



The economy of vengeance: Some considerations on the aetiology and meaning of the business of revenge

Burkard Sievers and Rose Redding Mersky

ABSTRACT

Throughout the history of mankind, revenge and vengeance have been deeply ingrained in our social fabric and richly portrayed in literature, music, drama, and film. Vengeance can be understood as a defence against annihilation anxieties, stimulated by the reactivation of injuries and losses experienced earlier in the lifetime of a system, fed by an institution's inability to acknowledge guilt and to integrate love and hate, and driven by the desire for 'repair' via retaliation. As open and direct acts of both revenge and violence are largely taboo, they are broadly denied in contemporary society at large and in organizations in particular. Despite that denial, the underlying feelings and the desire to persecute remain real. Thus revenge often is wreaked unconsciously by sophisticated and hidden means. This article is guided by the *working hypothesis* that vengeance from a *socio-analytic* perspective is a psychosocial phenomenon and a dynamic of the collective, that is, the community or polis of related people. In social (political and economic) contexts, its inherent aggression and annihilation is often hidden behind an apparent logic of rationality, justice, and competition.

KEYWORDS

economy ■ political economy ■ revenge ■ socio-analysis ■ vengeance ■ violence

If money's to be the measurer, man, and the accountants have computed their great counting-house the globe, by girdling it with guineas, one to every three parts of an inch; then, let me tell thee, that my vengeance will fetch a great premium HERE!

(Herman Melville, *Moby Dick*, 1851/1967: 143f.)

Introduction

Throughout the history of mankind, revenge and vengeance have been deeply ingrained in our social fabric. They have been richly portrayed in literature, music, drama, and film. The right to take revenge on the other for an evil deed, an expression of the *lex talionis*, is as old as humankind. It appears in many ancient myths and laws including the Old Testament book of *Exodus* (21:25) (burning for burning, wound for wound, stripe for stripe). As expressed in countless ancient myths, the taking of retribution leads to illness, death, 'natural' catastrophes or other instances of bad luck. By contrast, in modern times the social reaction to revenge has often been ambivalent.

This article is guided by the *working hypothesis* that vengeance from a *socio-analytic* perspective is a psychosocial phenomenon and dynamic of the collective, that is, the community or polis of related people. In social (political and economic) contexts, its inherent aggression and annihilation is often hidden behind an apparent logic of rationality, justice and competition.

A *socio-analytic* perspective on vengeance makes use of the concept of binocular vision and the perspective of the Sphinx in particular (Bion, 1961; Lawrence, 1999). The predominance of vengeance can lead to a vindictive psychotic collusion, in which everyone seems to be convinced that the outside persecutor is evil, whereas the respective organization and its members remain good. Aggressive and annihilating desires and actions are concealed behind such pursuits as justice and competition, and the illusion is sustained that – unlike our ancestors – we live in an age free of violence.

The fact that this article is focused on the *economy* of vengeance may be misleading at first sight – especially to those familiar with Freud and his writings. There are above all two reasons why the scope of economy used in the following thoughts goes beyond the narrow frame of Freud's economic model. First, Freud's economic perspective is the most hypothetical aspect of his metapsychology (Laplanche & Pontalis, 1986) and, as Rycroft (1995: 48) emphasizes, is actually a disguise for 'a theory of meaning'. Second, as the focus of this article rests on socio-analytic considerations, Freud's predominant emphasis on a *psychic economy* (e.g. Freud, 1926) appears too narrow a frame for understanding the broader social (and political) economy of vengeance.

I. The psychoanalytic perspective on vengeance and revenge

Psychoanalysts insistently repeat that there is a ‘surprising dearth of psychoanalytic literature devoted to the topic of revenge’ (e.g. Lane, 1995: 41). Actually there is quite some reference to vengeance, but the span of interest is surprisingly narrow and in no way matches mythology, fiction and drama.

Amongst psychoanalytic authors there is general agreement that vengeance is an expression of the inability to integrate love and hate and a reaction to fundamental losses in early childhood. As Socarides (1966: 358) writes:

Unconsciously the aim of the vengeful individual is to hide a more disastrous damage to the ego, a damage experienced during the earliest years of life and underlying the specific injuries of which he complains. In this sense the act of vengeance is a defense mechanism whose function is to conceal the deepest traumata of childhood. It seeks to ruin the other.

