

# Introduction

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Never since World War II have ordinary people found themselves so pitilessly pressed into job and income insecurity, never so unashamedly exploited by a small clique of shareholders and political and economic cadres (I deliberately eschew the term *élite* because it connotes the idea of moral superiority, which would definitely be misleading). Never have we been so openly deceived and dragged into wars in which thousands are slaughtered or crippled on the orders of someone who claims to be a Christian. Never was international law—the outstanding achievement of civilization—bypassed so self-righteously and cynically. Never has the common good, the basis of any democratic community, so hypocritically been attacked. Never has the Fourth Estate, the media, so utterly failed to fulfill their task of critically observing and reining in those in power. Never have fundamental civil rights been so restricted, and surveillance and repression become so all-encompassing. Never has public opinion been so perfectly manipulated. What sort of world is it where one family, allegedly the richest there is, has more assets than necessary to provide safe drinking water for every person in the world but does not care? The US Congress has approved a further \$87.5 billion to continue the war against the people of Iraq. With this money, basic education for every child on earth could have been provided. It's a perverse world where the basic principles of social justice, democracy, and trust are lampooned.

It's globalization, stupid—or so they say. Some of the more enlightened would emphasize the role of global power structure, international financial speculation or neoliberal ideology, while some of the less enlightened (including, alarmingly, many in so-called economic theory) refer to the alleged genetically determined greed of human nature. None of these theories, however, acts; only human beings do. It is not globalization that subjects drinking water or the energy supply to the demands of profit-making; nor does human nature privatize jails. This is why we focus on the top of today's global power hierarchy, that small group of people who wage war on others at will, who disdain the law if it

is not to their benefit, who buy or depose other countries' governments, who create conditions in which their supporters amass immense fortunes while the majority of people live in poverty. The most visible element of this group sits in the US government and administration and because the frontman is the current president, George W. Bush, I call this group the Bush Gang. The Bush Gang extends far beyond the US. G8 (the eight most powerful industrial nations: the US, Canada, Japan, Germany, France, UK, Italy and Russia), the International Monetary Fund (IMF), the World Bank, the World Trade Organization (WTO), and military alliances such as NATO are the major instruments used to demand loyalty worldwide.

Long before the Bush Gang, successive US governments rarely hesitated to enforce their claim to power by means of overt or covert action, but none has been as ruthless as the Bush Gang. It was only recently that some of the traditional vassals showed tentative signs of opposition: Canada, Germany, France, and Belgium did not answer the Bush Gang's call to war against Iraq, but many did (COW, the 'coalition of the willing'), mostly against the wishes of the overwhelming majority of their populations. Six million people around the world rallied in protest against the war on February 15, 2003. I admit that for a brief moment I dreamed we would succeed. We did not. Iraq was bombed to rubble, its infrastructure destroyed, its people left without water, electricity, and petrol. Meanwhile, the Bush Gang is selling Iraqi oil to its friends—oil desperately needed to fuel Iraqi power plants and water works. While 60 per cent of Iraqis are unemployed, the US-based corporations awarded billion-dollar contracts for reconstruction hire cheap immigrant workers. This is how hatred is generated.

The tentacles of the Bush Gang touch on many aspects of daily life, not only in the US, but also abroad. Political and economic advisors can be found not only in the transition countries of Eastern Europe, via the IMF and its structural adjustment dictates they are in direct control of the economic policy of the majority of the world's countries. The OECD and IMF regularly give advice on how the economic policy of allied countries should be drafted. With the help of the WTO, neoliberal principles, deregulation, and privatization are pushed through. Often, their influence is indirect and difficult to detect. Public opinion manipulation, i.e. propaganda industries, booms. The media, which excel at advertising, circulation, and market shares, and are increasingly dedicated to infotainment, are not helpful in providing orientation for ordinary people. Better and more reliable information is restricted to those who have the time, knowledge, and motivation to spend hours on daily information gathering.

One of the most telling examples can be seen in the “compelling evidence” provided by US Secretary of State Colin Powell to the UN Security Council on February 5, 2003 on Iraq’s weapons of mass destruction. Even as it was being presented, interested internet users around the world knew that the document tabled was a fake, copied from a student’s paper twelve years out of date without even correcting for typing errors. The German foreign minister, Joschka Fischer, once a political activist and Vietnam war protestor, had the gall to call this so-called evidence convincing. There have been few events as unashamed as that.

