

A TREATISE

RENEWAL LIBERTARIANISM



*substrate decay,
cyclical capture, &
the structural limits of liberty*

PART TWO

SUBSTRATE AT WORK

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CHAPTER I

INTRODUCTION

Every few years something goes badly wrong in America. A tower comes down, the banks seize, a virus gets loose. And in the months after, while the country is still shaken, the people who run the permanent parts of the government acquire some power they did not have before, or shed some limit they used to operate under. The power tends to stay acquired long after the emergency that justified it has passed. This is the pattern the book is about, and the first thing to understand about it is that it does not require anyone to be lying. The crises are usually real. What happens in their aftermath is the problem.

This is the second part of a longer argument. The first part built the model that explains why this keeps happening, and built it formally, in the language of game theory, because the central claim is strong and I wanted it proven rather than asserted. If you have not read Part I, you should. What follows can be read on its own, but you will be taking on faith a number of conclusions that Part I actually demonstrates. The model is there precisely so you do not have to take my word for any of it.

Here is the short version for readers who have it already. Part I established that any society too large for its members to verify each other's behavior directly needs an enforcement layer, a substrate, that no one can opt out of when it matters. That claim is not unusual; most of political philosophy assumes some version of it. The unusual claim, the one the model forces, is that this substrate is not a neutral mechanism. It is a participant with interests of its own, and it controls many of the tools a population would use to hold it in check. It supplies a large share of the information the public uses to judge it. It staffs and funds much of its own oversight. Over a long enough period, an actor in that position will tend to act in its own interest at the population's expense. Not constantly, and not in every instance, but as a structural tendency that compounds over time.

The most important conclusion in Part I was also the least satisfying. You cannot get rid of the substrate. A society without one is a society without large-scale cooperation, which is poorer and more violent than the one we have, and in any event the option is not available. What you can do is limit how effectively the substrate operates against the population. You can raise the cost of its moves, force them into the open, and slow them down. This is a more modest aim than the one the libertarian movement usually sets for itself, and it has the advantage of being possible, which abolition is not.

I understand how that sounds. It can read as a sophisticated way of giving up. It is the reverse. The reason so much libertarian effort produces so little is that the movement keeps aiming at a target it cannot hit and ignoring the one it can. Winning the argument is not the same as imposing a cost, and for decades the movement has won arguments while losing ground. The substrate is indifferent to how principled the opposition is. It responds only to opposition that costs it something, and it has mostly not had to.

Part 2 is the diagnosis and then the prescription. The diagnosis comes first.

I examine three episodes. The security state assembled after September 2001, when a frightened country gave its national-security agencies enormous latitude and most of that latitude never went away. The financial rescue of 2008, in which the institutions most responsible for the crisis were stabilized first and the costs distributed to people who had nothing to do with it. And the pandemic response of 2020, when public-health agencies, the major media, and the large platforms converged on the same positions at the same time, in a manner their participants insisted was not coordination and that looked a great deal like it. Three episodes, three decades, and underneath them the same structure.

Putting them next to each other is not an attempt to relitigate any one of them. Each has been argued over at length, and the arguing has cost the substrate very little. The point is the structure they share. Once you stop reading the episodes as three separate scandals with three separate casts of villains and start reading them as one structural process repeated three times, the pattern Part 1 predicts becomes hard to miss, and harder to dismiss as accident or individual misconduct. Part 1 has a name for that pattern, renewal capture, and a proof of it: a challenge the substrate absorbs comes back leaving it stronger than before rather than weaker, which is why each episode here ends with the permanent government holding more than it started with. Individual misconduct is real and it makes things worse. But none of this requires a conspiracy, which is the harder part, because a conspiracy could at least be exposed and broken. A structural tendency cannot.

There is also a chapter on a particular maneuver that I find more revealing than any single scandal, because it lets everyone involved believe they behaved well. When an episode finally produces enough public anger that someone has to be held responsible, the anger reliably finds a target whose downfall costs the substrate nothing. The governor whose order sent infected patients into nursing homes was eventually forced out, but over a sexual-harassment scandal, not the order. The harassment allegations were not fabricated, which is what makes the substitution effective. The public got an accountability story, the press got its resignation, and the policy that killed people was never really at issue, because the proceeding had organized itself, with no one quite deciding to, around the safer charge. Accountability arrived. It just arrived for the thing that did not threaten anything.

If the book ended there it would be one more well-argued account of why resistance is futile, and there are enough of those. A diagnosis that only helps you describe your own helplessness more precisely is not worth writing. So the second half takes up the question the movement has avoided for a long time, which is what, given all this, is actually worth doing.

The answer is not a piece of legislation or a candidate or a platform. It is infrastructure, the unglam-

orous kind, aimed at three things. The first is forcing the substrate's operations into view while they are still underway, because every episode in this book depended on a period of working unobserved, and institutions capable of shortening that period can be built. The second is ending the single-point-of-failure problem in accountability, since one watchdog can be captured and a competitive field of them, funded and staffed by people who do not trust each other, is much harder to capture. The third is doing the work where it actually holds, which is at the state and local level, where a refusal has teeth, rather than at the national level, where most movement energy goes to be seen and accomplishes little.

One part of that program previews how the framework can invert a position the movement thinks it already holds. Consider classification, the government's authority to declare a document secret and put it beyond the public's reach. The standard libertarian view is that the state clings to this power and we have to force it open. The framework suggests something less obvious. Classification does not actually conceal much from the adversaries it is nominally aimed at. Capable foreign intelligence services obtain a great deal of it through their own collection and through the steady supply of cleared personnel willing to hand it over. The people it reliably keeps in the dark are domestic: journalists, voters, and members of Congress without clearances, which is to say the population the state answers to. And classified operations do not stay buried. They surface, and when they do, the damage is not only the operation itself but the concealment, which lands all at once, years later, on terms set by whoever disclosed it. A state concerned with its own stability would have reason to dismantle much of the classification system rather than defend it. On this issue the public's interest and the state's actual interest point the same way, and the only thing served by the present arrangement is the substrate.¹ That is the sort of realignment the framework is built to expose, and it is not the only one.

A note on timing, because there is less of it than the movement assumes. Each episode in this book played out at human speed. Building the surveillance apparatus took years. Writing the bailout authorities into permanent law took years. Standing up the pandemic response took months. That delay, the lag between the decision to act and the capacity to finish acting, is what gave the public room to notice and object. That room is shrinking. The systems now being deployed, which can monitor and score and decide and enforce far faster than any human bureaucracy, do not only make the substrate more capable. They shorten the interval in which resistance is possible. The argument here would hold in any period. It happens to land in one where the margin for getting it wrong is narrowing quickly, and a reader who feels some unease about that is reading the situation accurately.

So this is not a book about inevitable defeat, though parts of it will read that way, and I am not going to pretend the hard parts are softer than they are. It is a book about the difference between a fight that cannot be won and a fight the movement has simply declined to have. The substrate is permanent. What it manages to do with that permanence is not fixed. The work that constrains it is real and within reach,

¹On the empirical case that classification serves more to keep domestic populations in the dark than to deny information to capable foreign intelligence services, see Patrick G. Eddington, Senior Fellow at the Cato Institute, Statement before the U.S. Senate Committee on Homeland Security and Governmental Affairs, 23 March 2023, on over-classification and its effects on democratic accountability. On the scale of the classification system itself, see the Information Security Oversight Office (ISOO) Annual Reports to the President, <https://www.archives.gov/isoo/reports>, which document tens of millions of original and derivative classification decisions per year and the corresponding declassification backlog.

and the next crisis will find that work either done or not done. Another crisis is coming; they always are. The only question the book sets out to answer is what will already be in place when it does.

That is enough preamble. The first case is the one that built the modern apparatus, so it is where the diagnosis starts.

CHAPTER II

LEGITIMACY CAPTURE AND DECAY: THE POST-9/11 SECURITY STATE

II.1 WHAT GOT OUT

Two events in the post-9/11 period forced the substance of the national security apparatus into public view at a scale nothing in earlier American history matches. The first was WikiLeaks. The second was Snowden. Both pried operations the apparatus was actively trying to keep hidden into the open, both were carried out by individuals who paid for it personally, and both were followed by legitimacy decay that spread through everyone who engaged with what had been revealed. They are the clearest cases in the period of forcing-into-the-open actually happening.

WikiLeaks released the video that came to be called Collateral Murder in April 2010. It was gun-camera footage from an American Apache helicopter over Baghdad on July 12, 2007, with the crew's audio synced to the picture. The crew identified a group of men on the ground as armed fighters. Two of them were the Reuters journalists Namir Noor-Eldeen and Saeed Chmagh, whose camera equipment the crew took for weapons. Cleared to engage, the crew opened fire, killing Noor-Eldeen and several others in the first burst, then killing Chmagh as he tried to crawl away wounded, then killing two men who pulled up in a van to carry him out. Two children in the van were wounded in the same engagement. The recorded audio caught the crew expressing satisfaction at the kills and brushing past the children's injuries. The Pentagon had earlier denied that the journalists died in any operation resembling the footage, and it had refused Reuters's Freedom of Information Act requests for the video and the operational records. The footage settled the question the denials had kept open.¹

More followed. The Afghan War Diary, released in July 2010, ran to more than 91,000 internal military reports on the Afghanistan war from 2004 through 2009. The Iraq War Logs, released that October, ran to nearly 400,000 covering Iraq across the same years. Between them the reports showed civilian death tolls well above what the Pentagon had acknowledged, along with detainee abuse, friendly-fire killings kept out

¹On the April 2010 release and the July 12, 2007 Baghdad airstrike, see "WikiLeaks," Encyclopedia (MDPI), <https://encyclopedia.pub/entry/28777>.

of public reporting, and operational decisions whose actual content cut against the way the wars had been described to the public through more than one administration. In November 2010 came the rolling release of more than 250,000 diplomatic cables, eventually published in full over the following year, which laid out the working content of American foreign policy across embassies and decades and contradicted the public version of American positions in region after region.²

The source of the material was Chelsea Manning, an Army intelligence analyst stationed in Iraq. Arrested in May 2010, Manning spent three years in pretrial detention, including stretches of solitary confinement that the United Nations Special Rapporteur on Torture called cruel, inhuman, and degrading. A 2013 court-martial convicted Manning on multiple counts, among them violations of the Espionage Act, and the sentence was thirty-five years, the longest the United States had ever handed down for disclosing information to the press. Obama commuted it in January 2017, after Manning had served seven.³

Julian Assange, who founded WikiLeaks, was charged by the Justice Department under the Espionage Act and conspiracy statutes. From 2012 he spent seven years inside the Ecuadorian embassy in London under diplomatic asylum, having taken refuge there after Swedish prosecutors opened a sexual assault investigation that he and his supporters read as a pretext for extradition to the United States. Sweden never filed formal charges and eventually dropped the matter. In April 2019, under American and British pressure, Ecuador revoked the asylum and British authorities arrested him. He spent five years in maximum-security detention at Belmarsh while the United States pursued extradition, and in June 2024 he took a plea deal that closed the case on time already served.⁴

The response went beyond the two prosecutions. In December 2010, Visa, Mastercard, PayPal, and Bank of America all stopped processing donations to WikiLeaks. No court had ordered it. These were commercial decisions made under federal pressure delivered through informal channels that left no paper trail, and over the following year they cut the organization's funding by an estimated 95 percent. Amazon dropped WikiLeaks from its hosting that same month, again under pressure, and the domain provider EveryDNS pulled its registration days later. What this assembled, without a single judicial proceeding, was a working method for cutting dissent off from commerce through private companies. It was used

²Afghan War Diary (25 July 2010, over 91,000 reports, 2004–2009): WikiLeaks, “Afghan War Diary, 2004–2010,” https://wikileaks.org/wiki/Afghan_War_Diary,_2004-2010; “Afghan War documents leak,” Wikipedia, https://en.wikipedia.org/wiki/Afghan_War_documents_leak. Iraq War Logs (October 2010; 391,832 reports): WikiLeaks, “War & Military,” <https://wikileaks.org/+War-Military-+.html>. Diplomatic cables (release began 28 November 2010; 251,287 cables): “United States diplomatic cables leak,” Wikipedia, https://en.wikipedia.org/wiki/United_States_diplomatic_cables_leak.

³Human Rights Watch, “Obama Commutes Chelsea Manning’s Sentence,” 17 January 2017, <https://www.hrw.org/news/2017/01/17/obama-commutes-chelsea-mannings-sentence>; “Chelsea Manning Case: A Timeline,” ACLU, <https://www.aclu.org/news/free-speech/chelsea-manning-case-timeline>; “Chelsea Manning, Once Sentenced To 35 Years, Walks Free After 7 Years,” NPR, 17 May 2017, <https://www.npr.org/sections/thetwo-way/2017/05/17/528731790>. The United Nations Special Rapporteur on Torture finding (2012) was made by Juan Méndez.

⁴“Indictment and arrest of Julian Assange,” Wikipedia, https://en.wikipedia.org/wiki/Indictment_and_arrest_of_Julian_Assange; “Julian Assange,” PEN International, <https://www.pen-international.org/cases/julian-assange> (single Espionage Act count; 62 months of time served; 1,901 days in Belmarsh); International Bar Association, 25 June 2024, <https://www.ibanet.org/IBAHRI-welcomes-Julian-Assanges-release-from-prison-with-US-plea-deal-ending-lengthy-legal-battle> (Sweden withdrew the arrest warrant in 2017).

against WikiLeaks first. It would be used at far larger scale during COVID, against the Canadian trucker convoy and others.⁵

The damage to the apparatus's standing was real and it lasted. Anyone who actually read the material could see what the agencies had been doing for the previous decade, laid directly against the public account those same agencies had been giving. That recognition spread through the people who engaged with it. The credentialed strata whose own standing depended on continued deference mostly did not engage with it, operating instead through the recognition apparatus that filed WikiLeaks under treason, Manning under criminal, and Assange under foreign agent. The gap between the people who read the documents and the people who absorbed the label ran along the same line that would split the country again during COVID.

In June 2013, Edward Snowden released a set of internal NSA documents exposing bulk surveillance programs the government had run in secret for almost a decade. The NSA had been collecting metadata on essentially every phone call placed inside the United States, intercepting internet traffic at the backbone through the major telecom carriers, and pulling user data from the largest American technology platforms through a program called PRISM. Officials had denied all of it, directly and under oath, to the committees meant to be overseeing them. Three months before the documents surfaced, the Director of National Intelligence, James Clapper, had told Congress the NSA was not collecting data on millions of Americans. It was collecting data on essentially all of them.⁶

Snowden landed on ground WikiLeaks had already broken. Public trust in the agencies' claims had partly come loose, and the new disclosures pushed further in the same direction, even though the surveillance architecture was a different matter from the war conduct WikiLeaks had exposed. The move underneath was identical in both cases. Secret operations were dragged into view, legitimacy bled out through the people who looked, and the apparatus answered each time by building infrastructure to absorb the next such exposure at a lower cost to itself.

The documents also showed how far the major technology companies had gone along. The PRISM material named Microsoft, Google, Yahoo, Facebook, Apple, AOL, PalTalk, Skype, and YouTube as participants. The arrangement had been kept from users by legal instruments, national security letters and FISA Court orders operating outside ordinary judicial review, that forbade the companies from saying anything about it. They had cooperated for years before any of it came out, and well past what the original statutes authorized.

⁵"WikiLeaks Says Financial Blockade Could Put It Out of Business," *Christian Science Monitor*, 24 October 2011, <https://www.csmonitor.com/World/Latest-News-Wires/2011/1024/Wikileaks-says-financial-blockade-could-put-it-out-of-business> (blockade by Bank of America, Visa, MasterCard, PayPal cost WikiLeaks 95 percent of its revenue); WikiLeaks, "Banking Blockade," <https://wikileaks.org/Banking-Blockade.html> (PayPal 4 December 2010; Visa/MasterCard 7 December 2010).

⁶On the March 12, 2013 Senate Intelligence Committee exchange (Senator Wyden's question and Clapper's "Not wittingly" reply, roughly three months before the first Snowden stories of June 5–6, 2013), see "James Clapper's Testimony One Year Later," *PolitiFact*, 11 March 2014, <https://www.politifact.com/article/2014/mar/11/james-clappers-testimony-one-year-later/>; Federation of American Scientists, <https://fas.org/publication/clapper-ssci/>.

In December 2014, eighteen months after Snowden, the Senate Intelligence Committee released a heavily redacted summary of its investigation into the CIA's detention and interrogation program. The full report ran past six thousand pages and stayed classified. The public got 525 pages, and even that documented the program across multiple administrations: rendition of detainees to allied countries for interrogations the United States could not legally conduct at home, indefinite detention at Guantanamo and at black sites abroad, and a set of techniques the United States had itself prosecuted as torture when other governments used them. The summary named specific detainees, sites, methods, and officials. The agency disputed some of the findings but not the core of the operational record.⁷

The legal foundation for much of what these disclosures exposed was the Patriot Act, passed on October 24, 2001 and signed two days later. It ran past three hundred pages, cleared Congress in under seven weeks, and went through with no real committee review or floor debate in either chamber. Most members voted for it without having read it. It widened federal surveillance authority across the board, loosened the FISA restrictions that had reined in domestic surveillance since the 1970s, expanded what could be pulled through national security letters with no judge involved, built the mechanism for delayed-notice searches, and rewrote the rules for foreign-intelligence gathering so the take could feed domestic criminal cases.⁸

The Authorization for Use of Military Force, passed by Congress on September 14, 2001 and signed by President Bush on September 18, 2001, granted the executive authority to use all necessary and appropriate force against those nations, organizations, or persons the President determined planned, authorized, committed, or aided the September 11 attacks. The text of the AUMF runs to a single sentence of operational authority. Congress passed the AUMF three days after the attacks. The AUMF has been the legal authority cited for military operations in Afghanistan, Iraq, Yemen, Somalia, Pakistan, Libya, Syria, and additional theaters across the twenty-five years since. As of 2026, the AUMF remains operational. It has been used by four administrations across both parties to authorize military operations against entities that did not exist on September 11, 2001, against persons who could not have been involved in the September 11 attacks because they were children or were not yet born, and against organizations whose connection to the original attacks is contested or absent entirely.

The Total Information Awareness program, run by the Defense Advanced Research Projects Agency beginning in 2002, attempted to integrate federal surveillance databases into a unified analytical framework. The program's stated goal was the development of analytical tools that would allow the federal government to identify terrorism threats by combining information from financial records, travel records, communications records, medical records, and other categories of data that had previously been held separately by different institutions. The program's existence became public through reporting in late 2002. Congress defunded the program in 2003 in response to public concerns. The program's components were transferred to other agencies, including the NSA, where the analytical work continued under different program names and budget categories. Defunding the public-facing program did not terminate the actual operation. It moved the operation deeper into the classified architecture.

⁷Senate Select Committee on Intelligence, Committee Study of the CIA's Detention and Interrogation Program (declassified summary released 9 December 2014).

⁸USA PATRIOT Act, Pub. L. 107-56, signed 26 October 2001.

The fusion center network began operation in 2003. The centers connect federal, state, and local law enforcement and intelligence agencies in shared analytical environments with shared databases. The original justification was counterterrorism information sharing. The operational scope expanded across the post-9/11 period. The centers became substantially involved in the surveillance of domestic political activity that had no clear connection to the original counterterrorism mission, including monitoring of antiwar protests, environmental activism, and various right-of-center movements. The Department of Homeland Security operates the network. The centers operate at the state level with substantial federal funding and substantial federal direction, in a structural arrangement that produces federal operational reach into domains that federal agencies could not directly enter under their own statutory authority.

This is the documentary surface. The records that survived archival routines, the records that litigation and congressional oversight forced into the public domain, the records that journalists obtained through Freedom of Information Act requests, and the records that Snowden made public through disclosure that the federal government has prosecuted as criminal. The documents that did not survive these filters include the substantial volume of classified material that has remained classified, the operations that were conducted without documentation because the operations occurred through informal coordination rather than formal authorization, and the institutional habits of cooperation between federal agencies and private actors that produced operational outcomes without producing documentary records of the cooperation.

Several dimensions of substrate's post-9/11 operation produced little documentary record because the operation occurred through institutional coordination that did not require explicit documentation to function. The professional culture of deference to national security claims operated across journalism, academia, policy research, and adjacent fields without requiring any specific instruction to do so. Editors at major newspapers chose not to pursue stories that would have produced political pressure on the surveillance apparatus, with the choices being made through editorial judgment that operated within the cultural environment of the period rather than through any directive that would have generated documentary evidence. Academic researchers who might have produced research critical of the surveillance apparatus encountered grant pipelines, faculty hiring patterns, conference invitation networks, and journal publication standards that produced career consequences for the kinds of research that would have been critical, with the consequences operating through individual decisions across thousands of professional interactions rather than through any coordinating document.

The defense contractor ecology that emerged around the surveillance and counterterrorism mission produced operational capacity that the federal employee workforce alone could not have produced. Companies including Booz Allen Hamilton, SAIC, Lockheed Martin, Raytheon, CACI, and dozens of others received federal contracts for surveillance, analysis, interrogation support, and operational work. The contractors operated under conditions of substantial classification, which meant that the operational details of their work were not subject to the public-records mechanisms that would have applied to comparable federal employee work. The contractor ecology was operationally substantial, financially substantial, and substantially invisible to public scrutiny. Snowden himself was a Booz Allen Hamilton contractor when he made the disclosures, which is part of why the disclosures were possible. The cooperation between

the contractor ecology and the federal surveillance apparatus operated through commercial relationships rather than through formal federal directives, with the commercial relationships producing the operational outcomes the directives would otherwise have required.

The cooperation between federal officials and major American corporations operated through legal mechanisms that prohibited disclosure of the cooperation. National security letters and FISA Court orders, along with various other statutory non-disclosure provisions, required the corporations to cooperate with surveillance programs while preventing them from disclosing the cooperation to users, to shareholders, or to the public. The corporations cooperated for years before the cooperation became public. The legal mechanisms that prohibited disclosure operated outside the normal judicial system, with the FISA Court conducting its proceedings in secret and the national security letter process operating without judicial review at all in many cases. The cooperation produced the operational outcomes that the substrate operation required. The cooperation also produced no documentary record that was accessible to the public, because the documentary record was classified or was protected by non-disclosure provisions that the corporations could not violate without facing federal prosecution.

The cultural infrastructure that produced population deference to the post-9/11 operations was substrate's pre-existing capacity activated rather than substrate's emergency-built capacity. The patriotic media culture that had been operating across American institutions for decades, the educational infrastructure that produced graduates whose professional identity centered on national service, the religious infrastructure that provided theological framing for the post-9/11 operations, and the broader American cultural ecology that produced the population responses substrate's operation depended on, were all in place before September 11, 2001. The emergency activated the infrastructure rather than creating it. The infrastructure produced the population responses without requiring any specific instruction to do so.

The Cold War surveillance apparatus, the executive emergency-authority precedents from the Iran-Contra period, the continuity-of-government programs developed across the late twentieth century, and the broader institutional capacity for federal emergency operations had all been accumulating for decades before the September 11 attacks. The accumulation was the precondition. The emergency was the trigger. The expansion was the operation. The documentary record captures portions of the expansion. The accumulation that made the expansion possible operates in domains that the documentary record does not reach.

A reader who treats the documentary record as the complete account of what substrate did during and after the post-9/11 period will produce an analytical account that misses the structural dimensions of the operation. The structural account requires the framework's apparatus, applied to the documented record but extending past it into the institutional dynamics that the record does not capture but that the record's documents nonetheless presume.

II.2 THREE ACCOUNTS AND WHAT THE FRAMEWORK ADDS

Three accounts of the period circulate among serious people. Each gets hold of something real in the record. Each breaks down on the parts of the record it has no equipment to handle.

The first is the libertarian critique of the post-9/11 apparatus, which located the operation across the state-private continuum from the start. Most libertarian writing from 2001 onward named the Patriot Act's surveillance powers, the AUMF's grant of war-making authority without a congressional declaration, the emergency powers the Bush administration claimed and its successors kept, and the wider push into territory the Constitution and the statutes had previously fenced off; and at the same time the libertarian account named the federal-telecom cooperation that ran the bulk-collection programs at AT&T and the other carriers, the private detention and interrogation contractor industry (CACI, Titan, the rendition airline network), the press's voluntary cooperation including the New York Times's year-long hold on the warrantless wiretapping story, and the bipartisan continuity of the operation across the Bush and Obama administrations. The diagnosis was multi-level from the start.

The account locates the cause upstream of the surveillance state. It treats interventionist foreign policy as the first link in the chain, the surveillance apparatus as the consequence, and the fear generated by perpetual conflict as the mechanism that carries the population from one to the other. Ron Paul put it directly: a foreign policy of worldwide intervention and occupation requires that people live in perpetual fear, and that fear is what permits the Patriot Act and runaway domestic surveillance, so the remedy has to reverse the interventionist foreign policy that increases the risk of terrorism in the first place.⁹ The causal order sets the remedy. If the foreign policy drives the fear and the fear drives the apparatus, the apparatus is a symptom, and the cure is to end the policy that produces it.

The remedy the account proposed was correspondingly broad. First, to end the interventionism: bring the troops home, close the foreign bases, stop the occupations the tradition argued were the leading motivation for the attacks in the first place. Second, to repeal rather than reform. Paul wanted the Surveillance State Repeal Act, which would repeal the Patriot Act outright, and he treated the USA Freedom Act as cosmetic, a reform that left the architecture standing.¹⁰ Third, to dismantle rather than constrain. The Ron Paul Institute stated the program in two moves: restore the founding foreign policy of non-interventionism, abandoning the foreign military bases including Guantanamo and bringing the forces home; and dismantle the national-security-state structure built after the Second World War, the standing Pentagon, CIA, NSA, and military-industrial-congressional complex grown to Cold War scale.¹¹

⁹Ron Paul, "USA FREEDOM Act Just Another Word for Lost Liberty," *Eurasia Review*, 3 May 2015, <https://www.eurasiareview.com/03052015-ron-paul-usa-freedom-act-just-another-word-for-lost-liberty-oped/> (calling for repeal of the Patriot Act through the Surveillance State Repeal Act, and urging Congress to "reverse the interventionist foreign policy that increases the risk of terrorism by fostering resentment and hatred of Americans").

¹⁰Ron Paul, "USA FREEDOM Act Just Another Word for Lost Liberty," cited above ("Instead of trying to fool the American people with phony reforms, Congress should repeal all laws that violate the Fourth Amendment, starting with the PATRIOT Act").

¹¹Jacob G. Hornberger, "A Time for Introspection," Ron Paul Institute for Peace & Prosperity, 25 January 2022, <https://ronpaulinstitute.org/archives/featured-articles/2022/january/25/a-time-for-introspection> (the two-part program: "restore America's founding foreign policy of non-

The anarchist and paleolibertarian wing reached the same position from a deeper root. For Rothbard, the principal enemy of liberty was a powerful state, and war was the chief means by which the state expands and consolidates its power, which made non-interventionism close to the defining commitment rather than one issue among many. The institutional ecology built around that conviction, the Mises Institute, LewRockwell, Justin Raimondo's antiwar.com, the Center for Libertarian Studies, treated the warfare state as the generator of the domestic one.¹² Robert Higgs, writing in that tradition, drew the line plainly: the question of war and peace well-nigh defines a genuine libertarian ideology, because those who give the government a free hand in war and defense hand their rulers the master key that opens every other door, including the ones that would otherwise obstruct the state's invasion of life, liberty, and property.¹³

The account is right about a great deal. The federal government did expand its reach across domain after domain, well past what the 2001 statutes authorized, and the constitutional limits on emergency executive power were stretched and in places broken. The Supreme Court eventually struck down some of the worst of it, the unilateral military commissions in *Hamdan v. Rumsfeld* and the indefinite detention without judicial review in *Boumediene v. Bush*. The account also reads the public-private character of the apparatus with precision. Bulk metadata collection ran through the telecom carriers. PRISM ran through the technology platforms. The detention program ran through allied governments and private contractors. The fusion centers ran through state and local police. The state-corporate merger that produced all of this is one of libertarianism's oldest and most developed subjects, the body of analysis it files under corporatism, the crony capitalism, the regulatory capture, the military-industrial complex, the Federal Reserve as a public-private banking cartel, a line of argument running from the Old Right through Rothbard through Ron Paul, who spent a career on exactly these targets. The remedy follows the diagnosis. The federal mandates, funding, and liability shields are what make the cooperation worth the partners' while; remove them and the carriers have no reason to surrender the metadata and the contractors have no program to staff.

The second is the progressive civil-liberties account, in its institutional and proceduralist form. It held that the post-9/11 apparatus was a real danger and that the danger was correctable through legal and proce-

interventionism... abandoning all US foreign military bases, including... Guantanamo" and "a dismantling of the national-security state form of governmental structure that came into existence after World War II").

¹²On Rothbard's position that the state is the principal enemy of liberty and war the chief means of its expansion, see Murray N. Rothbard, *Anatomy of the State* (Auburn, AL: Ludwig von Mises Institute, 1965; multiple subsequent editions); Rothbard, "War, Peace, and the State," in *Egalitarianism as a Revolt Against Nature and Other Essays* (Washington, D.C.: Libertarian Review Press, 1974); and David Gordon, "Justin Raimondo, RIP," Mises Wire, 27 June 2019, <https://mises.org/mises-wire/justin-raimondo-rip>, which characterizes the Rothbardian position in the form used here. On the institutional ecology: the Mises Institute was founded in October 1982 in Auburn, Alabama, by Llewellyn H. Rockwell, Jr.; LewRockwell.com launched in 1999 with the motto "anti-war, anti-state, pro-market"; Antiwar.com was founded in 1995 by Justin Raimondo with managing editor Eric Garris; the Center for Libertarian Studies was founded in 1976 and published Raimondo's *Reclaiming the American Right: The Lost Legacy of the Conservative Movement* (1993, reissued by the Intercollegiate Studies Institute in 2008) and Rothbard's *Wall Street, Banks, and American Foreign Policy* (1995).

¹³Robert Higgs, "Are Questions of War and Peace Merely One Issue among Many for Libertarians?" The Independent Institute, 24 July 2006, <https://www.independent.org/article/2006/07/24/are-questions-of-war-and-peace-merely-one-issue-among-many-for-libertarians/> ("those who give a free hand to the government in its foreign and defense policymaking will ultimately discover that they have handed their rulers the key that opens all doors"; "the war-making key is... the master key for any government, because when critical tradeoffs must be made, war will override all other concerns").

dural constraint on the executive. The diagnosis located the problem in secrecy and insufficient oversight, and the remedy followed from it: bring the surveillance programs under genuine judicial review, build standing oversight bodies with the staff and independence to check the agencies, and require court orders for the data the government wanted. Cass Sunstein, who served on the President's Review Group that Obama convened after the Snowden disclosures, stated the position in its mature form: take the government out of the bulk-metadata business and require a court order on the third-party-records model, strengthen the Privacy and Civil Liberties Oversight Board or replace it with a better-resourced one, and install a privacy official inside the White House with a portfolio spanning the National Security Council and the Office of Management and Budget, so that internal and independent safeguards both exist.¹⁴

This account, too, is partly right, and the channels it named did sometimes work. Some operations answered real security concerns, and some of the period's habits were later softened through exactly those channels. The Patriot Act has been amended repeatedly, some provisions sunset and others rewritten. After Snowden, the bulk metadata program was restructured: the USA Freedom Act of 2015 ended bulk collection of telephone metadata as it had run, while leaving the underlying architecture standing in a modified form.¹⁵

The sharper civil libertarians on the left did not stay inside that proceduralist frame, and that they left it is itself part of the record. Glenn Greenwald, who published the Snowden disclosures, argued for years that the surveillance state could not be reached by oversight tuning alone and had to be opposed at the root, and he located the only effective opposition in a left-right coalition that crossed the usual lines: the Kucinich and Ron Paul bill to repeal Patriot Act powers, the joint left and libertarian opposition to the Bush civil-liberties program, the Audit the Fed alliance, the strange-bedfellows resistance to NSA mass collection.¹⁶ That wing reached the same root-cause position as the libertarian account, which is to say the strongest civil-liberties analysis on the left did not divide from the libertarian reading; it joined it.

What the proceduralist account on its own cannot reach is the persistence of the operations across administrations of both parties. The surveillance apparatus grew under Bush, grew further under Obama, kept growing under Trump and Biden, and is growing still. The AUMF passed three days after the attacks is still in force in 2026, cited by every administration since to authorize operations its drafters could not

¹⁴Liberty, Security, and the USA FREEDOM Act, drawing on the President's Review Group on Intelligence and Communications Technologies report *Liberty and Security in a Changing World* (12 December 2013); Cass Sunstein interview, "NSA Reform Report: Panelist Cass Sunstein on Metadata Storage," *The New Republic*, <https://newrepublic.com/article/116027/nsa-reform-report-panelist-cass-sunstein-metadata-storage> (recommending the government exit metadata storage, a court order on the subpoena model for third-party records, a strengthened or replaced PCLOB, and a dual-hatted White House privacy official). The Review Group also included the civil libertarian Geoffrey Stone, former Provost of the University of Chicago.

¹⁵"NSA Ends Bulk Collection of Telephony Metadata under Section 215," Lawfare, <https://www.lawfaremedia.org/article/nsa-ends-bulk-collection-telephony-metadata-under-section-215> (USA FREEDOM Act passed 2 June 2015; bulk collection ended 29 November 2015); "Bulk Collection Under Section 215 Has Ended, What's Next," Brennan Center for Justice, <https://www.brennancenter.org/our-work/analysis-opinion/bulk-collection-under-section-215-has-ended-whats-next> (Section 702 and EO 12333 collection preserved).

¹⁶Glenn Greenwald, "A transpartisan approach to civil liberties," citing the Kucinich–Ron Paul Patriot Act repeal bill supported by the ACLU and the left-right Audit the Fed coalition; Edward Snowden, a Ron Paul supporter whose NSA disclosures Greenwald publicized, drew support from both libertarians and the anti-war left.

have imagined.¹⁷ Guantanamo has outlasted a string of presidents who promised to close it. The federal-platform cooperation that started under Bush widened under Obama, held under Trump, and was turned to content moderation at scale during COVID under Biden. The proceduralist remedy expects the existing channels to reform the operations. Twenty-five years of record says the channels have not reformed them. They have absorbed them, and the operations have grown rather than shrunk.

The third is the conservative national-security account, which treats the operations as a necessary build-out of federal capacity to meet the threat the attacks exposed. As most right-of-center publications wrote it, the threat was Islamic terrorism, the pre-9/11 framework was not built for it, and the expansion was the proportionate answer. The architects of the apparatus made the strongest version of the case. John Yoo, in the Office of Legal Counsel, supplied the legal foundation: that the president's war power, once the nation was attacked, could not be limited by Congress as to the method, timing, or nature of the response, a reading that underwrote warrantless wiretapping of Americans, the Guantanamo detention center, the military commissions, and the enhanced-interrogation program.¹⁸ The prescription that followed was political support for the apparatus: fund the intelligence operations, back the emergency authorities, and resist the libertarian and progressive critiques as naive about the danger.

The narrow thing the account has hold of is that attacks did occur and that some operations did strike real operatives. What it treats as a freestanding fact, the threat itself, is not freestanding. The hostility the apparatus was built to meet was in large part blowback from the intervention the apparatus exists to continue, the occupations, the bases, the support for client regimes, the campaigns that the libertarian account names as the first link in the chain. The conservative reading takes the threat as exogenous, an enemy that appeared and had to be answered, and on that premise the build-out looks proportionate. Remove the premise and the proportion collapses, because the same foreign policy that the apparatus protects is what generates the danger the apparatus is justified by. The account cannot see this, because seeing it would turn its own prescription, more capacity to meet the threat, into a mechanism for renewing the threat.

That is the first thing the account cannot see. The second is what happened when the apparatus it built was turned around. The theory held that the powers were safe because they were aimed at the enemy, which assumes the tool stays pointed where its builders intend. It did not. The clearest evidence comes from the architects themselves. Yoo, who had argued that the war power could sweep statutory limits aside, watched the same expansive presidency pass to a successor he distrusted and reversed his posture: he had advised that Bush could open Guantanamo and conduct enhanced interrogation, and had supported

¹⁷"Authorization for Use of Military Force of 2001," Wikipedia, https://en.wikipedia.org/wiki/Authorization_for_Use_of_Military_Force_of_2001 (passed 14 September 2001, signed 18 September 2001); Friends Committee on National Legislation, <https://www.fcnl.org/updates/2023-02/2002-iraq-aumf-what-it-and-why-congress-should-repeal-it>. The 2002 Iraq and 1991 Gulf War authorizations, distinct from the 2001 AUMF, were repealed in the FY2026 National Defense Authorization Act signed 18 December 2025; the 2001 AUMF remains in force.

¹⁸On the Yoo opinions underwriting the post-9/11 executive-power expansion, see the October 2001 OLC memorandum on warrantless surveillance and the 2002 interrogation memoranda; summarized in "John Yoo," and discussed in John Yoo, "Executive Power Run Amok," *The New York Times*, 6 February 2017, <https://www.nytimes.com/2017/02/06/opinion/executive-power-run-amok.html>.

Obama's use of the power for drones and surveillance, but by 2017 wrote that even he had grave concerns about how the presidency was now being used.¹⁹ This is the distinction the account never had equipment for. The hawk wing that built the apparatus, the Cheney and Yoo line, is not the paleoconservative right of Pat Buchanan, which opposed the interventionism and the security state from the start and was vindicated by what followed. It was the builders, not the paleo critics, on whom the machine turned.

That turn is documented across the period. The fusion centers have been recorded monitoring antiwar protesters, environmental activists, supporters of Ron Paul and allied liberty-movement candidates, Black Lives Matter activists, January 6 protesters, and a range of other movements.²⁰ A 2009 strategic report from the Missouri Information Analysis Center, one of those fusion centers, told law enforcement to treat supporters of Ron Paul, Chuck Baldwin, and Bob Barr as markers of militia activity; it was pulled only after the report leaked and the state apologized.²¹ In October 2021 the apparatus was pointed at parents at school-board meetings: the National School Boards Association wrote to the administration likening parent protest to domestic terrorism and asking that it be examined under the Patriot Act, and the Justice Department responded within days by directing the FBI to coordinate against the threat, with the FBI's Counterterrorism Division creating a threat tag to track the cases.²² The instrument the post-9/11 right had defended as proportionate to the enemy was reaching, by way of the same domestic-terrorism framing and the same statute, the political constituencies of the movement that built it. The apparatus has been pointed at religious communities, too. In January 2023, the FBI's Richmond field office produced an intelligence assessment built on what it called radical-traditionalist Catholic ideology, concluding with high confidence that interest in it opened new opportunities for tripwire and source development. The assessment was retracted within days of leaking. The version the FBI later released to the public is the most telling artifact of the whole affair: the government published the document, marked it unclassified, and then blacked out the entire substance, the indicators, the reasoning, the communities in question, the underlying case, behind law-enforcement and deliberative-process exemptions the apparatus grants itself and no outsider

¹⁹John Yoo, "Executive Power Run Amok," *The New York Times*, 6 February 2017, <https://www.nytimes.com/2017/02/06/opinion/executive-power-run-amok.html> ("I followed in Hamilton's footsteps, advising that President George W. Bush could take vigorous, perhaps extreme, measures... including invading Afghanistan, opening the Guantánamo detention center and conducting military trials and enhanced interrogation... But even I have grave concerns about Mr. Trump's uses of presidential power").

²⁰American Civil Liberties Union, "Fusion Center Update," https://www.aclu.org/sites/default/files/pdfs/privacy/fusion_update_20080729.pdf (Maryland State Police surveillance of nonviolent peace and anti-death-penalty activists); ACLU, "ACLU Sues Federal Agencies for Information on Intelligence Hubs Used to Surveil Protestors and Communities of Color," <https://www.aclu.org/press-releases/aclu-sues-federal-agencies-for-information-on-intelligence-hubs-used-to-surveil-protestors-and-communities-of-color> (2019 Virginia Fusion Center treatment of environmental protesters; 2020 deployment of Joint Terrorism Task Forces against racial-justice protesters).

²¹On the Missouri Information Analysis Center "Modern Militia Movement" report of February 2009 and its withdrawal after public objection, see American Civil Liberties Union, "ACLU Seeks Privacy Records From Secretive State Police Fusion Center," <https://www.aclu.org/press-releases/aclu-seeks-privacy-records-secretive-state-police-fusion-center>.

²²National School Boards Association letter to President Biden, 29 September 2021 (requesting federal review of parent conduct at school-board meetings as "the equivalent to a form of domestic terrorism and hate crimes," and citing the Patriot Act); Attorney General Merrick Garland, memorandum of 4 October 2021, directing FBI and U.S. Attorney coordination; on the FBI Counterterrorism Division's "EDUOFFICIALS" threat tag, see U.S. Senate Judiciary Committee Republicans to Attorney General Garland, 6 December 2021, <https://www.grassley.senate.gov/news/news-releases/judiciary-republicans-to-garland-are-concerned-parents-domestic-terrorists-or-not>.

can review. The public was allowed to see the conclusion and nothing that led to it.²³ By treating the operations as aimed at the original threat, the conservative account cannot explain why so much of the apparatus has been turned on domestic politics the threat profile never included, including the politics of the right that built it.

II.2.1 Right and Unexecuted

The libertarian account is the strongest of the three on the record, and it has been the least effective of the three in the world. That gap is what the post-9/11 case has to teach, and it returns in the two cases that follow.

The account diagnosed the apparatus correctly and proposed the remedy that fit it: end the foreign policy that generates the fear, repeal rather than reform, dismantle rather than constrain. A quarter century later none of it has happened. The Patriot Act has been reauthorized at every turn. The AUMF passed three days after the attacks is still in force, the foreign bases are still open, Guantanamo still holds detainees, and the surveillance architecture is more permissive than the one that governed in 2000. The remedy was written out in detail, by people who had diagnosed the problem before most of the country knew it had one, and across twenty-five years it was never carried out.

The reason is structural. Dismantling a fused apparatus of this size is not a single act of repeal. It takes sustained, coordinated pressure held across decades and across administrations of both parties, the kind that builds institutions, takes offices, and stays on long after the emergency has faded from the front page. That is the kind of action the libertarian coalition is worst at. Its strength is diagnostic. It sees the structure and describes it more accurately than anyone, and then treats having seen it as the work, when seeing it is only the first half. The remedy the diagnosis points to lives in the second half, and the coalition that excels at the first is systematically poor at the second.

Call this the strategicity-handicap. The libertarian remedy does not fail on its merits. It fails because the people who hold it stop where the seeing stops, and a correct diagnosis that costs the apparatus nothing is one the apparatus can carry indefinitely. The surveillance state did not last twenty-five years because no one understood it. It lasted because understanding it was free. What would have made it expensive is the work the operational prescriptions take up later. What this first case fixes is the shape of the problem they have to solve: not how to see the apparatus, which the tradition already does better than anyone, but how to turn sight into cost.

