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## Democracy and Markets in the New World Order

### 'Enduring Truths'

There is a conventional picture of the new era we are entering and the promise it holds. It was formulated clearly by National Security Adviser Anthony Lake when he announced the Clinton Doctrine in September 1993: 'Throughout the Cold War, we contained a global threat to market democracies: now we should seek to enlarge their reach'. The 'new world' opening before us 'presents immense opportunities' to move forward to 'consolidate the victory of democracy and open markets', he expanded a year later.

The issues are much deeper than the Cold War, Lake elaborated. Our defence of freedom and justice against Fascism and Communism was only a phase in a history of dedication to 'a tolerant society, in which leaders and governments exist not to use or abuse people but to provide them with freedom and opportunity'. That is the 'constant face' of everything the US has done in the world, and 'the idea' that 'we are defending' again today. It is the 'enduring truth about this new world' in which we can more effectively pursue our historic mission, confronting the remaining 'enemies of the tolerant society' to which we have always been dedicated, moving from 'containment' to 'enlargement'.

Fortunately for the world, the sole superpower 'of course' is unique in history in that 'we do not seek to expand the reach of our institutions by force, subversion or repression', keeping to persuasion, compassion, and peaceful means.<sup>1</sup>

Commentators were duly impressed by this enlightened vision and lucid restatement of conventional truths. A year earlier, Thomas Friedman, the chief diplomatic correspondent of the *New York Times*, had written that 'America's victory in the Cold War was a victory for a set of political and economic principles: democracy and the free market'. At last others too are coming to understand that 'the free market is the wave of the future—a future for which America is both the gatekeeper and the model'. The world is lucky to have such a noble gatekeeper, we are constantly informed. Too noble, many fear, among them Henry Kissinger, who has often warned that the altruism of US policy goes too far for its own good. Sometimes the truths rise from mere empirical fact to pure logic. Thus the Eaton Professor of the Science of Government at Harvard, Samuel Huntington, writes that the United States must maintain its 'international primacy' for the benefit of the world because, alone among nations, its 'national identity is defined by a set of universal political and economic values', namely 'liberty, democracy, equality, private property, and markets'; accordingly, 'the promotion of democracy, human rights, and markets are [*sic*] far more central to American policy than to the policy of any other country'.<sup>2</sup>

Since this is a matter of *definition*, the Science of Government teaches, we may dispense with the tedious work of empirical confirmation. A wise decision. Otherwise someone looking just at the recent past might ask, for example, how our principled rejection of 'force, subversion or repression' is illustrated by the terrorist wars of the Reagan years in Central America, which left three countries in ruins, strewn with tens of thousands of tortured and mutilated corpses. Or how the Kennedy Administra-

tion, at the other extreme of the political spectrum, was demonstrating the same commitment with its international terrorist campaign against Cuba and its escalation of the attack against South Vietnam, moving from support for the standard Latin American-style terror state that Eisenhower had instituted to outright aggression, including bombing of civilian targets by the US Air Force, the use of napalm, crop destruction to starve out the indigenous resistance, and other such means.

Or some deluded person might ask how the same Administration, at the peak period of American liberalism, was 'containing a global threat to market democracies' when it prepared the overthrow of the parliamentary government of Brazil, paving the way to a regime of killers and torturers, with a domino effect that left neo-Nazi regimes in control of much of the hemisphere, always with firm US support if not initiative. The resulting plague of repression was something new even in the bloody history of 'our little region over here which has never bothered anybody', as Secretary of War Henry Stimson described the hemisphere in May 1945 while explaining that regional systems must be disbanded apart from our own, which were to be extended—'as part of our obligation to the security of the world', the influential liberal Democrat Abe Fortas added, explaining that 'what was good for us was good for the world'.