Vengeful destruction can be seen as a spontaneous, pleasure-oriented, cruel and insatiable desire to take revenge on those who have inflicted unwarranted suffering on oneself or a group with whom one identifies. Unlike normal defensive aggressions, such a reaction emerges – according to Fromm (1973/7) – after the injustice has been experienced; it thus is not a defence against an apparent danger but retribution for a previously experienced one, and is based on the conscious intention to return ‘like for like’.

Kohut (1972) posits that vengeance can be understood as an expression of narcissistic rage. He views vengeance as necessary ‘for righting a wrong, for undoing a hurt by whatever means, and a deeply anchored, unrelenting compulsion in the pursuit of all these aims which gives no rest to those who have suffered a narcissistic injury’ (Kohut, 1972: 380). The coercive economic control exercised by the vindictive individual – through the annihilation of its enemies – enslaves and ultimately destroys the individual himself in the obsessively doomed attempt to maintain the grandiose self and the glorified idealized self-object. Chronic vengefulness requires enormous energy to simplify complexity and defend against despair. The economy of vengeance is at its core not only an economy of scarcity but also an endless drain on the avenger’s resources. As he or she desperately endeavors to avoid the experience of despair resulting from these losses, the chronic avenger continually struggles to fill a gap of which he or she is not aware. Vengeance thus can become a substitute for meaning and the ‘meaning’ of one’s life. Consumed by its drama, ‘the primitiveness of the affect of vengeance’ (Socarides, 1966: 373) and the psychotic thinking on which its economy is based, the avenger excludes the

possibility that he may ultimately destroy himself and his enterprise. Likewise, he may willingly seek self-destruction for the sake of a mission in the name of God. The vindictive individual tends to derive surrogate pleasure and satisfaction from the act of vengeance itself, especially from one's resulting triumphs. They provide excitement, thrill and passion. As elaborated previously (Sievers, 2003b), vengeance and vindictiveness are, according to Melanie Klein's developmental theory of the infant, constituent dynamics typical of the paranoid-schizoid position (e.g. Klein, 1963/88).

As opposed to Bion's (1961) binocular vision and the perspective of the Sphinx (Lawrence, 1999), the psychoanalytic emphasis on Oedipus limits the concept of revenge to losses experienced in infancy. It leaves one with the impression that vengeance is mainly an expression of individual primitivism and immaturity that reflects a neurotic or psychotic 'personal pathology'. This limited perspective reflects the general tendency of psychoanalysis to deny the reality of the social world and its impact on the individual (cf. Puget, 1991).

Such a view would see the cause of Ahab's desperate search for vengeance to be the early loss of his 'crazy, widowed mother, who died when he was only a twelvemonth old' (Melville, 1851/1967: 77). Such a perspective would not take into account the actual loss he experienced when dismembered by the White Whale and the extreme violence and brutality on board American whaling vessels in the mid-19th century. A more recent but equally striking example would be to base the determination of the present US government to declare war and invade Iraq predominantly on the psychobiography of George W. Bush. Though such a perspective would undoubtedly provide interesting insights into Bush the person (e.g. Binion, 2003), it would totally ignore the impact of the 9/11 terrorist attacks on the presidential role holder.

Though we do not intend to devalue the traditional psychoanalytic 'approach' and its therapeutic meaning in particular, we are quite convinced that for a socio-analytic study of organizations and society, 'Oedipus' has to remain in the background and the Sphinx in the foreground.

II. Towards a socio-analytic perspective on vengeance

The principle of retribution: Hans Kelsen

So far as the social sciences are concerned, it is above all the studies of early societies by Hans Kelsen (1881–1973) that have deepened our understanding of the function of retribution in society and in the natural world. The act of differentiating nature from society, according to Kelsen (1943/6), is a relatively recent accomplishment. The previous worldview that nature and

mankind were one was maintained by tradition and primarily emotionally constituted. As the notion of the individual did not yet exist, reality was interpreted as a group, that is, a 'social' phenomenon.

Kelsen (1943/6) attributes the notion of justice and a 'just world order', which in itself suggests some aspect of retribution, to a primitive view of nature and the belief that the soul lives forever. He sees vengeance as an active effort initiated by the avenger to inflict evil on the assumed initiator of a previously suffered evil or on any other individual to whom the responsibility for this suffering is collectively ascribed. This action cannot be explained as a natural aggressive drive, because no act of vengeance is taken without the previous (real or imagined) action of an 'Other'. It has to be assumed that such a reaction presupposes some kind of a societal state, as opposed to an instinct of the individual. In taking vengeance, one acts for the whole community. The vengeance taker perceives the previously suffered evil as a deviation from the norm. It is a violation of the existing societal order and is thus immoral.