In fact, the Bush Gang is an epiphenomenon we are observing and, in part, analysing. The underlying cause is a *system* which allowed the Bush Gang to seize power, throttle US society, and wage war on other countries. What is this system? And how does it work?

From the Great Depression up to the mid-1970s there was a broad consensus in all Western societies and across almost the entire political spectrum that economic growth was the primary goal and that the surplus gained by growth should (a) be distributed among the working population in the form of wage increases and social security, and the owners, (b) used to repair ecological damage brought about by growth, and (c) given to developing countries. The underlying conviction was that we can thrive only if all thrive. This was the social democratic, or Keynesian, consensus, and could be achieved only if two prerequisites were in place: a booming economy, and a relatively balanced power structure.

In the mid-1970s a sudden and unforeseen alignment of events shattered this consensus. It included the end of the Vietnam war; the first oil price shock and energy crisis; rising energy prices and interest rates, leading to the beginning of the international debts crisis; the onset of unemployment in the OECD countries; the abandonment by the US government of the Bretton Woods currency system and the transition to floating exchange rates; the end of the decolonization process and with it the new weight of the Group of 77 in the UN General Assembly; the stillborn New World Economic Order in the United Nations; the withdrawal of the US from the International Labour Organization (ILO) (and later from UNESCO); the beginning of the G7; the end of the US paying its UN dues; the Stockholm World Conference on the Environment; the Club of Rome report, *The Limits to Growth*; major technological innovations e.g., glass fiber, the microchip, and the spread of personal computers; the internet; the isolation of DNA sections and the beginning of genetic manipulation; and the CIA-instigated *coup d'état* in Chile and assassination of its president, Salvador Allende. With

the changing majority in the UN General Assembly as a consequence of decolonization, the US, together with its Western allies, began systematically to dismantle the UN (witness the use of the veto in the Security Council, or the refusal to accept the International Court of Justice's rulings, e.g. on the mining of the Nicaraguan ports, and the political blackmailing of the UN against the payment of only a part of regular dues) and the construction of a parallel, informal, undemocratic global power structure—the G7. It was also the beginning of the end of the socialist regimes, largely brought about by foreign debt.

Today's G8, dominated and led by the US, controls the Security Council (except China), the IMF, the World Bank, the WTO, and NATO (with its new mandate based on common interests instead of common territory), which together will be referred to as the G8 institutions. Even if they are led by the US government, the other seven are responsible fellow travelers. The logic behind all of this is the will to secure access to natural resources for the benefit of the West at the cost of accelerating deprivation, especially of the developing countries. The Western coalition was indifferent because all cadres were well aware that their political support at home relies on the assurance of ever-continuing growth. Real exponential growth in the wealthy countries, however, can only be achieved at the expense of the developing countries, further depriving the working class, and continuing deterioration of the global life support system. This is a fact beyond statistical sleights of hand such as the hedonic pricing in US GNP accounting, and despite decades-old criticism of growth as an index of welfare.

An interesting new element is that, for the very first time since WWII, the Afghanistan and Iraq wars have split the Western coalition. It would come as no surprise if dissent within the G8 institutions increased, as is already the case within NATO. It is an illusion to believe that NATO can be extended further eastwards and still be governed single-handedly.

The G8 institutions all work under strictly executive order—thereby excluding any legislative or judiciary control. At the same time there is economic concentration in a handful of huge conglomerates called transnational corporations. Together they rule out democratic decision-making and the organizing society from bottom up. Global cadres have taken over. An interesting, though little known, example is the Carlyle Group which brings together, among an interesting number of others, the Bush and bin Laden families, as well as the Russian oligarch Mikhail Chodorkovsky, who was detained in Siberia at the very moment he was intending to sell the majority of the Russian oil giant Yukos to Exxon Mobile. Some conspiracy theorists go as far as to assume that the energy crisis was planned at a meeting of the Bilderberg Group in

May 1973 on the Swedish island of Salstjöbaden.<sup>1</sup> Whatever the case, it is naive to assume that world political and economic leaders never meet to exchange and coordinate views in places like the Davos World Economic Forum, or privately, however and wherever they wish. They will certainly do everything in their power to protect themselves from the incalculable coincidence of democratic decision-making. Some dismiss this as a conspiracy theory. However, the facts supporting it are there for all to see. The only real conspiracy theory is the one maintaining against all the evidence that Osama bin Laden was behind the 9/11 attacks.