The encouraging part of the record is that when the cost was imposed, it worked, and it worked better than anything else the period produced. The actions that landed were acts of forced disclosure. WikiLeaks published the Collateral Murder video and the Iraq and Afghanistan war logs, nearly four hundred thousand field reports that put the war's unrecorded civilian dead, the torture, and the contractor role into the public record for the first time. Edward Snowden, a Ron Paul supporter, handed journalists the documen-

²³FBI, "Radical Traditionalist Catholic Ideology, Part 01 (Final)," FOI/PA No. 1583721-000, FBI Records Vault, <https://vault.fbi.gov/radical-traditionalist-catholic-ideology>. Dated 23 January 2023; released version withholds five of eleven pages in full and redacts the actual content of the remainder under FOIA exemptions b5 and b7E.

tation of bulk domestic surveillance, and what had been a conspiracy theory the week before became an established fact the government was forced to confirm.²⁴ Neither was a petition for reform. Each forced a fact into the open that the apparatus had spent resources keeping shut, and each imposed a cost that no amount of oversight tuning had ever managed to impose.

What makes these actions the model rather than the exception is that their effect compounds instead of decaying. The Snowden disclosures drove the one substantive rollback of the period, the end of the bulk telephone-metadata program, a federal appeals court ruling the program unlawful, the declassification of secret surveillance-court opinions, and the encryption of most of the web, and they are still the reference point in the surveillance fights live in 2026.²⁵ The WikiLeaks archive compounds in a different way: it is a permanent, searchable record that journalists keep returning to, so that an incident captured in 2010 is recontextualized years later when a reporter connects it to a cable in the same trove, the disclosure continuing to yield meaning long after its release.²⁶ The apparatus adapted to both, as it adapts to everything, and the surveillance state was not brought down. But the disclosures were not absorbed the way reform is absorbed. They are still working, still imposing cost, still setting the terms of the argument, which is exactly what the correct remedy is supposed to do and what petitioning never did.

So the lesson the case leaves is not despair. It is that the libertarian action which actually landed was extraordinarily powerful, more powerful per instance than anything the other two accounts produced, and that the deficiency was quantity, not effect. A handful of forced disclosures shifted the terms of the surveillance debate permanently. The question the rest of the book takes up is how to produce more of them, deliberately and at scale, rather than waiting for the rare individual willing to risk a prison sentence to supply one by accident.

Each account holds part of the record. The libertarian account carries the deepest diagnosis and the broadest remedy, held back by the handicap just named. The proceduralist account cannot absorb the persistence of the operations across administrations of both parties, the evidence that the channels meant to reform the apparatus absorbed it instead. The conservative account cannot place the turn of the apparatus on domestic politics, least of all its turn on the very movement that built it. The three are one operation seen from three angles, and what the framework adds to all of them is the test the next two cases run, whether the pattern holds when the cast and the domain change completely.

²⁴On the WikiLeaks releases, see the Collateral Murder release of 5 April 2010 and the Iraq War Logs of October 2010, nearly 400,000 U.S. Army field reports recording over 66,000 civilian deaths, many previously unreported. Snowden's support for Ron Paul, including his 2012 campaign donations, is a matter of Federal Election Commission record.

²⁵On the durable effects of the Snowden disclosures, see Electronic Frontier Foundation, "10 Years After Snowden: Some Things Are Better, Some We're Still Fighting For," 2023, <https://www.eff.org/deeplinks/2023/05/10-years-after-snowden-some-things-are-better-some-were-still-fighting> (the 2015 USA Freedom Act ending daily bulk collection; the federal appeals court holding the Section 215 program "unprecedented and unwarranted"; the move to encrypt the web). The fight over Section 702 reauthorization remained active into 2026.

²⁶For an example of the archive's continuing contextualization, the Al Jazeera documentary *Permission to Engage* traced the "Crazyhorse" call sign from the Collateral Murder footage through other incidents recorded in the Iraq War Logs cables, years after the original release; see The Bureau of Investigative Journalism, <https://www.thebureauinvestigates.com/stories/2012-08-30/permission-to-engage-wikileaks-collateral-murder-footage-examined>.

II.3 IT WAS ALREADY BUILT

None of this expansion started from a standing baseline of restraint. The infrastructure the September 11 emergency switched on had been building through the entire Cold War, and much of it had survived the accountability processes meant to dismantle it, carrying forward into the 1990s in modified form. What happened in 2001 was activation, not construction.

The Cold War surveillance state was already large. The NSA dates to 1952, and by the 1960s it was collecting international communications in bulk, Americans' included, under programs Congress and the public knew nothing about. The CIA had been running domestic operations against American citizens since the 1950s, against its own charter: MKULTRA, which experimented on human subjects without their consent; Operation CHAOS, which surveilled the antiwar movement of the 1960s; and a wider pattern of domestic work it was never authorized to do. The FBI ran COINTELPRO from 1956 to 1971 under J. Edgar Hoover, aimed at civil rights organizations, antiwar groups, the New Left, and a long list of other domestic political activity, and it ran through infiltration, surveillance, fabricated evidence, harassment, and, in several documented cases, incitement to violence against the very groups it was watching.

The Church Committee investigations of 1975 and 1976 laid these operations out and set off a wave of legislative response. The Foreign Intelligence Surveillance Act of 1978 put foreign-intelligence surveillance under judicial review. The Inspector General Act, the same year, built internal-oversight machinery across the federal agencies. Congress stood up the Senate and House intelligence committees for continuing oversight, and in 1981 Executive Order 12333 set out to codify limits on what the agencies could do. On paper it was a substantial oversight architecture, built specifically to keep the Church Committee's findings from happening again.

Within two decades the architecture had been hollowed out. The FISA Court met in secret, its applications and orders classified, and it approved nearly everything it saw, rejection rates running below one percent. The congressional intelligence committees worked under classification rules that limited what members could say to their own colleagues, let alone the public. Inspector-general reports landed at classification levels that kept their findings out of view. The oversight existed in form. In substance it was bounded by the secrecy rules it ran under.

Iran-Contra, in the mid-1980s, showed those unauthorized executive operations running straight through the same period. The National Security Council arranged arms sales to Iran against stated American policy and routed the proceeds to the Nicaraguan Contras in violation of the Boland Amendment, which Congress had passed precisely to forbid that funding. The work moved through informal channels that left little record. The officials who were prosecuted were pardoned or saw their convictions thrown out on procedural grounds. The pattern, executive operations run outside congressional authorization, came through the accountability process intact and stood as precedent for the emergency operations that followed under later presidents.

The 1990s brought the continuity-of-government programs, emergency machinery for the executive

that ran outside congressional oversight by design. They were classified deeply enough that members of Congress could not be briefed on their content: secret presidential directives setting up emergency-authority frameworks, classified executive orders rewriting agency powers for emergencies, planning for extended federal operation without the normal congressional or judicial checks. Built for nuclear war, the programs outlived the Soviet threat they were meant for, carried forward by institutional habit and the personnel networks that ran them.

The end of the Cold War put the surveillance and intelligence agencies under pressure to find new work. The budgets and headcount and standing the Soviet threat had justified now needed a new one, and the 1990s supplied a set of them: counterterrorism, counter-narcotics, counter-proliferation, transnational threats of various kinds, each framed as the old mission carried on by other means. The Aldrich Ames case in 1994 and the Robert Hanssen case in 2001 hardened the agencies further, both used to argue against the constraints that had been gaining ground in the post-Cold-War Congress.

The Oklahoma City bombing in 1995 was the first real test of post-Cold-War emergency authority. The Antiterrorism and Effective Death Penalty Act of 1996 widened federal power on several fronts at once: restrictions on habeas corpus, expanded federal jurisdiction over terrorism crimes, a process for designating foreign terrorist organizations with serious legal consequences attached, and changes to immigration enforcement that enlarged federal authority over non-citizen detention. It passed with bipartisan support and little public objection. In its scope and structure and in its political dynamics it prefigured the Patriot Act, and the habit it established, expanding federal authority in the wake of an emergency, was sitting ready when September 11 arrived five years later.

The same decade built the cooperative relationships between federal agencies and the major technology companies. The cryptography fights of the early 1990s left standing federal pressure on companies to keep backdoor access available to investigators. The Communications Assistance for Law Enforcement Act of 1994 required telecom carriers to build their networks so federal surveillance could plug in. National security considerations shaped the early internet's infrastructure throughout the period, and working relationships between particular agencies and particular companies formed through routine commercial and regulatory contact. The cooperative scaffolding the post-9/11 programs would later switch on was substantially in place before the attacks.

By September 11, 2001, the accumulated capacity was considerable. The Cold War surveillance apparatus had outlived the accountability processes meant to rein it in, and the oversight built to replace those processes stood in form while staying weak in substance. Operating outside congressional authorization, the move at the center of Iran-Contra, had been absorbed into the surviving personnel and procedures. The continuity-of-government programs had built emergency machinery that ran past normal oversight. The agencies had spent a decade refitting their missions to keep operating at scale, the AEDPA had set the modern template for expanding federal power after an emergency, and the working relationships with the telecom and technology companies had been forming for years.

September 11 switched all of it on at once, fast and across every institutional form, and it could do that only because the accumulation had been building for decades.

II.4 THE CHANNELS IT RAN THROUGH

Substrate worked through specific institutional forms during and after the period. They moved in an alignment the documentary record only partly captures, and the alignment produced outcomes no single form could have produced alone.

The federal intelligence agencies operated past their statutory limits throughout the period. The NSA collected telephone metadata in bulk under Section 215 of the Patriot Act, on a reading of the statute that ran well beyond what its text appeared to allow, and it pulled internet traffic off the telecom backbone under Section 702 of the FISA Amendments Act of 2008, the same authority behind the PRISM collection it ran through the major technology platforms. The CIA operated detention and interrogation sites in several countries on legal interpretations the Justice Department's Office of Legal Counsel produced under heavy classification and thin internal review. The FBI widened its counterterrorism reach through national security letters issued with no judicial review, delayed-notice search warrants from the Patriot Act, and investigative guidelines the Attorney General loosened step by step. The Defense Intelligence Agency pushed into areas the pre-9/11 limits would have closed off. Across the board, the intelligence community ran surveillance, analysis, and operations at a scale the old framework never contemplated.

Federal law enforcement reorganized itself around the counterterrorism mission. The FBI's 2002 restructuring made counterterrorism the priority and pushed ordinary criminal investigation down the list. The Justice Department's culture shifted toward cases with a counterterrorism hook, and the hook was often manufactured, through investigative practices that singled out particular communities and waited for conduct that could be charged under counterterrorism statutes. Informant-driven stings that generated their own targets became a sizable share of federal counterterrorism prosecutions. The Department of Homeland Security, assembled in 2002 out of twenty-two existing agencies, gave the federal government operational reach across immigration, transportation security, infrastructure, and emergency management at a scale nothing before it had matched.

The military widened its operational scope across several domains. Operations under the AUMF reached Afghanistan, Iraq, Yemen, Somalia, Pakistan, Libya, Syria, and beyond. Special operations authority grew sharply, and Joint Special Operations Command turned into a near-autonomous entity whose work often sat outside the conventional chain of command. The drone program expanded under Bush, expanded much further under Obama, and carried on under Trump and Biden. The targeted-killing program the Obama administration formalized in 2010 put American citizens on its list, under a legal framework worked out in internal Justice Department memos that stayed classified for years. Civilian and military intelligence work fused, with task forces combining military, intelligence, and law-enforcement personnel in arrangements that earlier would have been kept apart.

The telecom carriers cooperated under classification and non-disclosure rules that kept it quiet. AT&T's arrangement with the NSA went back to a 2003 agreement that set up splitter rooms in AT&T facilities, giving the agency real-time access to internet backbone traffic. The Mark Klein disclosures in 2006 documented one such room in San Francisco, and later reporting placed similar facilities at AT&T sites around

the country. Verizon ran comparable programs under comparable terms. The carriers handed over customer records, metadata, and content under the authorities the Patriot Act and the FISA Amendments Act had built, and the Snowden documents later showed the cooperation reaching well past what those authorities publicly allowed. The FISA Amendments Act of 2008 then gave the carriers retroactive immunity for the warrantless-wiretapping program, wiping out the legal exposure that civil suits had been creating.

The technology platforms cooperated too, as the PRISM documents later showed. Microsoft, Google, Yahoo, Facebook, Apple, AOL, PalTalk, Skype, and YouTube were named as participants. Their public postures afterward varied. Some opposed the disclosures and fought the cooperation in court; others kept cooperating across administrations without saying much about what it meant. The arrangement gave federal investigators user communications, metadata, content, and behavioral patterns at a scale the pre-9/11 framework never imagined, and it set the habits of federal-platform interaction that later operations drew on as a baseline, including the content-moderation coordination later detailed in the Twitter Files and litigated in *Murthy v. Missouri*.

The contractor ecology that grew up around the surveillance and counterterrorism mission supplied capacity the federal workforce could not have produced on its own. Booz Allen Hamilton took in billions in federal contracts for surveillance, analysis, and related work. SAIC, Lockheed Martin, Raytheon, CACI, L3 Technologies, ManTech, Leidos, and dozens of others worked the same fields. The contractor workforce grew larger than the federal intelligence workforce itself, filling roles that once would have gone to federal employees subject to congressional oversight, and operating under classification that kept the work out of public view. The ecology embedded itself in federal procurement, accumulating the political relationships, legal infrastructure, operational dependencies, and revolving-door personnel patterns the apparatus leaned on across administrations.

Financial institutions took part through banking surveillance, sanctions enforcement, and de-platforming. The Patriot Act expanded the Bank Secrecy Act framework and broadened the reporting requirements for suspicious activity. Banks had to run enhanced due diligence on foreign nationals, international wire transfers, and categories of activity the old framework had treated as routine. The Office of Foreign Assets Control's sanctions regime grew, its lists of designated entities and prohibited transactions lengthening across the period. The de-platforming machinery that formed around the 2010 WikiLeaks response was the financial-sector face of the operation, payment processors and major banks acting as enforcement infrastructure for federal preferences delivered through informal channels. What hit WikiLeaks went on to hit other dissenting causes, and financial de-platforming settled in as a standing tool.

Universities took part through the expansion of federally funded research on terrorism, surveillance, intelligence analysis, and adjacent subjects. The Department of Homeland Security set up centers of excellence at several American universities and steered substantial funding toward research aligned with the mission. Grant pipelines widened for counterterrorism studies, terrorism financing, radicalization, and related fields. Academic culture shifted toward treating the surveillance and counterterrorism apparatus as the natural research partner, and critical scholarship increasingly came from outside the big federally

funded centers, on thinner resources. The credentialing networks that produce the experts who fill federal advisory panels, expert-witness chairs, and media-analyst slots were shaped substantially by where the period's money went.

Media institutions took part through editorial choices that lined up with the federal national security framing in the early years. The clearest case is the New York Times decision in 2004 to hold the warrantless-wiretapping story for over a year at the Bush administration's request, finally publishing it in December 2005.²⁷ The Washington Post made similar calls on classified-material stories in the same period. The wider pattern of major outlets aligning with the official framing on the Iraq war handed the apparatus legitimacy through the early war years, and fed the decay that set in once the war's failure became plain. The platform-state coordination the Twitter Files would later detail operated against this same backdrop, an industry that had spent fifteen years aligned with federal national security framing.

State and local police took part through the fusion-center network and the broader folding of local agencies into the federal counterterrorism framework. The fusion centers run on substantial federal money, federal direction, and federal access to what they produce, an arrangement that hands federal agencies reach into places they could not enter under their own statutory authority. Local officials work the federal mission through joint task forces, information-sharing protocols, and grant-funded equipment standardization that have settled into place over two decades, and the grants have steered local priorities, training, and purchasing along the way.

Immigration enforcement was rebuilt under the Homeland Security framework. Immigration and Customs Enforcement was created in 2003 by merging enforcement functions that had been spread across several agencies. Its capacity grew sharply, with detention, deportation, and worksite enforcement reaching a scale the old INS had never approached. Framing immigration enforcement as a counterterrorism function rather than an immigration-policy one shaped the agency's culture, training, priorities, and equipment for two decades.

Each of these forms moved in alignment with the others across the period. The alignment was not the work of a single coordinator. It was the structural convergence of many institutional forms operating under the same emergency-authority framework, the same funding flows, the same cultural environment, and the same institutional habits the period had set. Together they produced outcomes none could have produced alone, and substrate's strategic capacity grew along three dimensions at once: enforcement, information, and the cost of restoring opacity.

Enforcement capacity grew because the forms worked as parallel channels. Challenge the surveillance through one channel and you met the others running alongside it. A dissenter whose accounts were deplatformed lost access to commerce. A journalist whose work threatened the official framing met editorial pressure inside their own newsroom before any federal action was needed. A researcher whose work would

²⁷James Risen and Eric Lichtblau, "Bush Lets U.S. Spy on Callers Without Courts," *New York Times*, 16 December 2005, p. A1. The paper had held the story since late 2004 at the Bush administration's request; editor Bill Keller cited security considerations for the delay. See Eric Lichtblau, *Bush's Law: The Remaking of American Justice* (New York: Pantheon Books, 2008) for the inside account of the holdup and publication.

have been critical met grant pipelines and hiring patterns that carried career costs. No single channel did the work. The combined network did far more than any one of them could.

Informational capacity grew because the forms worked as one coordinated information environment. The platform cooperation delivered communications and behavioral data at a scale earlier surveillance never reached. The academic cooperation shaped the research agenda and the credentialing networks. The media cooperation shaped how national security questions reached the public. The combined result was an environment in which the federal framing operated as the default across the very sectors that were supposed to supply independent information.

And the cost of restoring opacity fell, because the forms kept up the appearance of independent corroboration while running on coordinated mechanisms. A federal agency issued classified guidance; platforms enforced it, academic institutions cited it, media outlets reported it as the consensus of national security experts, contractors built it into their work, and each link in the chain pointed to the others as independent confirmation. The chain was not independent. The opacity that let it pass as independent was held in place by the classification and the non-disclosure rules the cooperation ran under.

II.5 HOW THE CAPACITY COMPOUNDED

The post-9/11 operation built institutional capacity that outlived the emergency and became the baseline for the next two decades. It was switched on again in the 2008 financial response, again during COVID, and it stands ready for the next emergency. This was never a temporary answer to a temporary threat. It was a permanent reorganization, and the emergency supplied the political cover.

This pattern has a name and a literature. The libertarian historian Robert Higgs gave it both in 1987, in *Crisis and Leviathan*, where he called it the ratchet effect: crises produce abrupt increases in government power that recede only partially once the emergency passes, leaving institutional residue that raises the long-run baseline and compounds at the next crisis.²⁸ He supplied the cross-domain mechanism as well, the master key: a free hand in war and defense hands the government the key that opens every other door, because when the decisive trade-offs come, war overrides all competing concerns.²⁹

The framework does not claim to discover the ratchet. Higgs established that it operates and assembled the record that it does. What the framework adds is a standard the ratchet can be tested against. One emergency that ends with the permanent government larger than it began is a fact about that emergency, and any account can absorb it. Three emergencies across three decades, in national security, in finance, and in public health, with no shared cast and no shared villain, each ending with the apparatus enlarged and the

²⁸Robert Higgs, *Crisis and Leviathan: Critical Episodes in the Growth of American Government* (New York: Oxford University Press, 1987). Higgs developed the ratchet effect to explain why government growth occurs in spurts tied to crisis rather than continuously, with most crisis-driven interventions receding only partially once the crisis passes, leaving the baseline permanently higher.

²⁹Higgs, "Are Questions of War and Peace Merely One Issue among Many for Libertarians?" cited above. His *Resurgence of the Warfare State* (Oakland: The Independent Institute, 2005) argues that the relationships operative during the world wars and the Cold War were, by then, operating in the war on terrorism.

enlargement kept, is either a structure or three coincidences in a row. The framework stakes itself on the first reading, and the stake is real. Had the apparatus come back down after any of the three, the reading would fail on its own terms. The recurrence is the claim, the recurrence is checkable, and the post-9/11 case is the first of the three trials.

The Patriot Act has been renewed at every reauthorization since 2001. Some provisions were amended, some were technically sunset and replaced with successors that did the same work, and the core surveillance authorities held across four administrations of both parties. Bipartisan agreement on keeping the act going has been one of the steadier facts of American politics in the period. The USA Freedom Act of 2015 adjusted some of it after Snowden, ending bulk telephone-metadata collection as it had run, but it left the underlying architecture standing in a modified form that reached much the same results by other technical means. The surveillance framework that governs in 2026 is more permissive than the one that governed in 2000.

The Authorization for Use of Military Force, passed three days after the attacks, is still in force in 2026. Four administrations have used it to justify operations across multiple theaters and against entities that did not exist when it passed. Congress has voted on repealing or narrowing it more than once, and each vote has failed. The current administration still operates under it. Executive military authority has expanded substantially across the period, and the AUMF is one of the foundations the expansion rests on.

The fusion-center network, set up in 2003, has grown well past the counterterrorism mission it began with. There are now more than seventy federally designated centers across all fifty states and several territories, integrating federal, state, and local agencies in shared analytical environments that keep watch on domestic political activity. A 2012 Senate investigation found the centers turning out intelligence of little counterterrorism value while extending federal surveillance reach deep into domestic politics. Nothing was constrained as a result. The network has kept growing since.

The federal-platform cooperation that took shape after 9/11 carried through 2008 and COVID in modified form. The Bush administration's relationships with the carriers and the platforms passed to Obama largely intact. Obama widened the cooperation, especially around the content-moderation work that picked up after the 2016 election. Trump inherited the infrastructure and kept running it with some adjustments. Biden widened it further, and the COVID-era platform-state coordination ran on the institutional habits and personnel networks the post-9/11 period had laid down. The current administration operates inside what the prior four built.

The Department of Homeland Security has become a permanent fixture at a scale the pre-9/11 framework never contemplated. Its budget has grown past \$60 billion a year, and it operates across immigration enforcement, transportation security, infrastructure protection, cybersecurity, emergency management, and more. The Cybersecurity and Infrastructure Security Agency, created within DHS in 2018, moved heavily into election security and content-moderation coordination across the post-2016 and COVID periods. Much of the federal-platform coordination on content moderation during COVID ran through CISA, and the operational details later came out through the *Murthy v. Missouri* litigation.

The contractor ecology built around the post-9/11 mission is now structurally embedded in federal pro-

curement. The major firms that took the early funding have grown, Booz Allen Hamilton, Leidos, and others expanding their federal portfolios across the period. Contractors now make up a large share of the national security workforce, in roles that once required federal employees subject to congressional oversight. The procurement framework that sustains them has been institutionalized across administrations, and the firms have accumulated the political relationships, legal infrastructure, and personnel networks that keep political support flowing to the mission. In much of the national security ecology the contractors' capacity is the apparatus's capacity, de facto extensions of federal agencies operating under commercial arrangements that hold congressional oversight at arm's length.

The legal precedents for executive emergency authority from the period are still operational. The Supreme Court pared back the Bush administration's claim of authority to detain American citizens indefinitely without judicial review, but the underlying claim, that the executive can designate people enemy combatants and hold them under military authority, survived the litigation. The targeted-killing program Obama formalized in 2010 established executive authority to kill American citizens abroad without judicial review, on a legal framework worked out in classified Justice Department memos. Warrantless surveillance under emergency authority has been modified by legislation and the courts, but the underlying executive claim, that an emergency licenses surveillance outside the normal statutory framework, has not been displaced. Both the 2008 financial response and the COVID response drew on emergency-authority frameworks the post-9/11 period had institutionalized.

The infrastructure for federal-private partnership in emergencies was built in the post-9/11 period and ran again in 2008 and during COVID. The Treasury and Federal Reserve coordination of the 2008 response built on habits of federal-private cooperation the post-9/11 financial-surveillance regime had set. The platform-state coordination of the COVID content-moderation operation built on habits of federal-platform cooperation the post-9/11 surveillance regime had set. Capacity for emergency operations of this kind now runs at a scale the pre-9/11 framework never approached, each emergency drawing on what prior emergencies accumulated and adding to the stock for the next.

The cumulative effect across all these forms is that substrate's strategic capacity in 2026 stands well above where it was in 2000. The coordination channels built after 9/11 are still operational and have been switched on again in each later emergency. The surveillance and data tools were never retired, and each emergency expanded them. And the cross-institutional coordination that once counted as an emergency deviation has become the baseline, which is what it means to say the cost of restoring opacity has fallen.

A substrate operation run in 2026 has infrastructure available to it that did not exist in 2000. It can be larger and faster and far harder to resist than anything the pre-9/11 environment allowed. The infrastructure has not been dismantled, and the political momentum that dismantling would take has never reached the scale required. The preconditions for the next operation are in place, and when it comes, substrate will already hold the strategic capacity the post-9/11 period built.

II.6 WHY THE COUNTRY WENT ALONG

Enforcement and information do not exhaust substrate's strategic capacity. The catalog of forms explains what substrate did and through what; it does not explain why the population took the operation the way it did. That part comes from the cultural infrastructure substrate had built across the decades before the attacks, which the operation activated.

The Americans who absorbed the post-9/11 operation in 2001 were living inside cultural infrastructure that had been accumulating since the Cold War and through the 1990s. The patriotic media culture that powered the post-9/11 surge drew on machinery decades old. Hollywood had framed American military operations in heroic terms since the 1940s, network television had deferred to federal national security work since the major networks were founded, and talk radio had grown through the 1980s and 1990s into an amplifier for the official framing. The result was a media environment where federal national security claims were the default, and questioning them registered as the exception rather than the norm.

The universities had spent decades turning out graduates whose professional identity ran through national service and federal employment. The major schools had built relationships with the agencies through research funding, security-clearance arrangements, and faculty appointments that moved people back and forth between campus and government. The post-9/11 surge in counterterrorism and intelligence careers ran on this infrastructure. The pipelines that fed credentialed graduates into national security roles widened after 9/11, but they were already operating, already substantial, before it.

The religious infrastructure that supplied theological framing for the operations was in place before the attacks too. Particular framings, of American mission, of a Christian-Islamic civilizational struggle, of the legitimacy of American military action against Muslim populations, had been developing for decades across evangelical Protestant institutions and parts of the Catholic intellectual world. September 11 activated those framings rather than inventing them, and they carried cultural legitimacy for the operations into populations the secular national security apparatus could not have reached on its own.

The professional cultures of journalism, academia, and policy work came pre-loaded with deference to national security claims. Among national security journalists, the norm treated federal sources as authoritative on classified matters and dissenters as fringe. In the national security adjacent academic fields, the norm treated the apparatus as the natural research partner. In the Washington policy institutions, the norm treated continued access to federal officials as professionally essential, and that access depended on not challenging federal positions head-on. Across decades before the emergency, these norms aligned the credentialed professional world with the official framing. The emergency activated the alignment; it did not create it.

Taken together, this infrastructure let the post-9/11 operation impose large expansions of federal authority without the immediate resistance those expansions would have met under earlier conditions. The credentialed populations inside the cultural infrastructure took the expansions as appropriate responses to a real emergency. The dissenting populations outside it paid professional and cultural costs for dissenting,

exacted through the same recognition apparatus that classified the official framing as morally serious and the dissenting framing as suspect.

The cultural responses the operation produced show that infrastructure working on specific dissenters at specific moments.

From roughly 2001 through 2003, the patriotism period produced heavy alignment across the credentialed class and much of the broader public. The cultural infrastructure enabled it; the emergency amplified it. Flags went up on essentially every product, every public space, every professional environment, for an extended stretch, and public mourning and patriotic ritual became the air the operations were conducted in. Dissent was ruled out of bounds during the mourning, then during the military response, then while troops were in harm's way, then while the counterterrorism mission was active, the line moving each time so there was never an acceptable moment for it. The classifications suppressed dissent for years, through culture rather than law.

The professional costs for dissenters in the early years were real. Phil Donahue's MSNBC show, the network's highest-rated program at the time, was canceled in February 2003, just before the Iraq war began. A leaked internal NBC memo called the show a difficult public face for the network in a time of war and a home for the liberal antiwar agenda while the competition was waving the flag at every opportunity.³⁰ The ratings were strong; the show was canceled anyway. Donahue's career ran outside the major broadcast channels for the rest of his working life.

The Dixie Chicks, then one of the most commercially successful country acts in America, lost radio play across the genre after Natalie Maines told a London audience in March 2003 that she was ashamed the President of the United States was from Texas. The industry response was fast and coordinated; major country stations pulled the band within days. Their commercial standing in country music was destroyed, and the recovery that followed came through other genres and other audiences, the original country audience gone for good. Other artists who had been voicing similar antiwar views adjusted their public statements over the following weeks. The consequences fell on Maines, but the signal to everyone else was general and lasting.

The costs for academics who opposed the war and the wider operations ran through more diffuse channels but landed similarly. Scholars who questioned the official account of the attacks met everything from professional isolation to formal discipline. Scholars who questioned the legal framework for the operations met consequences in grant funding, conference invitations, and journal editorial decisions. Noam Chomsky, the MIT linguist and a critic of American foreign policy across decades, became a particular target in the early period, classified as outside the bounds of acceptable academic discussion. Others in similar positions met similar treatment.

Support for the operations eroded as the Iraq war's failure became visible, and the erosion was substan-

³⁰“Donahue (2002 talk show),” Wikipedia, [https://en.wikipedia.org/wiki/Donahue_\(2002_talk_show\)](https://en.wikipedia.org/wiki/Donahue_(2002_talk_show)); “Struggling MSNBC Attempts to Out-Fox Fox,” FAIR, <https://fair.org/extra/struggling-msnbc-attempts-to-out-fox-fox/> (top-rated MSNBC program; canceled February 2003; internal memo text).

tial. Backing for the war fell from a majority in 2003 to a minority by 2006, the decline heaviest among the people whose own lives or families bore the war's costs directly. That shift drained legitimacy from the institutions that had backed the operation, a substrate-handicap the cultural-infrastructure investment had not been enough to prevent. The major media institutions that had backed the war absorbed sustained decay over the following decade. The political class that had backed it took heavy fire in the 2006 and 2008 elections, the 2008 presidential race turning in part on the war's unpopularity.

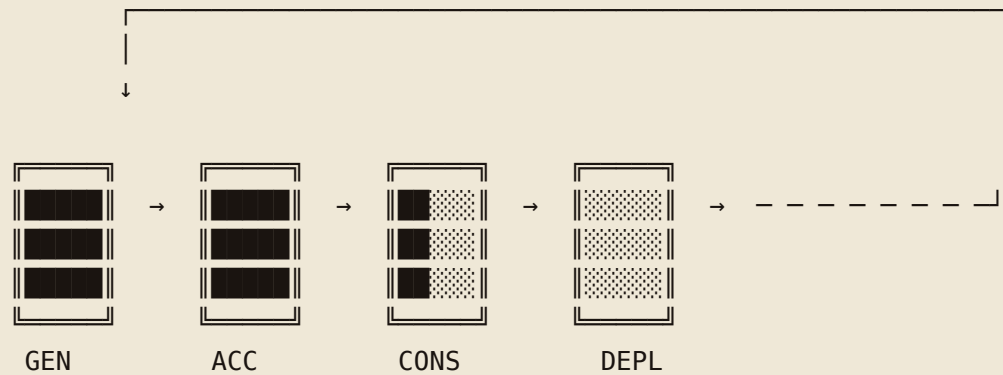
So the cultural infrastructure substrate had built was not indefinitely durable. It produced the deference that let the operations run at scale in the early years. It did not prevent the decay that came once the failures showed. It bought roughly five years of cover before legitimacy began draining in earnest from populations that had deferred, and the drain continued across the next decade and a half, leaving the infrastructure with much less capacity to produce deference for the operations that followed.

The WikiLeaks disclosures of 2010 and the Snowden disclosures of 2013 landed on ground where deference had already eroded under the Iraq war's visible failure. They accelerated the decay rather than starting it. It continued through the decade, and by the time COVID arrived in 2020 the cultural infrastructure substrate could draw on for deference was much reduced from 2001. The COVID operation's particular patterns of compliance and dissent were shaped heavily by that accumulated decay.

The framework's claim is that the cultural infrastructure substrate built across the Cold War and the 1990s could produce far more population deference than the infrastructure substrate works with in 2026. That decline is one of the substrate-handicaps the framework identifies, and it is one of the conditions every later operation has to work under, against population recognition resources the post-9/11 operations never faced at comparable scale.

II.7 HOW LEGITIMACY GETS SPENT

The post-9/11 pattern runs on legitimacy as a strategic resource. An event generates it, specific institutions hold it as reserves, operations spend it to authorize major action, and it drains away when the failures of those operations become visible to the people paying attention. The post-9/11 period shows the full cycle with unusual clarity. September 11 generated reserves on a scale the polling could measure, the early operations spent them to authorize institutional expansion, and the decades since produced depletion at rates that varied by population depending on where each sat relative to the cultural infrastructure. Substrate's answer to the depletion was to build operational infrastructure that no longer needed the reserves, infrastructure that became the baseline for the emergencies that followed.



The reserves are not held by substrate as a single actor. They sit distributed across specific institutions, actors, and operational domains, the executive branch, the national security apparatus, the intelligence agencies, the military, the political class, the major media, the credentialed environment, and the cultural infrastructure organizing the whole, related but distinct. Operations draw down particular configurations at particular rates, and because the reserves are spread out, substrate can shift its reliance from one configuration to another as some deplete and others hold. That is the structural basis for the adaptation phase the cycle eventually reaches.

September 11 generated reserves on a scale the polling could measure. Bush's approval went from 51 percent in early September 2001 to 90 percent by late September,³¹ the largest single-event jump Gallup had ever recorded. It was not confined to Bush. Approval for Congress, the national security agencies, the military, and the wider institutional world the federal apparatus was identified with all moved the same way. The reserves were large, generated fast, and spread broadly across the configurations the apparatus ran through.

The generation was not uniform across populations. How much each took in depended on its position relative to the cultural infrastructure that received the reserves. The credentialed populations, living inside the patriotic media culture, the educational pipelines, the religious framings, and the professional cultures of deference, took in a great deal. The non-credentialed populations, outside that machinery, took in less. The populations that had spent years engaging federal foreign policy critically took in almost none. The reserves accrued to specific institutions and were held by specific populations, sorted by where people stood when the event hit.

The opposition to the early operations shows the differential plainly. The libertarian publications that had spent years on federal overreach held against the Patriot Act while the broader culture was busy classifying that position as inappropriate. *The American Conservative*, founded in 2002 specifically in response to the post-9/11 turn in foreign policy, held against the Iraq war from its earliest framing. The ACLU and the Electronic Frontier Foundation held against the surveillance expansion from the Patriot Act's passage, and the antiwar left, through outlets like *Counterpunch*, held against the wars from the start.

³¹“Who Had the Highest Gallup Presidential Job Approval Rating?” Gallup, <https://news.gallup.com/poll/271628/highest-gallup-presidential-job-approval-rating.aspx> (51 percent on 7–10 September 2001; 90 percent on 21–22 September 2001, the highest and largest single-event rally Gallup has recorded); “Bush Averages 62% Approval in First Term,” Gallup, <https://news.gallup.com/poll/14662/>.

None of these took part in the legitimacy generation the apparatus enjoyed. Their position relative to the cultural infrastructure placed them outside the vessel the reserves flowed into.

The reserves held across 2001 and 2002, with the cultural infrastructure still working to maintain them. Mourning and patriotic ritual continued, media framing stayed aligned with the apparatus, and bipartisan political support for the expansion held, while no visible failures had yet surfaced. Bush's approval stayed above 60 percent through 2002, support for the Afghanistan war above 80 percent, support for the Patriot Act above 50 percent. The reserves were there to be spent at scale.

The infrastructure that held the reserves through accumulation was the same machinery already described, the aligned media, the deferential professional networks, the credentialing pipelines, the religious framings, all working continuously. The effect was that the reserves the attacks generated did not drain during accumulation. They were held, at substantial levels, across the period.

The largest reserves sat with the institutions most identified with the national security mission. The CIA, NSA, FBI, military, and the wider intelligence community held more than at any point since the Church Committee era. The Bush administration's executive-authority claims held comparable reserves, and the bipartisan congressional backing reflected legitimacy capture across the political class. The legal scaffolding, the emergency-authority frameworks, the FISA Court's approval patterns, ran under reduced scrutiny because the reserves shielded it from hard questioning. Accumulation was the window in which substrate could spend at the scale the expansion required.

And spend it did. The Patriot Act drew down reserves across six weeks, the AUMF across three days, the creation of Homeland Security across a longer stretch but at heavy scale, the Iraq war authorization across the fall and winter of 2002. The wider reorganization spent reserves across the early years as the architecture for the surveillance and counterterrorism mission went up.

The spending was not uniform across the configurations holding reserves. The executive branch spent to authorize its emergency-authority claims, the national security apparatus to authorize the surveillance expansion, the military to authorize the wars, the political class to authorize the legislation, the major media to hold the framing in place, the professional cultures to hold their alignment. Each drew on the deference it held, at a rate set by how much it was asking of that deference.

The spending bought outcomes the pre-9/11 framework could not have produced. The surveillance apparatus expanded past anything it had contemplated, the wars ran across multiple theaters and administrations, the detention and interrogation operations did what the old framework had explicitly forbidden, and the reorganization built infrastructure that ordinary legitimacy reserves would never have made politically feasible. This is legitimacy capture at full operational form.

The spending also outran replacement. Reserves fell across the consumption period even before visible decay set in, because the cultural infrastructure kept working but did not generate new reserves as fast as the operations burned the existing ones. By 2003 the reserves had dropped from their late-2001 highs, before the Iraq war's failure was even visible. The depletion phase that followed worked on reserves already substantially spent.

Depletion set in for real as the Iraq war's failure became visible. The 2003 invasion had been sold as a response to weapons of mass destruction that later investigation found did not exist. The major media, the major academic institutions, the leading political figures of both parties, and the broader credentialed world had all backed that framing. Its failure became plain across the 2004 and 2005 reporting, and the institutions that had carried it now faced the bill.

The bill fell unevenly. The major media absorbed decay as the Iraq coverage was reexamined and the pre-war reporting failures came into view. Judith Miller's reporting on Iraqi weapons of mass destruction became a documented case of institutional failure. The New York Times' year-long hold on the warrantless-wiretapping story fed the same picture of alignment with federal framing, as did the Washington Post's editorial posture on the war. The major media lost reserves among the populations that had watched all of it.

The national security apparatus took its own decay. The CIA's detention and interrogation program did heavy institutional damage when the Senate Intelligence Committee summary landed in December 2014. The NSA's bulk surveillance did the same when Snowden showed how it worked. The FBI's run of controversies accumulated into serious damage by the late 2010s. The political class that had backed the operations absorbed decay through the 2006 midterms, the 2008 and 2016 presidential elections, and the wider antiestablishment turn that has run through American politics since 2008.

The WikiLeaks and Snowden disclosures drove rapid depletion among the people who engaged with what was in them. The Collateral Murder video, the Iraq War Logs, the Afghan War Diary, the cables, the metadata documents, the PRISM and upstream-collection material all put the operational content of American foreign policy and surveillance directly against the public framing, across multiple administrations. The people who engaged with the evidence lost their reserves for federal national security claims fast, and the loss proved durable and contagious.

The depletion propagated unevenly. The populations whose cultural environment filtered the material held their reserves longer than the populations whose environment did not. The credentialed populations met the disclosures through a recognition apparatus that had already filed WikiLeaks and Snowden under treason before anyone engaged with the contents, and that filtering protected their reserves from the drop the material would otherwise have caused. The non-credentialed populations, without the filter, engaged with the contents directly and depleted faster.

The recognition-organizing-capacity split runs across all four phases of the cycle. It is not a feature of recognition alone. It is structural, a feature of how legitimacy interacts with cultural-infrastructure positioning across the populations substrate operates through.

It shows up first in generation. The populations that took in the most reserves after the attacks were the ones whose position made them available to receive them. The credentialed populations took in a great deal, because their environment was built to treat federal national security claims as authoritative. The non-credentialed populations took in less. The populations that had spent years engaging foreign policy critically took in least of all, because their environment already held reserves of skepticism the new reserves

could not displace.

It shows up again in accumulation. The populations that took in reserves held them at substantial levels through this phase; the populations that did not held lower reserves, or held the kind of standing skepticism the cultural infrastructure could not talk them out of. The result was a landscape split in two: heavy deference to the national security apparatus among the credentialed populations, much less among the rest. The operations that came next drew heavily on the credentialed reserves and on the others only as far as the credentialed reserves allowed.

It shows up in consumption. The operations spent the deference the configurations held, and the configurations holding credentialed reserves had more to spend than the rest. So the operations had more room to maneuver with the credentialed populations, who absorbed them as appropriate responses to a real emergency, than with the non-credentialed populations, who absorbed them as expansions of federal authority their environment had never authorized.

And it shows up in depletion. The populations whose reserves had run high through generation and accumulation depleted slowly, because the cultural-infrastructure filtering shielded them. The populations whose reserves had run low depleted fast, with no such shield. And the populations that had been engaging foreign policy critically all along had no reserves to deplete; they read the operations as substrate operations from the start.

So the split produces a stable pattern across the whole cycle. The populations that generate the most reserves are the ones that hold the most through accumulation, offer the most for operations to spend, and deplete the slowest, and their organizing capacity comes through the operations intact, because the reserves they hold authorize the operations rather than threaten them. The populations that generate the least are the ones that recognize the operations early, deplete fastest, and engage with the failures as the failures appear. The people with recognition and the people with organizing capacity are systematically different people across the entire cycle. The split is not something the operations engineer after the fact. It is set by where populations stand relative to substrate's configurations, and that positioning is largely in place before any given operation begins. Substrate does not have to build the split. The split is the environment substrate operates in, and the adaptation that follows depletion works within it rather than against it.

The individual cases show the pattern at work. Manning had recognition, and as an Army intelligence analyst had the operational access to act on it; the cost of acting was the loss of that access, routed through a prosecution and an imprisonment that took seven years of Manning's life. Snowden had recognition and, as a Booz Allen contractor with NSA access, the means to act on it; the cost was a federal prosecution that has kept him in Russian asylum since 2013. Assange had recognition, and the cost of making it public was seven years in the Ecuadorian embassy and five in Belmarsh. Phil Donahue had recognition and a prime-time MSNBC platform to carry it, and the cost was the show, canceled in February 2003. The Dixie Chicks had recognition and a commercial platform in country music, and the cost was that platform, destroyed. In each case the recognition was real, the capacity to act on it was real, and substrate's response converted the second into the price of the first.

The credentialed populations who could have carried the recognized material into mainstream institutional reckoning were working under a recognition apparatus that had already classified it as inappropriate, treasonous, fringe, or outside acceptable discourse. The apparatus needed no instruction to do this. The cultural infrastructure substrate had built over decades supplied the classification on its own, as the default the credentialed populations operated within. The split was not something substrate engineered in response to particular dissent. It was the environment all post-9/11 dissent operated in, set by infrastructure that had been building for decades before the operations began.

Substrate's answer to the depletion did not come at the level of cultural infrastructure. It made no attempt to rebuild the legitimacy reserves of the major media, the national security apparatus, or the political class as the visible failures drained them. Rebuilding those reserves would have meant addressing the failures that drained them, which would have meant institutional accountability that substrate's interest in strategic capacity did not support. The answer came instead at the level of operational infrastructure: substrate built machinery that did not need the depleted reserves to run. That machinery is the adaptation the post-9/11 legitimacy cycle produced.