Our view is that the narrow conceptualization of vengeance in contemporary society, in general, and in psychoanalysis, in particular, needs to be extended, using Kelsen's notion of 'primitivism'. The primitive nature of contemporary expressions of vengeance is, to a certain extent, inherited from much earlier times. Kelsen helps us realize that vengeance is not primarily the act of a single (monadic) individual. Taking vengeance is culturally patterned. It cannot be adequately conceptualized without its relatedness to various others, to objects of the inner *and* the outer world.

The alienated elaboration of mourning: Franco Fornari

Because groups, in a perverse and alienated way, have difficulty experiencing loss, assuming responsibility for their own destructiveness, and coping with the associated guilt, they perceive the annihilation they experience as caused by an evil other group. This displacement of guilt – as Fornari (1966/75) elaborates in *The psychoanalysis of war* – can be interpreted as an alienated elaboration of mourning. Contrary to the non-psychotic elaboration of mourning, in which the pain of mourning can be endured by the confidence that eventually it can be overcome, the psychotic elaboration of mourning is based on feelings which are projected – as blame – onto the enemy. The destruction is seen to have been caused by an enemy who becomes the object of hatred. It represents the unacknowledged guilt of those who experience an attack or have a fear of being attacked.

War can be understood as a social organization of a psychotic kind whose fundamental dynamic is based on a paranoid elaboration of mourning

(Fornari, 1966/75; cf. Sievers, 2000). A group that cannot acknowledge its own destructiveness often displaces it by engaging in endless warfare against perceived – and created – enemies. Contrary to the predominant view that war is an expression of hatred, Fornari is of the paradoxical opinion that war is more likely based on the ‘madness of love’ (Fornari, 1966/75: 261). Instead of acknowledging the experience of loss and destruction of a group’s ‘loved object’ and accepting the associated feelings of guilt, the avenger blames the enemy for being the initiator of the war. The enemy’s defeat is the ultimate proof of his guilt, and his annihilation is rationalized as the punishment for this crime.

To blame the enemy is a central mechanism for avoiding the feeling of guilt which war engenders (Fornari, 1966/75: 22). As with the Mitscherlichs (Mitscherlich & Mitscherlich, 1967/75) the avoidance of the experience of mourning – and thus war – is for Fornari at the same time an inner psychic *and* a social dynamic.

Transgenerational transmission of trauma: Vamik Volkan

The *transgenerational transmission of trauma* is a concept developed by Vamik Volkan (1996) and based on the idea that traumata, no matter how ancient, mythologically stay alive in the collective consciousness of groups and societies over time, maintained in stories and other narratives. He has used this concept to develop a deeper understanding of the ethnic conflict between the Serbs and the Bosnians. On 28 June 1989 – on the 600th anniversary of the Battle of Kosovo – Slobodan Milosevic – before becoming president of the Serb-Montenegrin federation – vowed that Islam would never again subjugate the Serbs. On a wave of nationalism, he revived the dormant thirst for revenge against the Muslims, which had remained unquenched during centuries of quarrelsome coexistence.

Volkan characterizes this focus on the battle as a *chosen trauma*, which is ‘a large group’s unconscious choice to have their group identity be defined by the transgenerational transmission of the shared trauma’ (Volkan, 1996: 117). In the present context this means that the original trauma experienced by Serbians in the 14th century was revitalized and passed on to contemporary generations. The actual discontent and humiliation experienced in the late phase of the Yugoslavian federation and the mental representation associated with them formed fertile ground for this reactivation. Serbians longed for an ethnic and national identity that went far beyond their short history as part of the Communist state of Yugoslavia. As such, this chosen trauma reinforced in them the belief that they were the only people who possessed the truth and truly followed the calling of God.

Volkan's contribution further helps us to expand the concept of revenge from the limited focus of the individual to the psychosocial environment. Looked at from the broader systemic context of an ethnic group, nation or organization, revenge mobilized by a chosen trauma may significantly affect the thinking and actions of both the social system and the individual. The revenge dynamic resulting from the chosen trauma revitalizes a social identity in which there is no difference between the community and the individual. One's individual identity is gladly traded for membership in a special and destined group.