Since the mid-1970s, unemployment and rising welfare costs have burdened already indebted states. The beginning of the abandonment of the welfare state and Keynesian policies led, in the early 1980s, to neo-conservative governments in the UK, US, Germany and later other countries. The mid-1970s also witnessed a change in power relations. On a world scale, Western capitalist countries successfully defeated, and began to bring under their control, the developing countries. This *second colonization* was largely based on “structural adjustment” whereby other countries were subjugated, and according to neoliberal ideology Keynesian redistribution was turned upside down within the rich countries. On a national scale, unemployment and political strategy helped to undermine the trade unions as the major plank of Keynesian politics. Public opinion gradually turned away from social democratic models, which were accused of creating the crisis, and towards conservative “supply-side” and neoliberal concepts. Capital markets were “liberalized.” The coming to office of the neo-conservative governments in 1979/80 strengthened this process which had begun under social democratic rule.

The final neoliberal takeover after 1990 was made possible by five interacting elements. *Neoliberalism* was promoted by right-wing US think tanks; the so-called *Nobel Prize for Economics*; the *Washington Consensus*; the *collapse of the socialist regimes*, and the *dismantling of the trade unions* in the West worked together to produce a climate in which only market fundamentalism seemed to offer solutions to socio-economic problems. While we used to criticize the exclusively Marxist understanding of science in the socialist countries, we failed to notice the extent to which our own systems had been brainwashed and underwent an epistemological cleansing after 1989.

(1) Right-wing think tanks succeeded in framing public opinion along conservative lines. George Lakoff and his colleagues at Rockridge Institute<sup>2</sup> analysed the decades-long efforts of right-wing think tanks and foundations to form public opinion and push through

the neoliberal agenda. Lakoff, like others before him, discerns two major worldviews.

The *conservative worldview* is basically authoritarian and, hierarchical. The state is like the traditional family: the president governs and has the right to expect discipline and obedience in the same way that a father rules his family and expects discipline and obedience from his children. Disobedience is met with physical punishment. The world is evil; father protects and needs the means to protect. He is the moral authority; whatever he does is right. Traditional power relations are a guide to morality: God above man, man above nature, adults above children, western culture above non-western culture, America above other nations. (There are also bigoted versions: straights above gays, Christians above non-Christians, men above women, whites above non-whites.) The US is seen as more moral than other nations and hence more deserving of power. It has the right to be hegemonic and must never yield its sovereignty or its overwhelming military and economic power. It is God's own country, populated by the chosen people, and, surrounded by potential misbelievers and enemies. Father/president/US must never yield their authority over others. Patriotism is exclusive; it means loyalty to one's own group and to government only if it belongs to one's own group. Thus, patriotism can go hand in glove with the discrimination against minorities. Material success is a mark of superior morality. Lack of success indicates less moral strength and less discipline. Pursuit of self-interest is moral—if everybody pursues their own self-interest, then the interest of all will be maximized.

As a political doctrine, the conservative worldview translates into support for capital punishment, tough law-and-order measures, opposition to welfare spending, less taxation and economic regulation, puritanical and hypocritical attitudes towards sexuality, and finally, a strong national defense so that enemies can be punished appropriately.<sup>3</sup> Consider the Project for a New American Century (PNAC) for an exact translation of this view into a political program which became enacted as the National Security Strategy.<sup>4</sup>

This is what many non-Americans perceive as the pre-enlightenment, dark, retrograde, uncivilized, stuffy image of US society, the one of the National Rifle Association, the Bible Belt, the death penalty, anti-abortionism, racism and discrimination, paired with self-righteousness and paranoia. Historians will recall the Calvinist ethos which led to terror in sixteenth-century Geneva, and sociologists will think of Theodor Adorno's famous research on the authoritarian personality,<sup>5</sup> or of Johan Galtung's DMA syndrome: *Dualist*, the world is divided into US(A) and them; there are no neutrals; *Manichean*, our party

is good, their party is evil; and Armageddon, there can be only one outcome, the final battle.<sup>6</sup>

