provide networking and mentoring opportunities, to sponsor programs and events in which ideas and information can be shared and relationships forged and strengthened.
- Co-founder, Capital Praxis. Capital Praxis is the premier Fall event for CPAP. It brings together new and experienced students, faculty and alumni from all five CPAP campuses for a roundtable discussion around a relevant topic in public administration.

### **Teaching Experience**

- Co-taught Ph.D. level course in organizational theory with Dr. Orion White and Dr. Cynthia McSwain, Virginia Tech, 2000. The course was designed to provide PhD students with narrative illustrations of complex theoretical concepts and to give students the opportunity to explore alternative learning strategies.

### **Professional Activities**

- Member, American Society for Public Administration (ASPA)
- Member Public Administration Theory Network
- Member, Association for the Psychoanalysis of Culture and Society
- Member, The Forum for the Psychoanalytic Study of Film

### **Papers/Publications**

- Public Administration Times – “*Virginia Tech Hosts Capital Praxis Event*”, December 2000.
- Delivered paper at Public Administration Theory Conference titled, “*Lacanian Discourse Theory and the Condition of the Modern American Military*”, January 2000, Fort Lauderdale, FL

- Toastmaster at Virginia Tech High Table Event, April, 1998, Blacksburg, VA
- VA Tech, College of Architecture and Urban Studies, Facets Magazine –  
“*Making a Network Work*”, Spring, 2001