In summary, the thinking of Kelsen, Fornari, and Volkan take the reader into the world of the primitive, traumatized and retributive social system. From them, we gain a perspective on the individual's pre-eminent identification with the social whole (at times surpassing his own identification as an individual) and understand that the act of one person can speak for a whole community. The psychotic dynamics of a community unable to mourn loss and humiliation may lead it to socially sanctioned destructive and annihilating acts towards other groups seen as the evil source of these unacknowledged feelings. (This section is only a short overview of the thinking of these writers. A more elaborated exploration can be found in Sievers & Mersky, 2004.)

The illusion of a world free of vengeance and violence

Vengeance is not exclusively the act of a subjective will but, as Kelsen, Fornari, Volkan, and Sofsky (1996, 2002) have convincingly shown, has been deeply ingrained in the social and moral fabric of mankind since time immemorial.

As Sofsky (2002: 58) writes:

Like gratitude, vengeance is a part of society's moral memory . . . People do bear a grudge both for good and evil. The modern devaluation of revenge has failed to take notice of its moral perseverance. Revenge does not know forgiveness nor does it fall into oblivion. Time may pass by but vengeance is keeping an eye on its aim. It has a long memory and does not know any prescription. It is waiting with patience for the moment of fulfillment. The memory of the deed does not extinguish. In the flow of time revenge thus is a moment of duration. It is keeping the past present; it bears the dead in mind and keeps faith with them. It wants to continue where the dead are no longer able to do so. The deed shall be rescinded. Vengeance, therefore, is a leap out of the impotence of suffering into liberating action.

To acknowledge the reality that we can never free ourselves from the code of the primitive requires maturity. Taking vengeance can be seen as an expression of the belief that we are one with the universe and its unlimited power. The need or desire to take personal vengeance on others is not only a futile attempt to defend oneself against the deep losses and traumata of childhood but a means to experience oneself as not being alone, much more powerful than one actually is (which includes the ability to destroy others) and immortal. To the extent that we consciously or unconsciously take part in collective campaigns of vengeance, we allow ourselves to be seduced by the illusion that it is possible to overcome the experienced chaos of the real world and re-establish the social order of primitive man. In the attempt to regain a lost paradise through the oppression and destruction of external enemies, we lose sight of the persecutory figures that we unconsciously sustain in our inner world and our collective past.

When viewed as part of mankind's inheritance, vengeance cannot be regarded as a kind of accident that unavoidably happens again and again on the part of an individual or a society. Instead it has to be understood as a constituent part of mankind's fate (Sofsky, 1996). If it is true that violence is inherent in culture (Sofsky, 1996) – culture creating violence and violence generating culture – it can be assumed that vengeance is equally inherent. If one further allows oneself to follow Sofsky (1996), one sees that violence is deeply rooted in mankind's fight to overcome mortality. Retribution and revenge can then be understood as equally violent means. They have always been and continue to be constituent parts of 'our theatre of cruelty' (Baudrillard, 1983: 111). It is the primitivism and madness projected onto the other that allows oneself to sustain the illusion of civilization. Though taking vengeance is an ultimately futile attempt to cope with the despair related to the denial of mortality, we must accept the predominant ignorance, denial, and diabolization of vengeance as a constituent part of our culture.

III. Vengeance in organization and society

As the first two parts of this article suggest, the analysis of the economy of vengeance and its meaning and relevance for organizations and society requires the perspective of the project of the Sphinx. As may be no surprise, the topic of revenge is broadly missing in management and organization theory. This may be explained by the fact that these theories – and their authors – tend to deny the predominantly unconscious irrationality and

madness in organizations, usually regarded as “rational” madness” (Lawrence, 1995b).

Vengeance and the psychotic organization

Applying Bion’s (1957) differentiation of the psychotic and the non-psychotic parts of the personality to social systems, it can be assumed that vengeance belongs in the psychotic domain. Organizational psychosis – as previously outlined (Sievers, 1999) – refers to the extent to which organizational dynamics are influenced or even initiated by unconscious psychotic reactions to the organizational environment. These psychotic reactions are expressions of underlying anxieties and seen as ‘socially induced rather than a product of the individual’ (Lawrence, 1995a: 17). Those inclined to vengeance ‘use aspects of their mental functioning to destroy, in various degrees, the very process of thinking that would put them in touch with reality’ (Lawrence, 2000: 4f.).

From the perspective suggested here, vengeance can be understood as based on distorted thinking, which divides the internal and the external world into good and evil and thus into allies and enemies. As already indicated, vengeance in Kleinian terminology is an expression of the psychotic anxieties typical for the paranoid-schizoid position, predominantly or even exclusively determined by persecutory anxieties, and the vicious circle of retaliation and revenge concomitant to it. These anxieties leave no space for feelings of love or guilt, nor the desire to take responsibility or reconcile, which are the anxieties typical for the depressive position (cf. Sievers, 2003b).