In contrast, the *progressive/liberal worldview* sees the world as a nurturing place, which is to be protected. While the family is a place of intimacy and mutual care, the state is the place where different ideologies and interests meet to negotiate rational solutions to complex problems in the pursuance of the common good. Theoretically, the common good can be defined as the situation where nobody can exercise his or her liberty to the detriment of anyone else (another formulation of the “Pareto optimum” of economic theory). Human beings differ, though they are of equal right, and are all entitled to the pursuit of happiness and social participation. Empathy and responsibility are the core concepts, with many consequences: responsibility implies protection, competence, education, hard work, and social engagement. Empathy requires fairness and honesty, open, two-way communication, a happy, fulfilled life, and restitution rather than retribution to balance the moral books. The role of government is to care for and protect the population, especially those who are helpless and inarticulate, to guarantee democracy (the equal sharing of power), to promote well-being and ensure justice for all. The economy should be a means to these moral ends.<sup>7</sup> Patriotism here is inclusive and means loyalty to the founding constitutional principles. If the government violates these principles, it is not only one’s right, but also one’s duty to criticize, oppose and, if necessary, resist government.

This is the open, democratic, cultured, just US society so often praised and admired by non-Americans. Its foresight, fairness, and intellect have brought it to help found the United Nations and draw up the Charter of Human Rights. It is this US which maintains global solidarity and sustainable development. It is conscious of the fact that it has only one voice in the family of nations. When it leads, it does so with modesty, tolerance, rational argument, and sympathy for all.

The question, central to humankind, was which soul in the US body would prevail over the other. With the Bush Gang, the conservative fraction has taken over all four powers: the legislative, the executive, the judiciary and the media.

Starting in the 1960s and accelerating in the 1970s, conservative intellectuals worked to fashion a political ideology that would allow the different conservative groups to coalesce under a single umbrella. The stratagem that intellectuals used to reconcile the conflicting viewpoints of religious and economic conservatives was to treat “the market” as akin to a divine force that always calls for moral behavior. They sought to expunge the lessons of the Great Depression from collective memory.

Religious and economic conservatives together sold Americans the quack medicine of untrammled free markets and the glorification of *greed is good*. Over the last 25 years, the consequence has been a collapse of business ethics: infectious greed has been institutionalized in corporate suites. Excessive salaries, the manipulation of balance sheets, and the avoidance of taxes are now all too familiar. At the same time, regulatory institutions are in a state of disarray because the free market mantra insists that regulation is illegitimate and unnecessary.<sup>8</sup> Today, the Bush Gang's war against Iraq has succeeded in pushing corporate scandals off the frontpage.

Conservative institutions like the Olin or Heritage Foundations and their think tanks have framed virtually every issue in their perspective. They have invested billions of dollars in changing ideas and language. They have set up professorships and institutes on and off campus where intellectuals write books from a conservative business perspective. Conservative foundations give large block grants year after year to these think tanks. They build infrastructure and TV studios, hire intellectuals, set aside money to buy large quantities of books to get them on the bestseller lists, hire research assistants for their intellectuals so they can perform well on TV, and hire agents to get them on TV. They produce manuals which, issue after issue, present what the logic of the position is from a conservative side, what the opponent's logic is, how to attack it, and what language to use. Along these lines, George W. Bush was framed and sold as a "compassionate conservative." Susan George<sup>9</sup> has provided data on how neoliberal ideology was manufactured, and how it spread across the US and Europe: "The doctrines of the International Monetary Fund, the World Bank, and the World Trade Organization are indistinguishable from those of the neoliberal credo." She concurs with Lakoff in her analysis that right-wingers, by funding institution-building, have become incredibly more successful than project-oriented progressives in shaping public opinion.<sup>10</sup>

In reality, however, the state was not dismantled but rather used by capital to reduce its tax burden while relying more and more on taxes squeezed from lower income groups, privatization of public assets, deregulating certain areas, e.g. energy, safeguarding offshore tax havens, and channelling more money than ever into the military-industrial complex, transferring the economic surpluses from labor to finance, and pressing other governments to finance the trade balance deficit. Whereas the markets for goods can become saturated, or fail to extract profit because of an absence of purchasing power, the military is insatiable as long as new technologies are being developed and implemented, and wars deliberately waged to destroy the "goods" delivered. The