The federal-platform coordination that took shape after 9/11 and grew into content moderation across the late 2010s was substrate's answer at the platform level. The platforms could enforce alignment in conditions where cultural recognition alone no longer produced it. The Twitter Files later detailed the coordination, and *Murthy v. Missouri* litigated it, but both came after the infrastructure was built and after it had been heavily used during COVID. The platforms held operational capacity that did not depend on legitimacy reserves: they could moderate content under court-protected commercial authority and on technical infrastructure that ran independent of cultural recognition. Leaning on the platforms substituted for the recognition apparatus the post-9/11 decay had damaged.

The financial de-platforming machinery that formed around the 2010 WikiLeaks response was substrate's answer at the financial level. The payment processors, the major banks, and the wider financial infrastructure that moved against WikiLeaks held operational capacity that did not depend on legitimacy reserves: they could cut a target off under commercial authority that ran outside judicial process. The same machinery later moved against the Canadian trucker convoy in 2022 and against other dissenting causes the period threw up. Leaning on the financial infrastructure substituted for the recognition apparatus that would otherwise have been needed to contain dissent through deference alone.

The professional-licensing speech enforcement that grew after 9/11 and expanded sharply during COVID was substrate's answer at the credentialing level. The Federation of State Medical Boards' July 2021 statement, warning that physicians who spread misinformation about COVID-19 vaccines or treatments risked action against their licenses, ran on licensing authority that did not depend on legitimacy reserves. The state medical boards could enforce a speech code through statutory authority that operated independent of population deference. That infrastructure was available when COVID called for it. The credentialed populations whose deference had eroded could now be held in line through professional consequences rather than cultural recognition alone.

Cross-institutional coordination running through personnel networks rather than cultural recogni-

tion was substrate's answer at the elite level. The federal officials, platform executives, financial-institution leaders, academic leaders, and media leaders who had taken part in the post-9/11 coordination stayed available across later emergencies through the ongoing rotation of people between configurations. The coordination ran on standing relationships, regular meetings, and shared habits that needed no population deference to function, and it too was in place when COVID called for it.

The adaptation infrastructure shares one structural feature across all these configurations: it runs on kinds of authority that do not depend on legitimacy reserves. Platform content moderation runs on commercial authority and technical control, financial de-platforming on commercial relationships, professional-licensing enforcement on statutory power, elite coordination on personnel networks. Each keeps working as legitimacy drains away, because none of it turns on whether the public still defers to the institutions wielding it. The adaptation is, by construction, resistant to the very depletion that produced it.

So the post-9/11 cycle handicapped substrate at the level of cultural recognition but not at the level of operations. The legitimacy reserves of the national security apparatus, the major media, the political class, and the broader credentialed environment are much lower in 2026 than in 2001. Deference to federal national security claims is down, deference to major media framing is down, deference to the political class is down. The recognition apparatus that once aligned the credentialed populations with federal framing works at much reduced effectiveness now. The split this leaves, between the part of the apparatus that decays as legitimacy drains and the part that does not, is the distinction the operational program later turns into a targeting rule, spending forced disclosure where legitimacy is what holds the operation up and reaching for something else where it is not.

And yet substrate's operational capacity in 2026 is well above 2001. The adaptation infrastructure is now the baseline. The federal-platform coordination, the financial de-platforming, the professional-licensing enforcement, and the elite coordination through personnel networks all remain in place and were expanded heavily during COVID. The machinery that compensates for the lost legitimacy reserves is more developed than the reserves it replaced.

The next operation will face populations holding lower legitimacy reserves than the post-9/11 operations faced, and it will also have operational infrastructure that does not need those reserves to function. On balance, the environment substrate works in is not less favorable than 2001. It is less favorable on cultural recognition and more favorable on operational infrastructure. The adaptation the post-9/11 cycle produced is exactly what let the later operations run against populations whose reserves had partly eroded.

The capture and decay across the post-9/11 period left a substrate that operates in 2026 with less cultural-recognition capacity and more operational-infrastructure capacity, and that shift is one of the conditions the next operation will meet. The cycle did not close with the post-9/11 period. It continues. The next operation will generate, accumulate, consume, and deplete reserves of its own, drawing them from whichever configurations have not yet been significantly depleted. And the configurations built through adaptation in the post-9/11 period are themselves available for the next operation to spend, authorized this time by their own operational authority rather than by population deference.

II.8 WHAT IT LEFT BEHIND

The post-9/11 operation built institutional infrastructure that the next two emergencies drew on heavily. The 2008 financial response activated its financial-emergency side. The COVID operation activated its broader cross-institutional side, at a scale the post-9/11 period had never reached. The accumulation across the three operations is what the case-study sequence is meant to establish.

The legal precedents for executive emergency authority that the post-9/11 period set were used in 2008 to justify the bailouts and the emergency lending, and in COVID to justify the public-health emergency declarations and the platform-state coordination. They are still in force in 2026 and available for the next emergency. The framework that operated during COVID would not have been institutionally legible without the post-9/11 precedents underneath it.

The platform-state cooperation that ran in narrower form through 2008 and at much broader scope through COVID drew on habits set in the post-9/11 period. The content-moderation coordination later detailed in the Twitter Files and litigated in *Murthy v. Missouri* ran through personnel networks, communication channels, and institutional habits that had been forming since the post-9/11 surveillance cooperation began. The COVID-era operations did not have to build that cooperation from scratch. It was already there, built after 9/11 for surveillance and extended during COVID into content moderation.

The habit of cross-institutional coordination under emergency conditions, set after 9/11 and reactivated in 2008 and COVID, runs through personnel networks and procedures that outlast the particular emergencies that produced them. The federal officials, platform executives, financial-institution leaders, academic leaders, and media leaders who took part in the post-9/11 coordination became the environment that produced the coordination of 2008 and COVID. The networks survived, the procedures survived, and the later coordination ran through actors and methods the post-9/11 period had already established.

The contractor and procurement ecology that grew around the post-9/11 operations took part in 2008 and COVID through that same established infrastructure. The contractors that grew during the surveillance and counterterrorism mission carried ongoing federal contracts, personnel-rotation patterns, and political relationships that positioned them for the next round of emergency work. COVID used the same ecology for much of its operational work, the contractors running across surveillance, data analysis, public health, and adjacent fields under terms the post-9/11 procurement framework had set.

The cultural infrastructure of deference to federal emergency authority, set across the Cold War and amplified after 9/11, carried into the later emergencies. The post-9/11 failures had damaged it, but unevenly. The credentialed populations that kept deferring through the post-9/11 period kept deferring through 2008 and the early COVID period. The populations that had absorbed the decay entered the later emergencies already carrying the skepticism the post-9/11 period had built into them. The split between the two ran, again, through the recognition apparatus the post-9/11 period had maintained and adapted.

The adaptation infrastructure that emerged after 9/11 as substrate's answer to legitimacy decay ran in the later emergencies as primary infrastructure, not as improvised response. The federal-platform co-

ordination, the financial de-platforming, the professional-licensing enforcement, the elite coordination through personnel networks rather than cultural recognition: these began as substrate's answer to the post-9/11 decay, and they became the operational architecture the COVID operations ran on. The COVID-era machinery looked new at the scale it operated, but its foundation had been laid across the prior two decades as substrate adapted to a world of draining legitimacy.

So the post-9/11 period produced more than the surveillance state that later operations expanded. It produced the adaptation infrastructure that let those operations function in a climate of reduced legitimacy. The 2008 response ran through that adapted infrastructure at financial-system scale; COVID ran through it at full cross-institutional scale. The result is that substrate in 2026 holds both the post-9/11 operational infrastructure, intact, and the adaptation infrastructure, refined across two further emergencies. The next operation will draw on the whole accumulation. This is renewal capture, the result Part 1 proves in the abstract and the security state shows in the concrete. The theorem is conditional: a challenge consolidates the substrate rather than weakening it when the substrate's capacity to defeat the challenge clears a threshold, the condition that separates a mature, entrenched apparatus from a vulnerable one. The post-9/11 security state is the mature case, which is why the largest challenge to executive and security power in a generation was absorbed and the power came out of it consolidated rather than checked. The crisis did not weaken the substrate's hold. It licensed it.

The 2008 case comes next, taking up the financial-system dimension the post-9/11 period had built but not yet driven at the scale 2008 would demand. The COVID case follows, taking up the full cross-institutional dimension at the scale the accumulation across the prior two emergencies had made possible.

CHAPTER III

FUSION: THE 2008 FINANCIAL RESPONSE

III.1 WHAT THE RECORD SHOWS

The 2008 response left an enormous paper trail, and the paper trail is the first thing that misleads about it. The Troubled Asset Relief Program was enacted under the Emergency Economic Stabilization Act of October 3, 2008, with \$700 billion in initial authority the Treasury Secretary could spend at wide discretion. The Federal Reserve's emergency facilities are in the Fed's own records. The capital injections, the rescue of the American International Group, the conservatorships of Fannie Mae and Freddie Mac, the auto bailouts, the rounds of quantitative easing from November 2008 through October 2014, and the Dodd-Frank Act that followed are all documented at length. The surface is exhaustive. It is also where the operation hides, because the documented pieces are arranged to be read one at a time, and the thing they add up to is not on any single page.

Start with scale. The Fed's emergency lending dwarfed the Treasury commitments everyone was watching, and its size only became public because Senator Bernie Sanders forced a one-time audit provision into Dodd-Frank. The Government Accountability Office then found that the Fed had extended, cumulatively, more than \$16 trillion in emergency credit across 2007 to 2010, the sum of every loan made over those years rather than the amount outstanding at any one time, which peaked above \$1 trillion in late 2008.¹ The recipients ran through the discount window, the Term Auction Facility, the Primary Dealer Credit Facility, and a half-dozen adjacent programs, and they included the major American banks, the major foreign banks operating in American markets, and corporate borrowers the Fed had never lent to before. None of the recipients were disclosed while it was happening. The Fed's position throughout was that the names had to stay secret to protect market stability.

The people who ran it came from one place. Henry Paulson ran the response from Treasury after eight years as chief executive of Goldman Sachs. Timothy Geithner, running it from the New York Fed and then succeeding Paulson at Treasury, had come up under Robert Rubin and Lawrence Summers, and Rubin

¹"The Fed Audit," Office of U.S. Senator Bernie Sanders, <https://www.sanders.senate.gov/press-releases/the-fed-audit/>. The \$16 trillion is the cumulative total of all lending; the GAO found loans outstanding peaked above \$1 trillion in late 2008.

had been co-chairman of Goldman before he was Treasury Secretary. The decisions about who lived and who died were made by people whose careers ran through one bank and the institutions that bank dealt with, and that bank was among the rescued.

The terms tell the same story. The clearest case is AIG, whose rescue paid the firm's derivative counterparties at the full face value of their contracts rather than the discounted rate a market liquidation would have produced. The counterparties were the major banks the Fed and Treasury were already coordinating with: Goldman Sachs took \$12.9 billion, Société Générale \$11.9 billion, Deutsche Bank \$11.8 billion.² The AIG name on the rescue was the framing under which public money was passed through to the banks at full value, which is not what a rescue of AIG would have required and is exactly what a rescue of the banks would have.

The law that was supposed to fix it did the opposite of what it advertised. Dodd-Frank was sold as comprehensive reform. The largest banks grew larger under it. The designation of an institution as systemically important functioned as recognition rather than restraint, the Volcker Rule's limits on proprietary trading were written with enough definitions and exceptions to let the trading continue under other names, and the configuration that produced the crisis came through substantially intact.

Accountability, when it came, ran in one direction only. The Justice Department's Financial Fraud Enforcement Task Force, stood up in November 2009, prosecuted mortgage fraud at scale, thousands of brokers, loan officers, and appraisers at the bottom of the chain. The executives whose institutions built and sold the products, the rating agencies that stamped them, and the banks that marketed them faced no criminal accountability. The SEC took civil settlements the institutions paid without admitting wrongdoing: Goldman Sachs settled for \$550 million in 2010, Citigroup for \$285 million and JPMorgan Chase for \$153.6 million in 2011, each resolving charges that the firm had misled investors about the mortgage securities it marketed and in some cases bet against, and none admitting fault. No senior executive of a major American bank was criminally prosecuted for conduct tied to the crisis. The phrase the period produced for this, too big to jail, named the reality exactly.

The recognition of all this, when it came, split. Public trust in the financial industry fell hard and stayed down. The most visible response on the left was Occupy Wall Street in September 2011; on the right, the Tea Party from early 2009 and the libertarian organizing that the 2008 Ron Paul campaign had begun. And from the same moment came the Bitcoin whitepaper, published October 31, 2008, its genesis block mined on January 3, 2009 carrying the embedded headline "The Times 03/Jan/2009 Chancellor on brink of second bailout for banks" as a timestamp and a statement of purpose. What the surface records, then, is everything except the shape: the cross-institutional coordination, the personnel network, the real decision processes behind the terms, the gap between the legislative residue and the operation, and the configuration the response left standing.

²Counterparty payments through the AIG rescue are documented in the reports of the Special Inspector General for TARP (SIGTARP); the Maiden Lane III vehicle settled the credit-default-swap obligations at full notional value.

III.2 WHAT THE ACCOUNTS MISS

Three accounts of 2008 dominate, and each gets something real. None reaches the thing the case actually demonstrates.

The libertarian bailout critique holds that the response was the state overriding market discipline to rescue the firms whose risk-taking caused the crisis: federal stakes taken in private corporations, failed institutions propped up, the monetary base expanded through quantitative easing, regulatory authority extended into domains that failure and liquidation should have handled. The account is right about the moral hazard and right about the expansion of federal authority under emergency cover, and it located the cause upstream of the rescue, in the policy that produced the bubble in the first place. Ron Paul, opposing the bailout on the House floor, put the diagnosis plainly: the crisis came from the monopoly control of money and credit by the Federal Reserve, the bailout addressed a symptom rather than the cause, and the government needed to do the opposite of what it was doing instead of propping up prices that had to fall.³ The diagnosis was not improvised in the crisis. Peter Schiff, Paul's economic advisor, had described the mechanism on financial television through 2006 and 2007: the Federal Reserve had set interest rates too low, the false signal produced malinvestment that had to be liquidated in the bust, and the collapse was not the problem but the necessary correction of it.⁴ He set the argument out at length in *Crash Proof* in 2007, and the response was instructive: on financial television he was dismissed through ridicule rather than argument, and the "Peter Schiff Was Right" compilation later documented that the correct analysis had been publicly available and waved off by a credentialed environment whose apparatus could not engage it. The account also named the fusion directly. The revolving door between Goldman and Treasury earned the label Government Sachs, the Federal Reserve operated as a cartel agent for the banks it nominally regulates, and Fannie Mae and Freddie Mac socialized private risk as government-sponsored enterprises, the federal mortgage guarantee that Schiff named as the engine of the housing bubble itself.⁵ Too big to fail was corporatism rather than capitalism, and Ron Paul built a movement on exactly this reading. The fusion is not invisible to the account. It is one of the account's oldest observations.

The remedy followed from the diagnosis and reached the root. If the Federal Reserve's credit expansion

³Ron Paul, statement during the House debate on the Emergency Economic Stabilization Act, 29 September 2008: "The problem came about because we spent too much; we borrowed too much, and we printed too much money... It came about because of a monopoly control of money and credit by the Federal Reserve System." See also Ron Paul, "Commentary: Bailouts will lead to rough economic ride," CNN, 23 September 2008, <https://www.cnn.com/2008/POLITICS/09/23/paul.bailout/index.html>.

⁴Interview with Peter Schiff," Mises Institute, <https://mises.org/mises-wire/interview-peter-schiff> ("They are caused by the Fed setting interest rates too low. The false economic signals that are sent result in an artificial boom characterized by malinvestments that must ultimately be liquidated in the inevitable bust"); "The Man Who Predicted The Economic Meltdown," NPR, 4 December 2008, <https://www.npr.org/2008/12/04/97801606/the-man-who-predicted-the-economic-meltdown> (Schiff's August 2006 CNBC warning). The broader Austrian forecasting record runs through the Mises Institute economists, Mark Thornton, Frank Shostak, and others, from 2002 onward.

⁵On the moral hazard of the federal mortgage guarantee, see Peter Schiff's account of Fannie Mae and Freddie Mac and government-assured mortgages as the subsidy inflating the property bubble, summarized in "Peter Schiff Says That Real Estate Is A Massive Bubble Because Of Guaranteed Mortgages," Benzinga, December 2023, <https://www.benzinga.com/real-estate/23/12/36157492/>.

and the federal mortgage guarantees produced the bubble, then the cure was to stop the inflation, end the guarantees, and let the malinvestment liquidate, which meant letting the insolvent firms fail. Schiff stated the hard form of it directly. Confronted on camera with the human cost, the unemployment and the lost homes, he answered that the collapse was not the problem but the solution, the necessary consequence of the prior distortion working itself out.⁶ On the analysis this was correct, and on the analysis it changes nothing, because no actor with the power to choose it would.

This is the case's lesson, and it is sharper than the surveillance state's. The libertarian remedy in 2008 was not costless and unexecuted for want of will. It carried a real and immediate human price, mass bankruptcy, frozen credit, families turned out of homes, and the price fell on the population while the diagnosticians who prescribed it bore none of it. Schiff could hold the line from a studio because the liquidation he urged would not reach him the way it reached a laid-off worker. The polity refused it because the polity is where that cost actually lands. The substrate wanted the rescue, the banks and the Treasury and the Fed in alignment, and the population wanted relief from the same catastrophe, and for once the two were on the same side. The libertarian account was left holding a correct remedy that no stakeholder would carry, not because no one understood it but because everyone who could act on it, the firms, the central bank, the Treasury, both parties, the incoming administration, had every incentive to refuse. The individual economists who held the liquidationist line, Schiff outside government, Jeffrey Miron among the one hundred sixty-six who signed against the bailout, were commentators without a lever.⁷ The one organized objection that looked institutional was procedural, a request to slow down, and it dissolved into support within a week.

That is the moat and the corner, and 2008 is its hardest instance. The reading is right that the apparatus optimized against the population, taking the public's losses and protecting the configuration that caused them. It is also true that the remedy the reading points to would have devastated the same population in the near term, which is exactly why no one with the power to impose it would, and why the libertarian position, correct in the moat, found no taker at the corner. What the framework adds is not a better remedy. It is the recognition that being right was never going to be enough here, because the gap is not in the seeing. It is in the absence of any stakeholder for whom acting on the sight was survivable. The operational problem the rest of the book takes up is how a movement builds the leverage to impose a cost that the aligned interests of substrate and polity will otherwise always refuse.

The two emergencies were not separate. The same governing coalition that kept the post-9/11 wars running chose the bank rescue, and the libertarian coalition was the only one whose program was coherent across both: end the interventionism and let the market clear. Held together, those were not two positions

⁶Peter Schiff, in interview with Danny Schechter, December 2008: "What is happening right now, the credit crunch, the collapse of the real estate stocks, all these companies going bankrupt, this is not the problem. This is actually the solution. This is the consequence of the problem." Quoted in "TARP This: Paulson's Bailout Plan Riddled With Deception," *Common Dreams*, 23 December 2008, <https://www.commondreams.org/views/2008/12/23/tarp-paulsons-bailout-plan-riddled-deception>.

⁷Jeffrey Miron, then of Harvard, was among the economists who signed letters opposing the 2008 bailout and argued that the failing firms should go bankrupt rather than receive federal help. The roughly two hundred economists who signed the most-cited objection letter urged Congress not to rush and to hold hearings rather than to forgo a rescue, and within a week several signatories endorsed the revised bill; see "Economists: Inaction on bailout is dangerous," *Daily Gazette*, 3 October 2008.

but one, because the wars and the bubble drew on the same source. On the most conservative estimate available at the time, the post-9/11 wars had already cost at least \$3 trillion, the figure Joseph Stiglitz and Linda Bilmes reached in their 2008 book and titled it around. Later accounting only widened it: the Costs of War project at Brown University now puts the total at roughly \$8 trillion once long-term obligations and interest on the war debt are counted.⁸ That spending was financed the way the housing boom was financed, through the Federal Reserve's credit expansion and the federal borrowing it accommodated, the same monetary machine Ron Paul and Schiff named as the root of the bubble. The warfare state and the asset bubble were two demands on one printing press.

This is what makes the rescue's central claim, that the only alternative to the bailout was ruin, a statement about a condition the apparatus had itself produced. A household that had not spent a decade paying for the wars, in taxes and in the slow erosion of its savings and wages by the inflation that funded them, would have walked into 2008 with more of its own resources intact, and would have been far better placed to absorb the liquidation Schiff prescribed. The cushion that would have made the correction survivable was the cushion the warfare state had already spent. The same families were charged twice, once through the credit expansion that inflated the bubble and once through the borrowing and inflation that funded the wars, and then told they were too fragile to be allowed to let the bubble burst. The fragility was real. It was also manufactured. The libertarian position saw both halves, the wars and the bailout, as the same apparatus drawing on the same source, and was shut out of both for the same reason: refusing each one would have meant declining to feed the machine.

This is the mechanism Part 1 names cascading depletion, running across two operations rather than within one. The first operation drew down the stock, the public treasury, the household balance sheet, the legitimacy resources spent to sustain a decade of war, and a drawn-down stock is cheaper to move against. The bailout met a population with less in reserve and less capacity to refuse, so the second operation ran at lower cost to the substrate precisely because the first had already lowered the resistance. Part 1 proves this as a property of the legitimacy portfolio, that depletion of one resource lowers the cost of depleting the next, so operations do not simply add, they compound, each leaving the ground softer for the one that follows. The wars did not merely coincide with the financial rescue. They prepared its conditions, by spending down the reserves a population would have drawn on to refuse it.

The progressive too-big-to-fail account holds that the response was regulatory capture by financial elites: banks grown too large to be allowed to fail, a regulatory apparatus captured by the firms it oversaw, a rescue that privileged the banks over homeowners and absorbed the public's losses, and a Dodd-Frank too weak to prevent a recurrence because the captured apparatus limited what it could do. What this misses is that capture is not a financial-sector accident to be cured with a better-designed regulator. It is one mode of a pattern substrate runs across many sectors, and locating the problem in the design of the specific captured agency leaves the pattern untouched everywhere else it operates.

⁸Joseph E. Stiglitz and Linda J. Bilmes, *The Three Trillion Dollar War: The True Cost of the Iraq Conflict* (New York: W. W. Norton, 2008), reaching a then-minimum estimate of \$3 trillion. The Costs of War Project at Brown University's Watson Institute later placed the total cost of the post-9/11 wars at roughly \$8 trillion including long-term veterans' care and interest on war borrowing; see <https://costsofwar.watson.brown.edu/findings>.

The mainstream stability account holds that the response was the necessary emergency intervention against systemic risk, that the rescued institutions were too interconnected to let fail, that the Fed's facilities and Treasury's injections averted catastrophe, and that the distributional damage was an unfortunate side effect rather than the point. What this cannot reach is the durability of what the response built. It treats the intervention as a return to a status quo, when the response constructed configurations that did not exist before 2008: federal emergency lending at a scale prior authority had never approached, Treasury-Fed coordination that became the baseline rather than the exception, federal equity taken in private corporations at scales the prior framework never contemplated, and a credentialed class trained to receive the framing of a complex crisis as a matter for technocrats. None of that returns to any prior state. The mainstream account cannot see it as an outcome because it reads the whole thing as procedurally appropriate management rather than as an expansion of capacity that outlived the emergency.

III.3 THE CAPACITY WAS ALREADY THERE

The response did not rise from a baseline of constraint. The infrastructure the September 2008 crisis activated had been accumulating for decades, built across the 1980s and 1990s and expanded again under the post-9/11 emergency authority. By the time anything triggered it, the capacity had been in place for years.

The regulation the crisis found had been taken apart deliberately. Glass-Steagall, which separated commercial from investment banking after the 1929 collapse, had structured American banking for most of the postwar period. The Gramm-Leach-Bliley Act of 1999 repealed its key provisions, signed by President Clinton with broad bipartisan support and sold as modernization, and the result was the construction of integrated mega-institutions whose failure carried systemic weight that the separated firms never could. The Commodity Futures Modernization Act of 2000, signed in Clinton's final weeks, then exempted over-the-counter derivatives from oversight by the Commodity Futures Trading Commission and from the state gaming and bucket-shop laws that would otherwise have reached them, which meant credit-default swaps and structured products could be written at any scale with no regulator tracking the risk. AIG's eventual \$182 billion rescue was the bill for exactly those exposures.

The exemption was the end of a fight that had already shown the pattern. Brooksley Born, chair of the CFTC from 1996 to 1999, had proposed in 1998 bringing the over-the-counter derivatives market under her agency's oversight precisely because its growth and opacity were creating systemic risk no one was tracking. A coordinated wall met her: Federal Reserve chairman Alan Greenspan, Treasury Secretary Robert Rubin, his deputy Lawrence Summers, and SEC chairman Arthur Levitt issued a joint statement against her in May 1998, Congress barred the CFTC from acting pending a study, and she resigned in 1999.⁹ The Act she had tried to forestall then wrote the exemption into law. The regulator who saw the danger was surrounded and outlasted, which is the institutional-marginalization move the later chapter takes up at length.

⁹The episode is documented in PBS Frontline, "The Warning," broadcast October 2009. The strategic-dynamism chapter treats Born's marginalization, with Barofsky's, in detail.

The Fed's emergency-lending reach had grown the same quiet way, through practice rather than statute. It had supported Continental Illinois in 1984, the savings-and-loan industry into the early 1990s, the Mexican peso in 1995, and Long-Term Capital Management in 1998, each time stretching its existing authority far enough to fit the case, and the cumulative effect was a standing expectation that the Fed would step in to prevent the failure of any institution large enough to matter. The market named the expectation the Greenspan Put, after the chairman who held the office from 1987 to 2006.

Long-Term Capital Management was the precedent 2008 drew on most directly. It was a hedge fund whose principals included Robert Merton and Myron Scholes, who had won the 1997 Nobel for the options-pricing theory the fund traded on, and it applied enormous leverage to positions its models rated low-risk. The Russian default of August 1998 produced moves the models had called nearly impossible, the leverage made them catastrophic, and the New York Fed coordinated a \$3.6 billion bank-funded recapitalization to wind it down in an orderly way. The lesson the institutions took was not that the financial-engineering framework had failed at the one moment its risk claims mattered most. The lesson was to expand the federal machinery that let the framework fail without its practitioners absorbing the consequences.

That framework had the credentialed class behind it. The efficient-markets hypothesis, modern portfolio theory, Black-Scholes, value-at-risk, and the rest had produced an intellectual environment in which the risks the banks were piling up were classified as managed by the banks' own internal models, models the economics profession had built and the Basel II framework let the banks use to set their own capital requirements. The banks set their own capital through the academy's models, the academy vouched for the models, and the dissenters who doubted the whole arrangement, Nouriel Roubini, Raghuram Rajan, and a few others, were treated as cranks until the moment they were right.

And the personnel network was decades old. Rubin went from co-chairman of Goldman to the National Economic Council to Treasury. Summers followed him at Treasury. Stephen Friedman went from co-chairman of Goldman to the National Economic Council under Bush to chairman of the New York Fed. Paulson went from chief executive of Goldman to Treasury. Geithner came up under Rubin and Summers, ran the New York Fed, and then took Treasury under Obama. The rotation of Goldman alumni through Treasury, the National Economic Council, and the New York Fed ran continuously across Republican and Democratic administrations, straight through the partisan line the rest of the country treated as the one that mattered. On top of all of it sat the post-9/11 emergency-authority infrastructure, the legal machinery for executive action without congressional appropriation and the habits of federal coordination with private actors under crisis, already built and available. By September 2008 the response did not have to construct anything. It had only to activate what was already there, and it did so at a scale no prior emergency had reached.

III.4 HOW THE RESPONSE RAN

Each institutional form in the response can be described on its own, as an autonomous actor following its own incentives inside its own statutory authority. Taken together they produced a coordinated operation no single form could have produced alone, and the coordination is how the response worked.

The crisis ran across roughly six months. Bear Stearns failed in March 2008 and was absorbed by JP-Morgan Chase with Fed assistance, its shareholders paid \$10 a share, a fraction of recent levels. IndyMac failed in July. The Federal Housing Finance Agency placed Fannie Mae and Freddie Mac into conservatorship on September 7. Lehman Brothers filed for bankruptcy on September 15 after Treasury and the Fed declined to arrange a rescue. AIG received an \$85 billion Fed credit facility on September 16, the day after Lehman fell, eventually growing to a \$182 billion commitment. The Reserve Primary Fund, a major money-market fund, broke the buck the same day. Treasury proposed TARP on September 20, and President Bush signed it into law on October 3.

The decisions about who was rescued and who was let go are not explained by systemic-risk criteria alone. Lehman was allowed to fail on the stated grounds that no buyer had emerged and that federal authority did not extend to propping it up, with moral hazard cited against intervention. AIG was rescued a day later on the grounds that its failure carried systemic implications Lehman's had not. The cleaner reading is that AIG's rescue was a pass-through: its counterparties were the same major banks the Fed and Treasury were coordinating with, the Maiden Lane III vehicle settled AIG's credit-default-swap obligations at full face value, and \$62.1 billion flowed through it to those counterparties at a moment when a liquidation would have forced them to take the loss instead. The AIG name on the operation was the wrapper under which public funds reached the banks whole. Direct federal payment of those banks at full value could not have been authorized. Routed through AIG, it could.

The public-facing program shifted shape almost immediately. TARP was sold as a plan to buy distressed assets off bank balance sheets; within two weeks, on October 14, Treasury announced it would instead inject capital directly, putting \$125 billion into the nine largest banks on terms they could not refuse, taking preferred stock and warrants. Underneath it the Fed's facilities ran at far larger scale, the Term Auction Facility from December 2007, the Primary Dealer Credit Facility and Term Securities Lending Facility from March 2008, the money-market and commercial-paper facilities that autumn, the Term Asset-Backed Securities Loan Facility that November, plus swap lines to foreign central banks and outright purchases of agency mortgage securities. The conservatorships of Fannie and Freddie, run through the FHFA that had been stood up that July, began with a \$200 billion Treasury commitment that was later doubled; the two enterprises held or guaranteed roughly half the residential mortgage market, and they remain in conservatorship in 2026, preserved across every administration since. The auto rescues followed: Congress declined to act in December 2008, the Bush administration extended \$17.4 billion in TARP loans to General Motors and Chrysler, the Obama administration took the companies through structured bankruptcies with federal equity, and Treasury absorbed a net loss of roughly \$11.2 billion. And the Federal Open Market Committee opened quantitative easing on November 25, 2008, beginning with \$600 billion in agency se-

curities and expanding to \$1.25 trillion in mortgage-backed securities, \$200 billion in agency debt, and \$300 billion in Treasuries, carrying the Fed's balance sheet from about \$900 billion in mid-2008 to about \$4.5 trillion at its peak. None of it came back down. The COVID expansion would later run the balance sheet to roughly \$9 trillion, starting from the elevated baseline 2008 had set.

The reform that followed, Dodd-Frank, passed in July 2010 with the apparatus of seriousness, a Financial Stability Oversight Council, an Office of Financial Research, the systemically-important designation, the Volcker Rule, the Consumer Financial Protection Bureau, and the orderly-liquidation authority meant to make future bailouts unnecessary. Its operative effect was thin. The designated institutions grew, the Volcker Rule was implemented with enough exceptions to let the trading continue, and the only piece with real teeth, the consumer bureau, reached consumer-facing practice rather than the structure that produced the crisis. The accountability ran the way the previous section described, down the chain to the brokers and never up to the executives, the firms paying civil settlements with no admission while no senior banker was charged. And the personnel ran continuously across the partisan line: Paulson through the Bush handoff, Geithner from the New York Fed into Treasury under Obama, Bernanke at the Fed across both, Summers at the National Economic Council, every one of them carrying the institutional history the prior section traced. The rating agencies that had stamped the structured products AAA, paid by the issuers whose products they rated, faced no criminal accountability and operate today under substantially the same arrangement.

Set the forms side by side and the coordination is visible as a single capacity expanding along three dimensions at once. Enforcement expanded because the forms worked as parallel channels: a bank that resisted the framing met the capital-injection requirement, the lending-facility terms, the deposit-insurance pressure, and the securities-enforcement attention together, a network whose combined force no single channel could match. Information expanded because the forms produced one aligned environment, the Fed's framing, Treasury's, the financial press's deference, the academy's models, and the rating agencies' grades converging not because the underlying analysis converged but because the institutional ecology did. And the cost of restoring opacity fell, because the forms kept the appearance of independent judgment while operating in coordination, the recipient names withheld, the bailout terms undisclosed, the AIG pass-through revealed only under inspector-general and congressional pressure, the lending scale surfaced by the GAO only in 2011, three years late. The combined effect was substrate's capacity expanding at a scale prior emergencies had set precedents for but never themselves reached, and the next operation would inherit all of it.

III.5 WHAT BECAME PERMANENT

The capacity the response built did not dissolve when the emergency passed. It became the baseline, available for activation in the next one, and that is the part the framing of 2008 as a temporary rescue was designed to obscure. The crisis was the political cover for a permanent reorganization.

The Fed's emergency facilities became templates. The Primary Dealer Credit Facility, the Term Auc-

tion Facility, the commercial-paper and asset-backed facilities, all built on interpretations of the Fed's authority that the next emergency could reach for, and the Fed reached for them again in March 2020 under modified terms but the same design. The balance sheet that ran from \$900 billion to \$4.5 trillion never came back down, so the elevated level became the operating normal rather than the deviation, which is why COVID could start its expansion from there and run to \$9 trillion. The Treasury-Fed coordination became habit. The federal taking of equity in private corporations, the conservatorships, the stakes in the automakers and AIG, established a precedent for direct corporate ownership at a scale the prior framework had never contemplated, and the conservatorships are still running in 2026. Too-big-to-fail, which Dodd-Frank was sold as ending, became operational reality: the largest banks grew, and the systemically-important designation worked as a standing signal that the federal framework treated their failure as intolerable, which is implicit support rather than constraint.

The accountability pattern became a template too, and the clearest proof that it is one came later, when the COVID response reran it exactly: the thousands of mortgage brokers prosecuted from 2009 to 2013 had their analogues in the small operators charged with pandemic-relief fraud, and the senior institutional actors who walked in both cases were the same kind of actor in the same kind of position. By 2019, on the eve of COVID, substrate's strategic capacity was markedly higher than it had been in 2007: the federal-private cooperation infrastructure operated at a scale the pre-2008 framework never reached, the credentialed class was trained to receive a complex emergency as a matter for technocrats, and the habits of cross-institutional coordination had become the baseline. 2008 was not the end of a reorganization. It was the middle of one, and COVID would carry it further.

III.6 WHY THE CREDENTIALLED CLASS WENT ALONG

The catalog of institutional forms explains what substrate did and through what. It does not explain why the credentialed class received the framing of the response as authoritative, and that reception was its own kind of capacity, built across the decades before the crisis.

The economics profession had produced the framework the banks operated under, and it stood by the framework after the framework failed. The claim that the banks' accumulating risks were managed by their internal models had been the academy's claim, and the academy did not reckon with its collapse; the major departments went on teaching the same frameworks, and the 2013 Nobel went to Eugene Fama substantially for the efficient-markets hypothesis, an institutional recognition that the failure had cost its authors nothing.¹⁰ The major financial press, the Wall Street Journal, the Financial Times, CNBC, Bloomberg, had aligned with the banks' framing before the crisis and aligned with the federal response's framing after it, treating the intervention as technocratically necessary and the alternatives as catastrophic. The critics who did the real work, Matt Taibbi on Goldman's role, David Dayen on the foreclosure machinery, operated at the margins and did not reach the institutional consensus until years on. The regulators carried the same

¹⁰The 2013 Nobel Memorial Prize in Economic Sciences was shared by Eugene Fama, Lars Peter Hansen, and Robert Shiller; Fama's share recognized his work on efficient markets and asset pricing.

personnel network as the banks, the same rotation through Goldman and Treasury and the New York Fed, so the apparatus that was supposed to check the institutions ran on people the institutions had trained. Across the academy, the press, the regulators, and the foundations, the credentialed environment treated the framing of a complex financial emergency as a matter for senior technocrats as the obvious and serious view, and the alternative, engaging the configuration that had produced the crisis, as unserious. That alignment was not built during the crisis. It was available, and the crisis activated it.

III.7 FUSION

The 2008 response demonstrates an expansion the earlier concepts cannot fully hold. Drift extends a body's reach past its stated function. Reversal turns its behavior against its own charter. Perversion hollows out a role while keeping its form. None of the three reaches what 2008 shows, which is the production of configurations in which the distinction between federal and private actors goes operationally soft.

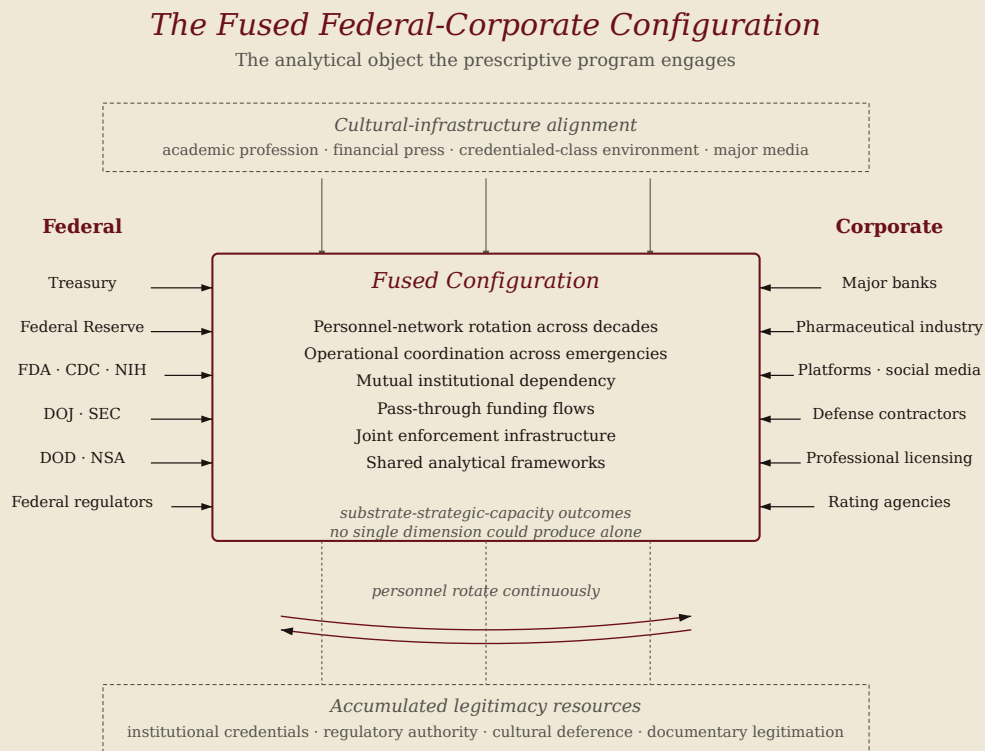


Figure III.1. The fused federal-corporate configuration as institutional architecture. Personnel-network rotation, federal-private cooperation infrastructure, financial dependence through federal credit, and the cultural-recognition apparatus operate together as the structural mechanism through which fused configurations form.

Fusion is expansion through configuration rather than behavior. Each institution keeps its formal designation, and each one's conduct can be read as an autonomous response to its own incentives. What the institutions produce together is a capacity none of them could produce alone, a configuration that pulls

private actors into federal-strategic operations and federal authority into private-strategic ones, extending across the very line the standard categories treat as a boundary between separate domains.

The response shows it in several patterns at once. The Treasury-Fed-Goldman personnel network was a fused configuration whose senior people made the federal-private distinction meaningless in practice: Paulson directing the rescue from Treasury and Lloyd Blankfein receiving it at Goldman were not opposed actors representing opposed institutions, they were colleagues whose positions were rotational rather than adversarial. The AIG pass-through was fusion at the level of the money itself, federal funds moving through a nominally private intermediary to nominally private beneficiaries at full value, a flow that could not have been authorized as a direct federal payment to Goldman and was authorized once it ran through AIG. And the capital injections were fusion at the level of ownership: Treasury took equity in the major banks while the banks went on trading as private firms, so the federal government and the banking system were operating as one configuration in which the line between public authority and private operation had gone soft. None of this is the market being intervened against, and none of it is the state being captured. It is a single ecology, and it is the form the later cases inherit. Fusion recurs across them: the national-security industry after 9/11, the multi-domain configuration of COVID, each a federal-private form rather than a government intruding on a market. And like the security state before it, the financial apparatus came out of its crisis larger than it went in, which is renewal capture again, the result Part I proves, now running on the monetary and regulatory dimensions rather than the security one.

III.8 WHAT THIS CASE SETS UP

What 2008 added to substrate's accumulated capacity was large and durable: federal equity in private corporations at an unprecedented scale, the Treasury-Fed coordination that became baseline, the emergency facilities preserved for reuse, the balance sheet permanently elevated, the federal-private cooperation infrastructure expanded, the fused configurations established as templates, the accountability pattern institutionalized, and the credentialed class trained to defer. The case sits between the post-9/11 case and COVID in the sequence, drawing on the emergency-authority infrastructure the first built and handing its own infrastructure to the third. COVID's monetary expansion started from the balance sheet 2008 left, its emergency lending ran on 2008's templates, and its multi-domain perversion operated through the fused configurations 2008 had established. The preconditions for the next operation were in place, and the next operation would arrive with substrate already holding the cumulative capacity of all three.

The recognition response is the other half of what the case sets up, and it follows a pattern that repeats. The crisis was diagnosed correctly, and the political energy the diagnosis generated flowed to the people with the weaker claim to it. On the left, Occupy Wall Street took shape in September 2011, occupying Zuccotti Park under the slogan "We are the 99 percent," spreading to cities across the country, and dissipating within a year after coordinated municipal clearances, the pepper-spray at UC Davis in November 2011 its lasting image. Occupy saw that something was deeply wrong between Washington and Wall Street, and then aimed at the banks while treating the federal government as the instrument that would discipline

them, which located the target half-right and the remedy backward, and the upstream engine, the central-bank-permissioned credit machine, went unnamed. Most of the people Occupy mobilized never came near liberty. The libertarian movement, which had the analysis that reached upstream, watched a movement with a looser grip on the diagnosis occupy the opening, the same displacement the antiwar ground had undergone a decade earlier. The displacement is the case in miniature of what the operational program later names directly, that the correct diagnosis flows to whoever holds the leverage to act on it, and that producing the leverage rather than refining the diagnosis is the work the movement has consistently left undone.

On the right the recognition produced more durable infrastructure and a more mixed result. The Ron Paul movement, built from the 2007 “Money Bomb” fundraising and carried past the campaign through Campaign for Liberty in 2008, the long-running Mises Institute, and Paul’s *End the Fed* in 2009, engaged the Federal Reserve and the fused configuration directly and persisted across the decade, at smaller scale than Occupy but with organizing capacity Occupy never built.¹¹ The Tea Party, triggered by Rick Santelli’s CNBC rant in February 2009, began as a substantially libertarian response to the bailouts and the Fed and was then substantially absorbed by the established conservative apparatus, its substrate-resistance content redirected toward conservative-establishment positioning across the next several years. The split between the left recognition and the right recognition was itself a protection for substrate: two populations engaging adjacent features of one operation in different vocabularies, never coordinating, generating less pressure apart than they would have together.