Following Fornari’s (1966/75: 261) paradoxical suggestion that war is not an expression of hate but rather based on the ‘madness of love’, vengeance also can be seen as an expression of disguised love. Like war, vengeance can be the result of an organization’s inability to acknowledge the experience of loss and destruction of its ‘loved object’ and to accept the feelings of guilt concomitant with that. This guilt is projected onto a persecuting enemy, who is seen as having caused the organization’s loss of ‘self-love’, the loss of its ‘loved object’ and the absence of the experience of love for and from others (organizations, the ‘market’, customers, etc.). This ‘system’ introjects the projection and is made to feel sufficiently frightened that the (omnipotent) avenger will wreak violence, potentially leading to its annihilation. The longing for an ‘object of vengeance’ thus cannot only be seen as an expression of an organization’s grandiosity (and cruelty) but further serves as a ‘return on investment’ for the disguised love and concomitant guilt projected onto its opponent.

To the extent that organizations are dominated by a dynamic of vengeance as an expression of disguised love, the thinking about the internal organization and its environment becomes predominantly psychotic, that is, distorted, fragmented, dominated by splitting and idealization and preoccupied by the desire to seek justice for the consciously or unconsciously experienced wrong. That an avenging organization more often than not cannot openly acknowledge its vengeance can also be due to the fact that love – both as a category and as an emotion – is broadly expatriated from organizational and economic discourse.

Vengeance as an (inter-)organizational dynamic

The phantasy or the desire for revenge can be an organizational ‘unthought known’ (Bollas, 1987), ‘known at some level but has never been thought or put into words, and so is not available for further thinking’ (Lawrence, 2000: 11). This may further explain why vengeance – like the unthought known of war – often is expatriated to a major extent from organizations and projected instead onto the environment of customers and competitors.

Role holders, who are driven by phantasies of retaliation and vengeance in order to avoid suffering and defend themselves against an experienced wrong, usually face an insoluble dilemma. Since retaliation against the organization is accompanied by the risk of being severely punished or even dismissed by management, the phantasy of revenge or even the idea of entertaining vengeful thoughts may endanger one’s ability to make a living. The belief or the experience ‘that it is too dangerous to seek vengeance openly and directly in action’ (Steiner, 1996: 433) may lead employees to make conscious or unconscious decisions to reduce their commitment and contribution to the enterprise to the minimum required of them in their roles.

In order not to become overwhelmed by their own vindictive feelings, employees may be forced to avenge themselves against the possible experience of vengeance. Though total denial may help one to find peace, it nevertheless, so far as its underlying economy is concerned, can be seen as a process of self-retribution; in order not to be overwhelmed by these evil feelings, the employee has to kill them – totally unaware that in so doing he reduces his own aliveness.

It has become increasingly obvious to us that many of the strategic means used for competition in the (world) markets are rooted in the revitalization of traumata from a company’s or nation’s founding process. Contemporary businesses, companies or national economies unconsciously affected by the transgenerational transmission of a chosen trauma may become

mobilized to achieve ultimate triumph over contemporary competitors, who stand in for historic 'enemies'. Official business reports, strategic plans and balance sheets may function as 'cover' for revenge mobilized by the deposited traumatized self-representation of a company. The vindictive economy of retribution thus may fuel the economy of commodities, services and money. Put another way, retribution may be considered an excellent business strategy.

CEOs, driven (on behalf of their organizations) by the vengeful desire to right a wrong, may direct this effort not only toward an outside aggressor, competitor or 'the market' but also – in a social attack – on their own management and workforce. A 'successful' CEO is able to mobilize his workforce to join him in wreaking vengeance. Employees thus are reified, that is, turned into tools, as was the Pequod crew by Ahab: 'Ye are not other men, but my arms and my legs, and so obey me' (Melville, 1851/1967: 465).

The story of Ferdinand Piech, former CEO of Volkswagen and grandson of Ferdinand Porsche (who, with Adolf Hitler, founded the company in 1938), well illustrates how the retraumatization of previous losses both from one's personal biography and from the history of one's family may merge with the unmourned losses of a company's past. The distrustful Piech felt permanently surrounded by enemies. He always imagined himself at war with his competitors, the Japanese and, for that matter, everyone else. And there was no fight without winners and losers. As he stated, 'I intend to be the winner' (N.N., 1998: 93; cf. Sievers, 2000). The social attack he mounted on his management and workforce for accomplishing this target was enormous.