French historian Emmanuel Todd explains why US governments have always attacked relatively small and helpless countries like Grenada, Nicaragua, Libya, Cuba, Afghanistan, and Iraq. By this demonstration of “strength,” faith in the dollar as the world reserve currency could be maintained, an instrument of power which is endangered by the double deficit of the budget and the trade balance.<sup>11</sup>

In short, with immeasurably more money, better organization, more fervent commitment, and finally the *coup d'état* of the November 2000 presidential elections, the conservative worldview seized power and is now perfecting its control to an extent that makes some fear the emergence of a new fascism.

(2) The *Nobel Prize for Economics* can be seen as part of this venture. Very few people are aware that no such thing exists in reality. Rather, what has become known as the Nobel Prize for Economics is the “Prize of the Bank of Sweden for Economics in Memory of Alfred Nobel” and is neither funded from Nobel’s fortune (but by the Bank of Sweden) nor awarded according to the same rules and procedures as the genuine Nobel prizes. This is important because of the prestige Nobel prizes command as the most authoritative recognition worldwide in their respective fields. Despite the thousands of university chairs in economics around the world, since the inauguration of the prize in 1969 40 out of 51 Laureates have been US citizens or work in the US, nine of them at the University of Chicago alone; ten prizes were awarded to economists in Western Europe, just one to a Third World economist, and none to the East—an outcome not very likely from simple statistical probability theory. The man most influential in selecting Economics Laureates has been the Swedish economist Assar Lindbeck. In 1994 he published a book entitled *Turning Sweden Around*, which called for drastic cutbacks in Sweden’s welfare state.<sup>12</sup> As Lindbeck has turned neoliberal, so has the selection of prize winners:

Between 1990 and 1995, the Nobel has gone to someone from the University of Chicago five out of six times. What is the relationship between Lindbeck and the University of Chicago? By all accounts, it is a cozy one. ... For example, Lindbeck joined Nobel laureates Milton Friedman, Gary Becker, and Douglas North in a long-running project to construct an “Economic Freedom Index.” The purpose of this project was to rank developing nations by the level of government interference in their economies. It was funded by the Center for International Private Enterprise, a far-right think tank

designed to promote the international business interests of its affiliate, the U.S. Chamber of Commerce.<sup>13</sup>

(3) The *Washington Consensus*, and with it structural adjustment policy, began long before John Williamson published his “Ten Commandments” (1990) as the “lowest common denominator of policy advice being addressed by the Washington-based institutions to Latin American countries as of 1989.”<sup>14</sup> In another article he admitted that while he invented the term “Washington Consensus,” he did not invent its content but rather “*reported* accurately on opinions in the international financial institutions and the central economic agencies of the U.S. government” (emphasis added).<sup>15</sup> Williamson distanced himself on several occasions from treating the term as a synonym for neoliberalism, or market fundamentalism, to be imposed on developing countries. But he also left no doubt that he had never argued for “giving socialism another chance.”<sup>16</sup> It never was what the name suggests: a consensus reached following negotiations between rich and poor countries to reduce poverty and the foreign debt burden. It was not even an explicit agreement among the rich country majority of the International Financial Institutions (IFIs), but rather tacitly supported. If one asked an informed member of one of its victim societies, it was bitterly criticized as the devilish medicine imposed on developing countries to deprive them of their natural resources, to prevent their development and self-determination, and keep them in poverty. Here is one of these voices:

The “Consensus” was drawn up by a group of economists, officials of the U.S. Government, the World Bank and the International Monetary Fund. A very restricted consensus; it was never the subject of general debate and never submitted to a vote. It was not even formally ratified by the countries it was imposed on. It has been, and still is, an authoritarian exercise, greedy and unsupportive, whose champions try to justify it on the grounds of the supposedly unquestionable economic-scientific character of its guidelines. ... Latin America, the principal victim of the “Consensus,” is a prime example for the disaster it has caused. In 1980 there were 120 million poor; in 1999 the number had increased to 220 million, 45 % of the population. ... After a decade of blindly devoted application of the Washington Consensus guidelines, Latin America stands at the edge of a precipice. Debt grew from U.S.\$ 492,000 million in 1991 to U.S.\$ 787,000 million in 2001. Railways, telecommunications, airlines, drinking water supplies and energy supplies were virtually

wound up and handed over to giant U.S. and European corporations. Public spending on education, health, housing and social benefits was reduced, price control was abolished, wages were frozen and millions of workers were dismissed by the new masters of the now-privatised public undertakings.<sup>17</sup>