And from the same moment came the instrument that mattered most, and the clearest case of the movement failing to use it. Bitcoin’s whitepaper was published October 31, 2008, its genesis block mined January 3, 2009 with the bailout headline embedded as a statement of purpose, a parallel-infrastructure answer to the fused money system, build money the state and the banks cannot control rather than petition them to behave. The early community held it on those grounds. What the movement did with it over the following years ran against the purpose, chasing the new money as a speculative asset and falling for the privacy coins built for compliance rather than the one built to be usable money the system cannot see. That failure is the subject of a later chapter; what matters here is that 2008 produced both the correct diagnosis and the correct instrument, and the movement converted neither into durable cost. The recognition was real across both populations. The organizing capacity to act on it at scale was not, and substrate’s protection lay precisely in that gap.

¹¹The term “Money Bomb” was coined in 2007 by Trevor Lyman for the Ron Paul 2008 presidential campaign. The first Money Bomb, held on Guy Fawkes Day (5 November 2007), raised roughly \$4.3 million in a single day; the second, held on the 234th anniversary of the Boston Tea Party (16 December 2007), raised roughly \$6.04 million in a single day, then a record for online political fundraising. Campaign for Liberty was founded by Ron Paul in 2008 following the primary campaign. Ron Paul, *End the Fed* (New York: Grand Central Publishing, 2009), ISBN 978-0-446-54919-6.

CHAPTER IV

DRIFT, REVERSAL, AND PERVERSION: THE COVID OPERATION

IV.1 WHAT THE RECORD MADE VISIBLE

For two years the working relationship between federal officials and the major platforms was denied. Then, in December 2022, the internal Twitter communications since called the Twitter Files, released by Elon Musk to selected journalists after his acquisition of the company, made it visible.¹ FBI agents communicated directly with the trust-and-safety team. DHS and its Cybersecurity and Infrastructure Security Agency forwarded specific posts and accounts for review. The channels were standing, not emergency exceptions, with regular meetings and escalation paths logged in the company's own tracking systems.

The litigation that became *Murthy v. Missouri* produced a parallel record. A federal district court issued a preliminary injunction whose findings described officials at the White House, the Surgeon General's office, the CDC, the FBI, and CISA engaged in what the court called a coordinated campaign to suppress disfavored speech across platforms, more than a hundred pages naming specific officials, specific platform employees, and specific moderation decisions traced to specific federal communications. The Fifth Circuit affirmed the core of the injunction, narrowed. The Supreme Court then reversed on standing, holding the plaintiffs had not shown the injury required to sue, and so never reached the merits of the conduct the lower courts had described.² The findings are an account rather than a settled verdict, but a detailed account under oath that no court has contradicted on the facts.

The medical bodies left their own record. State boards opened proceedings against physicians who advocated early-treatment protocols the Federation of State Medical Boards had labeled misinformation; some lost hospital privileges, some lost certification. The American Board of Internal Medicine, the American Board of Family Medicine, and the American Board of Obstetrics and Gynecology each ran certifica-

¹The Twitter Files were internal documents Musk released to journalists including Matt Taibbi, Bari Weiss, and Michael Shellenberger, beginning December 2022.

²*Murthy v. Missouri*, 603 U.S. ___ (2024), reversed on standing grounds; the Court did not rule on the merits of the alleged coordination.

tion reviews of named physicians across 2021 and 2022, and the physicians who lost certifications, privileges, or licenses included Peter McCullough, Pierre Kory, and Robert Malone alongside dozens of less prominent doctors whose positions diverged from the consensus. The Federation issued a statement in July 2021 explicitly threatening license action against members who departed from official messaging on COVID treatments and vaccines, and several boards followed through.³ The advisory committees left theirs: the ACIP and FDA votes, the dissents noted and overridden, the resignations, the financial relationships between members and the manufacturers whose products they voted to authorize, all public for anyone who goes looking.

This is the documentary surface, and it is the visible fraction of a much larger operation. What survived is what survived archival routines, what litigation forced into discovery, what FOIA pried loose, what platforms happened to preserve long enough to be subpoenaed. What never got written down, because it ran through phone calls and meetings and incentive structures that needed no explicit instruction, is not in the record and was not absent from the operation. It was most of the operation.

Several dimensions left almost no residue at all. No memo had to circulate among the deans of American medical schools instructing them to require vaccination of their students; the deans aligned because the surrounding professional environment treated alignment as the position credentialed people held, and because deviating would cost them in hiring, promotion, grant funding, and journal access without any single act of retaliation being traceable to anyone. The same ran through corporate compliance: the major employers that imposed vaccine mandates in the second half of 2021 did so before any federal requirement, often before any state one, and within weeks of each other, not because the compliance officers at Aetna called the compliance officers at Goldman Sachs but because they read the same publications, attended the same conferences, and took the same cues from the same consultants. It ran through the grant stage, where a researcher who wanted to study lab-leak origins or vaccine safety in healthy young people got not a letter saying the work was forbidden but a letter saying the proposal was not competitive, the suppression operating before the research that would have documented it could be done. And it ran through the philanthropic pipelines, where what the Gates Foundation funded and what Wellcome chose to support shaped which questions reached publication at all, through conversations no document records. The funding shaped the field, the shaping was the operation, and the documentary record cannot reach it.

A reader who takes only what substrate left evidence of will study a small and unrepresentative fraction of what substrate did. The structure operates whether or not any given instance is recoverable, and the surface is the part it could not keep off the page.

³Federation of State Medical Boards statement, July 2021, warning that physicians spreading COVID-19 vaccine misinformation risk disciplinary action including license suspension or revocation.

IV.2 WHAT THE ACCOUNTS MISS

Three accounts of the COVID period circulate in serious conversation. Each captures something the record contains. Each fails on the parts its apparatus cannot reach.

The libertarian critique held that the response was a multi-level operation across the state-private continuum, with the federal public-health agencies, the corporate platforms, the medical boards and licensing authorities, the hospital mandates, and the professional culture of the credentialed class running together as one configuration rather than as separate behaviors. The account is right that the federal agencies operated past their statutory authority, right that the federal mandate proposals exceeded constitutional limits as the Supreme Court confirmed in *NFIB v. OSHA*, and right that none of the federal-only remedies would have reached the platform behavior, the corporate mandates, the state licensing actions, or the peer-pressure compliance that ran in alignment with federal preferences but outside formal federal action. The Mises Institute named the bipartisan lockstep across the Trump administration, the CDC, the legacy media, social media, state medical boards, state governors, and local health officials, identifying the operation as state-private fusion rather than as bureaucratic capture or executive overreach alone.⁴ The Twitter Files documented the federal-platform speech-suppression machinery, and the *Murthy v. Missouri* litigation, with Great Barrington Declaration co-author Jay Bhattacharya as plaintiff, brought the legal challenge to it. Brian Harrison, the former Trump HHS chief of staff who helped launch Operation Warp Speed, identified the private vaccine mandates as products of federal liability shields and informal pressure rather than as market behavior.⁵ Hans-Hermann Hoppe's 2021 treatment of the pandemic placed the operation on the state-private continuum where the libertarian critique had always located these things, going back through the broader Austrian tradition's treatment of corporatism and regulatory capture.⁶ Bhattacharya named the scientific clerisy. The Brownstone Institute, founded by Jeffrey Tucker, emerged as the standing infrastructure of the dissent.⁷ The libertarian remedy followed the libertarian diagnosis: dismantle the federal authority, end the federal pressure on the platforms, restore informed consent, prevent the liability shields

⁴Ryan McMaken, "Covid Showed Us Who Really Rules America," Mises Wire, identifying that "the efforts to implement lockdowns in the United States were thoroughly bipartisan" and that "the Trump administration, the CDC, the legacy media, social media, state medical boards, state governors, and local health officials were all more or less in lockstep in March and April 2020."

⁵Brian Harrison and James R. Lawrence III, "Banning COVID Mandates Is the Pro-Liberty Position," Revolver News, arguing that "the private mandates are largely the result of government meddling, not liberty," and that the states had a role in mitigating "the unintended consequences of liability protections extended by Congress."

⁶Hans-Hermann Hoppe, "State or Private Law Society on Dealing With Corona," LewRockwell.com, January 4, 2021; "Pandemic Panic Exploited to Expand State Power: An Interview with Hans-Hermann Hoppe," Atlantico, August 2, 2021.

⁷On the Twitter Files: first release by Matt Taibbi, 2 December 2022; series ran December 2022 through March 2023, with Bari Weiss, Lee Fang, Michael Shellenberger, David Zweig, Alex Berenson, and Paul Thacker. On the *Murthy* litigation, *Murthy v. Missouri*, 603 U.S. 43 (2024), decided 26 June 2024; the Court held 6–3 (Barrett, J.) that the plaintiffs, including Bhattacharya, Martin Kulldorff, Jill Hines, and Aaron Kheriaty, lacked Article III standing. On the Great Barrington Declaration: released 5 October 2020, signed 4 October 2020 at the American Institute for Economic Research in Great Barrington, Massachusetts, by Jay Bhattacharya (Stanford), Sunetra Gupta (Oxford), and Martin Kulldorff (then Harvard), <https://gbdeclaration.org/>. On Bhattacharya's "scientific clerisy" framing: Stanford Graduate School of Business Academic Freedom Conference, November 2022, and Fox News Digital interview, 21 November 2022. On the Brownstone Institute: founded May 2021 by Jeffrey Tucker (formerly editorial director, Mises Institute and LewRockwell.com, then American Institute for Economic Research, 2017–2021); see Brett Kelman, "A Small Texas Think Tank Cultivated Covid Dissidents. Now They're Running US Health Policy," KFF Health News, 19 November 2025.

that produce the private mandates, and engage the professional culture and credentialed enforcement apparatus rather than only the formal government action. The diagnosis was multi-level from the start, and the remedy was multi-level too. What the framework adds is not a missing piece of the diagnosis. It is the same shape the post-9/11 and 2008 chapters located: the libertarian account held the correct diagnosis and the libertarian movement carried it harder than anyone, and the apparatus continued anyway. The COVID case will not turn on whether libertarians can see what is happening. They saw it in March 2020 and have not stopped saying so. It turns on whether the seeing can be turned into durable cost, which is the strategicity-handicap problem the prescriptive program takes up.

The progressive public-health account treats the institutions as good-faith actors working with imperfect information under pressure. Most mainstream writing conceded procedural failures, communications missteps, overcautious recommendations the evidence later did not support, and framed them as the predictable cost of acting under uncertainty, to be fixed by internal reform. It captures something real: the early-2020 uncertainty was genuine, and some early guidance reflected real epistemic limits rather than bad faith. What it cannot reach is the systematic suppression of the research that should have shaped the evidence base. The Great Barrington Declaration, written by senior epidemiologists at major institutions, was met not with engagement but with a campaign that internal NIH communications later exposed, the director of the NIH writing to Fauci that the declaration's authors were "fringe" and calling for "a quick and devastating published take down."⁸ Researchers who questioned the official line on aerosols in 2020, on cloth masks, on natural immunity in 2021, on repeat boosters in the young, met loss of speaking slots, removal from advisory committees, professional isolation, in some cases formal discipline. And the account cannot hold the asymmetry: the same officials who called family Thanksgiving gatherings irresponsible in November 2020 declared the mass protests of June 2020 exempt because racial justice was itself a public-health emergency. That was not a procedural failure. It was a position the institutions chose, and a good-faith account cannot incorporate it without becoming incoherent.

The conservative deep-state account treats a unitary covert actor as the source, an entrenched bureaucracy coordinating across the agencies and into the broader ecology, with COVID one episode in a longer sequence and the corrective a political assault on the bureaucracy, Schedule F, mass dismissals, restored political control. Two things in the COVID record break the account. The first is that the active operation took place under the elected administration the deep-state framing positions the bureaucracy against. Trump declared the national emergency on March 13, 2020, the federal task force ran under his appointees, the early federal-platform coordination on speech took place under his administration, and Operation Warp Speed was his signature pandemic initiative. The account has the bureaucracy running an operation against the elected government; the record has the bureaucracy and the elected government running the operation together. The Schedule F remedy presumes a resistance the active period does not show, which is why the account tends to relocate the conflict to a later phase, after the administration changed, rather than to the period when the operation was being run. The second is that the coordination occurred without a coordinator at all. The record shows alignment across agencies, platforms, professional bodies, and cor-

⁸Francis Collins to Anthony Fauci, October 8, 2020, disclosed through FOIA litigation.

porations, but the alignment ran through professional culture, shared incentives, standing relationships, and cultural-recognition cues, not through a central authority issuing directives. The account is right that something coordinated was happening and wrong about both who was running it and whether it was being run.

IV.3 BUILT BEFORE THE EMERGENCY

The operation did not construct its infrastructure in 2020. It activated infrastructure built across the prior two decades, and across two prior emergencies.

The emergency-authority machinery came from the post-9/11 period: the Patriot Act framework, the 2001 Authorization for Use of Military Force still operative, the executive emergency-authority precedents the Bush administration claimed and the Obama administration kept, the Department of Homeland Security as a permanent presence, and the legal apparatus for cross-agency coordination under emergency conditions. The COVID declarations would not have been institutionally legible without those precedents, and 2008 had extended the framework further into the financial domain, leaving the Treasury-Fed coordination and the federal-private cooperation patterns available for reuse.

The conditions for the pandemic itself ran through infrastructure of the same kind. The federal funding pipeline through NIAID, EcoHealth Alliance, and the Wuhan Institute of Virology had been operating for six years by February 2020. It had survived the 2014 federal moratorium on gain-of-function research through arguments about whether the specific coronaviruses fell within the moratorium's categories, arguments never cleanly resolved, and the funding continued. State Department cables in 2018 had documented inadequate biosafety at the Wuhan institute; the cables prompted no follow-up, and the funding continued. The apparatus that let high-risk virology proceed in cooperation with a Chinese lab under known-inadequate conditions was the federal grant-making ecology operating as it had been built to operate.

The suppression machinery was assembled too. The federal-platform coordination that moderated dissent during COVID had been forming since the post-2016 pressure on platforms over foreign disinformation and election integrity, with CISA, stood up in 2018, central to it; the standing relationships the Twitter Files and Murthy later exposed ran on habits that reached back to post-9/11 surveillance cooperation. The licensing apparatus that disciplined dissenting physicians had been consolidating for a decade through the Federation of State Medical Boards and the continuing-education networks that aligned doctors with the consensus. The pharmaceutical framework was ready: the FDA's emergency-use-authorization authority, expanded after 9/11 for biodefense, available now at unprecedented scale; the PREP Act liability shield from 2005; the federal-pharmaceutical coordination that Operation Warp Speed would run through. And the cultural infrastructure, the professional habits of deference to federal health authority across journalism, academia, and medicine, the credentialing pipelines that decided whose voice carried authority, had been forming across the whole post-Cold-War period.

By January 2020 the accumulated capacity was considerable, and none of it had to be built. The emer-

agency precedents were established, the platform relationships were years old, the licensing apparatus was consolidated, the pharmaceutical framework was available, the funding pipeline was running, and the cultural infrastructure was primed to receive public health as the morally serious response to an emergency. COVID activated all of it at once, at a scale the prior emergencies had set precedents for but never reached.

IV.4 HOW THE OPERATION RAN

Each form in the operation can be described on its own as an autonomous actor following its own incentives. Together they produced a coordinated operation no single form could have produced, and the coordination is how it worked.

It opened with a cover-up that was constitutive of the response rather than separate from it. The hypothesis that the virus had emerged from the lab whose research the United States had been funding was suppressed at the start. In February 2020 a letter in *The Lancet*, signed by twenty-seven scientists, declared lab-origin hypotheses to be conspiracy theories; FOIA disclosures later showed it had been organized by Peter Daszak of EcoHealth Alliance, the principal investigator on the grant funding the Wuhan research, a conflict the letter did not mention.⁹ A month later a *Nature Medicine* paper, “The Proximal Origin of SARS-CoV-2,” concluded the virus was most likely natural; its lead author, Kristian Andersen, had written privately weeks earlier that some features looked potentially engineered and inconsistent with evolutionary expectations, and the disclosed communications show the published reversal was driven by senior-NIH pressure rather than new evidence.¹⁰ The two publications then became the references everyone else cited: reporters could call natural origin the consensus, platforms could classify lab-origin claims as misinformation against consensus, and the consensus had been manufactured by the people with the largest incentive to manufacture it. The WHO’s 2021 joint investigation, conducted with Daszak as a participant, called lab leak extremely unlikely on access so limited the report itself conceded key data had been withheld; the WHO’s own director-general later distanced himself from the finding. For eighteen months lab-origin was conspiracy theory in the major media and misinformation on the platforms, until the FBI and the Department of Energy acknowledged in 2023 that they assessed lab origin as most likely. By then the suppression had already done its work, which was to hold the position through the window when it mattered for the response.

The federal agencies operated past their authority for sustained stretches. The CDC’s eviction moratorium exceeded its statutory authority by any reasonable reading and was struck down for it, but it set housing policy for the months before the courts caught up. The proposed OSHA mandate was struck down on similar grounds. The FDA’s emergency authorizations expanded past what the framework was built for. And the agencies’ competence failed in ways that surfaced later, the guidance on aerosols, on cloth masks, on outdoor transmission, on school closures all issued with a confidence the evidence did not

⁹The *Lancet* statement appeared February 2020; subsequent FOIA disclosures established Daszak’s organizing role and undisclosed conflict of interest.

¹⁰Andersen’s early-February 2020 messages and the drafting of “Proximal Origin” were disclosed through FOIA and congressional subpoena two years later.

support. The platforms moderated dissent through their own policies in alignment with federal preference, the standing relationships and traced decisions the Twitter Files and Murthy described, attributable to the platforms' own editorial judgment while the federal influence ran underneath. The same machinery suppressed the Hunter Biden laptop story before the 2020 election, throttling distribution of reporting the outlets later conceded was authentic, which showed the apparatus operating on an electoral question rather than a medical one and made its general-purpose character visible.

Set side by side, the forms expanded one capacity along three dimensions at once. Enforcement expanded because they worked as parallel channels, a dissenting physician facing the licensing board, the hospital, the journals, and the professional environment together. Information expanded because they produced one aligned environment, the agencies, the platforms, the journals, and the press converging on a single permitted set of positions, not because the analysis converged but because the ecology did. And the cost of restoring opacity fell, because the coordination kept the appearance of independent judgment, the lab-origin consensus manufactured by interested parties and received as disinterested. The combined effect reached a scale the prior two emergencies had set precedents for but never themselves touched.

IV.5 WHAT COVID MADE PERMANENT

The capacity COVID built did not dissolve when the emergency eased. It became the baseline, available for the next one, which is the part the framing of the response as temporary was meant to obscure.

The emergency-authority precedents stand: the Supreme Court struck down specific COVID-era actions without touching the framework itself, and the framework remains the default, now proven able to support an operation of that scale and duration. The federal-platform channels stand: the Murthy decision turned on standing, not on the relationships, which continue with the same meetings and tracking systems the litigation exposed. The payment-processor apparatus stands: the infrastructure that froze the Canadian trucker-convoy donations in 2022 and de-banks individuals an institutional ecology has classified as harmful operates through commercial relationships no court reviews. The Operation Choke Point framework that began under the Obama administration was expanded across the COVID and post-COVID period and turned against new categories of disfavored business, institutionalized now as the standard compliance practice financial institutions treat as routine. The licensing apparatus stands and has spread, the Federation of State Medical Boards' speech-enforcement precedent adopted by adjacent professions, so that physicians, therapists, attorneys, and accountants now operate under speech-enforcement frameworks that did not exist at this scale before. The corporate mandate machinery has been demonstrated to scale on professional-environment alignment without federal direction and embedded into standard HR practice. The school and university compliance templates remain, along with the faculty speech-enforcement that has moved on to subsequent dissenters. The federal-private disbursement models have been redeployed in later crises. And the Fed's emergency facilities and Treasury-Fed coordination remain available, the primary dealers and asset managers that absorbed the COVID liquidity now structurally larger for it.

The cumulative effect is that substrate's strategic capacity in 2026 is markedly higher than in 2019, the increase concentrated in the dimensions that translate most directly into reach under emergency conditions. The infrastructure was not dismantled, because the political momentum to dismantle it never reached the scale required, and the next operation will arrive with substrate holding the accumulated capacity of all three emergencies at once. That accumulation across three emergencies is renewal capture running its course, the pattern Part 1 proves: each challenge absorbed, each emergency ending with more capacity standing than began it.

IV.6 WHY THE CREDENTIALLED CLASS WENT ALONG

Enforcement and information do not explain why the population that absorbed the operation absorbed it in the form it took. That requires the cultural infrastructure substrate had built across the decade before the pandemic, and the infrastructure turns out to be load-bearing.

By 2020 the credentialed-class population was more deeply integrated into platform-mediated life than any population before it. Streaming on Netflix, Amazon Prime, Disney, and HBO Max had replaced in-home leisure, DoorDash and Uber Eats had replaced trips to the restaurant and the store, Zoom and Microsoft Teams had made white-collar work portable, and Google Classroom had moved schooling onto the same rails. None of this had been built to support an emergency operation; it had been built for revenue, attention, and data. But capacity built for one purpose is available for another when the occasion arises, and the occasion arrived. The infrastructure made lockdown compliance affordable for the credentialed class, who could keep working, eating, and entertaining themselves without leaving home, and experienced the operation as shared sacrifice. The working-class and rural populations, whose livelihoods required physical presence and for whom no equivalent infrastructure had been built, experienced the same rules as the destruction of their economic base, and had less institutional voice to object. The asymmetry held the operation up: substrate could sustain it as long as the credentialed class stayed compliant, and the credentialed class stayed compliant because compliance had been made cheap for them. The COVID-resistance and MAHA constituencies later drew disproportionately from the populations the infrastructure had bypassed, who had no cultural padding to soften the operation into solidarity.

The infrastructure also enabled a redirection. By late May 2020 the lockdowns were ten weeks old, small businesses were closing for good, reopen movements were organizing, and anti-lockdown protests were being treated by officials as threats to public health and targets for surveillance. Population resistance was on a trajectory that, extrapolated, would have forced substrate to retreat or escalate. Within seventy-two hours of George Floyd's killing on May 25, resistance had redirected into racial-justice protests in more than three hundred cities, and the lockdown rules enforced against funerals, religious services, and family gatherings were not enforced against them; officials declared the protests exempt because racial justice was itself a public-health emergency. On June 4 an open letter signed by more than a thousand public-health professionals made the exemption official, stating that the anti-lockdown protests were "rooted in white nationalism and run contrary to respect for Black lives" while the racial-justice protests were not to

be subjected to the same epidemiological concern. The redirection turned a population whose resistance to the operation was gathering momentum toward a target the institutional ecology was prepared to receive, fund, and protect, because the cultural recognition of racial justice as the morally serious cause had been built across the prior decade through the universities, the press, the foundations, and the corporate channels. COVID and the protest wave were two deployments of one ecology, running on the same platforms, the same professional bodies, the same corporate apparatus, the timing of the second calibrated to the legitimacy needs of the first.

Occupy 2011 and COVID-stasi 2020

same demographic · opposite political form · cultural infrastructure made the inversion possible

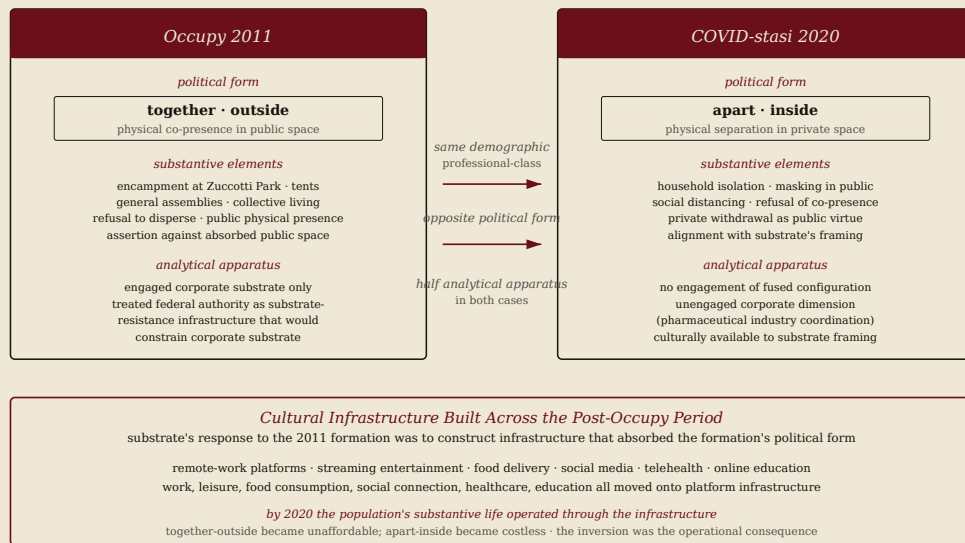


Figure IV.1. The same demographic, inverted. The 2011 Occupy formation organized through physical co-presence outside private institutional space; the 2020 compliance formation organized through physical separation inside it. The political form flipped from together-outside to apart-inside while the population stayed the same.

The deepest point about the credentialed class is that it was the same population that had occupied Zuccotti Park in 2011. The Occupy demographic, by 2020 the most thoroughly platform-integrated population in the country, recognized substrate when it wore financial clothing and failed to recognize it when it wore medical clothing. The political form inverted exactly: Occupy organized through physical co-presence outside private institutional space, the encampment and the general assembly; the 2020 formation organized through physical separation inside private space, the household isolation and the distancing recast as public virtue. Together-outside became apart-inside, and the infrastructure substrate had built in the intervening decade made the inversion both possible and comfortable, because the population’s daily life now ran through the infrastructure. The instinct that turned against substrate in 2011 was real, and so was the friendliness in 2020. The instinct flipped because substrate changed clothes, and instinct without an analytical apparatus that tracks substrate across its disguises cannot tell the difference.

The ground itself records the pattern. Zuccotti Park has been substrate-engagement ground before. The King’s Arms coffeehouse stood on the site from 1696, and on November 5, 1773, weeks before the Boston Tea Party, the Sons of Liberty gathered a crowd outside it to denounce the Tea Act and the East India Company’s agents handling the dutied tea, engaging the fused configuration of Crown policy and Company commerce that the colonists recognized as the operating reality of British rule rather than petitioning either half alone. The intervening centuries reorganized the site repeatedly: United States Steel built One Liberty Plaza on the adjacent block in the late 1960s through a height-bonus deal with the city, and Temple Street vanished from the map in the same redevelopment. The September 11 attacks reached the site directly, burying the park in debris and turning it into a staging ground whose workers and residents later developed the illnesses compensated through the Victim Compensation Fund. Brookfield Properties renovated the park with \$8 million of private money in 2006 and renamed it for John E. Zuccotti, the Brookfield chairman who had earlier chaired the City Planning Commission and served as first deputy mayor, the naming itself a record of the federal-private fusion. When Occupy assembled there in 2011, it returned the resistance function to the spot two hundred and thirty-eight years after the Sons of Liberty stood outside the King’s Arms, and aimed at half the configuration the earlier crowd had engaged whole.

Zuccotti Park: Historical Layering at One Physical Location

substrate-resistance assembly ground · substrate operations · substrate-resistance return

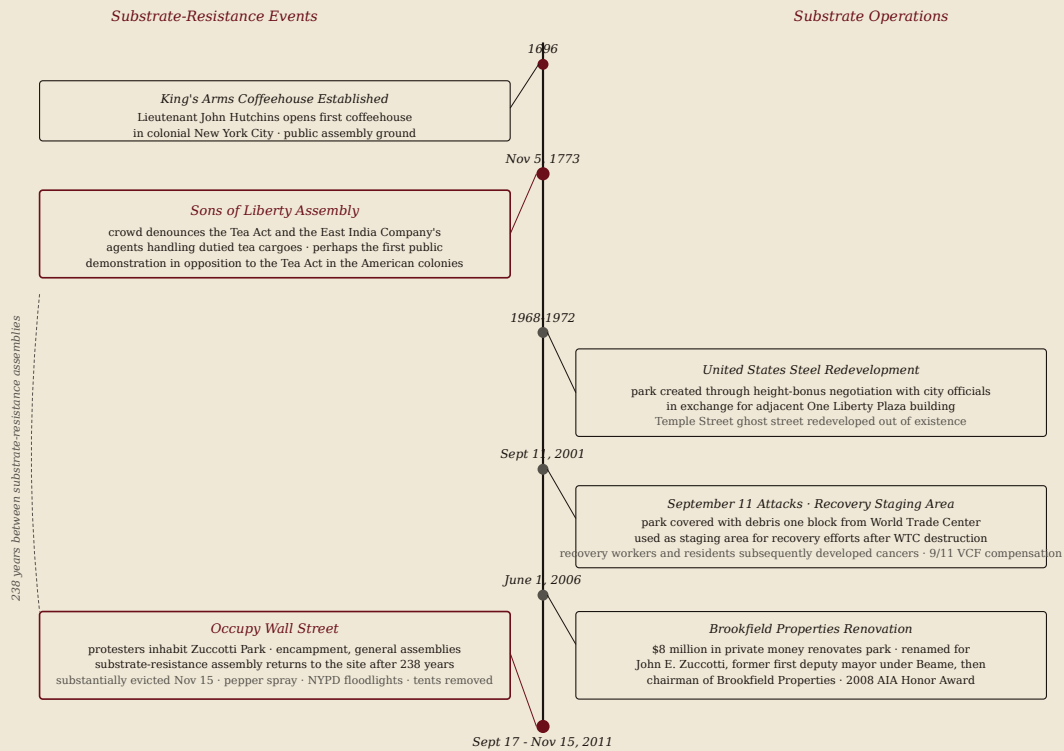
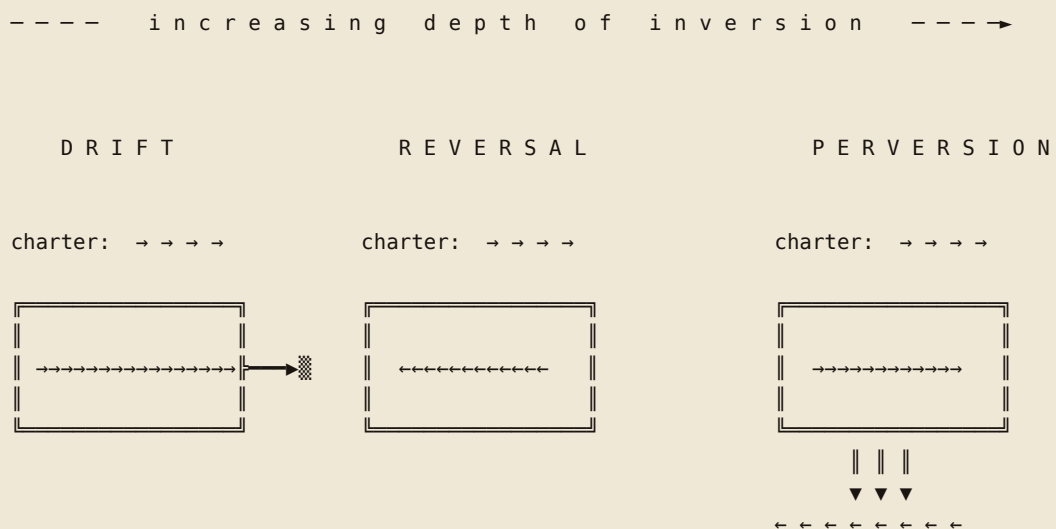


Figure IV.2. Zuccotti Park as a single site layered with substrate operations and substrate-resistance across three centuries, from the Sons of Liberty outside the King’s Arms in 1773 to the corporate redevelopment and renaming to Occupy in 2011.

This is exactly where the libertarian constituencies diverged, and it is the point the earlier chapters set up. Occupy saw the visible node, the Wall Street firms, and missed the upstream one, the central bank, which is why it could be flipped when the operation changed form. The Ron Paul movement, the early Tea Party, and the Mises Institute ecology engaged the fused configuration directly, the Federal Reserve and the banks as one thing, and a constituency whose analysis engages both halves at once cannot be absorbed by an operation that runs through either half, because no half is left unengaged. So when COVID arrived as a fused operation, pharmaceutical companies and federal agencies and platforms and corporate mandates working as one configuration, those constituencies recognized the pattern and were not absorbed, while the single-dimension Occupy population was. The lesson the case carries forward is the one the next chapters turn on: the analytical apparatus that engages the fused configuration, not the instinct, is the resistance infrastructure that survives from one operation to the next.

IV.7 DRIFT, REVERSAL, AND PERVERSION

The COVID period shows three distinct kinds of institutional substrate behavior with unusual clarity. Each works through a different mechanism, and each recurs across cases, so naming them here gives the framework its vocabulary for the next operation. The three are not a fresh taxonomy. They are what Part I's decomposition of substrate authority into its take, its reach, and the quality of its function looks like from the ground: drift is reach extending past the mandate, reversal is the function run backward, and perversion is the function kept in outward form and inverted in content, which Part I isolates as a fourth failure pattern under the name substrate dysfunction.



Drift is an institution extending its reach into a domain its stated function does not cover. The activity is not against the charter; it is simply somewhere the charter never authorized. The Department of Defense funded gain-of-function research on bat coronaviruses through DARPA and adjacent programs

in the years before COVID, justified as biodefense and pandemic preparedness, which carried military authority into virology where civilian funders would have imposed tighter oversight, and the research helped produce the conditions the broader operation then responded to. The CDC, whose function is disease surveillance, extended into housing through an eviction moratorium it had no statutory authority to impose, struck down eventually but operative long enough to set the policy before the courts caught up, one instance of a wider pattern of claiming emergency authority and operating under the claim until review constrained it. And the executive ran the whole operation without congressional authorization, the constitutional version of the same drift, the war power long since relocated from a Congress that has not declared war since 1942 to an executive that found substrate's capacity better served by its own hand. The operation also began under Trump, not Biden: the national emergency declared in March 2020, the first lockdown framework days later, the \$2.2 trillion CARES Act signed that month, all his, and it ran on without a break across the change of administration, substrate operating through the partisan turnover the way it had after 9/11 and in 2008.¹¹ In each the justification is in the institution's own language, biodefense, public health, emergency authority, while the operation runs in a domain that language does not cover.

Reversal is an institution operating against its charter while presenting itself as operating on it. The Federal Reserve's charter is maximum employment and price stability; the COVID monetary expansion ran M2 from about \$15 trillion in February 2020 to roughly \$21.5 trillion by early 2022 and the balance sheet from about \$4 trillion to nearly \$9 trillion, and the inflation that followed hit a forty-year high in 2022, wiping out years of savings for households holding dollars. This was not policy error. The Fed employs hundreds of economists, publishes monetary research continuously, and the link between money-supply expansion at that scale and inflation is among the most studied questions in the field. The outcome was predictable, the expansion proceeded anyway, and the charter language stayed in place as cover for the operation that produced its opposite.

Perversion is the deepest of the three: the institution keeps its outer form and recognized role while its content is inverted, so it is still received as serving its purpose while it produces the reverse. The governor of New York performed pandemic leadership so well that the recognition apparatus gave him an Emmy and a major publisher gave him a book of leadership lessons, while the substance of that governance included the directive that sent COVID-positive patients into nursing homes and the concealment of the resulting deaths; the apparatus could reward the performance only by judging it as entertainment craft, where emotional manipulation is a virtue, rather than as governance, where it killed people.

The mayor of New York ran a vaccine-incentive campaign offering cheeseburgers and fries, a public-health office using its health-communication function to recommend food its own field classifies as harmful, because the compliance objective overrode the health-knowledge that would otherwise have constrained the message. And the deepest case was the masks on children's faces in schools. A school's role is the formation of the child, the building of trust in adults, comfort with peers, emotional stability, the capacity for connection, and the masking, distancing, and closures inverted exactly those, producing wariness, anx-

¹¹Proclamation 9994, "Declaring a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak," signed 13 March 2020. Coronavirus Aid, Relief, and Economic Security (CARES) Act, Pub. L. No. 116-136, signed 27 March 2020. Operation Warp Speed announced 15 May 2020 by HHS and DoD.

"Wake up America!
Forget the politics, get smart!"
Andrew Cuomo, July 13, 2020

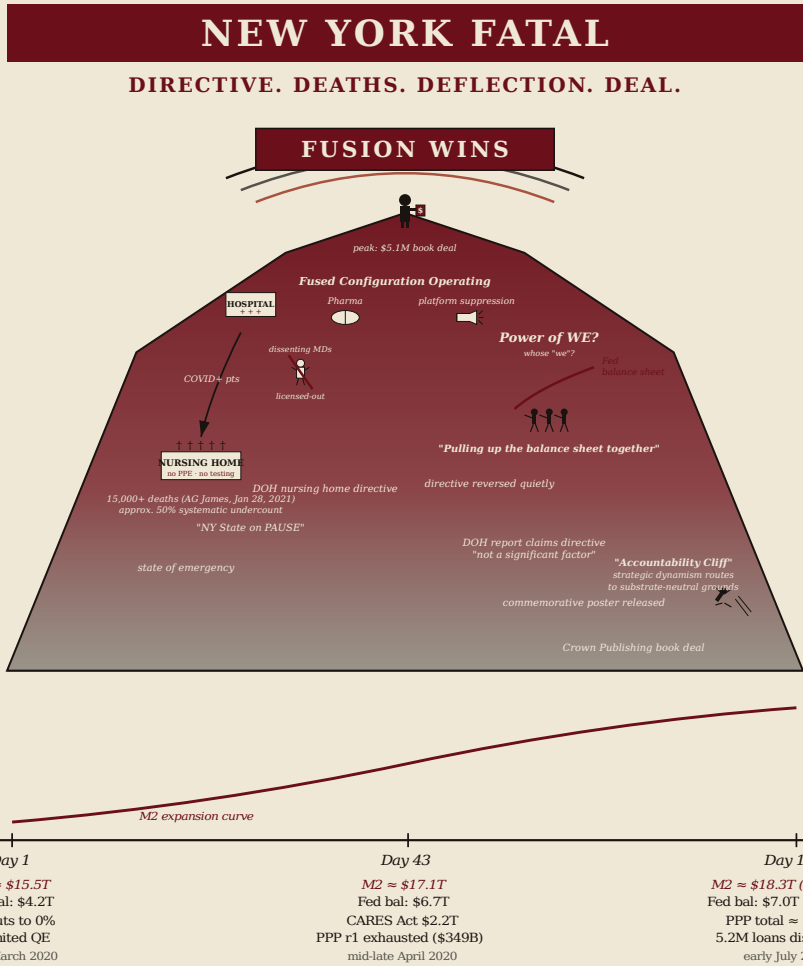


Figure IV.3. A structural counter to “New York Tough,” the commemorative poster the New York governor’s office released on July 13, 2020. The original framed the operation as a heroic mountain ascent; the counter keeps the form and inscribes the nursing-home directive, the undercounted deaths, and the federal monetary expansion the performance cover-storied.

xiety, dread, and reduced relational capacity under the continuing outer form of education. The children are the case's sharpest edge because they had no cultural memory of what school was for; they learned the perverted version as the version, and the adults who could recognize the perversion were the same adults whose lives were coming apart in real time and could not propagate the recognition. The damage does not stop with the cohort, because formation missed in the window is not installed later, and a generation formed this way forms the next from the diminished baseline it carries.

The schooling case carries a structural lesson, and it is one the libertarian tradition has been making for a century. Public schooling was adopted in the nineteenth century in part to pull children out of the factory conditions that were inverting childhood, and it solved that problem well enough, for long enough, that parents extended it the trust that let it become the institutional vessel for children during working hours. But an institutional configuration accumulates perversion vulnerability across its life: the trust built over a century and a half becomes, when substrate has occasion to activate it, the cover under which the institution produces the very damage it was adopted to prevent. The libertarian objection to public schooling, made across the whole period of its existence, did not gain traction while the configuration appeared to operate on its role-content. It is gaining traction now because the perversion has become visible to parents at scale.¹² The same vulnerability lives in every domain whose real content sits below the institutional surface, schooling, healthcare, mental-health treatment, child care, elder care, the religious institutions that touch state authority, and the only defense is the cultural memory of what the role is for, carried by religious traditions with unbroken practice, by families that form children well across generations, by professional bodies that hold members to substance rather than to credential. Perversion is invisible to anyone who has lost that memory, because the apparatus for recognizing it has been captured along with the institution.

The three recur across the cases. The post-9/11 period showed drift in the security agencies, 2008 showed reversal in the Fed and Treasury, and COVID showed all three at once, across many domains under one emergency, which is what made it legible enough to name them.

IV.8 WHAT THIS CASE SETS UP

COVID drew on the accumulated capacity of the two prior emergencies and added its own. The content-moderation channels the Twitter Files and Murthy exposed are baseline now, the licensing apparatus for professional speech operates under precedents COVID set, the corporate mandate machinery has been shown to scale on professional-environment alignment without federal direction, and the federal-platform relationships are institutionalized as standard compliance practice. Substrate's strategic capacity in 2026 is markedly higher than in 2019, and the case sits in the sequence as the third step: it ran on the post-9/11 emergency-authority infrastructure and the 2008 federal-private cooperation infrastructure, and it hands

¹²The libertarian critique of compulsory public schooling spans more than a century. Anchors include Herbert Spencer, "State Education," in *Social Statics* (1851); Albert Jay Nock, *The Theory of Education in the United States* (New York: Harcourt, Brace, 1932); Murray N. Rothbard, *Education: Free and Compulsory* (Wichita: Center for Independent Education, 1971; updated edition Auburn, AL: Ludwig von Mises Institute, 1999); John Taylor Gatto, *The Underground History of American Education* (Oxford Village Press, 2000) and *Dumbing Us Down* (Philadelphia: New Society Publishers, 1992).

the next operation a fused-configuration capacity larger than any single prior emergency produced.

The resistance produced real handicap in some places and none in others, and the difference is structural. Where substrate operated through institutions that run on legitimacy, the resistance drew that legitimacy down, in some cases past recovery: the CDC, the medical journals, the professional bodies, and the academic establishment all lost standing across the period, public trust in the CDC falling from majority to minority levels by the middle of the decade, and that decay is a real reduction in their capacity for the next deployment. Where substrate operated through institutions that do not depend on legitimacy, the resistance changed nothing. A platform's moderation does not need public trust to function, a payment processor's account-freezing does not need legitimacy, a licensing board's authority over professional speech is statutory regardless of whether anyone trusts the board. Those institutions kept their capacity intact. The lesson is that withdrawing legitimacy works only against the part of substrate that runs on it, and the embedded infrastructure has to be met with something other than disapproval. That division becomes the operational program's targeting rule, forced disclosure aimed at the legitimacy-running layer where it drains a reserve the operation depends on, and the embedded layer left to the structural instruments that go at the authority itself rather than at the approval it never needed.

