As a social anthropologist I observed the collapse of communism in Eastern Europe and the rise of powerful, close-knit circles that filled the leadership vacuum and seized large chunks of state-owned wealth. These exclusive groups resemble the neoconservative or “neocon” core of 10 or so players who helped push the United States into Iraq. The rise of this neocon power circle—and its continued prominence within and without the second-term Bush administration—signals troubling changes in American governing and policymaking.

The Eastern European former apparatchiks and the American neocons share many characteristics. They specialize in blurring state and private interests and spheres. They are skilled at skirting both the government’s rules of accountability and business codes of competition. They have created new norms that make bureaucracy more like business and business more contingent on government.

In The Power Elite, written a half century ago, C. Wright Mills noted that three interlocking prongs of power—corporations, the military and the political elite—were diminishing the authority of elected officials. That trend is stronger today. The outsourcing and privatization of government functions in the name of efficiency and cost savings have led to the delegation of more authority to private entities and new opportunities for strategically placed groups of actors to co-opt public policy agendas.

This was certainly the case in Eastern Europe. After the revolutions of 1989, when states began divesting themselves of state-owned resources, informal groups worked in and around the crumbling systems to grab state-owned firms and other resources at fire-sale prices. Players soon learned that wearing multiple hats was the most effective modus operandi. In Poland, officials often presented visitors with two or more sets of calling cards—their official government ones, and cards naming their position in an NGO or consulting firm, sometimes even one that did business with the public office they headed. Schooled under communism in dodging the overbearing state, “mafias” and “clans” positioned themselves at the state-private nexus of activity to mold the emerging system to their advantage.

I call these exclusive, informal factions “flex groups,” for their ease in playing multiple and overlapping roles and conflating state and private interests. These players keep appearing in different incarnations, ensuring continuity even as their operating environments change.

The flex groups’ activity in unraveling communist states was more intense than in stable societies such as the United States. However, with the outsourcing of government functions flex players are now becoming a fixture in American politics, too. Today, consulting firms, NGOs, think tanks and public-private partnerships are doing more of the work of government than do civil servants. They write budgets, manage other contractors and make and implement policy. While government contracts are on the rise, driven in part by the demand for military, nation-building and homeland security services, the number of civil servants available to oversee them is falling. Clinton-era efforts to streamline bureaucracy have further decreased the government’s oversight capacity.

The resulting labyrinth presents openings for flex groups to co-opt public policy portfolios and dilute effective monitoring and study of alternative policies. It also makes the flex group mode of operating attractive to an impatient administration. Cohesion and activism make it effective and an asset to a president, except when it becomes a liability. The neocon core, with a long-held strategy for American policy toward the Middle East, had just such an appeal. The group not only had goals that coincided with those of the Bush II administration, it also had a ready-made strategy to achieve them.
Flex groups’ interactions are far more complex than traditional good-old-boy networks—such as the “Wise Men” who re-fashioned American foreign policy at the end of World War II or John F. Kennedy’s “Best and Brightest” who executed the Vietnam War in the 1960s.

As flex players, the neocons have had myriad roles over time. They quietly promoted one another for influential positions and coordinated their multi-pronged efforts inside and outside government in pursuit of agendas that were always in their own interest, but not necessarily the public’s.

Consider the ties among three members of the neocon core: Richard Perle, former chairman of the Defense Policy Board; Paul Wolfowitz, deputy secretary of defense; and Douglas Feith, undersecretary for policy in the Defense Department. In 1973, Perle helped his friend Wolfowitz find work in the Arms Control and Disarmament Agency. In 1982 Perle, as assistant secretary for international security policy in President Reagan’s Defense Department, hired and later promoted Feith after the latter was fired as Middle East analyst from the National Security Council. A couple of years after leaving the Pentagon, Perle became a highly paid consultant for the lobbying firm International Advisers Inc., which Feith set up in 1989. By serving as a consultant to the firm, Perle—who had just finished a seven-year stint at the Pentagon, during which he supervised U.S. military assistance to Turkey—was able to bypass federal regulations that prohibited officials from serving foreign interests right after leaving government.

The “mutual aid society” of these three central figures continues to this day. In 2001 Perle and Wolfowitz (as deputy secretary of defense) saw to it that Feith was appointed undersecretary for policy in the Defense Department. Feith, in turn, selected Perle for appointment as chairman of the Defense Policy Board. (Perle resigned as chairman in March 2003 amid allegations of conflicts of interest, and from the board altogether a year later.)

Flex players are not necessarily engaged in unethical activity, but they always help each other out in furthering their careers, livelihoods and mutual aims. Even when some players are “in power” within an administration, they are flanked by people outside of formal government. Flex groups have a culture of circumventing authorities and creating alternative ones. They operate through semi-closed networks and penetrate key institutions, revamping them to marginalize other potential players and replacing them with initiatives under their control.

The neocon core has set up its own duplicative entities in government that often enable them to bypass or override the input of otherwise relevant bodies. Two secretive units in the Pentagon were created under Feith and staffed in part by people recruited by Perle from neocon circles. The core empowered shadow hubs of decision-making, including the “mini National Security Council,” a small circle of influence within the NSC, and a similar group in the vice president’s office.

The blurring and overlapping public and private roles and offices enable players to avoid accountability. Perle, for example, surfaces at the epicenter of a head-spinning array of businesses, consultancies, lobbying and ideological initiatives, consistently evading accusations of impropriety that have been leveled against him.

Today’s most successful players have gone beyond the revolving door, in which executive-branch officials and members of Congress become industry lobbyists upon leaving office, or industry leaders become officials who help regulate their own industries. Revolving-door careerists are now joined by flex players, who may be on both sides of the door at the same time—or for whom the door itself has vanished.

Flex groups bring impressive energy and staying power in pursuit of their financial and/or ideological bottom line, but they are inherently unaccountable to the public. Their rise pre-dates the George W. Bush administration. But Bush’s second term will likely embolden this growing cadre of flex players, to the detriment of democracy.