In another contemporary example, Lee Iacocca, once CEO of Ford, sought revenge on Henry Ford II, who had dismissed him in 1978. Soon after leaving Ford, Iacocca became CEO of Chrysler, Ford's main competitor at the time (Iacocca & Novak, 1984). Chrysler was nearly bankrupt, and Iacocca was determined to turn it around and gain significant market share over Ford in the American and international automobile markets. Iacocca made no secret of his intent to take revenge for the humiliation of his previous dismissal. It appears likely that his ultimate triumph was achieved by means of a social attack on Chrysler employees, who carried the burden and suffered the stress and strain of achieving his goals. Iacocca's attempt to right his wrong – despite its 'positive' outcome – involved a vindictive psychotic collusion, in which Chrysler employees became convinced that the outside persecutor was evil, while the corporation and its members remained good.

Nowadays the term 'customers' is no longer limited to external 'buyers' of an organization's goods and services but includes all those previously

identified as organizational members (e.g. co-employees in other units, students, residents or patients; cf. Long, 1999a, 1999b). These customers in an expanded sense may become the target of unconscious vindictive fantasies insofar as they are often turned by staff or co-employees into recipients of the disguised love and distorted thinking concomitant to vengeance.

This seems, for example, to be the daily reality in nursing homes for the elderly. Nurses in their professional roles may often have difficulty coping adequately with their own experiences of personal loss and unconsciously transfer their own disguised love to elderly patients, on whom they may take revenge for their personal loss and suffering.

Violence by policemen against those they have arrested can be seen as their revenge for society's disrespect toward them in their roles. Likewise prison guards may sometime act out society's unconscious desire for revenge on the perpetrator of heinous crimes (cf. Long, 1999b). Both police and prison guards – in breaking the law by taking revenge – ironically become very like the criminals and prisoners they are expected to control on society's behalf.

Vengeance as a societal dynamic

The current war against Iraq is a 'bad' enough illustration of a social (and political) dynamic of vengeance that far exceeds a particular revenge-taker and his opposite. In this particular case, it is not merely a matter of the community or the polis, but of the entire world. Not only are the world's nations divided into allies and opponents of the war and the (broadly unacknowledged) vengeance on which it is based, but the diplomatic failures preceding its start have raised enormous amounts of aggression and threatened many long-term alliances. The stance of the US government in particular may be seen as an expression of disguised love, in that the high esteem and regard that it has for itself and that is surely legitimized by God, is not universally shared, even by many of its own citizens. Quite the contrary, there is the strongly held view that its actions in this case are strictly a reflection of its grandiosity and desire for hegemonic power.

Though this cannot be the space to elaborate the psycho-, socio-historical and not least the economic implications of this situation in more detail, much evidence points to the fact that the current policy of the Bush government is based on the deep national humiliation experienced by the terror attack of 9/11 – shared apparently by a majority of Americans and its allies – leading to the decision to take vengeance on Iraq (despite the fact that there is no evidence that Iraq is implicated).

IV. Vengeance as an economic dynamic

This study of the aetiology and meaning of vengeance makes use of economy as the 'guiding metaphor' or 'leitmotiv'. Vengeance – both in the realm of Oedipus and the Sphinx – has economic aspects that function to fill the gap between (revitalized) earlier traumatic experiences of loss and the attempts to repair via retaliation. The avenger's fear of being annihilated is replaced by the desire to annihilate the other, who is seen as the source of mortal fear.

In ending this article we would like to focus on the economics of vengeance. This final task has been the most difficult one of this venture. This indicates to us that the relatedness between economy and the violence of vengeance (the wish for annihilation of the other and the desperate longing for survival and immortality on the side of the avenger) is such a fundamental issue that its wide frame requires broader scholarship to do justice to the enormous significance and frightening destructivity of vengeance and vindictive dynamics in contemporary capitalistic economy.

Both the words 'retaliation' and 'retribution' etymologically refer to payment. This may partly be due to the (ancient) function of money in sacrificial rituals. It suggests that money and vengeance have been intertwined with (political) economy throughout the history of humankind.