If facts are indeed irrelevant, we may overlook the conclusion of the leading academic specialist on the US and human rights in Latin America, Lars Schoultz, in his standard scholarly work on the topic: the goal of the National Security States was 'to destroy permanently a perceived threat to the existing structure of socioeconomic privilege by eliminating the political participation of the numerical majority . . .'. Their establishment, their goals, and their accomplishments are traceable in large measure to a historic 1962 decision of the Kennedy Administration: to shift the mission of the Latin American military from 'hemispheric

defence' to 'internal security', while providing enhanced military aid and training to ensure that the task would be properly performed. 'Hemispheric defence' was a relic from World War II, but 'internal security'—a euphemism for war against the domestic population—is a serious matter. The change of mission ordered by the liberals of Camelot changed the US stance from toleration 'of the rapacity and cruelty of the Latin American military' to 'direct complicity' in 'the methods of Heinrich Himmler's extermination squads', in the words of Charles Maechling, who led counterinsurgency and internal defence planning from 1961 to 1966.<sup>3</sup>

All of this—only a pea on a mountain—has no bearing on the 'enduring truths' about the 'political and economic principles' to which the 'tolerant society' is dedicated, so we are instructed. Or perhaps the record even reveals its dedication to the idea that 'leaders and governments exist not to use or abuse people but to provide them with freedom and opportunity'.

The actions are indeed seen much that way as they proceed, with startling uniformity; the occasional shafts of light should not mislead. At the dissident extreme, Asia scholar John King Fairbank criticised the Vietnam War in his presidential address to the American Historical Association in December 1968, explaining that the US became involved 'mainly through an excess of righteousness and disinterested benevolence'. Years later, when the record was known in even more shameful detail, Anthony Lewis of the *New York Times*, at the outer reaches of media dissidence, criticised our 'bungling efforts to do good' which, *by 1969*, had become 'a disaster'. At the other end of the spectrum, critics of the war were accused of turning what all regard as a 'noble cause' into a costly failure.

As for the military coup in Brazil, it was 'a great victory for free world', Kennedy's Ambassador Lincoln Gordon reported, undertaken 'to preserve and not destroy Brazil's democracy'. It

was 'the single most decisive victory of freedom in the mid-twentieth century', which should 'create a greatly improved climate for private investments'—so in that sense, at least, it did contain a threat to market democracy.

Given that the enduring truths are the very 'definition of our national identity', we also do not have to evaluate other cases, in fact the whole historical record, which reveals that the US has acted to destroy democracy and undermine human rights with some consistency, the pretexts shifting to satisfy contingent doctrinal requirements. For many years, the reflexive justification for any horror was the Cold War, a tale that regularly collapses, case by case, on inspection. One general indication of its significance is the continuity of policies before and after. The Czar was firmly on his throne when Woodrow Wilson, keeping to a long tradition, launched his murderous invasions of Haiti and the Dominican Republic. This exercise of 'Wilsonian idealism' killed thousands, restored virtually slavery in Haiti, and dismantled its parliamentary system because legislators refused to accept a 'progressive' Constitution written in Washington that allowed US investors to turn the country into their private plantation; and, perhaps most important, left both countries in the hands of terrorist armies dedicated to 'internal security', and trained and armed for the task. With no Bolsheviks in sight, the US was defending itself against the Huns.

In earlier years, conquest and terror were acts of self-defence against (among others) Spain, England, and the 'merciless Indian savages' whose crimes are denounced in the Declaration of Independence in a remarkable inversion of the facts that is scarcely noticed after 200 years. Innocent Americans were even under attack by 'hordes of lawless Indians' and 'runaway negroes' waging 'savage, servile, exterminating war against the United States' in 1818; Secretary of State John Quincy Adams's official justification for the conquest of Florida in 1818 in which General An-

drew Jackson was exterminating indigenous people and runaway slaves in the conquered territory, an important and much admired state paper that established the doctrine of executive war without the congressional approval required by the Constitution. So the ugly story continues.