He found it paradoxical that, “while the world’s physicists call into question the immovable and unquestionable nature of certain principles of Science (with a capital) editors, defenders and executors of the ill named ‘Washington Consensus’ claim that this selfish, obscene and biased view of the economy is pure economic science, making compliance obligatory. The ‘Consensus’, however, used to predict that with its application economic growth would increase, poverty would diminish and employment would expand. Just the opposite. Moreover, intensive use of natural resources has caused damage, perhaps irreparable damage, to the environment.”<sup>18</sup>

Former World Bank senior vice president and chief economist Joseph Stiglitz criticized the way in which a uniform neoliberal version of the Washington Consensus was imposed on indebted countries. Stiglitz acknowledged that in most countries subjected to structural adjustment, and especially in the transition countries of Eastern Europe and the former Soviet Union, the more or less uniformly applied medicine did not reduce poverty and income/wealth polarization, nor did it reduce the debt burden or lead to economic or environmental stabilization.<sup>19</sup> Going one step further, Michel Chossudovsky<sup>20</sup> accused the IMF and WTO of being the cause of terrible poverty, exploitation, and war. “O’Neill’s Treasury Department controls the most powerful institutions that enforce the rules of the Washington Consensus: the IMF and the World Bank. Our government also has the biggest voice in the WTO, whose rules are widely seen as stacked against developing countries.”<sup>21</sup>

Summarizing, the expected consequences of the victory for “American values” at the WTO are: (1) a “new tool” for far-reaching US intervention into the internal affairs of others; (2) the takeover of a crucial sector of foreign economies by US-based corporations; (3) benefits for business sectors and the wealthy; (4) shifting of costs to the general population; (5) new and potentially powerful weapons against the threat of democracy.<sup>22</sup>

In blaming the US Treasury and the US-led IFIs, we should not forget, however, that the G8 countries *combined* hold the majority of

votes, so they are complicit. As they are usually represented by their finance ministers and central bank presidents in the IFI executive bodies, we should not be surprised to find little understanding, interest, or empathy for the harm done to others.

(4) Fourth, the *collapse of the socialist regimes*. This is not the place to recapitulate how and under which internal and external circumstances this occurred. Nor can we discuss here how much average Americans knew of really existing socialism. However, it is evident that this event was followed, in all Western and Eastern European countries, by a process of *epistemological cleansing*. Socialist regimes, so the argument goes, failed because, among other reasons, they had been based on theoretical foundations which, by the time of the collapse, had become empirically untenable. Therefore, Marxist thinking had been proved false and had to be eradicated, and with it all leftist and dialectical approaches. Intellectually impoverished as the argument might be, it swept through the schools and universities and across the media, and served to extinguish or at least totally marginalize troublesome thinking. Thus, the epistemological spectrum in economics today is characterized by an overwhelming majority of neoliberals, plus some Keynesian economists which might go under the rubric of “repressive tolerance,” to borrow an expression of Herbert Marcuse. In the perception of the political sphere and the media as well as of the public, economics became homogenized to serve the ideological interests of the rich and applaud the deprivation of the poor. Paradoxically enough, the victory of Western-style democracy and open competition of ideas and opinions over alleged streamlined socialist ideology has led to the silencing of most critical voices, and the streamlining of thought along crypto-capitalist lines. The intellectual brainwashing was most successful in the Eastern European transition countries. Although people there should be more informed and sceptical about the benefits of capitalism, their naïveté and innocent beliefs are surprising and easy to exploit.