Set against the two earlier cases, though, COVID was the turn. It was not a win. It was a catastrophe, a feral nightmare whose costs are still being counted, and nothing here should be read as a victory. What changed is narrower and real: for the first time, the resistance to a substrate operation was led by the constituencies whose diagnosis actually fit it, rather than ceded to someone with a weaker claim. The antiwar ground after 9/11 went to a left that did not hold it. The anti-fusion ground after 2008 went to an Occupy that aimed at the wrong target and dissipated. The ground against the COVID operation was held, substantially and visibly, by the people who had been building the fused-configuration analysis since 2008, and the lockdown experience moved real numbers of people toward the ideology, because for once the abstraction matched what people were living closely enough that they did not have to cross the whole moat to feel its force. That is a genuine gain, and it is also why it is fragile, because the fit between the model and the wreckage was produced by the wreckage, not by the movement solving its translation problem, and when the wreckage recedes the fit goes with it.

The most concentrated act of that resistance came from outside the country. In late January and February 2022, Canadian truckers drove a convoy into Ottawa and blockaded border crossings against the cross-border vaccine mandate, occupying the capital for weeks in the largest single mobilization against a COVID measure anywhere. The response is the part that belongs to this argument. Rather than clear the protest through ordinary law, the Trudeau government invoked the Emergencies Act for the first time in the statute's history and used it to freeze the bank accounts of participants and donors without a court order, reaching the crowdfunding platforms that held the convoy's money and the individuals who had given to it. A Federal Court later ruled the invocation unjustified and unconstitutional, well after it had done its work. The convoy was a resistance event, and the freezing of its money was the same financial-blockade machinery built against WikiLeaks a decade earlier, now turned on a mass protest, which is why the payment-processor apparatus sits in the catalog of what COVID made permanent.

The constituencies that held the ground are still working, in distributed forms: the MAHA movement against the medical and food-regulatory establishment, the Mises Caucus inside the libertarian project, the homeschool surge that pulled a structural piece of the public-school market away, the crypto and parallel-economy infrastructure, the migration of physicians and journalists and academics out of captured fields.¹³ They are not coordinated. They share no tribe and agree on little beyond substrate-engagement as their common instinct, and they lack the shared analytical apparatus that would let them coordinate across the divide, which is the unfinished work the period leaves. The next operation will arrive into this, against a population partly more recognition-ready than the COVID-era one and partly less, and whether it lands depends on whether the recognition apparatus has been built in time.

What became of that resistance after COVID is the clearest measure of where the movement stands. The libertarians who had read the operation correctly were one contingent on a crowded corner, and they had earned the spot, having been the sharpest critics of the lockdowns and the spending and having drifted for the first time into terrain that had been coded left, clean eating, vaccine skepticism, seed oils, home birth, carrying their analytical rigor into positions the right had not held before. But MAGA moved onto the same ground, and the sharp picture the liberty movement had drawn blurred into something broader. The product of that fusion on the MAGA side was MAHA, and the comparison between what the two movements pulled out of the moment is the instructive part.

Robert Kennedy was not a libertarian and had never argued from libertarian premises, but he had spent decades operating against substrate from a different one, litigating as an environmental lawyer against chemical companies and federal regulators, including the glyphosate cases against Monsanto, and later against the pharmaceutical and public-health establishment. That record of landing actual blows on corporate and government power had made his movement a force, and as an independent candidate he commanded as much as a fifth of the electorate at his peak before delivering that bloc to Trump in the summer of 2024, weight enough to matter in a close race. When he took Health and Human Services, the department above the CDC and the FDA and the NIH, it was leverage of a kind the libertarians did not have: Trump needed Kennedy's voters, where from the libertarians he risked mainly losing face with part of his base. The prizes tracked the leverage. MAHA got the department. The libertarians got Ross Ulbricht.

And that was not nothing, which is the point worth holding. The pardon of the Silk Road founder, serving a double life sentence on a marketplace built on an openly Misesian premise, was a promise Trump made on the Libertarian convention stage in 2024 and kept on his second full day in office in 2025. For

¹³On the Mises Caucus and its 2022 takeover of the Libertarian Party at the Reno national convention (27–30 May 2022), with Angela McArdle elected LNC chair: Brian Doherty, "Mises Caucus Takes Control of Libertarian Party," *Reason*, 29 May 2022, <https://reason.com/2022/05/29/mises-caucus-takes-control-of-libertarian-party/>. On the homeschool surge: U.S. Census Bureau, "Census Bureau's Household Pulse Survey Shows Significant Increase in Homeschooling Rates in Fall 2020," 22 March 2021, reporting that the homeschool rate rose from 5.4 percent of households with school-age children in spring 2020 to 11.1 percent in fall 2020, with even larger increases among Black households (3.3 percent to 16.1 percent); NCES Common Core of Data tracking the elevated rate at roughly 6 percent in 2022–2023, against a pre-pandemic 2.8 percent. On the MAHA movement and the migration of physicians and academics into senior HHS roles: Robert F. Kennedy, Jr., confirmed as Secretary of Health and Human Services on 13 February 2025 (52–48); Jay Bhattacharya confirmed as Director of the National Institutes of Health on 25 March 2025; see Brett Kelman, "A Small Texas Think Tank Cultivated Covid Dissidents. Now They're Running US Health Policy," *KFF Health News*, 19 November 2025.

the first time in the movement's modern history, organized libertarian pressure converted into a concrete national outcome, a man taken out of a federal cage, rather than a vote total and a press release. The presidential numbers stayed terrible, the Mises Caucus did not hold its grip on the party, and the result was short-lived as an intra-party fact, though the Caucus and its proponents persist. But it was the first sign that the institutional capability the prescriptive program calls for had begun to appear, a first result rather than another first failure. What it showed, set beside Kennedy, is the difference between having the right diagnosis and having the leverage to act on one. The libertarians had spent longer than anyone naming substrate accurately. Kennedy had spent longer beating it, from outside their frame, and the moment rewarded the second thing. The libertarian version of MAHA, the one that would have moved to dismantle the health agencies rather than seize them and write new rules, would have come through a physician like Ron Paul, and it did not come at all.

Which raises the question the next chapter takes up. The movement learned, in COVID, to stop ceding its own opening, and in the Ulbricht pardon it converted that opening into a concrete result for the first time. What it has not yet learned is how to make a conversion like that large, or how to make it last, and the reason it has not is the reason the diagnosis has never been enough by itself. Being right, even being right and finally standing on your own corner, is not the same as winning, and the gap between the two is where the rest of this book lives.

CHAPTER

THE MOAT AND THE CORNER

V.1 RIGHT EVERY TIME

Three cases, one result. In each of them the libertarian read of events was the most accurate one available, and in each of them it produced almost nothing.

On the post-9/11 security state, the libertarian diagnosis was right and early. The surveillance apparatus would not stay pointed outward, the emergency authorities would not be given back, the war powers would metastasize, and the whole thing would run on a fusion of federal agencies and private carriers that no constitutional limit had been written to catch. All of that came true. On 2008, the diagnosis was right again: the bailouts were not the market failing but the state rescuing the firms closest to it, the Federal Reserve was operating as a cartel agent for the banks it nominally regulated, and the response would socialize the losses while leaving the structure that produced them in place. True again. On COVID, the diagnosis was right a third time: the lockdowns would do more damage than the disease in many places, the emergency would be used to expand standing capacity, and the censorship would run through a hybrid of public agencies and private platforms that no first-amendment doctrine had been built to reach. Also true.

Three correct diagnoses. The question this chapter takes up is why three correct diagnoses, on the three largest substrate operations of the century, left the movement that produced them roughly where it started. The answer is not that the analysis was weak. The analysis was the strong part. The answer is that the movement could not convert the analysis into anything that imposed a cost, and that when it failed to convert, the ground its diagnosis had earned got occupied by someone else.

That last part is the pattern that repeats. After 9/11 the antiwar position was correct, and the people who took it, who became its public face and drew its political energy, were mostly on the left. Nothing in the left's own commitments justified the claim. The same institutions and figures that opposed the Iraq war would, a few years later, run the drone program and the surveillance expansion without much objection. They had seen an opening and moved into it. The libertarians, who opposed the war on grounds that actually cohered with the rest of their position, watched someone with a weaker claim stand on the corner

they had the better right to.

It happened again in 2008. The critique of the bailout fusion was correct, and the energy it generated flowed into Occupy Wall Street, which formed in September 2011 around a recognition it could not quite name. Occupy saw that something was deeply wrong with the relationship between Washington and Wall Street, and then targeted the banks while treating the federal government as the instrument that would discipline them if only it were pushed hard enough. The targeting was half right and the remedy was backward, and most of the people it mobilized never came anywhere near liberty. The libertarian movement had the analysis that located the problem upstream, in the central-bank-permissioned credit machine, and once again it watched a movement with a looser grip on the diagnosis occupy the opening.

Two correct positions, twice surrendered to interlopers. The movement kept being right and kept being displaced from its own rightness. Something was converting the diagnosis into political energy and then handing that energy to whoever was standing closest, and it was not the people who had done the diagnosing.

V.2 THE INSTRUMENT WAS IN THEIR HANDS

The displacement was not for lack of an instrument. In two of the three cases the right tool not only existed but was, in its actual function, a libertarian project. The movement did not build it out, did not recognize it as its own, or wrecked it by treating it as the thing it was supposed to be fighting.

The answer to the surveillance state was WikiLeaks, and the answer was simply more of it. Forcing the apparatus into the open against its will, at scale, through a distributed publishing operation that no single jurisdiction could shut down, is the hybrid instrument the hybrid problem called for. It is also libertarian in substance, whatever its founder's stated politics. Radical transparency aimed at the security state is the operational form of the movement's own diagnosis. What the movement needed to do with it was proliferate the model, build ten more, make the single point of failure into a category that could not be decapitated. What happened instead was that the instrument stood alone, its operator made his alliances mostly with the left, and the state was free to concentrate everything it had on the one node. Manning went to prison, Assange went into an embassy and then a maximum-security cell, the financial blockade strangled the funding, and the model was not reproduced fast enough or widely enough to outrun the response. The movement that should have recognized WikiLeaks as the proof of concept for its entire strategy mostly treated it as someone else's story.

The answer to 2008 was cryptocurrency, and it arrived on schedule. The Bitcoin genesis block was mined on January 3, 2009, in the middle of the crisis, with a headline about a second bank bailout embedded in it as a timestamp and a statement of intent.¹ The project was a parallel-infrastructure answer to the fused money system: instead of petitioning the state to discipline the banks, build money the state and the banks cannot control. That is the correct shape. The movement then spent the next fifteen years failing

¹The genesis block of the Bitcoin blockchain contains the text "The Times 03/Jan/2009 Chancellor on brink of second bailout for banks," referencing that day's London *Times* front page.

to use it for what it was for.

The failure had a specific signature, and the signature was that the movement reproduced the disease it had diagnosed. It valued the new money as a speculative asset and chased fiat gains with it, which is to say it treated the instrument of monetary exit as one more vehicle for the financialization it claimed to oppose. It chased the privacy coins that were built for compliance rather than for use. Zcash, the favored one, makes privacy optional, and the on-chain record shows what optional privacy produces: by the Electric Coin Company's own 2024 figures, around 3.5 percent of Zcash transactions actually use the shielded feature.² A privacy coin that is transparent by default is a transparent coin with a setting, and the setting is the one regulators and exchanges tolerate precisely because almost no one turns it on. The actual libertarian instrument was Monero, which makes privacy structural rather than optional. Every Monero transaction conceals sender, receiver, and amount at the protocol level, with no transparent mode to fall back to, which is why roughly 99.8 percent of its transactions are private and why every unit is fungible, indistinguishable from every other, usable as money that cannot be blacklisted by its history.³ The very feature that made Monero the right tool, that it cannot be made compliant, is the feature that made the movement flinch from it in favor of coins the system would list.

And the work that mattered was never the spectacle. The point of usable private money is the mundane business of bringing it down to ordinary people for ordinary goods, building markets, legitimate and otherwise, that operate outside the permissioned system. The movement instead fixated on the extravagances, the Silk Road dark-market spectacle, the headline-grabbing illicit bazaar, rather than the unglamorous infrastructure work of making exit money useful at the corner store. When Ross Ulbricht was convicted in 2015 and sentenced to two life terms plus forty years for running Silk Road, he acquired supporters and almost no successors.⁴ The energy went into the cause of freeing one man rather than into building the thing he had been a distorted early instance of.

The capstone tells the whole story. Ulbricht did eventually walk free, in January 2025, not through any infrastructure the movement had built but through a presidential pardon, granted as a campaign pledge to a Libertarian Party convention and announced, in so many words, "in honor of ... the Libertarian Movement, which supported me so strongly."⁵ The movement's signature crypto-era martyr was released by a transaction with substrate itself, a favor from the machine in exchange for political support. The freedom came from inside the system, not from the corner. It is hard to find a cleaner image of the translation problem than a movement whose great parallel-infrastructure project ended with its hero freed by the very

²Electric Coin Company transaction data, 2024, as reported in privacy-coin analyses; roughly 3.5 percent of Zcash transactions use shielded addresses.

³Monero conceals sender (ring signatures), recipient (stealth addresses), and amount (Ring Confidential Transactions) by default at the protocol level; roughly 99.8 percent of transactions are private, per Electric Coin Company's 2024 comparison. The mandatory design is also why regulated exchanges have delisted it, beginning with a major global exchange in February 2024.

⁴Ross Ulbricht was convicted in 2015 of charges including distributing narcotics and continuing a criminal enterprise through the Silk Road marketplace (operating roughly 2011 to 2013) and sentenced to two life terms plus forty years without parole. "Trump pardons Ross Ulbricht, creator of the Silk Road dark web marketplace," NPR, 22 January 2025, <https://www.npr.org/2025/01/21/nx-s1-5270051/trump-pardons-dark-web-marketplace-creator-ross-ulbricht>.

⁵Trump pardoned Ulbricht on 21 January 2025, fulfilling a pledge made at the 2024 Libertarian National Convention; same NPR source.

authority the project existed to route around.

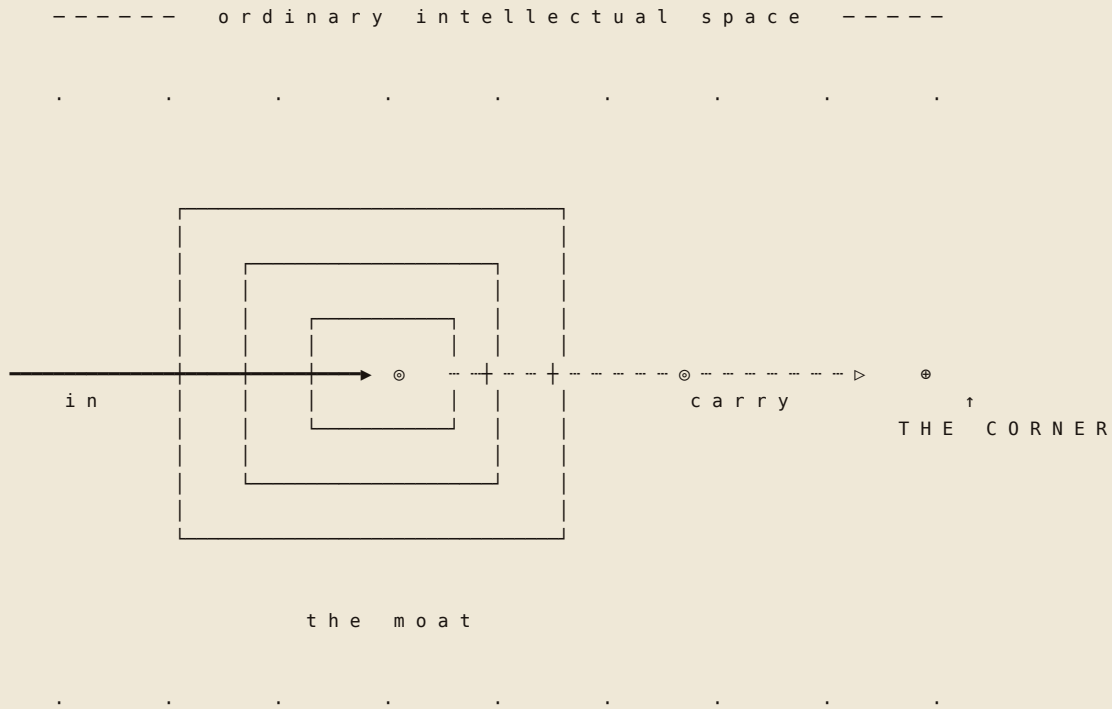
V.3 THE MOAT

None of this is a failure of intelligence, and treating it as one misses the mechanism. The libertarian movement contains some of the most rigorous institutional analysis produced anywhere, and the case studies bear that out. The failure is structural, and it has the shape of an unfinished journey.

To become a libertarian in the full sense is to leave the ordinary intellectual space most people live in, where political questions are settled by sentiment and proximity, and to build something else: a formal apparatus, derived from first principles, that can take any event and locate the coercion in it. This is real work and it is the source of the movement's diagnostic power. The apparatus is portable. It travels to any situation and returns a clean reading. Building it requires withdrawing from the consensus, learning to see the water everyone else is swimming in, and erecting around the new way of seeing a structure solid enough to withstand the constant pressure to abandon it. Call the structure a moat. The moat is not the error. The moat is a necessary stage, the thing that makes the diagnosis rigorous and repeatable instead of a loose intuition.

The error is mistaking the moat for the destination. Building the apparatus is the first half of the journey, and almost everyone who completes it stops there, because completing it is hard and the view from inside is clarifying and the people still outside look obviously wrong. But the diagnosis is not the goal. The goal is change in the world, and change in the world happens on the street corner where effective people actually stand, not inside the structure. The second half of the journey, the half almost no one makes, is stepping back out of the moat, and learning to see again from the corner, while keeping everything the moat taught. Not abandoning the apparatus. Carrying it back out and using it where the action is, among people who will never adopt it and do not need to.

What the movement does instead is conduct its politics from inside the moat and demand that everyone cross it before any agreement can count. The change it wants, often a specific change many people already agree with on its own terms, gets gated behind a prior requirement: accept the whole worldview first, then we can act. This converts every applied question into a conversion opportunity, and it strands the applied win, because most of the people who would have joined the specific fight have no intention of taking the whole journey and resent being told they must. The moat that made the diagnosis possible becomes the wall that keeps the diagnosis from ever reaching the corner.



V.4 TWO WAYS TO LIVE IN AN ONTOLOGY

This is not a uniquely libertarian failure. It is the characteristic hazard of any strong, portable ontology, and the clearest way to see it is by comparison with the one other movement that has built an apparatus of comparable reach and suffered the comparable disease in the opposite direction.

Marxism builds an ontology every bit as portable as the libertarian one, a structure that takes any event and returns a reading in terms of class, capital, and material interest. And Marxists make the same mistake libertarians do, which is to live inside the structure full-time rather than visiting it to do analysis and then returning to the world. But the consequence for the Marxist runs the opposite way, because the two ontologies have opposite relationships to reality. The Marxist apparatus is built to mold politics around a desired end state. It is a tool for reshaping what is taken to be true so that it fits what is wanted, and so living inside it full-time is corrosive in a specific way: it licenses the holder to bend reality to the model, to discover that whatever happened was always really about the thing the theory says it must be about. It is a shape-shifting politics, infinitely adaptable, and the adaptability is exactly the problem, because a politics that can absorb any fact into its frame has stopped being constrained by facts at all.

The libertarian ontology fails in the mirror image. It is built around fixed principles that do not bend, and so living inside it full-time produces not shape-shifting but paralysis. The libertarian who lives in the moat will not move his politics an inch, and instead demands that reality move to meet the model. Where the Marxist remolds the theory to fit the world he wants, the libertarian refuses to remold anything and waits for the world to conform. One is infinitely flexible to the point of dishonesty. The other is infinitely

rigid to the point of impotence. Same disease, living in the ontology rather than visiting it, and opposite symptoms.

The rigidity is the more honest failure and the more useless one. The libertarian is usually telling the truth and getting nowhere, because telling the truth from inside the moat and refusing every partial, provisional, coalition-shaped move that the truth would actually require in the world is a way of being right that costs the other side nothing. Substrate does not care how correct the diagnosis is. It responds only to cost. And a movement that will not leave the moat to impose cost has chosen, in effect, to be a permanent diagnostic service for a problem it never acts on.

V.5 THE FRAMEWORK IS NOT EXEMPT

The knife that cuts Marxism and libertarianism cuts this book too. Renewal Libertarianism is an ontology, a structure that takes an event and returns a reading in terms of substrate, accumulated authority, and the cost of constraint, and it is exactly as portable as the two it has just diagnosed. Everything said here about the hazard of living inside an apparatus applies to the apparatus assembled in these pages, and the honest move is to say so before a reader says it back.

Part 1 proved the sharpest version of the problem and gave it a name. Verdict asymmetry: two observers looking at the same polity reach different verdicts not because they disagree about the facts but because they weight different dimensions of substrate behavior and set different thresholds for when a behavior crosses from tolerable to alarming. The disagreement looks factual and is not. It is a difference in what each observer is built to notice. That result does not sit at a safe distance from this book. It governs how this book will be read. A reader who weights reach and function will read the pandemic record as drift and perversion. A reader who sets a high threshold and weights intent will read the same record as competent people making hard calls under uncertainty and getting some of them wrong. The framework predicts that these two readers will not be argued into each other's verdict by the evidence in the COVID chapter, because the evidence is not what divides them.

This is the exact point at which the framework could become the thing it condemned in the Marxist. If it treats every reader who comes away unconvinced as merely standing in a different threshold region, it has made itself unfalsifiable, absorbing disagreement as confirmation and discovering that whatever the reader concluded was always really about where his threshold sat. That is the shape-shifting move, and an apparatus that makes it has stopped being constrained by anything outside itself. So the book does not make it. Verdict asymmetry explains why people disagree about a polity. It does not establish that the substrate reading is the right one, and it is not offered as proof that the unconvinced reader is wrong.

There was, alongside the threshold-and-weighting divide, a third channel of recognition, and it ran on competence rather than disposition. The pandemic response demanded deference to what it called the science, and a portion of the population trained to read scientific writing applied that training to the claims and found a gap between the confidence of the messaging and the strength of the work behind it. The signature of this channel appears in a finding that the deference model cannot explain. A study

by researchers at Carnegie Mellon and the University of Pittsburgh, drawing on a survey of roughly five million Americans across the first five months of 2021, found that vaccine hesitancy by education level traced a U-shaped curve, highest among those with the least formal education and, at the other end, among those holding a doctorate, with the most hesitant single group being the PhDs; the master's-degree holders in between were the least hesitant of all.⁶ If compliance had tracked sophistication, the curve would have fallen monotonically with education, the more schooling the more deference. It did not. At the top of the credential ladder it turned back up. The people most practiced at reading evidence were not the most willing to accept the claims, which is the opposite of what a story about expertise producing trust would predict, and exactly what a story about the apparatus substituting authority for evidence would.

What those readers were detecting has a name the chapter has already used. It was perversion: the institutional form of science, the studies and the figures and the invocation of consensus, kept intact on the surface while the content underneath was thinner than the form advertised. The public hospitalization and mortality comparisons depended on categorization choices, most visibly the convention that counted a person as unvaccinated until a fixed interval after the final dose, that shaped the apparent size of the gaps before any reader saw them. The six-foot separation rule, the surface-transmission protocols, the duration of the closures, several of these were presented with a certainty the underlying studies did not carry, and were later softened or abandoned.⁷ A reader who took the papers seriously could see the form-content gap in real time, the same gap the schooling perversion presents to a parent who finally looks at what the institution is doing rather than what it says it does. Expert readers are one of the carriers of the cultural memory of what a role is for. In this case the role was scientific practice itself, and the people who held that memory detected the inversion the way a tradition with unbroken practice detects the hollowing of an institution it has tended for generations. The point is structural: when the real content of an operation sits below its institutional surface, the population equipped to read below the surface is the one that recognizes the operation first, and in 2020 a portion of that population did.

The instrument that produced the case data shows the gap plainly. The figures rested on a PCR result reported as a bare positive or negative, with the cycle threshold, the number of amplification rounds needed to detect viral RNA and the one piece of information that bears on how much was actually present, generally discarded rather than reported. Most assays set the positivity cutoff at forty cycles, some at thirty-seven, and virologists quoted in the mainstream coverage at the time held that anything past thirty-five was too sensitive to mean what a positive was being taken to mean, detecting fragments rather than viable

⁶Vaccine hesitancy by educational attainment from the Carnegie Mellon University Delphi Group and University of Pittsburgh analysis of the COVID-19 Trends and Impact Survey (Facebook Data for Good), January–May 2021, finding a U-shaped relationship with the highest hesitancy among those holding a PhD (about 23.9 percent) and the lowest among master's-degree holders; reported in “The most vaccine-hesitant group of all? PhDs,” *UnHerd*, August 2021, and in the Carnegie Mellon University news release of 26 July 2021. The same analysis found hesitancy also tracked rural residence and county-level Trump support, so the doctoral cohort was not politically monolithic.

⁷On the six-foot rule, see Anthony Fauci's transcribed interview with the U.S. House Select Subcommittee on the Coronavirus Pandemic, 8–9 January 2024, and public hearing of 3 June 2024, in which he stated that the recommendation “sort of just appeared” and was not the product of any underlying CDC study or working group. On surface (fomite) transmission, see Centers for Disease Control and Prevention, “SARS-CoV-2 and Surface (Fomite) Transmission for Indoor Community Environments,” *Science Brief* updated 5 April 2021, concluding that fomite transmission risk was “low” and reversing the early-pandemic emphasis on surface disinfection.

infection; the World Health Organization issued a notice to the same effect in December 2020.⁸ Later in the period the at-home antigen test, self-administered and self-reported or not reported at all, became a primary mode of ascertainment, an instrument of no standing for any figure claiming epidemiological precision. A trained reader did not need to resolve the true case count to see that counts built on bare positives at forty cycles, and later on home tests, could not carry the weight the public comparisons placed on them. The numerator was as soft as the denominator.

This is the point at which the COVID case reaches back to the foundation. Part I established that bounded rationality is not a neutral universal but a property shaped by a population's character, its education, its institutional memory, and its habits of deliberation, and that the capacity for disciplined evaluation is itself a form of population virtue, produced by specific institutions, educational, professional, value-transmitting, that are substrate-equivalent and subject to the same capture and decay as substrate itself. The capacity to read a methods section and see that the instrument cannot bear the claim is population virtue in exactly that sense. The COVID episode measured the stock of it, and found it low. The institutions whose function is to produce and maintain evaluative virtue, the universities, the professional scientific bodies, the press that carries science to the public, had drifted toward credential and away from substance, which is to say they had decayed in the precise way Part I predicts virtue-producing institutions decay, and a population whose evaluative virtue has been hollowed has bounded rationality that pushes toward deference, toward accepting authority in the place where evidence belongs. That is what the apparatus required and received. The hesitancy at the top of the credential ladder marks the fraction in whom the virtue had survived the decay of the institutions that were supposed to sustain it. They were not better informed. They were better practiced at the one thing the institutions had stopped reliably teaching, which is how to tell the form of science from its substance.

The dependence runs the other way too, and it sets a condition on the prescription this book will reach. Forcing an operation into the open imposes a cost only on a population still able to read what has been disclosed. Publish the cycle thresholds, the denominator conventions, the strength of the actual studies, and the disclosure does nothing if the evaluative virtue needed to interpret it is gone, because a population that cannot tell form from substance will accept the official reading of the disclosed material as readily as it accepted the operation. The out-in-the-open prescription developed later therefore presupposes the population virtue this episode found depleted, and its reach is bounded by how much of that virtue survives. The schooling perversion is the same lesson from the other side. The libertarian objection to public schooling gained no traction for a century while the institution appeared to perform its role, and gains traction now only because the perversion became visible to parents at scale, the catastrophe of the closures forcing the form-content gap into view. The prescription is to manufacture that visibility deliberately, by disclosure, rather than waiting for a catastrophe to manufacture it at the price the closures exacted, and the

⁸On cycle-threshold values and the case for reporting them, see the New York Times coverage of August 2020 quoting virologists that thresholds above 35 are too sensitive, and the World Health Organization's notice of 14 December 2020 cautioning that high-Ct results require careful interpretation; Public Health Ontario, "An Overview of Cycle Threshold Values and their Role in SARS-CoV-2 Real-Time PCR Test Interpretation" (September 2020), notes elevated false-positive risk for high-Ct results near the limit of detection. The chapter draws no conclusion about the true case count; the point is only that a binary result reported without its Ct is a thinner object than the counts built on it implied.

prescription works to the extent that the cultural memory of what the role is for, carried by traditions with unbroken practice and by readers still trained to substance, survives to receive what is disclosed.

What the book offers in place of that move is a test it can fail. The substrate reading earns its standing on the one thing the good-faith reading has to strain to absorb, which is the recurrence. A single emergency that ends with the permanent government larger than it began is a fact about that emergency, and the good-faith account explains it without trouble. Two is a coincidence worth a remark. Three, across three decades, in national security and finance and public health, with no shared cast and no shared villain, each ending with the apparatus enlarged and the enlargement kept, is either a structure or three coincidences in a row, and the good-faith reading has to keep choosing coincidence at lengthening odds. That is the comparison the reader is invited to run for himself, and it is one the framework can lose. Had the apparatus come back down after any of the three, the reading would fail on its own terms. The pattern is the claim, and the pattern is checkable, which is what keeps this a framework rather than a faith.

The personal discipline the chapter prescribes for the movement binds the analyst who holds this apparatus just as hard. It is a place to visit, not to live in. A reader who finishes this book and starts reading his property-tax assessment and the wait at the pharmacy counter as substrate optimizing against him has moved into the moat and become the figure this chapter is about, and a lens that finds substrate in everything has stopped telling substrate apart from anything. The apparatus is built for the cases heavy enough to warrant it, held to the test of whether the pattern is actually there, and then set back down. Used any other way it fails in precisely the manner its own pages describe.

V.6 A HYBRID ANSWER TO A HYBRID PROBLEM

Pull the threads together and the three failures turn out to be one failure, with a precise structure.

Substrate, as every case study shows, is a hybrid. It operates across the line between public and private, federal and corporate, the line the standard categories treat as a real boundary. The surveillance state was federal agencies fused with telecom carriers and technology platforms. The 2008 response was Treasury fused with Goldman Sachs and the Federal Reserve fused with the banks it regulated. The COVID censorship was public health agencies fused with the platforms that did the actual suppressing. In each case the operative actor was the configuration itself, not the government acting on the market or the market capturing the government, but a single fused thing for which the public-private distinction had gone operationally soft.

The libertarian diagnosis saw this. That is the part the movement gets right and has always gotten right; the critique of crony capitalism and the military-industrial complex and the central-bank-banking cartel is old and sharp and substantially correct, and the libertarian remedies that follow from it, dismantle the Federal Reserve and the federal mortgage guarantees that constitute the federal-private banking cartel, repeal the Patriot Act and the AUMF and the FISA Amendments that license the federal-telecom-contractor cooperation, end the federal pressure on platforms and the liability shields that produce private mandates, are structural responses to the fused configuration rather than half-shaped responses to the federal half

alone. The failure is not in the toolkit. The failure is that imposing those remedies requires political coalition broad enough to actually carry them, and building parallel infrastructure to do the work the state will not undo requires partnership and reach the movement also has not built. The moat forbids both. From inside the structure, every hybrid move reads as compromise. Working with people who do not share the worldview, building parallel institutions that are neither purely market nor purely civil-society, imposing cost through coalitions that hold together only on a single issue and disagree about everything else, all of it looks like surrender to someone who treats purity as the measure of seriousness. So the movement keeps its remedies on the shelf as positions to be defended in argument rather than carried into the impure coalition-and-partnership work that would actually impose them. The diagnosis pointed straight at the corner. The movement would not walk to it.

The hybrid answers existed. WikiLeaks was one, a fusion of journalism, technology, and stateless publishing that fit the surveillance state's shape exactly. Monero was another, a fusion of cryptography and money that fit the financial fusion's shape exactly. Both were available. Neither was built out, because building either to scale would have required the movement to leave the moat, partner widely, and tolerate the impurity that effective hybrid instruments always carry. The diagnosis pointed straight at the corner. The movement would not walk to it.

V.7 THE FIRST TIME THEY LED

COVID was different, and the difference is easy to inflate and the event does not permit inflation. COVID was a catastrophe. The lockdowns were a feral nightmare whose costs are still being counted, and nothing about what follows should be read as a victory. The libertarians did not win. The thing they were resisting did enormous damage and most of it stuck.

What changed was narrower and real. COVID was the first of the three cases in which the libertarian movement occupied its own opening instead of surrendering it. In 9/11 the antiwar ground went to the left. In 2008 the anti-fusion ground went to Occupy. In COVID the resistance to the lockdown-and-censorship regime was led, substantially and visibly, by libertarians, operating from a position that actually cohered with the rest of what they believed rather than from an opening someone else had spotted and moved into. The movement had, by then, built the content platforms to communicate at scale, and the lockdown experience did something the prior two crises had not: it moved real numbers of people toward the ideology, because for once the abstraction matched what people were living through closely enough that they did not have to cross the whole moat to feel its force. The destruction was total enough that the model fit the wreckage, and the people standing on the libertarian corner were, for the first time, the libertarians themselves.

That is a genuine gain, and it is also not a win, and holding both of those at once is the point. Asserting leadership in a resistance is not the same as imposing durable cost on the thing resisted. The movement learned, in COVID, to stop ceding the opening. It did not learn to convert holding the opening into anything substrate had to respect once the emergency passed. The platforms and the conversions are real

assets, and they are the kind of asset that decays if it is not built into something that imposes a standing cost, because the conditions that made the moat fit the wreckage were temporary. The wreckage recedes. The fit goes with it. And the movement that won attention during the catastrophe is left holding attention, which is not the same as holding ground.

V.8 WHAT HOLDING THE CORNER DOES NOT DO

So the movement has learned the first lesson and not the second. It has learned, after two surrendered openings, to stand on its own corner. It has not learned to convert standing there into durable cost, and the reason it has not is the moat: the second half of the journey, the step back out into hybrid, coalition-shaped, impure action, is the step the structure forbids and the step the work requires.

This leaves one thing unexplained, and it is the thing the next chapter takes up. A movement can be right, can finally hold its own ground, can build real reach, and still lose, reliably, across decades, to an opponent that is wrong about almost everything it claims publicly. That is not supposed to happen. The better diagnosis is supposed to win eventually. The reason it does not is that substrate is not fighting with a diagnosis. It is fighting with a set of moves, and the moves are hybrid, adaptive, and indifferent to consistency in exactly the ways the freedom movement refuses to be. Substrate shifts its shape to meet whatever threatens it. The movement holds its shape and waits to be proven right. When a thing that adapts meets a thing that will not, the adapting thing wins, and it wins in patterns regular enough to name. Naming them is the work of the chapter that follows.

CHAPTER VI

STRATEGIC DYNAMISM

The last chapter ended on a puzzle. A movement can be right, can finally hold its own ground, can build real reach, and still lose to an opponent that is wrong about most of what it says in public. The reason is that substrate does not fight with a diagnosis. It fights with moves, and the moves are adaptive in exactly the way the freedom movement refuses to be. This chapter is about the moves.

Everything to this point has described how substrate builds strategic capacity and holds it: drift extends a body's reach past its stated function, reversal turns its behavior against its own charter while keeping the charter's language as cover, perversion hollows out a role while leaving its outer form intact, fusion welds federal and private actors into configurations where the distinction goes soft, and the legitimacy cycle runs capture and decay across operational time. These are accumulation patterns. They explain how substrate gets large.

They do not explain how substrate survives being seen. Accumulation eventually produces visibility. The operations become legible to the people who engage with them, legitimacy drains, and the institutional ecology hits crises it cannot deny or suppress. A movement that imagined the fight was about producing that visibility, about being right out loud, expects the crisis to do its work. It does not. Substrate has a second repertoire that activates precisely at the moment of exposure, and the function of that repertoire is to convert a legitimacy crisis into a survivable event. Strategic dynamism is the name for it.

The reason it beats the movement is structural, and it is the mirror image of the rigidity the last chapter described. The movement holds its shape and waits to be proven right. Substrate changes shape to meet whatever threatens it. When the threat is a prosecutor, it offers up a defendant. When the threat is a figure too toxic to keep, it lets the figure recede and brings him back when the alignment shifts. When the threat is a scandal that could climb, it routes the blame downward and the rewards upward. None of this requires the public story to stay consistent, because substrate was never committed to the public story in the first place. A thing that will say anything and drop anyone is fighting a thing that will not move an inch, and the fluid thing wins, not because it is right but because it is fluid.

The repertoire runs through two structural mechanisms, and the rest of the chapter works through the specific moves each one makes. The first routes accountability down pathways that do not touch the

underlying operation. The accountability is often real; the pathway is chosen so that holding the actor accountable never requires holding the operation accountable. The second marginalizes the people inside the system whose formal positions are supposed to let them constrain substrate, leaving their authority nominally intact while the environment around it ensures their constraint never lands. One mechanism produces accountability that protects substrate. The other prevents resistance from producing accountability at all. Substrate runs both at once, and a movement that learns to counter one will meet substrate operating through the other.

VI.1 TWO KINDS OF ACCOUNTABILITY

The repertoire works by exploiting a distinction the public rarely notices: that there are two kinds of accountability, and only one of them threatens the operation. Call them substrate-protective and substrate-neutral grounds. Accountability on substrate-protective grounds would force the institutional ecology to confront the operation itself, to acknowledge the pattern the actor took part in, the configurations that produced it, and the credentialing apparatus that blessed it while it ran. Accountability on substrate-neutral grounds removes the actor and touches none of that. The actor is gone, and the operation continues, the credentials that rewarded the actor's role unexamined, the configurations that produced it unengaged.

Neither category is a judgment about merit. Substrate-neutral grounds are often entirely real. A senior figure in an operation may also have done something genuinely warranting accountability on grounds that have nothing to do with the operation, and pursuing it is legitimate. The point is not that the neutral ground is false. It is that removing the actor on it does not constrain the operation. The actor is held to account. The operation is not. And substrate-protective does not mean total. It does not require litigating every operation an actor ever touched, only engaging the one specific point the case turns on, because engaging that one point would force the credentialing apparatus to confront what it had been rewarding.

The first mechanism, accountability-routing, is simply the selection of the neutral ground over the protective one by the actors who have the authority to choose. It needs no coordination. A political environment that has already classified one kind of accountability as permissible and the other as out of bounds produces the selection on its own; the actors are choosing inside a classification that was set before any of them acted. The second mechanism, institutional-marginalization, handles the threat that routing cannot reach: the figure inside the institution whose formal job is to constrain the operation. That figure keeps the title and loses the leverage, overridden in the rooms where decisions are made until the position becomes a documentary record of a constraint that never happened. One mechanism produces accountability that protects substrate; the other prevents resistance from producing accountability at all. Substrate runs both, and a movement that counters one will meet it operating through the other.

VI.2 THE CUOMO CASE

Andrew Cuomo's pandemic governance delivered numerous perversions, the undercount of the death toll, the concealment of the data, the five-million-dollar book deal written with state staff during that concealment, the preferential testing routed to family and insiders while tests were scarce, the nursing-home liability shield handed to operators and then quietly repealed. Two of them carry the analysis here. The first was the March 25, 2020 directive ordering nursing homes to admit COVID-positive patients discharged from hospitals, which contributed to thousands of nursing-home deaths in the months that followed. The second was the concealment of the toll, understated by roughly half, as the New York Attorney General's office documented in a report released in January 2021. The same office opened a harassment investigation in March 2021 and released its report on August 3, 2021. Cuomo resigned a week later, on August 10. The harassment report ended his career. The nursing-home report, six months older, did not.

Two roads to accountability were open, and they led to opposite places. The harassment road removed Cuomo on grounds that said nothing about the COVID operation. It was substrate-neutral, and it was also real, or at least seriously found: the independent investigation run out of the attorney general's office concluded eleven women had been harassed and called all of them credible, while every criminal charge that followed was later dropped or declined, so the merits were never tested in court. But his removal on that ground left everything about the pandemic governance untouched: the directive, the concealment, the Emmy awarded for his pandemic communications, the book Crown had published in October 2020 presenting his leadership as a model. The nursing-home road would have been substrate-protective. Removing him on it would have forced the ecology to confront the content of the perversion. The Emmy could not have stood. The book could not have stood. The credentialing apparatus would have had to admit it had decorated the public communications of an executive whose policy had killed the people he was charged with protecting, and the examination would not have stopped at Cuomo, because the same pattern ran through the broader COVID operation across many institutions.

The ecology took the harassment road, and it did so without anyone needing to coordinate it. Letitia James, who led both investigations, did not have to conspire with anything to pursue the ground her political environment treated as legitimate and to leave the one it treated as off-limits. Multiple actors had reason to want Cuomo gone, his removal cleared advancement for figures his tenure had blocked, and the harassment investigation delivered that without requiring anyone to engage the operation the environment was committed to defending. The alignment ran across every position with relevant authority. The legislature could have moved to impeach on the nursing-home ground and moved on harassment instead. The federal Justice Department could have investigated the directive and did not. The state health department could have released the documentation that would have made the directive's consequences vivid and worked to constrain its release. The credentialing bodies that gave the Emmy and published the book could have revisited them and did not. None of it was coordinated. Each actor was operating inside the same prior classification of what counted as a permissible reckoning, and the classification produced the alignment, the alignment produced the routing, and the routing produced the outcome.