Despite the fundamental relationship between vengeance and economy, the function and meaning of revenge and vengeance are largely ignored in organizational and economic mainstream discourse. When they are, the conceptualization seems to mirror the one-sidedness of psychoanalysis insofar as vengeance is primarily an individual matter (e.g. Morrill, 1992; Bies & Tripp, 1996; Bies et al., 1997; Friedman & Singh, 1999; Fehr & Gächter, 2000; Fon & Parisi, 2002). This is partly due to the fact that economy in economic theory (and in the rational-choice approach in particular [Gourgé, 2001; cf. Becker, 1993]) is broadly regarded as a rational venture based on rational behavior and guided by the maximization of profits through a minimum of means. Fon and Parisi (2002: 1) attribute the limited attention given 'to the economics of negative reciprocity and retaliation' to the fear that contemporary economics are predominantly concerned about reciprocity in economic cooperation.

In focusing on the interrelatedness between vengeance and economy in the context of organizations and society, from the psycho-dynamic and socio-analytic perspective chosen here, we refer to the differentiations of micro- and macro-politics and -economy common in organizational theory and economics. The difference between an organization and its environment allows us, in the present context, to make the distinction between vindictive

dynamics amongst organizational role holders inside the organization and those at the interface of the organization with its markets, competitors, suppliers, customers and the 'world' at large.

While episodes of vengeance between two role holders may at first sight appear to be an interpersonal matter, we hypothesize that the role holders may be acting out broader organizational issues or dynamics which cannot (yet) be addressed openly (cf. Long, 2001; Sievers, 2001). A single act of vengeance may serve an economic function for the organization when it mobilizes the phantasy that bringing the disguised issue into the open would be too costly and could overwhelm the organization's competence and resources. Such a phantasy ignores the opposite possibility, that is, that the actual costs of a vindictive relationship between two role holders or subsystems may be quite high due to the amount of time, energy and manpower it absorbs and the resultant inefficiencies that increase costs and thus reduce profit. To the extent that a vindictive working relationship is socially induced by the organization (and/or its environment), it is most likely that individual role holders may get personally involved in the vindictive organizational dynamic and thus may make matters worse. In losing sight of the requirements of their roles, organizational role holders may ultimately be tempted to abuse either consciously or unconsciously a working relationship or the organization as a whole for their private business of revenge. Thus the psychic economy of vengeance becomes a social, that is, organizational one, which may be quite costly for the organization and ultimately cause a major loss or bankruptcy.

The 'execution' of vengeance can be a high 'cost factor' for an organization beyond micro-politics and -economy. At the macro-level, the conscious or unconscious strategy of taking vengeance on competitors by actively attempting to reduce their market shares, destroying or annihilating them, does not always pay off. Such a strategy of vengeance is supported by a vindictive psychotic collusion amongst organizational role holders guided by the conviction that the outside persecutor is evil, whereas their organization and its members remain good and are just pursuing what any successful business must – economic success in a free market. It may be assumed that the failure rate of vindictive strategies may equal or perhaps outnumber the failure rate of mergers and takeovers, in particular among enterprises. There is quite some evidence that about 70 percent of these mergers either fail totally or do not result in the intended synergy. Assuming that many merger/takeover initiatives are themselves an expression of the underlying desire for vengeance, one concludes that they are driven by the same desire for grandiosity and megalomania. These strategies serve to conceal the underlying aggressive and annihilating motivations behind the

pursuit of organizational growth, the maximization of profit and the optimization of shareholder value. Often any further consciousness of the actual risk to the avenger (i.e. the initiator of a merger/takeover) is not recognized (cf. Sievers, 1999).

One 'reason' it is difficult to acknowledge vengeance as part of the contemporary economy is that corporations are largely concerned about the future, rather than the lessons from the past. They are also increasingly driven by very short time frames regarding production cycles, marketing campaigns, and accountability towards shareholders (and their investment and pension fund investors). This results in a lack of awareness and concern for the past other than as a benchmark by which to compare (and exceed) future growth rates. Guided by the predominant concern for survival, economic 'agents' lack a broader concern for how the present relates to the past – both their most recent history and that of the founding phase (of, for example, a corporation) which often outlives by far the life span of a 'man's life'. They lack awareness that vengeance has a long memory and 'is keeping the past present' (Sofsky, 2002: 58).

Despite the fact that contemporary economy and its 'agents' broadly lack a consciousness of the past, competitive strategies utilized by each 'agent' in the (world) markets may, to various extents, be rooted in 'traumata' and losses from the founding process. If a business, company or national economy thus, for example, is unconsciously caught by (or devoted to) a transgenerational transmission of a chosen trauma, it may not only mobilize a reckoning for earlier traumatic defeats but also substitute previous 'enemies' with contemporary competitors. It thus becomes difficult to determine to what extent a chosen strategy serves the accumulation of commoditized money or the 'maintenance' of survival and immortality.