(5) We should not forget, in addition, the *decline of the trade unions* a process that could be observed shortly after the conservatives came to power in the early 1980s. Ronald Reagan, after passing number of anti-union Acts, used the military to break up the air traffic controllers strike; Margret Thatcher aggressively privatized the highly unionized public sector services. In Germany, the unions fouled themselves, beginning with scandalous corruption in union-owned cooperatives such as Neue Heimat and Coop. These incidents, together with rising unemployment, resulted in declining strike funds and massive losses

of union membership and, therefore, of bargaining power. So it was not difficult to push through the agenda of “supply-side economics” after blaming Labour/the Democrats/the Social Democrats for being responsible for the recession. Coordinated or not, the coincidence is eye-catching; the first soft version of neoliberalism had arrived.

Once the redistribution pattern was reversed from top down and bottom up with the help of privatization, cutbacks in the social welfare system, and tax relief for the rich, the process of ideological brainwashing became self-reinforcing. The immense wealth accumulated in just a few hands was used for currency and stock speculation, for blackmailing national governments in order to gain further tax cuts and for the ideological tuning of the media, the political sphere, and public opinion. It went smoothly: opposition was close to non-existent or incorporated. It is true but relatively unimportant to the powerful cadres that domestic purchasing power falls; overproduction goes into exports and destroys employment in the importing countries—they make money out of money. It is much more important to gain control of the media and public opinion, and thus of the electorate. Silvio Berlusconi in Italy and Rupert Murdoch in Australia and the US have been most successful in demonstrating how this can be achieved. This should, however, not divert attention from the covert action of the propaganda machine. Ultimately, the state is transformed into an instrument serving the wishes of CEOs and shareholders. The degree to which US governments, and especially the Bush Gang, have rewarded their sponsors with influential positions and lucrative contracts is, in the eyes of most Europeans, deeply corrupt.<sup>23</sup> With decreasing real income and a heavy debt burden, the state dismantles itself and the social security system with it. Deregulation is not much more than a shift from distributionary towards repressive instruments, and privatization is the final desolate measure to plug holes in the budget while, at the same time, taking away even more regulatory power from democratically controlled institutions.

It is only in this frame of reference that the stolen presidential election of November 2000 and the power grab by the PNAC group can be explained. In this light, 9/11 was instrumental in creating fear among the general public, to increase consent for the president and the government and the repressive measures they enacted, and to deliver arguments for aggression against others. The blueprint, once again, came from a right-wing think tank, the Olin Foundation, with Samuel Huntington’s article, and then his book on the Clash of Civilizations.<sup>24</sup> Everywhere in the capitalist world an unprecedented propaganda campaign was

launched against Arabs and Muslims (“Islamophobia,” a campaign very similar to anti-Semitism). It is amazing to observe how much attention the media pay to the arrest of alleged terrorists, and how little they take note later of their release due to lack of evidence. Democratic opposition was intimidated and silenced, and democratic standards of transparency and checks and balances displaced. Here the US is once again the trendsetter followed, though not with the same rigidity, by other governments. The consequences can easily be observed in growing income and wealth polarization, and increasing tension, violence, and repressive reaction in US society. The spill-over to other countries is difficult to ignore.

Naturally the common people don't want war ... but after all, it is the leaders of the country who determine policy, and it is always a simple matter to drag the people along, whether it is a democracy, or a fascist dictatorship, or a parliament, or a communist dictatorship ... All you have to do is to tell them they are being attacked, and denounce the pacifists for lack of patriotism and exposing the country to danger. It works the same in any country—so said Herman Goering at the Nuremberg Trials.

The Bush Gang follows this prescription to the letter.

Most bewildering is the almost complete lack of public outcry against such policies. While the Bush Gang seems to be fully committed to serving the rich, and above all its sponsors, it is surprising to see that most of its supporters are those who stand to lose the most from virtually all their policies: blue-collar workers: 49 per cent of men and 38 per cent of women told a January 2003 Roper poll they would vote for Bush in 2004. Blue-collar workers represent 55 per cent of all voters, a fact that has not been lost on Republican strategists. The more precarious and difficult their job and income situation is, the more they seem to favor the conservative worldview and call for strong leadership. Republican rhetoric seems to appeal precisely to this group. Humiliation and fear can easily be transformed into anger if one manages to point a finger at the guilty: minorities, immigrants, women, terrorists. The Republicans are clearly doing all they can to direct that anger away from the beneficiaries of Bush's policies. “Paired with this is an aggressive right-wing attempt to mobilize blue-collar fear, resentment, and a sense of being lost—and attach it to the fear of American vulnerability, American loss. By doing so, Bush aims to win the blue-collar man's identification with big business, empire, and himself.”<sup>25</sup>

Thus, the system which has brought the Bush Gang to power was systematically prepared a long time ago and bore fruit long before George W. Bush was selected for the White House by the Supreme Court on December 12, 2000. It is this system which we set on to analyse in this book.

