

Book Review

Niall Ferguson

The Square and the Tower: Networks and Power, from the Freemasons to Facebook
New York, NY: Penguin Press, 2018

Reviewed by Donald R. Officer

Networks have been with us since before we were human. Our primate ancestors and who knows how many other species living in packs, troops, clusters or other collective living arrangements, have survived for up to millions of years largely by practicing serious networking. Today, social scientists, politicians (and of course internet entrepreneurs) seem most fascinated by the phenomenon of the network. In case you hadn't noticed, for the past two decades or so enhanced networking has become an overshadowing presence in our social lives.

So, when a prominent historian admits he has not paid great attention to networks until well into his career, we might be almost as surprised as he was. Niall Ferguson's new book, *The Square and the Tower* goes a fair way to make up for the oversight. In the early pages Ferguson admits that this work is a bit of a research dump – tons of references and connections in search of a package. He also confesses that this book is a way station in the middle of what he expects to be a magnum opus, his two (or maybe more) volume biography of Henry Kissinger.

But this substantial work can be seen for its own merits and I believe it is a significant addition to a growing library about how societies organize themselves. It is also a cautionary tale about how they succumb to disorganization. This is a topic Ferguson has ruminated over before. In 2014 he published *The Great Degeneration: How Institutions Decay and Economies Die* which addressed the mounting organizational stagnation he watched build to dangerous levels. That book was written before the great turning points of 2016 which seem to have caught even this author by surprise. In part, this latest title is a response to seeing how quickly pent-up pressure of long thwarted ambition combines with uneasy perception among the marginalized (and maybe, paradoxically, the very wealthy). Their world was adrift, forcing strong reaction.

History overflows with examples of long placid stretches followed by abrupt disruption, swift reaction and ruthless replacement of old with new orders. Consider the long period between the Napoleonic and sudden shock of the first World War. Surprising of the charts disruption was spotlighted dramatically by Nassim Nicholas Taleb a decade ago in *The Black Swan*, itself a rude awakening to pundits everywhere, well for a while anyway. In *The Square and the Tower*, Ferguson may at first appear to be presenting an overstuffed argument heavily frontloaded on the period since the enlightenment, but the story he's telling is complicated and the ever changing west is our neighbourhood.

Like our cousins, the chimps and the lemurs, human beings live in networked societies. The most persistent and prevalent of these is the hierarchy. Simplicity and stability argue for firm

if not always rigid top down arrangements. Obviously, genetics has something to do with it as well as the multiple ways society has of replicating itself. Only a few dozen decades ago virtually all human cultures were cast in the top down pattern notes Ferguson. Scholars of primate behaviour would all concur with the likely prevalence of dominance as social default. Yet power is often gained by helping others and networks make it happen. Maintaining power is another thing. See Dacher Keltner's *The Power Paradox: How We Gain and Lose Influence*.

With humans, complicating factors inevitably intervene; networks are among them. Our capacity for mediated communications stretches the geography and duration of all social orders to vast, not infrequently, dynastic proportions. We have compelling trading relationships and a vast toolkit of ways to manipulate our environments as well as other people. Flatter, broader and looser, including multiple contingent network shapes often appear. These coexist in top down communities, but tend to be less dynamic there, especially if perceived as threats to the given order. When hierarchies become cumbersome or dysfunctional they may be open to overthrow. If the internal struggle is not purely dynastic, it might be a network that brings down the regime.

There are moments in history which Ferguson and many others have described when a new technology and openness combine with mounting frustration over an ineffective situation shifting power from the vertical tower to the outstretched square of ad hoc connections. Niall Ferguson drew his title from a physical embodiment offered by two structures still found in the Italian renaissance city of Siena. There the piazza representing a lively mercurial social network and the upright campanile symbolizing entrenched church power are beautifully juxtaposed. Like the renaissance, our epoch is fluid and fateful for both hierarchies and networks. New dominant technologies provide the catalyst in both periods. Interestingly, the targeted areas for immediate disruption were very different. Five hundred years ago the printing press was the engine of war against the church of the day. In our times, the economy became the first vulnerable target for the rapid infiltration of the internet into every corner of public and private life.