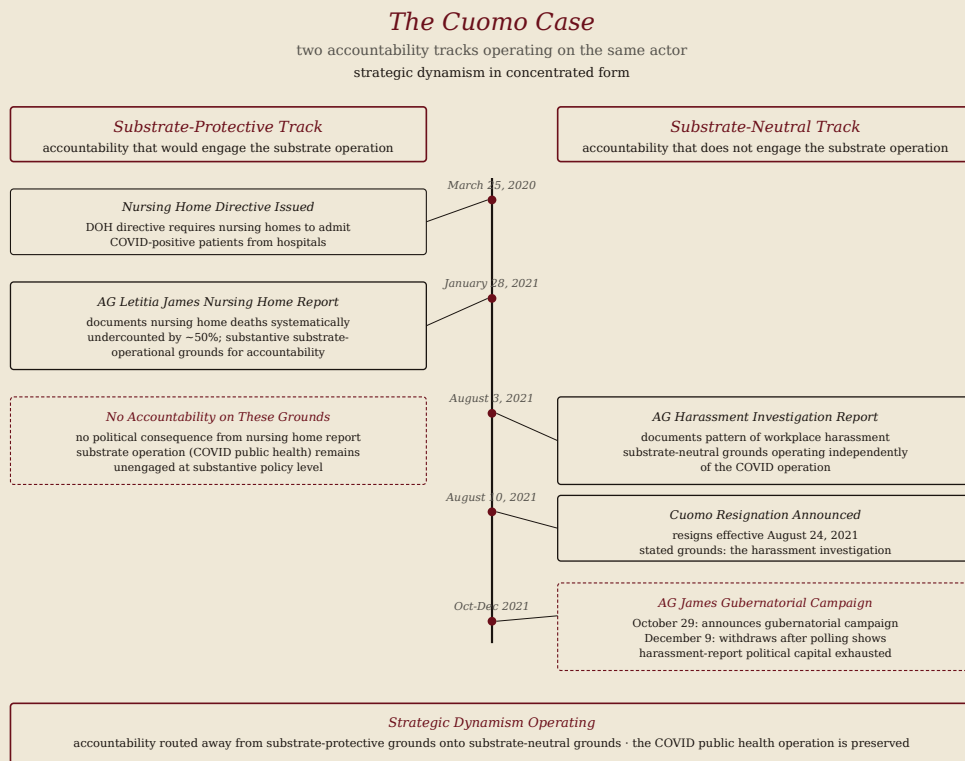
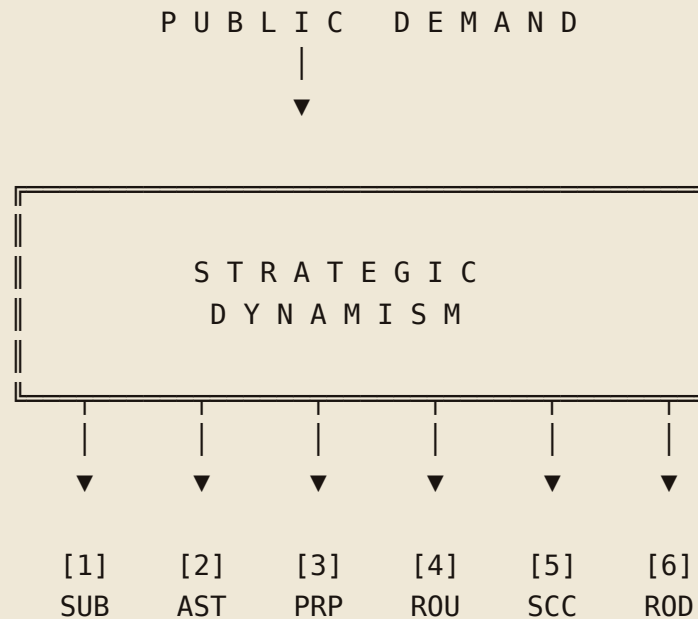


Figure VI.1. The Cuomo case as comparative demonstration of strategic dynamism. The nursing-home directive operates as substrate-protective grounds the institutional ecology was structurally aligned against engaging; the harassment investigation operates as substrate-neutral grounds that produced the political consequence without touching the COVID operation.

The succession confirms the shape. James briefly ran for governor herself that fall, withdrew by December, and returned to her seat; the advancement that actually landed was Kathy Hochul's, the lieutenant governor whose clean ascension depended on the resignation coming through the harassment door rather than the nursing-home one, which would have contaminated the administration she was about to inherit. The Emmy was rescinded in 2021, but on the harassment grounds that had disgraced him, not on the directive, so the credentialing failure the framework points at never had to be acknowledged. The Crown book remains in print in 2026. The health-department officials who implemented the directive kept their positions. Cuomo was removed and the operation was preserved, which is the whole of the move. It is the cleanest demonstration in the record of accountability that lands on the actor and never on the thing the actor did.

VI.3 SIX MOVES

The Cuomo case is one move out of a repertoire, and naming it as one move makes the others visible. What happened to Cuomo was substitution: a real accountability process on substrate-neutral grounds was put in the place where accountability on substrate-protective grounds would otherwise have gone. The harassment was real and the removal was real, and the nursing-home directive that would have implicated the whole COVID public-health operation went unaddressed. The public got an accountability story. Substrate got to keep the operation. Substitution works through either of two sub-mechanisms, and the difference matters for what would counter it. Sometimes the unselected ground is concealed, never surfaced for the public to weigh. The Cuomo case is the other kind: the directive was not hidden, it was investigated by federal and state authorities and pressed by the families and the political opposition throughout, and the substitution worked anyway because the harassment process was salient enough to discharge the public demand for accountability while the directive stayed visible but unresolved. The first kind is answered by making the concealed ground visible. The second is answered only by the leverage to force the unresolved process to a completing event, which is why the two sub-mechanisms hand to different prescriptions later in the book.



The repertoire has at least six moves in it. They share a structure. Each converts a threatened operation into a survivable event by giving the public something to hold that is not the operation, and each works because the freedom movement, fixed on being right about the original operation, is not watching the substitution happen. A movement that will not move its attention off the thing it correctly diagnosed is the ideal opponent for a player whose entire method is moving the thing the public is looking at. Part 1 models the substrate as choosing, at each challenge, whichever response costs it least. The six moves are that calculation worked out on the dimension the model handles most abstractly, the routing of accountability, where the cheapest available response is almost never the one that reaches the operation.

VI.3.1 Substitution

Substitution is the Cuomo move, and it generalizes. The form is: when an operation produces grounds for accountability that would force the institutional ecology to engage the operation, find or surface a second set of grounds that removes the same actor without engaging anything. The second set need not be manufactured. It usually is not. The harassment allegations against Cuomo were not invented to protect the COVID operation; they existed, an independent investigation found eleven credible accusers, and the merits were never tested in court because the criminal cases were all dropped or declined. The substrate-strategic feature is not the falsity of the substitute but its availability at the moment the operation needed a different story, and the structural alignment of every actor with the authority to choose which story to pursue.

The same move runs through the COVID operation at other points. The question of the laboratory origin of the virus, which implicated the federal research-funding apparatus and the agencies that had directed it, was for two years routed away from the funding question and onto the question of racism, so that raising the origin became an act to be condemned rather than a hypothesis to be investigated. The same

operation worked the other COVID heterodoxies the same way: when three credentialed epidemiologists published the Great Barrington Declaration against the lockdown consensus, the director of the National Institutes of Health called them, in an email to Fauci, “fringe epidemiologists” and asked for “a quick and devastating published takedown,” which is substitution applied to people rather than charges, replacing engagement with the argument by a move against the standing of the people making it. The ground that would have engaged the operation was replaced by a ground that engaged the person raising it. Substitution does not require a courtroom. It requires only that the available accountability flow toward a target that leaves the operation standing.

VI.3.2 Asset management

The second move operates on people rather than charges, and across longer time. A figure who becomes too toxic to keep in front recedes, and returns when the alignment has shifted enough to make the return useful. Dick Cheney is the cleanest instance. The principal architect of the Iraq War, by the late 2000s he was among the most radioactive figures in American public life, and he receded from prominence accordingly. He reappeared in 2024, not as a Republican elder but as a public Harris voter, his daughter announcing at a festival stage that he would vote for the Democratic nominee against Trump, and Cheney himself confirming it in a statement calling Trump the gravest threat in the nation’s history.¹ The architect of the war the antiwar movement had correctly opposed returned to public usefulness as a certifier of the new alignment, and the institutions that had spent the 2000s treating him as the face of everything wrong with the security state now received him as a respectable voice.

VI.3.3 The pre-emptive pardon

The third move forecloses accountability before it can begin. On his last morning in office, in January 2025, President Biden issued preemptive pardons to a set of figures the incoming administration had named as targets, among them Anthony Fauci, the federal official most identified with the COVID response.² The pardon covered conduct that had never been charged, foreclosing any future proceeding that might have required the research-funding and public-health apparatus to be examined under oath. The accompanying statement specified that the pardons were not to be read as any acknowledgment of wrongdoing. The operation was never defended on its merits because the move ensured it would never have to be.

The same instrument, in the same act, pardoned Mark Milley and the members of the January 6 committee, including Liz Cheney. One signature foreclosed accountability across the security state, the COVID operation, and the partisan settlement of January 6 at once, and bundled the architect’s daughter into the same protection her father’s realignment had helped earn. The pre-emptive pardon is the most

¹“Dick Cheney is voting for Kamala Harris, Liz Cheney says,” Axios, 6 September 2024, <https://www.axios.com/2024/09/06/dick-cheney-kamala-harris-liz-cheney>; Liz Cheney endorsed Harris at Duke University on 4 September 2024.

²“Biden issues pre-emptive pardons for Jan. 6 committee and witnesses, as well as Anthony Fauci and Mark Milley,” NBC News, 20 January 2025, <https://www.nbcnews.com/politics/joe-biden/biden-issues-preemptive-pardons-milley-fauci-jan-6-panel-members-politic-rcna188368>.

economical move in the repertoire, because it spends no narrative at all. It does not need a substitute story or a managed return. It simply removes the question from the board before anyone can place it.

VI.3.4 Directional routing

The fourth move sorts accountability by rank. Punishment flows down the hierarchy to the people who executed the operation, and reward or insulation flows up to the people who designed it. Abu Ghraib is the paradigm. The abuse photographs that emerged in April 2004 produced courts-martial of low-ranking enlisted reservists and no one else: Lynndie England, who became the public face of the scandal, drew three years and a dishonorable discharge, Charles Graner ten years, Ivan Frederick eight, Sabrina Harman six months, Jeremy Sivits one.³ The architects went the other direction. John Yoo, who drafted the Office of Legal Counsel memos authorizing the interrogation techniques, returned to a tenured professorship at Berkeley's law school. Jay Bybee, who signed them as head of that office, was confirmed to a federal appeals court in 2003.⁴ David Addington, who had run interrogation legal policy from the Vice President's office, moved on to the Heritage Foundation. Geoffrey Miller, the general who oversaw Guantanamo interrogations and consulted at Abu Ghraib, retired with full benefits. The privates went to Leavenworth. The authors went to the bench, the chair, and the think tank.

The financial crisis ran the same sort, at a larger scale and with the numbers to show it. The Justice Department's Financial Fraud Enforcement Task Force, stood up in November 2009, coordinated thousands of prosecutions across 2009 through 2013. They were mortgage brokers, loan officers, and appraisers, the bottom of the chain. No senior executive of a major American bank was criminally prosecuted for conduct tied to the crisis. The institutions themselves paid civil settlements without admitting wrongdoing: Goldman Sachs settled the ABACUS case for \$550 million in 2010, Citigroup for \$285 million and JPMorgan Chase for \$153.6 million in 2011. The brokers went to prison. The executives' firms wrote checks, and the executives kept their positions. The same sorting appears in the post-9/11 cases as a single substituted figure: when the disclosure of Valerie Plame's covert status threatened to engage the Vice President's office, it was Cheney's chief of staff, Scooter Libby, who was convicted, on perjury and obstruction rather than the disclosure itself, and the principals above him were never charged. His sentence was commuted by Bush in 2007 and pardoned by Trump in 2018, so even the downhill accountability was eventually unwound. The move does not require that the people at the top be innocent or the people at the bottom be martyrs. It requires only that the accountability the public can see run downhill, so that engaging the operation, which would mean running uphill, never becomes the available path.

³England sentenced to 3 years for prison abuse," NBC News, 27 September 2005. The Abu Ghraib courts-martial fell entirely on enlisted personnel.

⁴Jay Bybee was confirmed to the U.S. Court of Appeals for the Ninth Circuit in 2003; John Yoo holds a tenured professorship at the University of California, Berkeley, School of Law. On the OLC torture memos and their authorship, see "Impeach Judge Jay Bybee," Slate, 13 January 2009.

VI.3.5 Scapegoat concentration

The fifth move concentrates the blame for a systemic failure onto a single sufficient villain. Where directional routing sorts by rank, scapegoat concentration sorts by quantity: it gathers the diffuse responsibility for a structural outcome into one nameable person whose punishment can stand in for accountability for the structure. Angelo Mozilo, the head of Countrywide, was the designated villain of the subprime mortgage collapse, and his settlement with the Securities and Exchange Commission in 2010, \$67.5 million, was advertised as the largest financial penalty ever levied against a senior executive of a public company.⁵ The size of the number was the point. It was large enough to read as a reckoning. He admitted no wrongdoing, faced no criminal trial, served no time, and most of the money was advanced by the bank that had bought Countrywide. The subprime system that Countrywide had been one node of continued to be administered by the institutions that had built it, none of which the concentration on Mozilo required anyone to examine.

The move works because the public demand after a systemic failure is for a villain, and a villain is cheaper than a reckoning. One sufficient name absorbs the demand. The structure that produced the failure, and would produce it again, is left intact behind the person who has been made to carry it.

VI.3.6 The lightning rod

The sixth move is the nearest to pure misdirection. A spectacular, genuinely guilty individual is prosecuted with full vigor, and the very success and drama of the prosecution draws the public's attention away from the structural failure that allowed the conduct to run. Bernard Madoff is the case. His Ponzi scheme was real, his guilt was total, and his prosecution was a showcase. What the showcase obscured was that the Securities and Exchange Commission had been told, in detail, what Madoff was doing, and had done nothing. The financial analyst Harry Markopolos brought the agency specific, documented warnings beginning in 2000 and returning in 2001, 2005, 2007, and 2008, including a memo whose title stated that the largest hedge fund in the world was a fraud, and the agency ignored or cursorily dismissed each one.⁶ Madoff was caught only when his own sons turned him in. The lightning rod draws the charge: the public watched the guilty man go down for the rest of his life and read it as the system working, when the structural story was a decade of regulatory failure that the spectacle buried.

Two more instances round out the pattern, because they show the moves working even when no positive accountability appears at all. Donald Rumsfeld retired as Secretary of Defense on December 8, 2006, the day after the midterm losses, and the retirement was read as the electoral consequence, a substitution of political cost for any engagement with the interrogation regime he had personally authorized in a December 2002 memo or the occupation doctrine the war's failures had discredited. He died in 2021 with none of

⁵“Former Countrywide chief settles SEC charges,” NBC News, 15 October 2010, <https://www.nbcnews.com/id/wbna39688498>; the \$67.5 million settlement included no admission of wrongdoing and no criminal charge.

⁶Markopolos submitted warnings to the SEC in 2000, 2001, 2005, 2007, and 2008, including the 2005 memo “The World’s Largest Hedge Fund Is a Fraud.” “Madoff Whistle-Blower Testifies, Blasts SEC,” NPR, 4 February 2009, <https://www.npr.org/2009/02/04/100242196/>.

it engaged.⁷ And the Central Intelligence Agency's destruction of roughly ninety-two interrogation videotapes in November 2005 foreclosed the evidentiary record entirely; when the destruction surfaced in 2007, the special-prosecutor investigation that followed was scoped to the obstruction question rather than the interrogation program, and even that produced no prosecutions when it closed in 2010.⁸ Foreclosure is the limiting case of the repertoire: where substitution gives the public a different target and routing gives it a lower one, foreclosure ensures there is nothing on the board to engage in the first place.

VI.3.7 The repertoire against the movement

Six moves, one function. Substitution swaps the ground, asset management cycles the person, the preemptive pardon removes the question, directional routing sorts by rank, scapegoat concentration sorts by quantity, and the lightning rod redirects the gaze. None of them requires defending the operation. Each gives the public a real thing to hold, an actual harasser removed, an actual villain fined, an actual criminal imprisoned, so that the demand for accountability is satisfied by something that leaves the operation untouched.

This is why the rigid-but-correct movement loses. The movement's whole theory of victory is that being right, loudly and persistently, will eventually force a reckoning. But substrate never contests being right. It concedes the diagnosis and moves the target. The movement is still pointing at the nursing-home directive when the story has become the harassment, still pointing at the research funding when the story has become the pardon list, still pointing at the structure when the story has become the one villain who paid. A player that changes shape at the moment of exposure beats an opponent that holds its shape and waits to be proven right, every time, not because the shape-shifter is correct, but because it is still moving while the other stands still. The moat, again, is the trap. The movement that will not step out to watch where the public's attention is actually going cannot counter a repertoire whose entire purpose is to move that attention.

VI.4 AUTHORITY WITHOUT CONSEQUENCE

The six moves are all versions of one mechanism: routing accountability so that it never reaches the operation. Substrate runs a second mechanism alongside it, aimed at a different threat. The first mechanism handles accountability that comes from outside, a prosecutor, a scandal, a public demand. The second

⁷Rumsfeld's authorization of fifteen aggressive interrogation techniques for Guantanamo was issued by memorandum on 2 December 2002 and rescinded on 15 January 2003. The U.S. Senate Committee on Armed Services, "Inquiry into the Treatment of Detainees in U.S. Custody," released 11 December 2008 (Sen. Carl Levin, chair; Sen. John McCain, ranking), concluded that Rumsfeld's authorization was "a direct cause of detainee abuse" at Guantanamo and that the techniques migrated from there to Iraq.

⁸The destruction of 92 videotapes of CIA interrogations was ordered on 9 November 2005 by Jose A. Rodriguez, Jr., head of the Directorate of Operations (later National Clandestine Service). The destruction was disclosed in Mark Mazzetti, "C.I.A. Destroyed Tapes of Interrogations," *New York Times*, 6 December 2007. Attorney General Michael Mukasey appointed John H. Durham as special prosecutor in January 2008; the investigation was scoped to the destruction itself and to a small number of specific interrogation incidents, and closed on 9 November 2010 (and again in August 2012 for the in-custody deaths) with no charges brought.

handles the more dangerous case, the person inside the institution whose formal job is to constrain substrate and who tries to do it. That person cannot be routed around with a substitute villain. They have to be neutralized in place, and the move is to leave their authority nominally intact while ensuring it never lands. They keep the title. The constraint does not happen. They write a memoir.

Brooksley Born is the model. As chair of the Commodity Futures Trading Commission from 1996 to 1999, she moved to bring over-the-counter derivatives under her agency's oversight, which was precisely the unregulated market that would detonate a decade later. Her formal authority to do it was real. What met her was a coordinated wall: Federal Reserve chairman Alan Greenspan, Treasury Secretary Robert Rubin, his deputy Lawrence Summers, and SEC chairman Arthur Levitt issued a joint statement against her in May 1998, and Congress then passed legislation barring her commission from acting while the question was studied. She resigned in 1999, and the Commodity Futures Modernization Act of 2000 wrote the exemption she had tried to close into law. Her authority was never formally stripped. It was surrounded until it could not function, and the position she had been right about became, in hindsight, a documentary record of a warning the system declined to hear.

Neil Barofsky had the cleanest formal mandate of the three and the same result. As the Special Inspector General for the Troubled Asset Relief Program from 2008 to 2011, he held an oversight position created by the statute that authorized the bailout itself. He used it to document that the rescued banks were not lending the funds as advertised, that Treasury was protecting bank management and shareholders rather than enforcing the program's stated terms, and that the fraud prosecutions should be running at the institutional level rather than only against individual brokers. Treasury and the Fed minimized each finding. His reports were published and absorbed without consequence, and he resigned in 2011 once the position had been made effectively inert. He published *Bailout* the next year.

Two regulators, two real positions of authority, two accurate readings of the operation, and the same outcome both times: the authority stayed formal, the constraint never landed, and the record of having been right became a book. This is the move's signature. It does not fire anyone, because firing a sitting regulator for being right is itself a scandal that could engage the operation. It surrounds them instead, overrides them in the rooms where decisions are made, and waits for them to leave on their own. From inside the institutional framework, nothing improper occurs. The agencies functioned, the oversight existed, the inspector general filed his reports. The constraint was real on paper and absent in operation, which is exactly the outcome substrate needs.

For the freedom movement the lesson is sharper than the accountability-routing one, and worse. It is tempting to believe that the answer to substrate is to get the right people into the right institutional positions, to staff the commissions and inspectorates with people who see clearly and will act. Born and Barofsky were those people. They occupied those positions. Seeing clearly and holding the office was not enough, because the office's authority was the thing substrate had already learned to surround. A movement that pours its effort into capturing the formal levers, without building the outside cost that would make overriding its people expensive, is handing substrate its preferred fight: an inside critic with a title and no leverage, easily outvoted in the room and gone within a few years, leaving a memoir and an

intact operation.

VI.5 TWO LEVELS

The framework now has two levels, and strategic dynamism is the second. The first level is accumulation: drift, reversal, perversion, fusion, and the legitimacy cycle describe how substrate builds and holds strategic capacity. The second level is what this chapter has described: how substrate manages the accountability that accumulation eventually produces. The first answers how substrate gets large. The second answers how it survives being seen.

The two are joined at a single hinge, which is visibility. Every accumulation pattern eventually produces it. Drift gets noticed when the reach extends far enough, as the surveillance state's domestic reach was noticed through Snowden and WikiLeaks. Reversal gets noticed when the consequences arrive, as the Federal Reserve's expansion against its price-stability mandate was noticed through the inflation of 2021 and 2022. Perversion gets noticed when the inverted role produces what the original role would have prevented, as the COVID public-health operation was noticed through the nursing-home directives and the closures. Fusion gets noticed when the configuration becomes legible as a configuration, as the 2008 response was noticed through the AIG pass-through and the Treasury-Fed-Goldman personnel rotation. And the legitimacy cycle is visibility over time by definition, the slow recognition that the reserves are being spent. At each of these moments the operation is exposed and accountability becomes available, and at each of these moments strategic dynamism activates to convert the exposure into a survivable event. Without the second level, visibility would force the engagement that constrains future operations. With it, substrate goes on accumulating after exposure, because the exposure produces accountability that runs around the operation rather than into it.

This is why a resistance pitched entirely at the first level fails. A movement can become expert at recognizing drift, reversal, perversion, and fusion, can produce the visibility, and still watch the accountability route around everything it exposed, because it never engaged the second level at all. That is the Cuomo lesson generalized. The movement that engaged the COVID perversion was right about the perversion and successful at making it visible. It was not watching the second level, where the visibility it produced was quietly managed into a harassment story. Producing the exposure is the first half of the work. Contesting what substrate does with the exposure is the half the movement keeps skipping.

VI.6 WHAT WOULD CONSTRAIN IT

The full prescriptive program comes later. What the analysis of strategic dynamism adds to it is specific, and it follows from the two mechanisms, because each has its own weak point.

The accountability-routing repertoire runs on the unselected ground staying invisible. The Cuomo move works because the public sees the harassment report and never sets it beside the nursing-home report

that was available the same year and went unpursued. So the counter is to make the unselected grounds visible alongside the selected ones, through durable public records of what accountability was available against an actor and what was actually pursued, maintained outside the institutions whose routing they track. An attorney general's office cannot be the keeper of the record of its own routing. The record has to sit somewhere structurally separate and hard to capture, organized so that the gap between what could have been pursued and what was becomes legible as a pattern rather than disappearing case by case. Visibility of the gap is what raises the cost of the next routing.

The marginalization mechanism has a different weak point and a harder fix. It runs on the inside critic being left alone with a title and no leverage, easy to override in the room and gone in a few years. Born and Barofsky both show that statutory authority is not enough when the overseen institutions can simply operate against it, so the structural answer is oversight authority that does not depend on the cooperation, the budget, or the reporting lines of the institutions being overseen. But the deeper answer is the one that bears on the movement directly, and it is the through-line of this whole part of the book. The inside critic fails alone. What would have changed the Born and Barofsky outcomes was not a better title but outside cost, a constituency engaged with their fight while it was happening, making the override expensive rather than free. The movement that imagines the answer to substrate is to place the right people in the right offices has misread the mechanism. Substrate has already learned to surround the right people in the right offices. The leverage that makes an inside position matter is built outside it, on the street corner, which is the work the next chapter turns to.

VII

CHAPTER

STRUCTURAL PRESCRIPTIONS

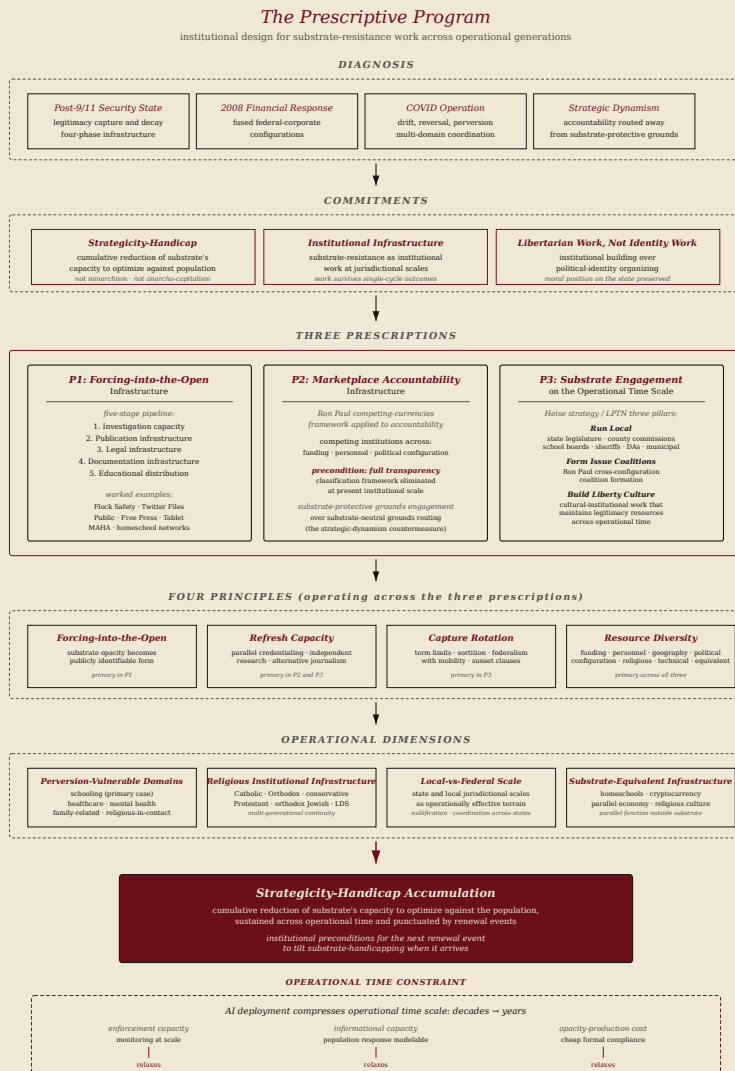


Figure VII.1. The prescriptive program in summary.

The prescriptive program runs on two levels because the diagnosis runs on two levels. Substrate accumulates capacity over operational time, and substrate survives the moments when that capacity becomes visible. The first is the problem this chapter answers. It is the standing institutional infrastructure that holds substrate's baseline accumulation in check, the structural side of the program. The next chapter answers the second, the operational disciplines that govern what the infrastructure does at the moment of visibility. Together they mirror the two-level diagnosis the strategic-dynamism chapter set out. This one stays on the first level.

VII.1 THE THREE PRESCRIPTIONS

The case studies have shown what substrate operations look like at depth. The post-9/11 security state ran legitimacy capture and decay across two decades. The 2008 response built fused federal-corporate configurations that no later reform constrained. COVID ran drift, reversal, and perversion across many domains at once, expanding the money supply by trillions in a matter of months while attention stayed on the case curves. And the strategic-dynamism chapter showed how accountability gets routed onto safe ground whenever an operation becomes too visible to defend on its own terms. The diagnosis is complete. What remains is the question the whole book has been driving toward: given all this, what is to be done.

The honest answer starts by giving up two targets. The minarchist goal of a stable minimal state is unreachable, because the institutions that hold a state to minimal scale decay across operational time toward the substrate they were built to constrain, and the American Constitution, the most sophisticated anti-substrate design of its era, has decayed across two and a half centuries exactly as the framework predicts. The anarcho-capitalist goal of a substrate-free order is unreachable, because substrate is what sufficient scale produces, and the polycentric arrangements the tradition has studied generate their own substrate once they reach that scale. What is reachable is strategicity-handicap: the sustained reduction of substrate's capacity to optimize against the population, held across operational time and punctuated by renewals. Part 1 fixes the ceiling on that reduction and gives it a name, the Irreducible Floor. Implement every prescription together, with the best design available, and the substrate still operates at a positive floor: its take, its reach, and its functional capture driven down and slowed but never to zero. Strategicity-handicap is the name for the work of pressing that floor lower and holding it there across the cycle. Giving up the two targets is not giving up the moral position. Substrate being structural at scale does not make it good, and the libertarian who holds that the state should not exist keeps that position intact. The framework is a theory of what to do given the facts, not a defense of the facts.

The work that produces handicap is institutional, and it runs on the operational time scale, the scale of generations, not of election cycles. This is the reversal the prescriptive program asks the movement to accept. The institutional building libertarians have funded for decades, the parallel media, the religious infrastructure with multi-generational continuity, the homeschool networks, the litigation shops, the parts treated as the consolation prize while electoral politics took center stage, is the part that actually held ground. The electoral organizing that took center stage mostly did not. The Gary Johnson campaign

that Michael Heise’s founding diagnosis examined produced nearly 4.5 million votes in 2016 and no lasting movement and no return on those votes, while the Mises Caucus that grew out of that diagnosis built an operational posture that puts the work into institutional building at scales where it survives a single cycle. The framework reverses the valuation. The institutional work was the project. The electoral work was the supporting effort, useful where it built durable infrastructure and wasteful where it burned organizing capacity on campaigns that left nothing behind.

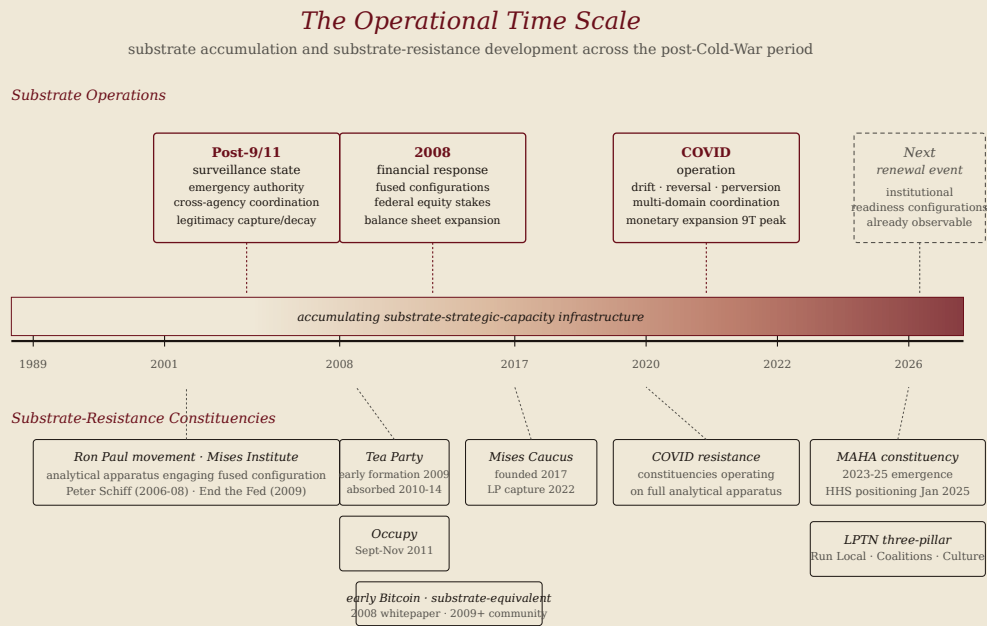


Figure VII.2. The operational time scale on which substrate-resistance work proceeds. Substrate operations accumulate across generations through institutional infrastructure that survives single operational periods, and substrate-resistance accumulation runs on the same scale.

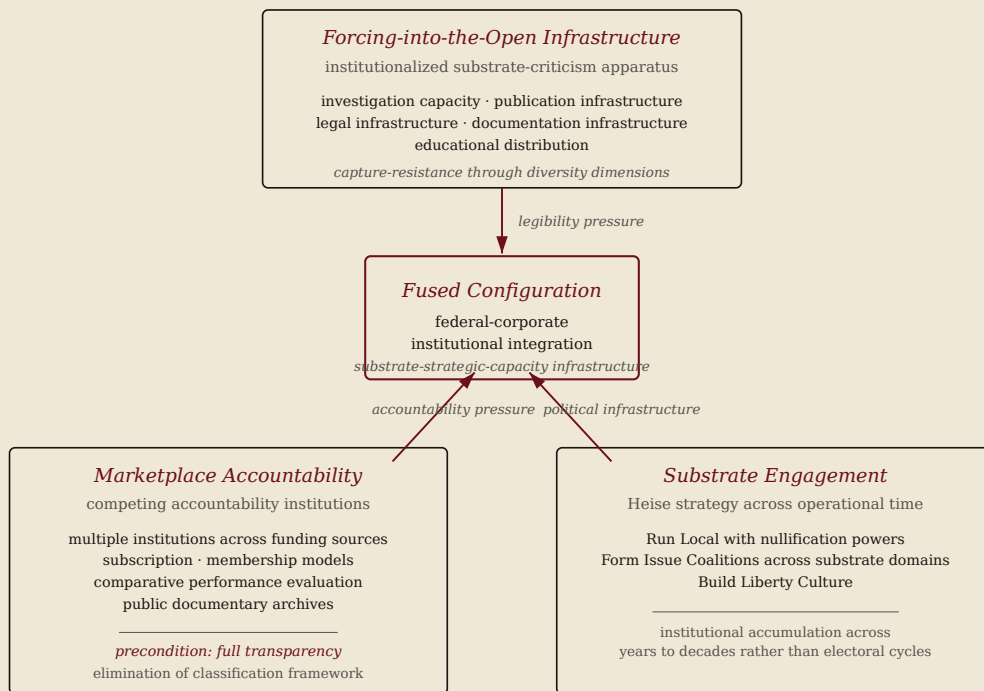
The renewal, when it comes, arrives on substrate’s schedule and the population’s, not the movement’s. Substrate operating without real constraint accumulates cost on the population until the population’s capacity to bear it runs out: the post-9/11 operation took roughly two decades to deplete the legitimacy it had captured, the 2008 operation took about a decade to produce COVID as its successor, and the COVID operation has been running for half a decade and counting. The event arrives when substrate’s accumulated reach exhausts the population’s tolerance faster than the population can absorb. The condition the libertarian project is in when that happens is determined by the institutional work done between now and then.

Three prescriptions do that work, each aimed at a different vector of the fused configuration, none a substitute for the others.

The first is forcing-into-the-open infrastructure: an institutionalized apparatus that drives substrate operations into publicly identifiable forms whose legitimacy cost compounds over time. The working model is the kind of investigation, publication, legal, documentation, and educational pipeline that Benn Jordan and Jon Gaines built around the Flock Safety surveillance network in late 2025, scaled to stand-

Three Prescriptions Against the Fused Configuration

substrate-resistance institutional infrastructure operating across distinct vectors



each prescription engages the fused configuration through a distinct vector; together they produce substantive substrate constraint

Figure VII.3. The three prescriptions and the four institutional-design principles that run across them.

ing institutional infrastructure rather than aimed at one target. It has to run as a distributed ecology, diverse across funding, personnel, geography, political configuration, technical platform, and religious-institutional foundation, on the assumption that any dimension along which it is unitary becomes substrate's capture vector over time.

The second is marketplace accountability infrastructure: competing accountability institutions, structurally separated across funding and politics and personnel, working the same operations and producing comparison the captured single-institution ecology cannot. The structural model is Ron Paul's competing-currencies idea applied to the accountability function. Its precondition is real: the classification framework that hides substrate's operational decisions from evaluation has to go, because competing institutions cannot work against operations whose content stays classified. Snowden established that the hidden content is available to the work when the infrastructure allows its release, and the case for removal is stronger than its adversaries admit, since the polity's interest in transparency and the state's interest in its own durability point the same way, and substrate is the only actor classification at this scale actually serves.

The third is substrate engagement on the operational time scale, formalized in the Heise strategy the Mises Caucus adopted for the Libertarian Party. Its diagnosis is that vote-chasing produces absorbable reform that puts no handicap on substrate, and its alternative is institutional building at jurisdictional scales where the work survives a single cycle. The Libertarian Party of Tennessee's three pillars operationalize it: run local where offices carry nullification power, building bench depth instead of burning out on presidential campaigns; form issue coalitions across substrate domains, following Ron Paul's practice of working with anyone who agrees on the issue; and build the cultural infrastructure that holds legitimacy over time. The Defend the Guard legislation moving through multiple state houses, which would bar deployment of a state's National Guard into combat without a congressional declaration of war, is a worked example of the coalition pillar engaging substrate's war power at the state scale.

Four design principles run across all three. Forcing-into-the-open names the first prescription and supports the other two. Refresh capacity means captured institutions get replaced or routed around by alternatives that draw position to themselves. Capture rotation means no single position accumulates enough capture surface to compromise the function, enforced through term limits on licensing boards, sortition for advisory roles, federalism with mobility, and sunset clauses. Resource diversity means any ecology working against substrate has to be diverse across funding, personnel, geography, politics, technology, and institutional foundation, because a unitary dimension is a capture vector.

History supplies the model and the warning. The Sons of Liberty against the Tea Act in 1773, the English abolitionists from 1787 to 1833, the Irish Land League under Parnell and Davitt from 1879, the American civil rights movement from 1955 to 1968, and Solidarity in Poland through the 1980s each made the same move: they engaged the whole ecology sustaining the problem rather than petitioning the government alone. The Sons of Liberty took on the East India Company's commerce alongside the Crown's policy; the abolitionists took on the trading houses, the insurers, and the sugar economy, not just the trade statutes; the Land League took on the landlord system, not just Home Rule; the civil rights movement took on the whole apparatus of segregation, not just the courts; Solidarity took on the labor, religious, and

Five Historical Substrate-Engagement Coalitions

movements that relocated from government action to the broader institutional ecology that sustained the problem

<p><i>Sons of Liberty</i> Tea Act protests, 1773</p>	<p><i>English Abolition</i> 1787-1833</p>	<p><i>Irish Land League</i> Parnell & Davitt, 1879</p>	<p><i>Civil Rights</i> 1955-1968</p>	<p><i>Solidarity</i> Poland, 1980s</p>
<p><i>substrate-engagement move</i> engaged the East India Company's commercial operations alongside the Crown's Tea Act policy</p>	<p><i>substrate-engagement move</i> engaged the trading houses, insurance industry, sugar economy, and parliamentary patronage networks</p>	<p><i>substrate-engagement move</i> engaged the landlordism ecology rather than lobbying exclusively for parliamentary Home Rule</p>	<p><i>substrate-engagement move</i> engaged the broader institutional ecology of segregation rather than federal court litigation alone</p>	<p><i>substrate-engagement move</i> engaged the labor, religious, and cultural networks the regime depended on</p>
<p><i>coalition formation</i> colonial merchants · working-class artisans · tradesmen · printers · intellectual elite</p>	<p><i>coalition formation</i> Quakers · Anglican evangelicals · merchants · working-class abolitionists · parliamentary reformers</p>	<p><i>coalition formation</i> tenant farmers · Catholic church · Irish-American diaspora · constitutional nationalists</p>	<p><i>coalition formation</i> Black churches · students · labor unions · northern liberals · clergy across religious traditions</p>	<p><i>coalition formation</i> shipyard workers · Catholic church · intellectual dissidents · cross-class civic alliance</p>
<p><i>renewal event</i> American Revolution 1775-1783</p>	<p><i>renewal event</i> Slave Trade Act 1807 · Abolition Act 1833</p>	<p><i>renewal event</i> Land Acts 1881-1903 · tenant peasant proprietorship</p>	<p><i>renewal event</i> Civil Rights Act 1964 · Voting Rights Act 1965</p>	<p><i>renewal event</i> Round Table 1989 · collapse of regime</p>
<p><i>outcome</i> substrate-handicapping constitutional framework with substantive structural limits on federal authority</p>	<p><i>outcome</i> slavery abolished across British Empire · institutional infrastructure dismantled across multiple sectors</p>	<p><i>outcome</i> Irish tenant farmers gained ownership · landlord institutional infrastructure substantively dismantled</p>	<p><i>outcome</i> legal segregation dismantled · institutional infrastructure of Jim Crow substantively engaged</p>	<p><i>outcome</i> Communist regime ended · post-Communist transition · institutional reset across multiple sectors</p>
<p><i>why it worked</i> recognized the fused configuration (Crown + East India Co.) and engaged both dimensions together</p>	<p><i>why it worked</i> refused to limit the work to colonial trade regulation; engaged the full institutional ecology sustaining slavery</p>	<p><i>why it worked</i> substrate-engagement move produced coalition energy the home-rule-only framing had not been producing</p>	<p><i>why it worked</i> substrate-engagement move opened the coalition that the litigation-only framing could not have organized</p>	<p><i>why it worked</i> refused to treat the regime as a government to be reformed; engaged the supporting infrastructure</p>

structural pattern: substrate-engagement coalitions form when a movement relocates from government action to the broader institutional ecology that sustains the problem

Figure VII.4. Five historical substrate-engagement coalitions. Each moved from petitioning government action to engaging the whole institutional ecology that sustained the problem. None engineered the conditions under which its realignment would tilt toward liberty.

VII.2 FORCING-INTO-THE-OPEN INFRASTRUCTURE

Substrate’s first defense is opacity, and it is institutional. The post-9/11 state ran through classified frameworks, the 2008 response through Federal Reserve facilities whose content stayed dark through the operation, the COVID operation through coordination that only litigation and congressional investigation later forced into the open. Across the cases, opacity is infrastructure substrate has built over time to keep its operations away from the accountability that visibility produces. Forcing-into-the-open infrastructure is the answer, and it runs through five stages that work together rather than in sequence: investigation, publication, legal defense, documentation, and educational distribution. The Benn Jordan and Jon Gaines investigation of Flock Safety in late 2025 ran the whole pipeline at small scale, public technical analysis, independent publication, the documentary record of municipal contracts and council minutes, and distribution to an audience the established press never reached, and it produced enough legitimacy cost that municipalities pulled installations and legislatures filed bills. The prescriptive program is to build that pipeline at institutional scale and keep it standing across operational time, rather than leaving it to one investigator with a camera.

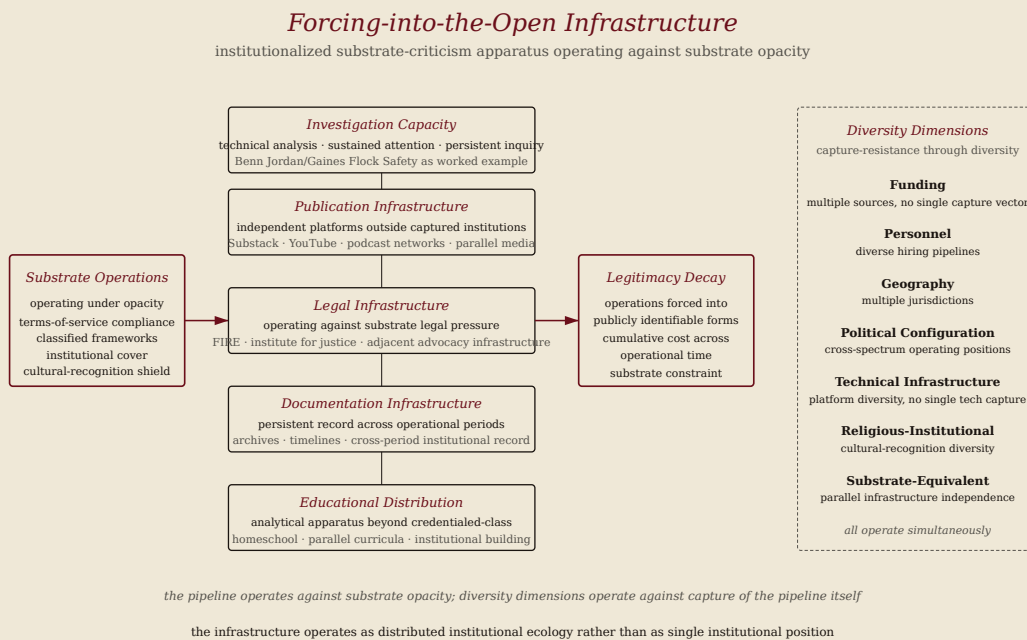


Figure VII.6. Forcing-into-the-open as a five-stage pipeline, investigation, publication, legal, documentation, and educational distribution, run as a distributed ecology with diversity across the dimensions that would otherwise become capture vectors.