The 'business of revenge' can be seen as an expression of a political economy, whose primary concern is not the use of physical materials, human and capital resources but the distribution of power and the quest for hegemony, which (consciously or unconsciously) aims for immortality – regardless of whether the respective context is an organization, an enterprise or the state. Following Polany (1944), Kelsen (1946) and Fornari (1966/75), there can be no doubt that the archaic foundations of political economy have been tightly linked to the law of retribution and the alienated elaboration of mourning.

As already suggested, the macro-economic and -political context has a further, much more significant connection to vengeance if regarded in the broader frame of contemporary capitalistic economy and its increasing tendency towards globalization. This can only be sketched here and requires further elaboration. If there is some truth to the assumption that

contemporary economy has increasingly become a money game in which commoditized money begets commoditized money (cf. Wolfenstein, 1993; Sievers, 2003a), then most of the ways we give meaning to our experience of the outer world will soon become obsolete, because they have no commodity value and thus no longer serve as a source of meaning in the global game. As this development continues to spiral endlessly, we are surrounded (and driven) by a global economy that is nothing less than an endless money game. Like casinos, where all that counts is winning or losing bets and the profits of the operator, an economy exclusively driven by the accumulation of commoditized money has no valency for love, hate and the other emotions considered essential for leading a human life. Any world beyond economy is a 'waste land'.

If the illusion exists that there is no vengeance in this world, then this aria from Mozart's *Magic flute* is true: 'Within these hallowed halls one knows not revenge'. Even if most of what we have elaborated in this article may appear antiquated and/or obsolete, we hope that we have shown that the economy of vengeance and the business of revenge are seen as more than a pipedream of scholars who are either resistant or unable to move with the tides.

Conclusion

The above reflections have led us to view the 'code of the social' underlying contemporary economy as not exclusively one of causality and rationality but tainted by retribution. We see the 'agents' on economic markets to be in a collusion of vengeance. So far as the (potential) impact of vengeance on the economy is concerned, we may yet have only explored the tip of the iceberg. Guided by the law of causality, the contemporary understanding of economy is so rational, normative and seductive that it is difficult to reflect upon economy and the market in any other way.

In developing our argument, we experienced again and again that it is not easy to make oneself available for such thoughts (cf. Bion, 1962), especially given the neoliberal conviction that what an economy requires is a *free* market, a view largely regarded as irrefutable 'truth'.

We must leave it to you to consider the value, if any, of this thesis. Regardless of how you resonate with this attempt, there can apparently be no doubt that the economy of vengeance in organizations and society still requires further exploration. We would like to end with the Italian Nobel Laureate Luigi Pirandello's insight that: 'It is a frightening experience to see the present as past!' (Ortolani, 1994: 119).

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Burkard Sievers is Professor of Organizational Development in the Department of Economics and Social Sciences at Bergische Universität Wuppertal in Germany, where he teaches and writes on management and organization theory from a psychoanalytic perspective and an action research approach. He received his Dr Soz. Wiss. from the University of Bielefeld in 1972 and has held visiting appointments at various universities abroad. Dr Sievers is co-editor of *Freie Assoziation – Zeitschrift für das Unbewusste in Organisation und Kultur*. He is President of the International Society for the Psychoanalytic Study of Organizations for the period 2005–7. He was awarded the 1995 International Award for Participation from the HBK-Spaarbank in Antwerp (Belgium) for his book *Work, death, and life itself. Essays on management and organization* (Berlin: de Gruyter, 1994). He is co-director of 'Organizational Psychodynamics and Transformation', an International Professional Development Program held in Coesfeld and Cologne, Germany.

[E-mail: sievers@wiwi.uni-wuppertal.de]

Rose Redding Mersky, MS, is an organizational development consultant and executive coach. She is past president of the International Society for the Psychoanalytic Study of Organizations and its current Director of Professional Development. She is co-director of Organizational Psychodynamics and Transformation, an international professional development program held in Coesfeld and Cologne, Germany. She is a member of the editorial board of *Freie Assoziation – Zeitschrift für das Unbewusste in Organisation und Kultur*. Her presentations and publications focus on the 'intimacy' of consulting as a profession. In June 2000 the William Alanson White Institute awarded her its first annual prize for the best paper on applied psychoanalysis. She has recently moved from New York to Germany.

[E-mail: rosemer@earthlink.net]