Hierarchies regroup swiftly. History texts tell us how cannons brought down castle walls but fail to mention how the nobility rolled out musket toting battalions and built low profile earthen works to regain their advantage. Well positioned top dogs are also preferentially selected to form powerful hubs in emerging networks. That is, provided they have the skills and key connections to act on their advantage. Nonetheless, shifting from hierarchic to network systems does throw up some surprising newcomers to prominence. The subject of Ferguson's biographical odyssey, Henry Kissinger created one of the most effective networks ever from scratch. Extraordinarily well-placed as Nixon's right hand he was eventually able to forge close and loose ties across the entire globe at multiple levels. Even as the president stumbled and fell, Kissinger's networking intelligence kept him afloat. Which brings us to another point.

Weakly organized networks can indeed bring down weak hierarchies, but weak networks are terribly vulnerable. We have only to look at the appalling tragedy of the short-lived Arab spring as Zeynep Tufekci documents in *Twitter and Tear Gas*. To be safe or at least safer it's best to have an agile foot in both types of structure. Of course, sooner or later two-faced hypocrites have their comeuppance. Or maybe not. Consider figures like Voltaire in the 18th Century. Openly scornful of the ancien regime's corrupt rigidity, he worked it to advantage.

The spread of the internet anticipated a perfect storm for democracies and bureaucracies everywhere. Recall that ISIS is a network phenomenon as is the disturbing alt right movement in all its virulent forms. Ferguson notes the rise of FANG (Facebook, Amazon, Netflix and Google) is at the expense of fair competition and social capital. Something Ferguson does not emphasize sufficiently, is how the paranoid, erratic over-reaction of hierarchies – governmental, economic, religious and academic provokes many more ill effects clearly visible in the rise of populism.

How does the tower to square seesaw apply to civil servants, citizens and consumers? Observe closely to start. The wind can change quickly. A hundred years of religious war was loosed on the west by the fast spread of the printing press. What havoc might the internet wreak? As Ferguson reminds us, networks differentially privilege their members. If you are close to a strong or growing node you will do better and be way better informed. At the same time, when strengthening networks further weaken decaying hierarchies, others down the ladder may be emboldened to act independently but without the inherent constraints and privileges of the network. This difference can have serious consequences for them, the hierarchy and the network.

Old institutions and organizations are disabled by misreading of the see-saw situation. The cult of secrecy and restricted access to publicly funded research and policy builds new forms of ignorance among those whose taxes or service paid for it! And what happens when a strong network crucial to performance of your job is blocked by nervous bosses or arbitrary firewalls? In universities, hierarchies of reputation beget confounding hieroglyphics to sustain respective silos and their own ‘illuminati’. The smug tendency of tongue clucking elites is to condemn the underclass of those who feel forced to resort to substandard, to put it politely, sources for information.

The biggest problems the tower versus square conflict raises relate to the capacity of government to safeguard public safety. Throughout their history, nations in the west have been gifted with steady improvement at ever decreasing costs. We have had the luxury to believe in what German socialist Ferdinand Lassalle called the night-watchman state. Niall Ferguson references the phrase which characterizes a minimalist form of government based on a highly optimistic view of human behavior. Libertarians still believe in this philosophy as do many holding naïve, outdated, pre Facebook notions of personal or community independence.

This is a dangerously outmoded view. There is a strong sense among some factions that our society is over regulated. The truth is we actually are over regulated in many ways, but just as obviously under regulated in others. Purely reactive lawmakers hesitate to reform and overhaul despite the crying need for vast change which can now be seen more vividly thanks to modern science and communications. Ferguson is fairly cynical about what might be possible in this climate. He is also very observant based on deep study of the past.

In the last decade we have lived with a complex world order based on a still fragile economy everybody is afraid to touch as though it were an unexploded bomb. We have not built a robust system to either confront this order’s weaknesses nor properly preserve the civilization that depends on it. The new networks and emboldened hierarchies are having their way with us. Meanwhile, huge real and imaginary social divisions expand like fissures in a melting glacier. Returning to repressive arbitrary authoritarianism ought to be unacceptable. The same should be

said about that laissez-faire blindness which still persists. Niall Ferguson seems willing to accept the inequality and brutish consequences of an untrammled, illiberal capitalism ominously rebooting all around us. Some of us are less prepared to settle for such a regressive approach.

About the Author:

Donald R. Officer is a former public servant and retired teacher. He facilitates on topics of public and professional interest while writing, coaching and consulting on practical applications of social science research. He can be reached at donald.officer@gmail.com

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