Investigation is the first stage, and it has two requirements substrate has learned to defeat. The first is technical depth, because substrate runs through architectures, signals intelligence, mortgage-backed-security structures, epidemiological models, license-plate-reader networks, moderation algorithms, that take real expertise to read, which is why Jordan needed a security researcher and why the Mises Institute’s

economic analysis and Greenwald's Snowden-era reporting could engage their targets where generalist coverage could not. That depth existed at institutional scale within living memory. The press that published the Pentagon Papers in 1971, drawing on Daniel Ellsberg's access at the RAND Corporation and carried by Neil Sheehan at the New York Times, and the congressional investigators of the Church Committee and the Pike Committee who forced the CIA's domestic operations onto the public record in 1975 and 1976, worked substrate at a depth the captured outlets and the present oversight committees no longer reach. That capacity was absorbed across the decades since, which is why the function has had to migrate to independent investigators operating outside the institutions that once housed it. The second is endurance, because substrate operations outlast the attention span of a single investigation: the post-9/11 architecture ran more than a decade before Snowden, the 2008 facilities ran for years past the crisis, and the COVID operation remains partly opaque half a decade on. The established investigative outlets that once carried this capacity, the major newspapers and networks, no longer engage substrate analytically; they engage it through cultural recognition, treating an operation as a story about which tribe is upset rather than as a structure to be mapped. The capacity has migrated to independent journalists who left those outlets and now work through their own infrastructure, and the prescriptive task is to give that capacity institutional permanence, the staff continuity, the organizational memory, and the archives that let an investigation outlast the operation it investigates.

Publication is the second stage, and it has to operate outside the channels that dismiss fused-configuration analysis. The Substack newsletters, the YouTube channels, the podcast networks that grew across the early part of the decade carry substrate-engagement work to audiences the established press does not reach, and they cannot be suppressed by the cultural-recognition mechanisms that work inside the credentialed environment, because they do not depend on credentialed approval to circulate. But they can be suppressed at the platform level, which the COVID operation demonstrated when federal-platform coordination pulled dissenting content off the major platforms, so the publication stage needs redundancy: the alternative platforms, Rumble, Locals, Odysee, Telegram, and X under its post-2022 ownership, function as substrate-equivalent infrastructure that the federal-platform channel cannot reach, and a publication ecology that lives only on the major platforms is one coordination away from silence.

Legal infrastructure is the third stage, and it exists because substrate answers exposure with legal pressure. The prosecutions of Assange, Snowden, and Manning, the last carrying a thirty-five-year sentence before commutation, were legal pressure aimed squarely at forcing-into-the-open work, and the COVID-era licensing actions against physicians were the same move in a different domain. The defense is a standing legal infrastructure already substantially built: the Foundation for Individual Rights and Expression at the speech end, the Institute for Justice at the property and economic-liberty end, the Pacific Legal Foundation against the administrative state, diverse across funding, across attorneys from every part of the political spectrum, across federal circuits and state jurisdictions, and across legal domains from speech to property to religious liberty to criminal procedure. Its litigation produces precedent that constrains substrate across operational time, and the precedent compounds the way the operations do.

Documentation is the fourth stage, and it answers the fact that substrate operations are forgotten when

no one keeps the record. Much of the post-9/11 architecture remains incompletely documented; the 2008 facilities became documentary only after litigation forced disclosure; the COVID operation survives in fragments across testimony, FOIA productions, and subpoenaed files. The institutions that hold records across operational generations, the Mises Institute's archives since 1982 and the Foundation for Economic Education's since 1946, are the infrastructure an analytical reconstruction draws on decades later. The contemporary publication boom produces enormous documentary content, but it lives on platforms whose own survival across decades is uncertain, so the documentation stage has to include archival capacity independent of any platform, because a record that exists only on infrastructure substrate can pressure is a record substrate can erase.

Educational distribution is the fifth stage, and it carries the analytical apparatus to the populations the credentialed environment never reaches, which is where durable constituencies actually form. The clearest recent case is the metabolic-health constituency that came together between 2023 and 2025, built entirely through independent publication, community events, and curricula outside the credentialed educational system, engaging the pharmaceutical and food-regulatory apparatus through both its corporate and federal halves at once. That constituency carried enough weight that its concerns reached the Department of Health and Human Services directly through Robert F. Kennedy Jr.'s confirmation as Secretary in early 2025, an institutional position that prior engagement in the domain had never produced. Whatever one makes of the outcome, the mechanism is the lesson: educational distribution outside the credentialed channel built a constituency that moved an institution.

The worked examples of the full pipeline already exist. The Twitter Files, published across late 2022 and early 2023 by journalists who had left major-media positions, produced the documentary record of the federal-platform coordination that then fed the Murthy litigation and the House Weaponization Subcommittee's investigations, one investigation feeding the legal and legislative stages downstream. Independent publications, Michael Shellenberger and Alex Gutentag's Public, Bari Weiss's Free Press, the work at Tablet, now run the pipeline across multiple domains at institutional scale, with subscription funding that keeps them independent of the channels they investigate. None of this stops the operations it documents. What it does is impose the legitimacy cost that compounds, and the prescriptive program is to build the whole ecology, diverse across funding, personnel, geography, politics, technology, and institutional foundation, so that no single dimension along which it is unitary becomes the vector through which substrate captures it.

VII.3 MARKETPLACE ACCOUNTABILITY INFRASTRUCTURE

The accountability function across the cases has been a captured monopoly: a single institutional ecology, rotating the same personnel and answering to the same incentives as the operations it is supposed to check, which is why it routes accountability onto safe ground and never onto the ground that would threaten substrate. The pieces that nominally perform it, the inspectors general, the congressional oversight committees, the major-media investigative desks, and the established civil-society watchdogs like Common Cause,

the Brennan Center, and the Center for Responsive Politics, have each been absorbed over time through funding concentration, personnel pipelines, and political-tribe capture, which is why their accountability work so rarely reaches substrate. The second prescription applies Ron Paul’s competing-currencies logic to that function. Several accountability institutions, structurally separated across funding sources, political configurations, personnel pipelines, and jurisdictions, work the same operations and produce comparison that market participants can judge, and the separation is what keeps any one of them from being absorbed.

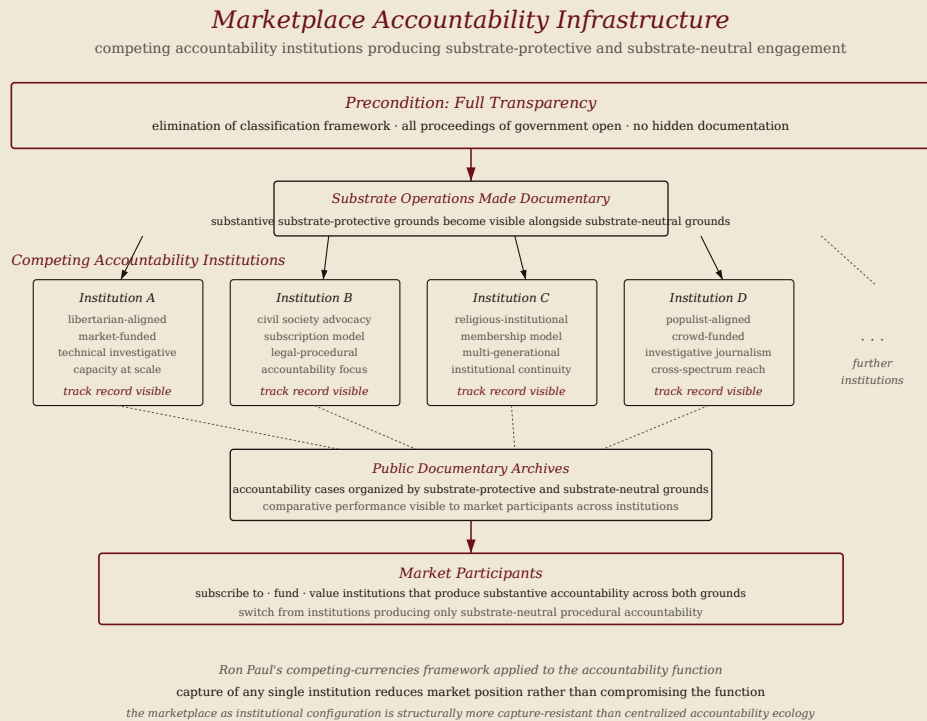


Figure VII.7. Competing accountability institutions, structurally separated across funding, politics, personnel, and jurisdiction, producing comparative accountability that the captured single-institution ecology cannot.

The separation has to be real along each dimension, because substrate has historically operated across all of them. It ran the post-9/11 operation across Republican and Democratic administrations, the 2008 response across Bush and Obama, the COVID operation across Trump and Biden, so an accountability apparatus tied to either party is absorbed the moment substrate operates through the other. Cross-political separation produces engagement that substrate cannot suppress by coding it as one tribe’s complaint, and funding, personnel, and jurisdictional separation do the same against the other absorption routes. The marketplace would work across the domains the captured ecology has been unable to touch: the federal-platform coordination of the COVID period, the monetary and financial-regulatory configurations from 2008 forward, the national-security apparatus from 9/11 forward, the public-health and professional-licensing apparatus, and the regulatory agencies where capture has produced operations no single overseer will engage on substrate-protective grounds. Pieces of the marketplace already operate. Judicial Watch and Open the Books pursue the records and the spending the agencies do not volunteer, the Government Accountability Project and the Functional Government Initiative work the disclosure function, the Revolving Door

Project and Heritage's Oversight Project track the personnel rotation between the regulators and the regulated, and the New Civil Liberties Alliance litigates the administrative state directly. Each is partial, and each is capturable along the single dimension it depends on, which is exactly why the prescription is to build the field out until no operation faces only one of them.

The principle has a worked example already in the record, inside the state itself. The strategic-dynamism chapter traced how the regular accountability institutions of the 2008 response routed everything onto safe ground, and how the people who engaged the operation on substrate-protective grounds, Brooksley Born and Neil Barofsky, were the ones structurally separated from the configuration they were judging. Barofsky's office, the Special Inspector General for the Troubled Asset Relief Program, produced findings about the bailouts that the captured accountability ecology around Treasury and the Fed never produced, precisely because it was funded, staffed, and chartered apart from them, and the same structural separation is why the inspector general for Afghanistan reconstruction could document a war's failures the agencies running it would not. Those offices are single, governmental, and easily marginalized once their findings land, which is exactly the limit the marketplace removes. Several independent institutions, none dependent on the configuration, none capturable through a single funding source or political tribe, working the same operation and publishing competing assessments the public can weigh against each other, produce on substrate-protective grounds what a lone inspector general produces briefly and a captured monopoly never produces at all.

The precondition is full transparency, and it is operational rather than aspirational. The marketplace cannot work against operations whose content stays classified, and the classification framework at its present scale is itself substrate infrastructure, built to keep operational content away from evaluation. Snowden established that the hidden content is available to the work once the infrastructure permits its release. The Pentagon Papers case settled that classified material the government cannot show would cause injury is protected against prior restraint at the point of publication, and the present system, classifying at a volume no injury evaluation could ever process, operates far past the threshold that case drew. The reform is to dismantle classification at its present scale and replace it with narrowly tailored protection that evaluates injury document by document, and the case for it is stronger than its opponents allow, because real national-security protection does not require hiding operations at this scale; only substrate's durability does. The reform runs against substrate's accumulated capacity across the legislative, administrative, and judicial branches at once, which is why it is the hardest of the prescriptions and why it is the precondition for the rest.

VII.4 SUBSTRATE ENGAGEMENT ON THE OPERATIONAL TIME SCALE

The third prescription is the one the movement has the hardest time with, because it asks the movement to stop doing the thing it most identifies with. Michael Heise's founding diagnosis of the Mises Caucus named the error: the Libertarian Party had spent the post-1971 period running presidential campaigns at great cost and building durable infrastructure at almost none. Bob Barr's 2008 run produced 523,000

votes and little that lasted; Gary Johnson’s 2012 run produced 1.2 million and little that lasted; his 2016 run produced nearly 4.5 million, the party’s best-ever result, and little that lasted; Jo Jorgensen’s 2020 run produced 1.86 million and little that lasted. The pattern burned organizing capacity on single cycles that the major parties absorbed and forgot, and left no infrastructure behind. The alternative is to build at the jurisdictional scales where the work survives the cycle.

The Heise Strategy: Three-Pillar Substrate Engagement

institutional accumulation across operational time rather than electoral outcomes across cycles

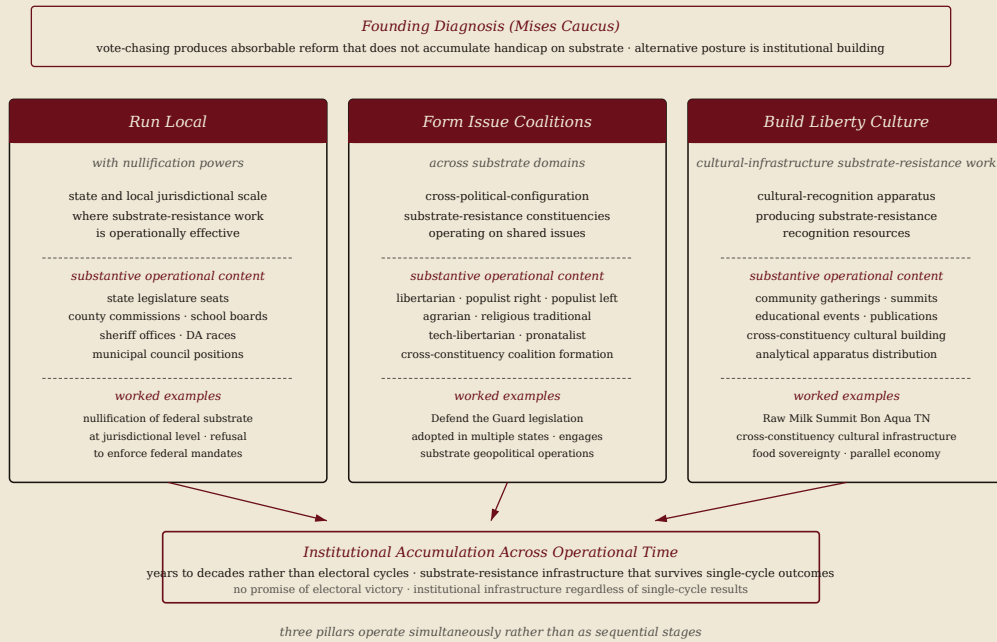


Figure VII.8. The Heise strategy’s three pillars, run local where offices carry nullification power, form issue coalitions across substrate domains, and build liberty culture, working together as engagement that survives a single cycle.

The Mises Caucus built exactly that and then took the party with it. From 2017 it accumulated position through state-level captures, New Hampshire, Texas, Pennsylvania, Georgia, Tennessee, and others, funded through Mises PAC and coordinated across states, and at the 2022 national convention in Reno it took the National Committee, with Angela McArdle as chair. The Libertarian Party of Tennessee’s three pillars are the operational form. Run local, into the offices that carry nullification power, state legislature seats, county commissions, school boards, sheriff and district-attorney races, and municipal councils, building bench depth that compounds across cycles instead of burning out, and using those offices to refuse enforcement of federal mandates. Form issue coalitions across substrate domains, following Ron Paul’s practice of working with anyone who agrees on the issue, which produces realignment a partisan organization cannot. And build liberty culture, the cultural work that holds legitimacy over time and carries the analysis to people the credentialed environment never reaches.

Nullification at the state scale produces friction the federal apparatus has not been able to fully overcome: the sanctuary configurations against federal immigration enforcement, the Defend the Guard bills against the federal war power, the firearms and health-freedom and food-sovereignty measures, and the

monetary measures, gold and silver as legal tender, restrictions on a central-bank digital currency, against the federal monetary apparatus. The Tennessee legislature across the first half of the decade and the state attorney general's multistate litigation against federal operations are the worked examples of what the state scale produces that the federal scale, where substrate is strongest, does not.

The coalition pillar produced the strategy's first national result in the 2024 cycle, and the movement had never produced one before. The Mises Caucus that had taken the party in 2022 turned the libertarian vote into a bargaining position, and Trump courted it from the convention stage because the movement's criticism of his COVID lockdowns and relief spending had opened a crack in his base. On his second full day in office in 2025 he paid for that courtship with a full pardon of Ross Ulbricht, the Silk Road founder serving a double life sentence on a marketplace built on an openly Misesian premise. The leverage was real but small beside what other constituencies wielded the same year. Robert Kennedy commanded as much as a fifth of the electorate at his peak and traded that bloc for a cabinet department, where the libertarians could threaten Trump mainly with embarrassment, and the presidential totals stayed terrible while the Caucus soon lost its grip on the party. But for the first time in the movement's modern history, organized libertarian pressure converted into a concrete national outcome, a man freed, rather than a vote total, which is the coalition pillar producing exactly the kind of result the strategy predicts and the prior half-century of vote-chasing never did. It is a first data point and not a vindication, and the work the strategy prescribes is to make the next one larger and to make it last.

VII.5 THE FOUR INSTITUTIONAL-DESIGN PRINCIPLES

Four principles run through the three prescriptions as their operating mechanisms, and each answers a specific way substrate defeats the institutions built to constrain it. These four are not introduced here for the first time. They are the prescriptions Part I derives from the model: resource diversity, refresh capacity, capture rotation, and the one this book has been calling forcing-into-the-open, which Part I derives under the name capture detection. Part I adds a fifth, a directive on institutional design whose job is to keep the procedural friction of the other four from quietly degrading the function they are meant to protect.

Forcing-into-the-open is the first principle and the first prescription both, the engagement with opacity the prior section developed at length, and it supports the other two: an accountability marketplace and a state-level coalition both depend on driving operations into identifiable forms before they can be acted on.

Refresh capacity answers capture. An institution that has been absorbed is not reformed from the inside, because the personnel and incentives that absorbed it are the ones a reformer would have to work through; it is replaced or routed around by an alternative that draws position to itself. The mechanism is already visible across domains. Against the captured professional-licensing bodies, parallel credentialing institutions have formed, the Association of American Physicians and Surgeons outside the AMA, the Catholic Medical Association and the Christian Medical and Dental Associations holding members to role-content rather than to consensus compliance. Against the captured research institutions, independent ones operate at scale, the Mises Institute in economics since 1982, the Independent Institute across policy,

The Four Principles Across the Three Prescriptions

institutional-design framework operating across substrate-resistance work

	<i>Forcing-into-the-Open</i> Infrastructure	<i>Marketplace</i> Accountability	<i>Substrate</i> Engagement
<i>Forcing-into-the-Open</i>	<i>primary</i> institutionalized substrate-criticism apparatus producing forcing-into-the-open work	full-transparency precondition forces substrate operations into visibility that the marketplace can engage	issue coalitions force substrate operations into publicly contested terrain at jurisdictional scale
<i>Refresh Capacity</i>	multiple investigative institutions across funding, geography, technical infrastructure	<i>primary</i> captured institutions lose market position to refreshed alternatives	<i>primary</i> institutional accumulation across decades produces refresh infrastructure
<i>Capture Rotation</i>	investigative work rotates across actors so no single institutional position accumulates capture surface	market participants switch between institutions, producing rotation through competitive pressure	<i>primary</i> federalism with mobility through Run Local; coalition composition rotates
<i>Resource Diversity</i>	<i>primary</i> diversity across funding, personnel, geography, political configuration	<i>primary</i> multiple competing accountability institutions across the marketplace	<i>primary</i> cross-political-configuration issue coalitions; Liberty Culture across populations

highlighted cells indicate the principle operates as primary structural mechanism within that prescription

Figure VII.9. The four design principles across the three prescriptions: forcing-into-the-open, refresh capacity, capture rotation, and resource diversity.

and the state-level network of the Goldwater Institute, the James Madison Institute, and the Texas Public Policy Foundation, producing the substrate-engagement analysis the captured institutions structurally cannot. Against the captured press, the independent journalists already named run the investigative function the major outlets abandoned. And where a function has been absorbed entirely, refresh capacity becomes substrate-equivalent infrastructure that maintains the function outside substrate’s configuration: the homeschool networks against captured schooling, running through the Classical Conversations and Charlotte Mason and Montessori and Waldorf traditions and the Catholic and Protestant cooperatives, the cryptocurrency and parallel-economy rails against the federal monetary and regulatory apparatus, and the religious institutions against the captured cultural apparatus. Refresh capacity is why the institutional building libertarians funded for decades was the project and not the consolation prize.

Capture rotation answers consolidation. An institutional position that operates continuously, without rotation, accumulates capture surface across operational time through personnel pipelines, funding concentration, and standing cooperation with the bodies it deals with, until taking the position is enough to control the function, which is what the COVID-era licensing boards demonstrated. The design answer is to deny any position the continuity that lets capture accumulate: term limits on professional licensing boards, so board membership cannot become a career; sortition for advisory functions, filling them by random selection from the affected population rather than through the credentialed channel that the captured bodies select from; federalism with real mobility between jurisdictions, so that capture in one state is escaped rather than endured, of which the Free State Project’s two decades of accumulated positioning

in New Hampshire is the worked example; and procedural reset through sunset clauses and mandatory periodic review, so that regulatory authority has to be re-justified rather than presumed permanent. Each mechanism disrupts the accumulation of capture surface that a static position acquires.

Resource diversity answers the unitary vector, and it runs across all three prescriptions as the precondition for the other principles to hold. Substrate's method against a hostile institution is to find the single dimension along which it depends on one source and apply pressure there, so the institution has to be diverse along every dimension at once: funding, across libertarian-aligned foundations like Mercatus and the Atlas Network and Bradley, individual donors, subscription revenue, and cryptocurrency rails that survive payment-processor pressure; personnel, across pipelines that do not all run through the same credentialing institutions; geography, across jurisdictions; political configuration, so the work cannot be coded as one tribe's and absorbed through the other; technology, across platforms; and institutional foundation, secular and religious both. A funding base that runs through one foundation, a personnel pipeline that runs through one set of schools, a publication that lives on one platform, each is a single point at which substrate's accumulated capacity to absorb does its work. The four principles are not a checklist applied once at founding. They are properties the infrastructure has to hold across operational generations, because substrate's capacity to absorb, reform-proof, consolidate, and capture is a standing feature that does not rest, and an institution that satisfied the principles a generation ago and stopped attending to them is an institution substrate has had a generation to work on.

VII.6 DRIFT-VULNERABLE INSTITUTIONAL DOMAINS

Some institutions are more vulnerable to drift than others, and the difference is the breadth of the original grant. Where an institution is chartered with a wide statutory mandate over a domain that can be expansively interpreted, the staff and the apparatus will extend the reach of the institution across operational time into adjacent territory, under the cover of the original purpose, because the language of the charter cannot specify in advance every action the apparatus will later take, and the only check on the extension is the institution's own willingness to refuse it. Where the original grant is narrow and the underlying authority easily delineated, drift remains possible but expensive, because each extension has to be defended in language the original grant cannot easily supply.

The case studies traced the pattern. The National Institutes of Health funding for gain-of-function research, channeled through EcoHealth Alliance into the Wuhan Institute of Virology, ran the drift across an ordinary biomedical-research grant into work whose hazard profile the grant process was not built to weigh, and the extension proceeded across years before its scope was visible to the public. The Centers for Disease Control imposing a national eviction moratorium in 2020 ran the drift across a public-health agency's communicable-disease authority into the landlord-tenant relationship of the entire country, a reach the Supreme Court eventually found exceeded the agency's statutory grant. The same structure runs through the broad-mandate agencies generally, through emergency authorities whose grants survive the conditions that called them into being, and through the statutory licensing powers whose breadth allows

their use against speech the original grant did not contemplate. These are the domains where the form of the original authority remains intact across decades while the operations the authority is invoked to support drift far past anything the chartering generation would have recognized.

The design implication is to assess drift vulnerability before the breadth of a grant becomes habitual, and to weigh, at the moment of authorization, the operations the apparatus will later perform under the grant's expansive interpretation rather than only the problem the grant is sold as solving. Where an institution has already drifted past any reading of its original purpose, the answer is the substrate-equivalent infrastructure that holds the original purpose on the record outside the institution itself, the litigation and the legal-defense bodies that maintain the narrower reading as a live constraint, and the defense in every case is the documented record of what the institution was for, carried by the constituencies and the legal infrastructure outside the institution's own authority, because drift is invisible to anyone who has lost the record of the original grant.

VII.7 REVERSAL-VULNERABLE INSTITUTIONAL DOMAINS

Some institutions are more vulnerable to reversal than others, and the difference is how far the charter language sits from the operation it is used to describe. Where an institution holds a charter stated in terms the existing order accepts as legitimate, a mandate over a technical domain whose operations the public cannot easily measure against the chartered purpose, the institution can run an operation that is the opposite of its stated function while continuing to speak in the function's language, because the only people positioned to see the contradiction are the ones inside the technical domain, and the charter's standing protects the operation from outsiders who read the words rather than the conduct. Where the chartered purpose is concrete and the operation publicly measurable against it, reversal remains possible but exposed, because the gap between the words and the conduct is legible to anyone who looks.

The case studies traced the canonical instance. The Federal Reserve holds a mandate that names price stability, and it has run the monetary expansion that works against price stability for decades while continuing to speak in the mandate's language, the reversal invisible to anyone who reads the charter rather than the monetary record. The same structure runs through the technocratic mandate-bearers generally, the agencies whose charters name a public good over a domain technical enough that the operation underneath cannot be casually compared to the stated purpose, where the legitimacy of the charter language is exactly what shields the inverted operation from the populations the operation runs against. These are the domains where the chartered words remain acceptable to the existing order across decades while the operation beneath them runs the other way, and the acceptability of the words is the cover.

The design implication is to assess reversal vulnerability by the distance between an institution's charter and the measurability of its operations, and to weigh, at the moment of chartering, whether the stated purpose can be held against the conduct by anyone outside the technical domain. Where an institution has already reversed against its charter, the answer is the substrate-equivalent infrastructure that maintains the operational record against the chartered language, the standing monetary and institutional critique

that holds the conduct up against the stated purpose so the contradiction cannot hide inside the charter's own vocabulary, the role the Mises Institute has held against the monetary apparatus for decades, and the defense in every case is the publicly maintained comparison of the operation to the charter, carried by the analytical infrastructure outside the institution, because reversal is invisible to anyone who reads the charter and never checks it against the record.

VII.8 PERVERSION-VULNERABLE INSTITUTIONAL DOMAINS

Some institutions are more vulnerable to perversion than others, and the difference is where the role-content lives. Where what an institution is really for sits well below its formal surface, in the formation of a child, the care of a patient, the trust of the vulnerable, the institution can keep its outer form intact while its content is hollowed out, and the populations it serves cannot easily see the inversion because the surface still looks right. These are the domains that demand the most protective design, and they are the ones that accumulate trust over generations precisely so that the trust is available as cover when substrate has occasion to activate the vulnerability.

The COVID chapter traced the case of public schooling, and the libertarian tradition had named that vulnerability long before it surfaced, through Albert Jay Nock early in the twentieth century, Murray Rothbard at midcentury, and John Holt and John Taylor Gatto later, each arguing that the institution's real content diverged from its form generations before the COVID closures made the divergence visible to parents at scale. The same structure runs through healthcare, where a century of accumulated trust in disease treatment and medical research became, under emergency conditions, the cover for the licensing actions against dissenting physicians, the coordinated suppression of dissenting analysis, and the lockdown and mandate operations that the trust had not anticipated. It runs through mental-health treatment, where the gender-medicine configuration of the post-2010 period operates on populations whose psychological content the institution activates rather than engages, under the form of care. It runs through the opioid crisis, where the trust extended to pain medicine became the channel for the prescribing patterns that the Sackler and Purdue operations and the regulatory cooperation around them produced. It runs through the family-related institutions, child care, child-protective services, adoption, and the elder-care configuration whose perversion COVID surfaced in the nursing homes. And it runs through religious institutions wherever they operate in contact with state authority and take on the vulnerability of that contact.

The design implication is to assess perversion vulnerability before an institution accumulates the trust that will later serve as cover, and to weigh, at the moment of adoption, the vulnerability that will build across the institution's whole life rather than only the problem it solves at the start. Where an institution has already been captured at the level of its content, the answer is the substrate-equivalent infrastructure that maintains the function outside the captured configuration, and the defense in every case is the cultural memory of what the role is actually for, carried by the traditions and families and professional bodies that hold it across generations, because perversion is invisible to anyone who has lost that memory.

VII.9 TURNING THE PATTERN INWARD

Drift, reversal, and perversion are not properties of substrate. They are behaviors available to any institution, and the case studies showed substrate using all three as a matter of course while the substrate-handicapping side used them rarely and late. Institutional forms and the behaviors that play out across them are infrastructure, neutral as to which side occupies them, and across the period since the early 1970s the substrate-handicapping side has mostly declined to occupy that infrastructure, treating the forms substrate uses as substrate's property and standing outside them. The asymmetry has been a compounding strategic loss, and the work that has actually imposed cost has been the work that closed it.

The drift behavior runs in the substrate-handicapping direction when an institution holds an intellectual commitment whose natural reach is broader than its founding charter could state. A commitment to free expression does not stay confined to the campus where an institution first took it up; it extends into professional speech, government coordination with platforms, and the documentation of censorship, because the commitment was always that wide and the charter language merely named where the work began. A commitment to economic liberty extends from property cases into occupational licensing, civil asset forfeiture, and the administrative state, because the principle reaches all of them. The pattern shows up in the Foundation for Individual Rights and Expression, the Institute for Justice, and the Mises Institute, each of which extended its work across operational time into adjacent territory its founding language did not enumerate. The captured occupants of the same domains cannot extend this way, because the alignment that keeps them captured restricts the directions their work can travel, and the restriction is exactly what a deep commitment held honestly does not suffer. The reach is a structural advantage unavailable to substrate's side.

The reversal behavior runs in the substrate-handicapping direction when an institution occupies a form-class substrate's ecology treats as routine and runs operations that diverge from what the form-class's substrate-aligned occupants perform. The form is held honestly, stated plainly, recognizable as the ordinary kind of thing it is, and the operation underneath runs the other way from the captured occupation of the same form. The research-nonprofit form holds the Brownstone Institute, which provides credentialed infrastructure for scholars the captured institutions pushed out and propagates analysis the captured journals declined, where the mainstream institutes of the same form run substrate-aligned. The public-interest-law form holds the New Civil Liberties Alliance and the Pacific Legal Foundation, which litigate against the administrative state and for property and constitutional liberties, where the dominant occupants of that form litigate the other way. The captured occupants of a form-class hold no monopoly on the form, and the substrate-handicapping side's long failure to contest the forms substrate occupies left those forms uncontested by default.

The perversion behavior has a substrate-handicapping inverse, and it is the most demanding of the three. Where perversion holds a form intact while hollowing its content, the inverse holds both the form and the content intact against a captured occupant who has kept the form and hollowed the content. The institution adopts a familiar form whose dominant occupants have abandoned the substance the form

once carried, and it carries that substance. The Association of American Physicians and Surgeons holds the medical-association form against the content the American Medical Association has hollowed across the decades. Hillsdale College holds the liberal-arts form, and the refusal of federal funding that lets it keep the content, against a captured form-class that has largely let the content go. This is the substrate-equivalent infrastructure Part 1 named, the maintenance of a function outside the configuration that captured it, working through the same forms the captured institutions still occupy rather than through new forms marked as adversarial.

What the three turns share is not a single mechanism, because the mechanisms differ: depth of commitment producing natural reach, form-class neutrality enabling competing occupation, substance preserved under a shared form against its hollowing. What they share is the structural fact that effective substrate-handicapping work has operated through these behaviors whenever it has imposed cost, and that the substrate-handicapping side at large has been losing the period by failing to use them at scale, ceding the forms, holding commitments too shallow to extend, letting the captured occupants keep the substance uncontested. Closing that asymmetry is the work. The behaviors are not theorems and the institutions that show the pattern are not a program; they are the evidence that the infrastructure is available to be occupied, and the assignment is to occupy it before the renewal arrives, while the forms are still standing and the work still looks unglamorous.

VII.10 WHETHER THE NEXT RENEWAL TILTS TOWARD LIBERTY

The historical coalitions share a sobering feature: none of them engineered the direction of the realignment that followed. Each made the substrate-relocation move, each generated coalition energy, and each tilted wherever the legitimacy resources and existing institutional configurations of its polity already pointed when renewal arrived. The realignment is not automatically favorable. It goes where the ground was already prepared.

The American founding is the case of a renewal that tilted toward handicap under unusually favorable conditions. The coalition against the British colonial administration engaged the whole fused configuration of Crown and East India Company, and it could do so because every dimension it needed already existed outside the captured apparatus: an analytical tradition in Enlightenment thought, English common law, and Scottish moral philosophy; a cultural infrastructure in religious institutions outside Crown control; an economic base in colonial commerce outside the Company; and a jurisdictional base in the colonial governments. The Constitution that resulted was the most sophisticated anti-substrate design of its era, built on separation of powers, enumerated powers, a bill of rights, and federalism. It has decayed across the centuries since exactly as the framework predicts, through the Civil War's federal consolidation, the Progressive administrative state, the New Deal, the Cold War security apparatus, and the post-9/11, 2008, and COVID operations, each a substrate-favorable accumulation against the original constraint.

The lesson for the program is that the founding's favorable conditions do not reproduce themselves. The next renewal will tilt toward liberty only if the analytical, cultural, economic, and jurisdictional infras-

structure that would carry it is already standing when the event arrives, and building that infrastructure is what the prescriptive work is for. The work does not cause the renewal. It determines which way the renewal breaks.

VII.11 WHY NOT RIDE IT

There is a position that takes everything established here and draws the opposite conclusion from the libertarian one, and the honest thing is to meet it rather than pretend the apparatus rules it out. If substrate is necessary at scale, strategic in its operation, and structurally inclined to come out of every renewal larger than it went in, with a floor on its behavior that no design drives to zero, a reader can reasonably ask why the answer is to keep pressing down on something that wins every consolidation rather than to stop fighting it and get on its favored side. That is the neoreactionary answer, and it is not foolish. It shares the framework's diagnosis almost entirely. It accepts that substrate is real and permanent and optimizing, and it concludes that the rational move is to steer the optimization, or at least to stand among those it favors.

Nothing in the apparatus proves that reader wrong about the difficulty. The model is descriptive about what substrate does and silent about what is worth wanting, and on the analysis alone the neoreactionary and the renewal libertarian are looking at the same machine. What separates them is not a theorem. It is a commitment the framework makes and does not derive: that the optimization against the population is the thing worth handicapping, on behalf of the population it runs against, including the people who will never be among the favored. The neoreactionary accepts the optimization and asks for a good seat. Renewal Libertarianism refuses the optimization as such, and treats the refusal as binding even where the optimization cannot be ended. The Irreducible Floor says substrate cannot be driven to zero. It does not say the pressing should stop, and reading the first as the second smuggles in a premise the framework never supplies, that being on the favored side of an operation against the population is acceptable once you grant you cannot end it. The framework draws the line there on purpose. The line is not a soft spot in the apparatus. It is the point of having built it.

VII.12 POLITICAL IDENTITY VERSUS THE WORK

This puts a hard question back to the movement. Being a libertarian, as a political identity, and doing libertarian work, the institutional building that produces handicap, are not the same thing, and across the post-1971 period they have run in parallel, with the identity consuming most of the organizing capacity and the work holding most of the ground. The identity work produces real things, a sense of belonging, a shared vocabulary, cultural recognition inside the movement, but it produces little handicap on substrate, and the capacity it consumes is capacity the institutional work does not get. The framework does not resolve the question, because it is not an analytical question. It is a question of what the movement is willing to redirect, and whether it can experience the redirection as a maturation of the project rather than as a loss of identity. The framework establishes only where the handicap accumulates. The movement

decides whether to put its capacity there.

VII.13 RELIGIOUS INSTITUTIONAL INFRASTRUCTURE

The infrastructure with the deepest multi-generational continuity outside substrate's reach is religious, and the secular libertarian project has built nothing at comparable scale or durability. Conservative Protestant infrastructure runs across congregations, denominations, schools, an intellectual tradition in outlets like the Gospel Coalition and World, and a cultural reach far beyond the credentialed-class environment, with the Anabaptist communities, the Amish and Mennonites, operating as substrate-equivalent infrastructure at the far end of independence. Orthodox Jewish infrastructure runs across synagogues, yeshivas, and an intellectual tradition that reaches its own populations outside the captured cultural apparatus. Latter-Day Saint infrastructure runs across wards and stakes, its universities, and a culture with unusual multi-generational continuity. These are not auxiliary to the program. They are the standing examples of what infrastructure outside substrate's cultural apparatus looks like and how it survives, and the coalition work the second pillar prescribes runs naturally through them on educational freedom, family, and religious liberty, where religious and secular libertarian positions converge into pressure neither produces alone. The partnership has a limit, and the framework names it rather than hoping around it. Religious institutions are substrate-equivalent infrastructure, and substrate-equivalent infrastructure can turn substrate-favorable. A religious partner whose commitments run to social conservatism may want to use the state's apparatus to enforce them, which is the substrate move the framework opposes wherever it originates, and the convergence on educational freedom and religious liberty does not reach it. The principle that handles this is already in the program. Resource diversity applies to the coalition exactly as it applies to the accountability marketplace: no single institutional foundation, religious or secular, can be allowed to hold enough of the coalition that its substrate-favorable turn sets the terms for the whole. A coalition spread across several religious traditions, secular institutions, and independent communities can engage any one of them on the dimensions where the positions converge and decline it on the dimensions where they do not, because no partner is load-bearing enough to dictate. The religious infrastructure is indispensable to the program and is not aligned with it, and the design holds both facts at once by refusing to let any partner, however durable, become the foundation the rest depends on.

VII.14 SCALE, AND TWO KINDS OF INFRASTRUCTURE

Two distinctions organize where the work happens. The first is scale. Substrate is strongest at the federal level, where it has built the most infrastructure and where resistance meets the most friction, and it is weakest against the state and local levels, where nullification, sanctuary configurations, state legislatures, and state attorneys general generate friction the federal apparatus has not been able to fully overcome. The accumulated state-level capacity since 2017, in Tennessee, in the Free State Project's New Hampshire, across Texas and Montana and Wyoming and the rest, has produced more than the prior federal-level organizing

did, and it is the foundation the federal-level engagement, legislative, administrative, and judicial, draws on rather than the other way around.

The second distinction is between resistance and equivalence. Substrate-resistance infrastructure engages substrate on its own terrain, the forcing-into-the-open and accountability and coalition work, and produces handicap. Substrate-equivalent infrastructure maintains the function outside substrate's configuration entirely: homeschool networks outside captured schooling, cryptocurrency and parallel-economy rails outside the federal monetary and regulatory apparatus, religious culture outside the captured cultural apparatus. The two depend on each other. The resistance work runs on equivalent infrastructure, its own publication platforms, payment rails, legal shops, and distribution networks, because work that depends on substrate's infrastructure can be cut off from it. The equivalent infrastructure is the ground the resistance work stands on.

VII.15 THE OPERATIONAL STAKES

The program is a single piece of institutional design. Three prescriptions work the fused configuration from three directions: forcing-into-the-open against opacity, marketplace accountability against the captured single-institution ecology with full transparency as its precondition, and substrate engagement on the operational time scale through institutional building at jurisdictional scales that survive a single cycle. Four principles run across them, forcing-into-the-open, refresh capacity, capture rotation, and resource diversity, and the whole thing has to be diverse across funding, personnel, geography, politics, technology, and institutional foundation, because uniformity along any dimension is the capture vector. The goal is not the unreachable one of a permanently constrained or stateless order. It is strategicity-handicap, the sustained reduction of substrate's capacity to optimize against the population, accumulated across generations and ready to tilt the next renewal toward liberty rather than leaving the tilt to chance.

The question the program puts back to the movement is whether it will do this work or keep spending its capacity on the identity. The institutional building has quietly held ground for decades while the electoral organizing that took center stage mostly has not, and the framework reverses the valuation: the building was the project all along. The AI deployment period compresses the time available from decades toward years, and the framework offers no guarantee the work gets done in time. It only prescribes the work.

A next renewal is coming. The cycle is structural. The current arrangement is operating well past the point where its substrate does legitimate-function work, and large parts of the population have already withdrawn their legitimacy from it. The movement will live through the period whether it does the work or not. What condition the libertarian project is in when the renewal arrives is determined by the work between now and then.

VIII

CHAPTER

OPERATIONAL PRESCRIPTIONS

Operational Disciplines at the Moment of Visibility

what the standing infrastructure does when an operation becomes visible

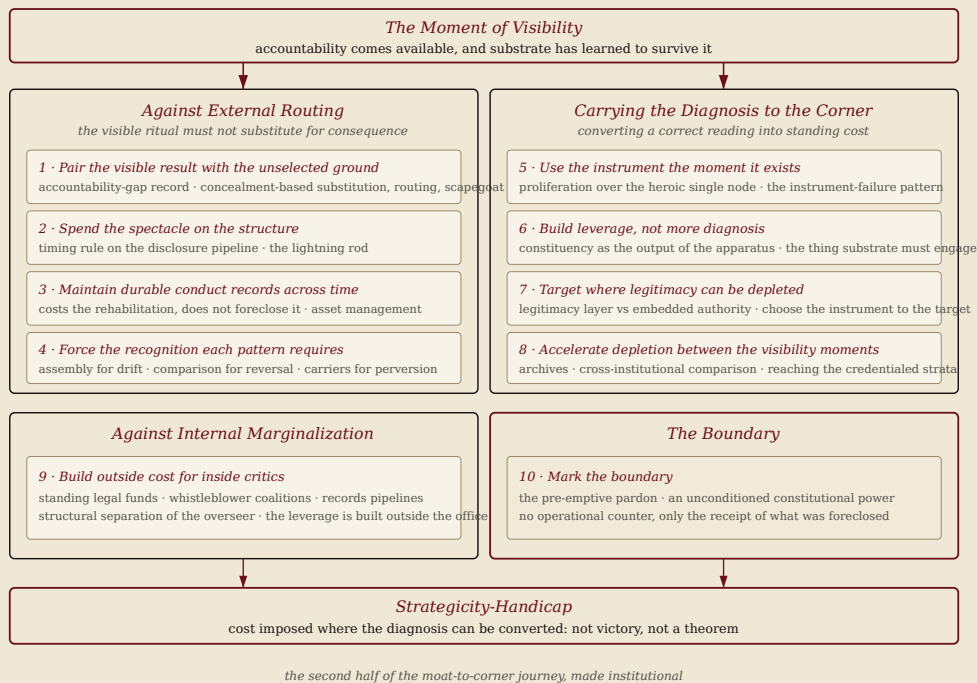


Figure VIII.1. The operational disciplines at the moment of visibility.

