

# The Backstory of the Great Reset, or How to Destroy Classical Liberalism



by Michael Rectenwald

As should be clear by now, Francis Fukuyama's declaration in "[The End of History: The Last Man](#)" (1992) that we had arrived at "the end of history" did not mean that classical [liberalism](#), or laissez-faire economics, had emerged victorious over communism and fascism, or that the final ideological hegemony signaled the end of [socialism](#). In fact, for Fukuyama, the terminus of history was always democratic socialism or social democracy. As Hans-Hermann Hoppe noted in "[Democracy: The God That Failed](#)," "the Last Man" standing was not a capitalist homo economicus but rather a "*homo socio-democraticus*" (222). The end of history, with all its Hegelian pretenses, did not entail the defeat of socialism-communism

but rather of classical liberalism. Evidently, the big state and big capital were supposed to have reached an inevitable and final détente. The [Great Reset](#) is the consummation of this final détente.

The elite subversion of the free-market system and republican democracy had already been underway for many decades before “the end of history.” According to Cleon W. Skousen in “[The Naked Capitalist](#),” elites positioned within major banks, large corporations, leading think tanks, influential publishing companies, the media, tax-exempt foundations, the educational system, and the U.S. government sought to remake the United States in the image of its (former) collectivist archrival since at least the early 1930s. As Carrol Quigley noted in “[Tragedy and Hope: A History of the World in Our Time](#)” (1966), elites propagated socialist, [communist](#), and other collectivist ideologies at home, while funding and arming the Bolsheviks in Russia and the communists in Vietnam and promoting international policies that led to the deliberate abandonment of eastern Europe and Southeast Asia to the communist scourge.

For many, the goal of advancing socialism has been most evident in the alacrity with which the institutions of higher education have absorbed and circulated Marxist, neo-Marxist, and post-Marxist collectivist ideologies in their various guises at least since the early 1930s—including Soviet propaganda, critical theory, postmodern theory, and the most recent variants, critical race theory, critical whiteness studies, and LGBTQIA+ ideology. The dreaded “[long march through the institutions](#)” was never a bottom-up, grassroots project. Rather, it was an inside job undertaken by elites in positions of power and influence. When the philosophers, sociologists, and psychologists of the Frankfurt school of critical theory emigrated to the United States in 1933—armed with the Marxist theory of revolution and Antonio Gramsci’s model for socialist cultural hegemony—they hardly inaugurated this march. Rather, they were welcomed by elites and [funded](#) by

tax-exempt foundations whose work was already well underway.[1] The so-called long march through the institutions was a stampede within them.

To understand the Great Reset, then, we must recognize that the project represents the completion of a centuries-long and ongoing attempt to destroy classical liberalism (the free market, free speech, and liberal democracy), American constitutionalism, and national sovereignty. The idea of resetting [capitalism](#) suggests that capitalism had previously been pure. But the Great Reset is the culmination of a much longer collectivization process and democratic socialist project, with their corresponding growth of the state. Despite being pitched as the antidote to the supposed weaknesses of the free market, which World Economic Forum founder and chairman Klaus Schwab and company equate with “neoliberalism,” the Great Reset is meant to intensify and complete an already prevalent economic interventionism, and to use U.S.-led military power to complete this process where economic intervention proves unsuccessful. This explains, in part, the West’s arming and funding of Ukraine against its Russian attacker.

I do not mean to suggest that the Great Reset’s global neo-Marxist economics, and its international rather than national economic fascism, are not new. They are new, as are the *means* by which they are to be brought about. But we must not be so confused as to think that the Great Reset project was born *ab nihilo*—it’s the culmination of decades of elite thinking and activism.

#### Note

1. The Frankfurt school theorist Herbert Marcuse, for example, was funded by the American Council of Learned Societies, the Louis M. Rabinowitz Foundation, the Rockefeller Foundation, and the Social Science Research Council. See Herbert Marcuse, “One-Dimensional Man” (1964; repr., London: Routledge, 2002),

p. iv, where Marcuse acknowledges such funding.

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