Part I analyses the power cadres. William Bowles, in “Bush Family Saga,” demonstrates to what extent the Bush family, criminal as it might appear to be, is no more than an epiphenomenon of the US capitalist system, the unculture of robber barons. This view is extended in Andrew Austin’s analysis of the “War Hawks.” In the final chapter of Part I, Walter E. Davis summarizes the evidence on whether or not the power cadres might have been complicit in the 9/11 attacks.

Part II illustrates some of the aspects in which US society is affected. It starts with Alison Parker’s and Jamie Fellner’s analysis of the human rights situation after 9/11. Domestic economic problems and their ramifications are described by Trevor Evans. Ted Nace sets out to investigate criminal behavior within big US corporations. Jay Shaft gives an account of poverty and homelessness after the Bush Gang came to office. While Evans’ assessment is very much based on official statistics, Shaft has invested a lot of effort to go beyond these. His chapter is also remarkable for its compassion for the victims of the Bush gang, which shines through the numbers he reports. Andrew Austin’s and Laurel Phoenix’s chapter on the “Rise of Anti-Environmentalism” demonstrates how the Bush Gang is damaging the common good of all Americans; furthermore, because the US is by far the greatest consumer of global natural resources, its neglect of environmental policy must be seen as yet another act of aggression against the rest of the world.

Part III brings together arguments describing the US as the world hegemon, how it works, and with what consequences. It is introduced by Noam Chomsky’s broad account of US-led wars of terror. In his “Concise History of US Global Interventions,” William Blum documents the overt and covert acts of aggression successive US governments have inflicted on other countries. For a full picture, interventions by means of diplomacy and, especially important, through the IMF and its debt management should be added. Michel Chossudovsky gives an account of world poverty and how it is related to US policies.

The final Part is an attempt to find, after the foregoing desolate analyses, a positive element of resistance: Laurel Phoenix provides an overview of the diverse scenario of dissenting groups and movements.

While this provides a broad view, there is a lot more ground which is impossible to cover in a single book. To mention only some of the issues which could have been included here:

- The real history of the United States, which was always based on aggression, intolerance, and the rule of a small clique who were successful in convincing people that this is democracy, while in fact ruthlessly following their own egoistic interest.
- The changing history of United States—UN relations, from the Anti-Hitler coalition to Richard Perle’s “Thank God for the death of the UN.”
- The intricate relations between the US Treasury, Wall Street, the IMF, World Bank, and WTO.
- The loss of institutional democratic opposition as analysed in Richard Kuttner’s eye-opening article on America as a One-Party State.<sup>26</sup>
- The change in daily life since 9/11 in the experience of ordinary people; the fear created by repeatedly announcing terrorists threats; and the surveillance and intimidation of democratic expression.<sup>27</sup>
- The use made by the US government of propaganda, “public opinion management,” “strategic communication,” and the machinations of the propaganda industries.
- Homeland Security, Patriot Acts 1 and 2, Total Information Awareness, and other attempts to restrict civil liberties, including pressure on other countries to follow the US model.
- Government by presidential Executive Order, or governance without transparency.
- The role of religion in shaping government and public opinion, and how religions becomes distorted to serve the interestes of the power cadres.
- The deterioration of public infrastructure including social welfare, education,<sup>28</sup> and health services, as well as public transportation, water, and energy<sup>29</sup> supplies.
- The Pentagon and the military industrial complex having metamorphosed over time to create the most lethal killing institution the world has ever seen.
- The commercial worldview, carried to its extreme in the US, leaving only commercial or exchange value.
- Cultural and linguistic imperialism in its many facets, from advertising via popular music and fast food to fashion, sports and Hollywood movies.<sup>30</sup>

It is easy to see that there is enormous scope for many more urgently needed analyses on the way to a truly comprehensive picture. This

book may encourage others to look beyond single, isolated issues and contribute to a more thorough understanding.

## NOTES

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