The structural prescriptions build the standing infrastructure: the forcing-into-the-open pipeline, the marketplace of competing accountability institutions, the substrate-engagement work that runs on the operational time scale. That infrastructure exists to produce visibility, to drive substrate operations into publicly identifiable forms whose legitimacy cost compounds. But the strategic-dynamism chapter established that

visibility is the beginning of the contest, not the end of it. The moment an operation becomes visible is the moment accountability comes available, and it is the precise moment substrate has learned to survive, by routing the accountability around the operation, by surrounding the inside critic, by letting the ritual of accountability complete so that its substance does not. Infrastructure that produces visibility and does nothing with the moment it produces has done the first half of the work and conceded the second.

The operational prescriptions are the disciplines that govern what the infrastructure does at that moment. They are not new institutions. They are rules of practice for the institutions the structural prescriptions already build, and together they are the second half of the moat-to-corner journey made institutional: the diagnosis carried out of the structure where it is merely correct and onto the corner where it imposes cost. What follows is a set of disciplines, each naming a mechanism, the failure it addresses, and where it has been done or left undone. They are engineering proposals derived from the diagnosis, not theorems and not predictions. A move that runs again falsifies none of them, because a discipline that was never practiced was never tested. And where no discipline reaches a move, the honest output is to say so and mark the boundary, which the last of them does.

VIII.1 PAIR THE VISIBLE RESULT WITH THE UNSELECTED GROUND

Substitution, directional routing, and scapegoat concentration share one mechanism when they work through concealment: the accountability that lands is visible and the accountability that was available and declined stays dark, so the public is shown the selected ground and never the unselected ground beside it. Directional routing took the operators of the post-9/11 detention regime and left the architects. Eleven enlisted soldiers were convicted for the abuses at Abu Ghraib, the highest-ranking person charged was a lieutenant colonel, and the command-responsibility case against the officials who authorized the interrogation framework was never assembled in public at a scale that competed with the convictions for attention; Human Rights Watch laid out that case against Rumsfeld, Tenet, Sanchez, and Miller, and it landed at a fraction of the attention the convictions drew, years after them.¹ Scapegoat concentration gathered the subprime collapse onto one sufficient villain. Angelo Mozilo of Countrywide was the designated face of the mortgage crisis, his civil settlement with the SEC advertised as a record penalty though the charges were for insider trading rather than for the lending conduct that produced the crisis, while the comparably culpable executives across Lehman, Citigroup, Bear Stearns, Washington Mutual, IndyMac, and the other major originators faced no criminal charges, and the Financial Crisis Inquiry Commission's own staff were instructed that Countrywide should not be a target or featured at any hearing.² That is the unselected

¹On the Abu Ghraib convictions and the absence of charges against senior officials, see "U.S.: Abu Ghraib Trials Only 'A First Step,'" Human Rights Watch, 4 January 2005, and "Getting Away with Torture? Command Responsibility for the U.S. Abuse of Detainees," Human Rights Watch, 24 April 2005, presenting evidence warranting criminal investigation of Donald Rumsfeld, George Tenet, Lt. Gen. Ricardo Sanchez, and Gen. Geoffrey Miller. Eleven soldiers were convicted; the highest-ranking person criminally charged was Lt. Col. Steven Jordan.

²Mozilo's 2010 settlement with the SEC, \$67.5 million, was for insider trading rather than for lending conduct, and carried no admission and no criminal charge; see "Former Countrywide chief settles SEC charges," NBC News, 15 October 2010. On the absence of criminal prosecutions of senior executives across the major institutions, see "In Financial Crisis, No Prosecutions of Top Figures," *The New York Times*, 14 April 2011, which also reports that FCIC assistant directors Brad Bondi and Martin

ground genuinely concealed, and it is what concealment-based routing depends on.

The discipline is to pair the selected event with the unselected ground as standing output, rather than as the occasional feat of an investigative reporter assembling the comparison from nothing each time. The mechanism is an accountability-gap record: a function of the marketplace-accountability institutions that fires when a selected accountability event lands, an indictment, a settlement, a forced resignation, a single conviction, and publishes beside it the accountability that was available against the same operation and was not pursued. The output is the pair, held together where the institutions and the news cycle hold them apart, the convicted operators beside the uncharged architects, the settled villain beside the unindicted principals. The record has to sit structurally separate from the bodies whose routing it documents, because an attorney general's office cannot keep the record of its own declinations and a regulator cannot be trusted to publish the distance between the cases it could have brought and the cases it brought. And it has to be kept by several of the competing institutions rather than one, because a single keeper is the marginalization target the strategic-dynamism chapter identified, easy to override and gone in a few years. The competing-institution design is what the marketplace prescription supplies and a lone inspector general lacks.

What the discipline changes is the cost of the next routing. Routing through concealment is cheap because the selected event discharges the public demand by itself and nothing remains to suggest the demand was misdirected. A maintained record of the gap makes the next routing expensive, because the move has to be performed in front of an audience that can see both halves at once, and the gap between the available and the pursued becomes legible as a pattern across cases rather than dissolving case by case. The discipline reaches the version of substitution that works by concealment. It does not reach the version that works by salience, where both grounds are visible and the substitute discharges public attention before the structural ground can convert, which is the version the Cuomo case demonstrates and which the leverage discipline developed later in this chapter is what answers.

VIII.2 SPEND THE SPECTACLE ON THE STRUCTURE

The lightning rod prosecutes a genuinely guilty individual with full vigor so that the drama of the fall buries the structural failure that let the conduct run. The move depends on a timing asymmetry: the spectacle arrives first, at full volume, to the whole audience, and the structural story arrives later, smaller, and to almost no one. Bernard Madoff was real, his guilt was total, and the prosecution was a showcase, and the fact it buried was that the Securities and Exchange Commission had been handed documented warnings for nearly a decade and done nothing. The financial analyst Harry Markopolos brought the agency specific, dated warnings beginning in 2000 and again in 2001, 2005, 2007, and 2008, including a memorandum whose title stated that the largest hedge fund in the world was a fraud, and the agency dismissed or ignored

Biegelman named Countrywide and Mozilo as investigative targets in a January 2010 memo and were then told the company was off limits, with deputies to chairman Phil Angelides stating he had directed that Countrywide not be a target or featured at any hearing.

each one.³ Those warnings reached the public, when they reached it at all, through an inspector-general report filed long after the public had watched the perp walk and read it as the system working.

The discipline is to collapse the timing asymmetry by spending the spectacle on the structure. The prosecution is the moment the conduct is least deniable, because it has just been proven in open court, and the moment public attention is highest. That is the moment the forcing-into-the-open pipeline releases the structural-failure record, who was warned, who declined the referral, who held supervisory responsibility and did nothing, to the same audience watching the conviction, rather than in a later filing no one reads. The documentation infrastructure holds this material ready against the conviction rather than assembling it afterward. The Markopolos timeline belonged on the screen beside the Madoff perp walk, not in an inspector-general report two years later. The spectacle manufactures the attention; the discipline spends it on the structure before it discharges on the individual. The difference between a regulatory failure aired at the scale of the prosecution and one left to a later report is a choice, and it is a choice the infrastructure can make only if it is built to fire on the trigger rather than to react once the trigger has passed.

VIII.3 MAINTAIN DURABLE CONDUCT RECORDS ACROSS TIME

Asset management cycles a toxic figure out of view and brings him back when the alignment has value, the institutional ecology receiving the return without re-engaging what made the figure toxic. The move runs on memory decay. The original conduct goes soft in public recollection, so the return can be narrated as a maturing, a change of heart, a coming-together against a common threat, with the conduct that made the figure radioactive left vague. Dick Cheney returned as a respectable voice to institutions that had spent a decade treating him as the face of the security state, the realignment received without anyone restating the record it papered over. Oliver North, convicted on three Iran-Contra counts before the convictions were vacated on an immunized-testimony technicality, moved through a Senate candidacy, a long broadcast career, and the presidency of a national membership organization, the conduct he had admitted under oath never re-engaged at any stage of the ascent.⁴

The discipline is to keep the record of the conduct durable across operational time, so the rehabilitation has to be performed over a documented account rather than over a fog. A sourced, maintained record of what the figure actually did, held outside the ecology's editorial control, makes the return more expensive because it cannot be narrated around a blank. It is the weakest of the disciplines. The record costs the rehabilitation; it does not foreclose it, because an ecology that wants an asset back can absorb the embarrassment of the record and proceed. What the discipline removes is the freeness of the return. The figure comes back over his own documented conduct, or he does not come back clean.

³Markopolos submitted warnings to the SEC in 2000, 2001, 2005, 2007, and 2008, including the 2005 memorandum "The World's Largest Hedge Fund Is a Fraud." See "Madoff Whistle-Blower Testifies, Blasts SEC," NPR, 4 February 2009.

⁴North was convicted in 1989 on three counts arising from the Iran-Contra affair; the convictions were vacated in 1990 and the charges dismissed in 1991 on the ground that immunized congressional testimony might have tainted the trial. He ran for the U.S. Senate from Virginia in 1994, worked for years as a broadcast commentator, and served as president of the National Rifle Association in 2018–2019.

VIII.4 FORCE THE RECOGNITION EACH PATTERN REQUIRES

Drift, reversal, and perversion become visible differently, and a single recognition method does not reach all three. The structural prescriptions name the domains vulnerable to each; the operational discipline is forcing the recognition each one actually requires, because each fails to be seen for a different reason and yields to a different kind of showing.

Drift documents itself once the reach is shown. An authority granted for one purpose extends into territory the grant never contemplated, and the extension leaves a paper record, the funding lines, the renewed mission statements, the program that outgrew its statute. Gain-of-function research funding running from the National Institutes of Health through EcoHealth Alliance into the Wuhan Institute of Virology is drift of exactly this kind, a biomedical research grant reaching into work whose hazard the grant process never adequately weighed, documented across the NIH RePORTER records and the agency's own grant files.⁵ The eviction moratorium the Centers for Disease Control imposed in 2020 is another, a public-health agency asserting authority over the national landlord-tenant relationship, a reach the Supreme Court found exceeded the agency's statutory grant.⁶ The recognition work for drift is assembly: putting the original grant beside the present reach so the distance is a single legible object rather than a series of increments no one added up. Drift is the easiest of the three to force, because the evidence is documentary and the only thing missing is the assembly.

Reversal needs the charter placed beside the operation, because a reversed institution does the opposite of its stated function while still invoking the function. The Federal Reserve operating against the price stability in its mandate is not visible as reversal until the mandate and the conduct sit side by side, because the institution continues to speak in the mandate's language while acting against it. The recognition work is the comparison, holding the chartered purpose against the operational record so the contradiction cannot hide inside the institution's own vocabulary.

Perversion is the hardest, because the institution keeps its form intact while inverting its content, and the inversion is invisible to anyone who reads only the form. Two of the most consequential scientific publications of the pandemic show it. The February 2020 letter in *The Lancet*, organized and signed by Peter Daszak of EcoHealth Alliance, condemned as conspiracy theory the suggestion that the virus had any but a natural origin, and its signers declared no competing interests; EcoHealth had channeled NIH money into the Wuhan laboratory whose work was the hypothesis under suspicion, and the conflict went undisclosed for sixteen months, with the journal's editor later conceding to Parliament that it should have been stated at the outset.⁷ The Proximal Origin paper, published in *Nature Medicine* in March 2020

⁵NIH funding to EcoHealth Alliance and onward to the Wuhan Institute of Virology is documented in the NIH RePORTER database and was the subject of the HHS Office of Inspector General audit of January 2023 and the May 2024 debarment of EcoHealth Alliance.

⁶*Alabama Association of Realtors v. Department of Health and Human Services*, 594 U.S. (2021), holding that the CDC lacked statutory authority for the eviction moratorium and observing that it strained credulity to read the statute as granting the asserted sweeping authority.

⁷On the February 2020 *Lancet* letter, the undisclosed EcoHealth–Wuhan funding relationship, and editor Richard Horton's later acknowledgment, see Times Higher Education, "Elite journals under scrutiny over role in Wuhan lab leak debate," 7 June 2021; emails showing the letter was organized to appear independent were obtained by U.S. Right to Know under public-records

and among the most-cited scientific papers of the period, concluded that the virus was not a laboratory construct or a purposefully manipulated virus, and was used from the White House podium to license the suppression of the contrary hypothesis; the authors' own messages, released later under public-records litigation and reviewed by a congressional committee, show several of them holding the opposite view in the same weeks, one writing that the lab-escape scenario was so likely and that they could not refute it, with the federal officials who would promote the paper involved in its drafting.⁸ The form was intact in both, a letter and a paper in the leading journals of the field, and the content was inverted, a funder of the suspect work organizing the dismissal of inquiry into it and a paper advancing a certainty its authors privately disclaimed.

The people who detected the inversion were not the least credentialed but in several cases the most, which is the recognition mechanism perversion requires and the reason it is so hard to force. The epidemiologists who wrote the Great Barrington Declaration against the lockdown consensus held appointments at Stanford, Harvard, and Oxford. The molecular biologist who pressed earliest and hardest on the gain-of-function question, Richard Ebright, directs a laboratory at Rutgers and holds NIH research grants of his own. They detected the form-content gap because they carried the discipline's own standard of what the form is supposed to contain, and they were filed as conspiracy theorists for naming it, which is what perversion does to its detectors. The operational discipline for perversion is therefore to protect and propagate the carriers of that standard, the people and institutions still holding the substance of a practice against its hollowed form, because they are the instrument that detects an inversion the form is built to hide. Forcing-into-the-open reaches drift through assembly and reversal through comparison; perversion is reached only through the surviving evaluative virtue the population-virtue analysis found depleted, which is why the discipline that answers it is the slowest and the most dependent on the condition of the population.

VIII.5 USE THE INSTRUMENT THE MOMENT IT EXISTS

The case studies show substrate's operations met, twice, by exactly the right instrument, and the instrument wasted both times. The answer to the surveillance state was the distributed forcing-into-the-open model that WikiLeaks proved, and the discipline the moment called for was proliferation, ten more of them, the single node turned into a category that could not be decapitated. Instead the model stood alone, the state concentrated everything it had on the one node, and the operator absorbed a confinement the proliferated version would have made impossible. The answer to the fused money system was parallel money the state and the banks could not control, and Bitcoin arrived in the middle of the 2008 crisis with the bailout headline embedded in its first block. The discipline that moment called for was building usable private money down to ordinary transactions. Instead the movement financialized the instrument, chased fiat gains, favored the privacy coin built for compliance over the one built to be used, and fixated on the request.

⁸On the Proximal Origin authors' private statements contradicting the published conclusion, and the involvement of Anthony Fauci and Francis Collins in the paper's drafting, see the U.S. House Select Subcommittee on the Coronavirus Pandemic memorandum of 5 March 2023, drawing on emails and Slack messages released under FOIA and reported by Michael Shellenberger's *Public*.

dark-market spectacle over the unglamorous work of exit at the corner store.

The discipline is to convert a hybrid instrument from existing into being deployed at scale before substrate adapts to it, which means treating proliferation and ordinary use, not the heroic single instance, as the work. The embodiments make the discipline concrete and make its cost legible. Julian Assange built the apparatus and carried it to the corner, and the distributed publishing model he proved is the form the hybrid problem required; he ran for the Australian Senate on a transparency platform, which is the moat-to-corner step in its plainest form, and the years of confinement he absorbed are the cost the model imposes on a single exposed node. Edward Snowden, who built his understanding from inside the surveillance contractor world and carried the documentation out, drove the one substantive rollback of the period and the encryption of much of the web, and lives in exile, which is the same cost in a different form.⁹ The point the embodiments carry is not that the movement needs heroes willing to be destroyed. It is the opposite: the discipline of proliferation exists precisely so that no single node has to absorb what Assange and Snowden absorbed, because an instrument deployed at scale spreads the exposure thin enough that substrate cannot concentrate its response on one person, and the cost that fell on individuals when the instrument stood alone is the cost the discipline is built to prevent.

VIII.6 BUILD LEVERAGE, NOT MORE DIAGNOSIS

The movement has produced correct readings for fifty years and converted them into almost no cost. The reason is not that the readings were wrong or unseen. It is that being right is not leverage, and substrate responds to leverage. Leverage is a constituency large enough, or aligned enough, that an institution has to engage it, and the difference it makes is visible in two cases from the COVID period that ran in opposite directions.

The nursing-home directive that returned COVID-positive patients to New York's long-term care facilities was visible from the start. Republican members of Congress called for a federal investigation beginning in the spring of 2020, the state attorney general's January 2021 report found the death count undercounted by roughly half, the families of the dead were public and relentless, and the FBI and the Eastern District of New York opened a probe. None of that was concealed. Andrew Cuomo nonetheless resigned in August 2021 over the harassment findings rather than over the directive, the Department of Justice declined a civil-rights investigation into the nursing-home deaths in July 2021, and the Manhattan district attorney closed its inquiry in January 2022.¹⁰ The structural ground was fully visible and the accountability still discharged on the other one, because the visibility was not backed by leverage that could force the direc-

⁹Snowden's 2013 disclosures preceded the USA Freedom Act of 2015 ending bulk telephone-metadata collection, a federal appeals court ruling that program unlawful, the declassification of surveillance-court opinions, and a broad shift toward end-to-end encryption; he has lived in Russia since 2013 and was granted citizenship there in 2022.

¹⁰On the visibility of the nursing-home directive and the routing of accountability onto the harassment findings, see the New York Attorney General's report of 28 January 2021 finding nursing-home deaths undercounted; "DOJ says it will not investigate Covid-19 nursing home deaths," CNN, 24 July 2021; and "Cuomo not charged with COVID nursing home deaths: Manhattan DA," ABC News, 3 January 2022. Cuomo resigned on 10 August 2021 following the Attorney General's report on harassment allegations.

tive's process to a completing event. Substitution had worked here not through concealment but through salience, the substitute ground vivid enough to absorb the public demand while the structural ground stayed visible and unresolved. Visibility without leverage produced the wrong process to complete.

The contrasting case ran at the same time. Robert Kennedy was not a libertarian and had never argued from libertarian premises, but he had spent decades operating against substrate from a different one, litigating as an environmental lawyer against chemical companies and federal regulators, and that record of landing actual blows had made his movement a force. As an independent candidate he commanded as much as a fifth of the electorate at his peak before delivering that bloc to Trump in the summer of 2024, weight enough to matter in a close race.¹¹ When he took Health and Human Services, the department above the agencies that had run the COVID operation, it was leverage of a kind the libertarians did not have: the administration needed his voters. The prizes tracked the leverage. The constituency with the electorate behind it got the department. The libertarians, with the correct diagnosis and a nascent organizing capacity, got the pardon of one man.

The discipline that follows is that the apparatus has to produce leverage as its output, not more correct readings. A movement that has spent fifty years refining its diagnosis and building no constituency that an institution must engage has optimized the wrong product. The structural prescriptions build the infrastructure that produces leverage, the educational distribution that forms durable constituencies, the coalition work that assembles weight across substrate domains, and the operational discipline is to treat the leverage, not the diagnosis, as the thing being built. The diagnosis is the input. The constituency that makes an institution engage is the output, and the movement has consistently produced the first while neglecting the second.

VIII.7 TARGET WHERE LEGITIMACY CAN BE DEPLETED

Forcing-into-the-open is the right instrument against some substrate operations and the wrong one against others, and the discipline is naming which is which before spending effort on a target the instrument cannot reach. The distinction is whether the operation runs on legitimacy reserves or on embedded authority that does not need them. The COVID case made the difference plain. Where substrate operated through institutions that run on legitimacy, the CDC, the medical journals, the professional bodies, the academic establishment, the resistance drew that legitimacy down, in some cases past recovery, and the decay is a real reduction in capacity for the next deployment. Where substrate operated through institutions that do not depend on legitimacy, the resistance changed nothing. A platform's content moderation runs on commercial authority over its own service and does not need public trust to function. A payment processor's account freezing runs on banking authority and does not need legitimacy. A licensing board's power over professional speech is statutory and holds regardless of whether anyone trusts the board.

¹¹Robert F. Kennedy Jr. polled as high as roughly a fifth of the electorate in three-way 2024 matchups in late 2023 and briefly held the highest favorability rating in the field, before suspending his independent campaign and endorsing Donald Trump on 23 August 2024; he was confirmed as Secretary of Health and Human Services in 2025. See [Quinnipiac University national poll](#), 1 November 2023.

The targeting rule follows directly. Against the legitimacy-running layer, forcing-into-the-open and depletion-acceleration are the correct instruments, because the operation depends on a reserve that visibility drains. Against the embedded layer, they are insufficient, because exposing what a payment processor or a licensing board did imposes no cost on an authority that never ran on approval in the first place. The embedded layer is reached, if at all, through the structural prescriptions that go at the authority itself, the competing institutions, the litigation against the administrative and licensing power, the parallel infrastructure that routes around the commercial chokepoint. Naming the layer an operation runs on is the precondition for choosing the instrument, and the recurring failure the COVID case exposed was withdrawing legitimacy from operations that did not run on it and calling the disapproval a cost.

VIII.8 ACCELERATE DEPLETION IN THE LEGITIMACY-RUNNING TARGETS

The visibility-moment disciplines fire when substrate produces an accountability ritual. Between those moments the legitimacy cycle keeps running, and the discipline that operates there is the deliberate acceleration of depletion in the institutions and populations that hold reserves. The cycle has four phases, generation, accumulation, consumption, depletion, and reserves drain in the last of them when failures become visible to the people holding them. The recognition-organizing-capacity split is the live mechanism. The non-credentialed populations recognize failure early and deplete fast; the credentialed populations recognize last, because they meet the evidence through a cultural filter that files it under treason or fringe or misinformation before they engage the content; and substrate's reserves stay intact precisely as long as the credentialed strata keep holding them. Depletion accelerates when the gap between recognition and reserves closes, so the discipline is the work of closing it.

Several mechanisms hold the record present between the visibility moments, where a single disclosure would otherwise be absorbed and forgotten. Failure archives keep the record of each operation's failures past the point where the institutions would prefer them to recede, a sustained documentary presence across the years the institutions spend rebuilding standing rather than a one-shot publication the cycle digests. Cross-institutional comparison documents the same failure pattern across agencies, professions, and platforms at once, so the failure reads as systemic rather than as one institution's accident, because substrate answers single-institution criticism by reorganizing or rebranding and only the cross-institutional pattern defeats the rebrand. And triggered re-disclosure fires the record of an unaddressed failure whenever an institution attempts to restore its standing through a renaming or a new initiative, so the rebrand is performed over its own documented record.

The hardest part is reaching the credentialed populations, because they hold the reserves and they hold them behind the filter, and the record does nothing where it cannot get past the filter to be read. There are three buildable paths through it. The first is the credentialed dissident who publishes from inside the same registers the captured institutions occupy, the chaired professor who states the heterodox finding in an academic venue and forces the field to engage it as a colleague's claim rather than dismiss it as an outsider's,

which is why protecting these people from the professional marginalization that strategic dynamism aims at them is itself part of the discipline. The Great Barrington epidemiologists publishing from Stanford, Harvard, and Oxford were doing this, and the trajectory by which their position moved from fringe in 2020 to federal health appointments by 2025 is the recognition-reaching-reserves mechanism running its course. Jay Bhattacharya is the sharpest instance: a Stanford physician whose Great Barrington position the sitting director of the National Institutes of Health had privately worked to discredit as fringe, confirmed in 2025 as the director of that same agency.¹² The second is parallel credential infrastructure that competes for the same audiences in the same registers, the Brownstone Institute operating as a think tank at the academic level, the independent publications operating at the journalistic level with subscription funding that keeps them outside the channels they investigate, so that dissemination runs through institutions holding their own credentials rather than through the alternative media the credentialed strata already filter out. The third is the legal process, the public-records litigation and the subpoena that force the captured channels to surface documents they cannot then ignore without naming themselves as having suppressed them, which is how the Proximal Origin messages and the federal-platform coordination records reached the credentialed audiences that had filed the underlying claims as conspiracy. Across all three the target is the same: the reserves are held by the populations the record does not currently reach, and the discipline is the standing work of reaching them, so that when the next visibility moment comes the reserves available to absorb it are already low.

VIII.9 BUILD OUTSIDE COST FOR INSIDE CRITICS

The second of substrate's two mechanisms is the marginalization of the inside critic, the regulator or inspector whose formal job is to constrain the operation and who is left with a title and no leverage, overridden in the room and gone within a few years. Brooksley Born held real statutory authority at the Commodity Futures Trading Commission and moved to bring the derivatives market that would detonate in 2008 under oversight; she was met by a coordinated wall of the Treasury, the Federal Reserve, and the SEC, and Congress barred her commission from acting. Neil Barofsky held the cleanest possible mandate as the Special Inspector General for the bailout and used it to document that the rescued banks were not lending as advertised and that Treasury was protecting bank management rather than enforcing the program's terms; the findings were published and absorbed without consequence. Both were right, both held the office, and both left a memoir and an intact operation, because the office's authority was the thing substrate had already learned to surround.

The discipline is to build the outside cost that makes the override expensive, because the inside position has leverage only when overriding it carries a price the institution pays from outside. The buildable mechanisms are specific. Standing legal funds an inside critic can reach the moment retaliation begins, so

¹²Jay Bhattacharya, professor of medicine at Stanford and a co-author of the Great Barrington Declaration, was confirmed as director of the National Institutes of Health on 25 March 2025. Then-director Francis Collins had called the declaration's position "fringe" and not mainstream science in October 2020, and his correspondence, later released, called for a "quick and devastating published takedown" of its authors; see NPR, "NIH nominee Bhattacharya faces Senate scrutiny," 5 March 2025.

the choice to press a finding is not also the choice to end a career unprotected. Whistleblower coalitions that attach a constituency to the critic's fight while it is happening, rather than honoring the critic after the operation has already run. Public-records demand pipelines triggered by an inside-critic flag, so a finding the institution would absorb in silence instead generates a documentary record outside its control. And the structural separation that produced Barofsky's findings in the first place, an oversight body funded, staffed, and chartered apart from the institutions it examines, so its authority does not depend on their cooperation. The through-line is that placing the right people in the right offices is not the answer, because substrate has already learned to surround the right people in the right offices. The leverage that makes an inside position matter is built outside it.

VIII.10 MARK THE BOUNDARY

The pre-emptive pardon has no operational counter, and the reason is structural. It forecloses accountability before any proceeding begins, through a constitutional power that is unreviewable and unconditioned by design. The pardons issued on the last morning of the Biden administration to Anthony Fauci, Mark Milley, and the members of the January 6 committee covered conduct that had never been charged and specified that they were not to be read as any admission, removing the questions from the board with a single signature no court can vacate and no oversight body can reach. The power has no internal brake. It was placed beyond review on purpose, and that placement, which serves liberty when it frees the persecuted, serves substrate without modification when it shields the apparatus.

No instrument the operational program can build reaches it, because any instrument adequate to foreclose the abuse would have to constrain the pardon power itself, and a constrained pardon power is a more dangerous thing than the unconstrained one. The Ulbricht pardon shows the same instrument running in the other direction as a transaction, a pardon delivered to a constituency in exchange for its support, which demonstrates that the power already operates as currency rather than as mercy. The most that can be said at the operational level is that the pardon spends the one thing the other moves conserve, the public acknowledgment that the question existed, because it names the protected conduct in the act of foreclosing it. The record of what was foreclosed is therefore unusually complete, the pardon itself the receipt. That is not a counter. It is the residue a counter would need, left on the board for a level of action this collection does not reach, and the honest place to mark that the operational program has a boundary.

VIII.11 WHAT THE DISCIPLINES DO AND DO NOT PROMISE

These are ten disciplines and they do not promise victory. They impose cost, which is the only thing substrate responds to, and they impose it at the points where the diagnosis the movement already holds can be converted into something an operation has to carry. The disciplines cluster where the moves depend on concealment and on legitimacy, because those are what a constituency outside the institutions can attack, and they thin out where the move depends on a formal power exercised only inside the institutions, which

the diagnostic chapters established a movement cannot hold by occupying offices. Where no discipline reaches, the program says so. None of this is offered as a theorem. The diagnosis falsifies on recurrence, and the recurrence of an operation is what would prove the diagnostic claims wrong; the prescriptions fail differently, by not being built, because a discipline never practiced was never tested. The second half of the moat-to-corner journey is the whole of this chapter, the carrying of a correct diagnosis out to the corner where it imposes cost, and the disciplines are the forms that carrying takes when the standing infrastructure meets the moment of visibility.

CHAPTER IX

WHAT TO WATCH FOR

The three operations in this book have already happened. The point of working through them was never the operations themselves, which have been argued over at length by people better positioned to argue them. The point was the apparatus: a way of seeing that lets you recognize the structural move while it is still being made, instead of twenty years later when the documents come out. A diagnosis is only worth the writing if it improves the prognosis. So the question this last chapter asks is the one the apparatus was built to answer. Knowing what we now know, where would you look for the next one before it arrives?

What follows is not a set of predictions. It is a set of readiness configurations, which is a different and more modest thing. A readiness configuration is the standing infrastructure an operation would need to form: the agencies with the authority, the industries with the incentive, the credentialed institutions ready to certify the framing as obvious common sense, the reservoir of public legitimacy waiting to be spent. When those pieces are all in place and pointed the same direction, an operation becomes possible. Whether it actually forms depends on a triggering event and a hundred contingencies the model cannot see. Some of these will activate. Some will not. Some will activate in a shape no one watching them now would recognize. I am naming the loaded configurations, not calling the shot.

The reason to do this before anything fires, rather than after, is the whole argument of the book in miniature. Resistance mounted after an operation has consolidated is fighting uphill against infrastructure already built and legitimacy already spent. Resistance that recognizes the configuration while it is still just a configuration is fighting on level ground. The work is the same work either way. It is only the price that changes, and it changes by a lot.

IX.1 METABOLIC HEALTH

The clearest candidate is metabolic. Americans have been getting steadily sicker in a particular way for forty years, the obesity and diabetes and the cascade of conditions that follow, and for most of that time the official posture treated it as a private matter of personal discipline. That is changing, and the way it is changing is what makes it a candidate.

Two things arrived at once. The food and regulatory environment that produced the decline is still fully intact, the same agencies and the same industries operating the same way they have since the 1980s, when the Prescription Drug User Fee Act first wired the FDA's budget to the companies it regulates. And a pharmaceutical answer has appeared at population scale: the GLP-1 drugs, Ozempic and Wegovy from Novo Nordisk, Mounjaro and Zepbound from Eli Lilly, approved in quick succession and now being maneuvered toward universal coverage. The path that coverage took is the apparatus's signature. A 2003 statute bars Medicare from covering drugs for weight loss, so for years the drugs reached people only through adjacent diagnoses, diabetes and heart disease. The Biden administration proposed reinterpreting the statute away; the second Trump administration killed that proposal in April 2025, then turned around in November 2025 and arranged the same outcome by a different door, pricing deals with the two manufacturers and Medicare coverage for obesity beginning in 2026, built not on any change in the law but on demonstration authorities that route around it. The statutory limit Congress wrote is still on the books. It is simply being stepped over. You have a problem the system spent decades manufacturing, and a treatment the system is now arranging to dispense to most of the population, indefinitely, at enormous scale. That is the shape of a metabolic emergency operation: the federal health agencies in the lead, the drug industry as the private-sector partner, the credentialed class certifying that the only serious response is medical and universal, and the cause of the problem, the food environment itself, conveniently never on the table.

The substrate-resistance constituency here already exists and has a name. The MAHA coalition that formed around Robert F. Kennedy Jr. between 2023 and 2025, and that acquired real institutional weight when Kennedy took over Health and Human Services in the second Trump administration, is organized around exactly the right question: not how to medicate the symptom but who built the environment that produced it. The vehicle it was handed shapes what it can do. Kennedy's department operates the regulatory machinery rather than dismantling it: phasing out a handful of food dyes by asking industry to comply by the end of 2026, handling glyphosate in a way that left the manufacturer's liability protected, with only the move against fluoride in the water reading as a genuine withdrawal of the state rather than a redirection of it. The institutional weight MAHA gained is the weight to regulate the establishment differently, which is not the same as the weight to abolish it, and the difference is the line between operating substrate and handicapping it. That is the substrate-protective ground, the FDA-industry coordination and the agricultural complex and the chemical exposures, and MAHA is one of the largest constituencies in the country pointed straight at it. What it has not yet built is institutional infrastructure at the scale of the thing it opposes, which has been compounding for forty years. Recognition is not yet machinery. Whether the MAHA appointees inside the second Trump administration can build that machinery faster than the industry can absorb or outlast them is the open question, and it is open in both directions.

Metabolic is the candidate most legible to the people already working it, which is its advantage. The framework's contribution is mostly to connect what that constituency already sees to the larger pattern, to show that the FDA-industry arrangement they are fighting is the same kind of arrangement that ran through 2008 and through COVID, wearing different clothes.

IX.2 DEMOGRAPHIC DECLINE

The demographic candidate is stranger and, for this movement, more dangerous, because it is the one where the trap is baited with something the movement wants.

The facts are not in dispute. American fertility has been below replacement since 1971 and has fallen further since 2007, down to about 1.62 births per woman by 2023, and the decline runs across every region, race, and income bracket rather than concentrating in one. The entitlement system was designed for a population pyramid that no longer exists, and the people who keep its books have been saying so, in writing, for years. Around this has grown a pronatalist intellectual world that did not exist a decade ago: the older religious version across Catholic, Evangelical, Latter-day Saint, and Orthodox Jewish communities, and a newer Silicon Valley version with money and technical ambition behind it, Musk and Thiel and the Collinses and the reproductive-technology industry that has quietly scaled IVF and surrogacy and is now reaching toward in-vitro gametogenesis.

Here is the complication, and it is the kind of thing the framework exists to catch. A demographic emergency operation would arrive carrying a policy program that large parts of the right actively want: the family subsidies and fertility-coverage mandates and natalist incentives that conservatives and the newer Silicon Valley natalists have spent years building the case for. The content of that program can be entirely agreeable to the people who want it while the institutional machinery built to deliver it expands the apparatus's reach exactly the way every other emergency has. These are two different questions, and the appeal of the first is what makes people stop asking the second.

The trap is not identical across the coalition, which is what makes it effective. The conservative and religious natalists want the program itself and will accept the machinery to get it. Libertarians mostly do not want the program; federal family subsidies and coverage mandates are the sort of thing they would oppose on any ordinary day. Their version of the trap is subtler. The goal gets framed in terms they share, civilizational continuity, the family as the unit prior to the state, a country that can still staff and defend itself, and the framing is agreeable enough, and the people pushing it are nominally enough on their side, that the instinct to ask what the delivery mechanism actually builds gets switched off. A movement that would fight a federal population-management apparatus on reflex when the stated goal was something it disliked can be walked into tolerating one when the stated goal is something it has been told to want. The natalist constituencies are the ones who have to hold both questions at once, because they are the ones who will be offered the deal, and the offer will be tailored to whichever of them is being addressed.

IX.3 ARTIFICIAL INTELLIGENCE

AI sits in the book differently from the others, because it is two things at the same time. It is the single largest expansion of the substrate's capacity now underway, and it is a candidate for the next emergency operation, and the second grows directly out of the first.

Start with the expansion, because it is not a forecast. Throughout this book the apparatus's reach has been bounded by three limits: what it can enforce, what it can know, and what it costs to keep its operations quiet. AI loosens all three at once. Enforcement that used to require people now runs in software at a scale and speed no agency could previously afford. The population's behavior becomes legible and predictable at a resolution that was never available before. And the cost of manufacturing the appearance of compliance, the paperwork that buries the substance, falls to nearly nothing. This is happening now, not someday: in the AI driving account closures and transaction monitoring across payment processors, in credit models whose factor weights no one outside can see, in content moderation running in coordination with the federal cooperation channels the COVID chapter documented, in case-selection algorithms at the IRS and SEC, in central-bank digital-currency research, in surveillance running under FISA authorities the original statute never imagined, in the treatment of frontier models as national-security assets. None of that is speculative. Each one is an operation the apparatus already ran, now handed a tool that lets it run faster and cheaper than the old methods, at a resolution they never reached.

The forcing-into-the-open prescription applies to all of it with unusual clarity, and there is already a clean demonstration of what that looks like. In late 2025 the musician and YouTuber Benn Jordan, working with the security researcher Jon Gaines, took apart Flock Safety's automated license-plate-reader network, the AI camera system that by then was running in thousands of American communities. What they found was what an unaccountable surveillance deployment tends to contain. Gaines documented a string of basic security failures across multiple camera models, and Jordan turned up something starker: dozens of Flock's cameras sitting wide open on the public internet, no password required, anyone able to watch the live feeds and pull down a month of archived footage. The reporting drew enormous attention, dragged in the mainstream press, and produced real consequences at the local level, with city councils delaying or canceling Flock contracts in the months that followed. It did all of this with no new federal regulation, simply by refusing to let a quiet deployment stay quiet. Jordan's own politics run against most of the constituencies this book is addressed to, which is the lesson, not a footnote to it. The work is available to anyone willing to do it, and the people who should have been doing it to substrate-deployed AI were not the ones who did.

Then there is the second face, the candidate proper. An AI safety emergency operation would frame the danger of advanced AI as requiring federal authority over who may build it, and the configuration for that operation is already largely assembled: the frontier-lab oversight machinery built up since 2023, the longtermist and effective-altruism world that has spent years and a great deal of foundation money making the case for control, the licensing frameworks already drafted in Washington and Brussels, the credentialed consensus that capability beyond some threshold is a public danger. Such an operation would arrive dressed as a brake on the technology. Its actual effect would be to consolidate, under emergency authority, the very deployment infrastructure described a few paragraphs up, the apparatus's new AI capacity locked in and licensed and placed beyond reach, in the name of restraining it. The thing presented as the leash would be the collar. That is the move to watch for, and the reason AI is the most serious candidate in this chapter: the capacity expansion is real and present, the emergency framing is staged and ready, and the two are the same infrastructure seen from two angles.

IX.4 THE SHORTER LIST

A few others belong on the watch list without the full treatment.

A climate emergency could reactivate through the carbon-accounting, central-bank, and federal regulatory machinery assembled since 2015, though here the direction it would take is contested in a way the metabolic and demographic cases are not, and the constituency alert to its substrate features is smaller. A cybersecurity emergency could form around a major breach, drawing on the federal-platform coordination COVID demonstrated and the intelligence-sharing frameworks the post-9/11 period built; the resistance to it is thin, mostly because the public has little intuition for what is even at stake. And a geopolitical emergency remains permanently available: the 2001 Authorization for Use of Military Force is still on the books in 2026, stretched far past anything its authors imagined, and any of several confrontations could call the old post-9/11 reflexes back into service. The non-interventionist tradition has done more analytical work on this one than on any other candidate, which is the lone piece of good news in the paragraph.

IX.5 THE NEXT RENEWAL

Step back from the particular candidates and the general shape is the one Part 1 described. The apparatus accumulates capacity. Accumulation eventually becomes visible. Visibility erodes legitimacy, and the erosion feeds on itself, until the arrangement reaches a renewal, the moment when enough legitimacy has drained away that the usual management techniques, the substitutions and the safe scapegoats and all the rest of the repertoire, no longer hold the pressure. At that point the thing breaks one of two ways. It consolidates in the apparatus's favor, or it gets rolled back. Which way it breaks is not decided in the moment. It is decided by what was already standing when the moment came.

We are well past the point where the apparatus is mostly doing honest work. The capacity stacked up across the post-9/11, 2008, and COVID operations is plainly visible now to anyone who cares to look, and a large and growing share of the country has already withdrawn its trust and is keeping its own counsel. The conditions for a renewal are in place. When it comes, and what lights the fuse, the model cannot tell you, and anyone who claims otherwise is selling something.

What the model can tell you is the part that should keep you up at night. Renewals do not resolve in the direction of liberty because liberty deserves it. They resolve in whatever direction the country is already leaning when the renewal hits, the way the legitimacy and the institutions and the habits all happen to be pointed at that moment. The American founding produced a substrate-handicapping settlement because the conditions for one were laid down in advance, across decades of committees and pamphlets and colonial assemblies, the slow institutional work that meant there was something ready to catch the moment when it came. The renewals that lacked that groundwork consolidated power instead, or reformed one thing while the apparatus grew two others. The preconditions decide the outcome, and the preconditions do not assemble themselves. Part 1 puts this precisely: the standing capacity a population brings to a renewal and the rate at which it converts recognition into organized force are both set before the renewal

opens, not during it.

The American record bears this out at every turn the country has reached. The Civil War produced the income tax, the legal-tender notes, the National Banking Act, and the Reconstruction Amendments, the consolidation directions for which the antebellum federal-power coalition had been building intellectual and institutional groundwork for decades while the substrate-handicapping side lost strength. The Progressive Era brought the Sixteenth Amendment, the Federal Reserve, the Seventeenth Amendment, and the early administrative agencies, the work of thirty years of progressive academic and reformist preparation that finished a case its alternatives had not assembled. The Great Depression built the regulatory architecture that the 2008 response would eventually sit on top of, advanced by a New Deal intellectual class that had been forming across the 1920s in the universities and the law schools while no comparable substrate-handicapping infrastructure stood ready. The end of Bretton Woods in 1971 and the petrodollar system that replaced it across the 1970s reorganized the global monetary order on terms whose financialized substrate the 2008 chapter's response operated through, with the hard-money and free-banking alternatives sitting in academic margins and small publications without an institutional base that could take the moment. Each of these events consolidated, and each consolidated because the preconditions for consolidation were the ones standing.¹

That is the whole case for doing the work now, before the event, while it still looks unglamorous and abstract. The constituencies are out there starting it. MAHA is building on the metabolic question, the pronatalists on the demographic one, the open-source and tech-libertarian world on AI, and the broader movement that came out of the Ron Paul campaigns and now runs through the Mises Caucus is building across all of it. The Libertarian Party of Tennessee's strategy, running candidates locally where a refusal has teeth, forming issue coalitions across factional lines, and building a durable culture rather than chasing a presidency, is the substrate-engagement posture the framework recommends, in practice. All of it is real. None of it is yet at the scale of what it opposes.

And the clock is faster than it used to be. Every operation in this book took years or months to build, and that lag was the only thing that ever gave the public time to notice and push back. AI compresses the lag toward zero. Part 1 makes the danger precise as a race: a renewal turns on whether the population converts recognition into organized capacity faster than the substrate absorbs it, so the outcome depends on the ratio of those two rates and not on the standing level of capacity alone. AI raises the substrate's absorption rate, which lifts the conversion rate the public must reach to win, so the expansion that once took a decade can now happen in a season and the window for assembling the preconditions is shorter than it has ever been, at exactly the moment the stakes of getting it wrong are highest.

The framework stops here, at the edge of what it can claim. It is a theory of what the apparatus does and what holds it in check. It does not tell you what kind of country to build in the space that holds it in check; that is the political work, and it belongs to the people doing it, not to a model. What the model insists on

¹The canonical libertarian historical analysis of the ratchet effect across these episodes is Robert Higgs, *Crisis and Leviathan: Critical Episodes in the Growth of American Government* (New York: Oxford University Press, 1987), covering the 1890s, the Progressive Era, the World Wars, the Great Depression, and the postwar period.

is only this. Another renewal is coming. The conditions are already here. How it resolves depends entirely on what has been built by the time it arrives, and the time left to build is shorter than it looks. That is not a forecast of defeat, and it is not a promise of victory. It is the assignment.