Sometimes the enemy is the entire world. President Lyndon Johnson warned in November 1966 that the people out there outnumber us 15 to 1, and 'If might did make right they would sweep over the United States and take what we have'. The grave dangers were underscored by the corruption of the United Nations, then falling under 'the tyranny of the majority' as decolonisation and recovery from the war weakened the ability of the US to impose discipline. By the 1960s, diplomatic correspondent Barbara Crossette of the *New York Times* writes in retrospect, 'Moscow and many newly independent nations were isolating and vilifying the United States'. It is hardly surprising, then, that the US was forced, in self-defence, to take a commanding lead in vetoing Security Council resolutions, blocking the General Assembly, and refusing to provide legally obligated funding. Sober commentators probed the causes of the world's moral decline. *Times* cultural commentator Richard Bernstein, famous more recently for his condemnation of 'political correctness', attributed it to 'the very structure and political culture' of the UN and the lack of diplomatic skills among naive Americans. The title was 'The U.N. vs. the U.S.', not 'The U.S. vs. the U.N.'; it is the world that is out of step when the US stands alone. Though the UN's reputation for integrity revived as it followed US orders once again during the Gulf War, and for once Washington did not have to veto resolutions condemning aggression and atrocities, this 'wondrous sea change', as the *Times* editors called it, did not last long. Throughout these grim years, 'There were times when only the United States and Israel voted together, and people questioned whether we had any friends there', the Chairman of the

House Committee on International Relations, moderate New York Republican Benjamin Gilman, commented recently. Many times, in fact, though the US has sometimes been able to mobilise El Salvador, Romania, and a few others to the cause of justice and freedom; and in the Security Council, Britain is fairly reliable, taking second place in vetoes (France a distant third) since the 1960s, when Moscow's dominance became intolerable to true democrats.<sup>4</sup>

As Kennedy's 'monolithic and ruthless conspiracy' engaged in world conquest faded from the scene in the 1980s, the search was on for new aggressors threatening our borders and our lives. Libya, disliked and defenceless, served as a particularly useful punching bag for courageous Reaganites. Other candidates include crazed Arabs generally, international terrorists, or whoever else can be conjured up. When George Bush celebrated the fall of the Berlin Wall by invading Panama, it was not in defence against Communism; rather, the demon Noriega, captured, tried, and condemned for his crimes, almost all committed while he was on the CIA payroll. At this moment, half of US military aid goes to Colombia, the hemisphere's leading human rights violator, with a shocking record of atrocities. The pattern is typical, but the pretext is not; this time, it is defence against narcotraffickers. US military aid and training go almost entirely to military forces that are not involved in the 'drug war', except in one respect: as reported by the international human rights monitors and all other competent observers, the recipients of US aid and training and their paramilitary associates are at the heart of the racket, a global enterprise that has been abetted by US policy in most remarkable ways, for half a century.

Various devices are at hand to demonstrate the irrelevance of a morbid fascination with fact. Realist scholars explain that appeal to the historical record 'confound[s] the abuse of reality with reality itself'. Reality is the unachieved 'national purpose'

revealed by 'the evidence of history as our minds reflect it'; the actual historical record is a mere artefact, which tells us nothing about 'the Purpose of America'. To think otherwise is to fall into 'the error of atheism, which denies the validity of religion on similar grounds'.<sup>5</sup>

Also ready on the shelf is the doctrine of 'change of course'. True, we made errors in the past, a result of our innocence and excessive good will. But that is behind us, and we can therefore keep to the grand vistas that lie ahead, ignoring all of history and what it might suggest about the functioning and behaviour of institutional structures that remain unchanged. The doctrine is invoked with impressive regularity, always with sober nods of approval for the profundity of the insight.

Suppose then that we adopt the doctrine and keep just to 'our little region over here' right now, in 1995, before the next change of course takes effect—somehow always leaving us on the same track.

In May 1995, the Bishop and priests of the Diocese of Apartado in the northwest region of Colombia issued a 'Communique to Public Opinion' about 'the moment of terror' in which the people are living, 'caused by homicides and disappearances'. 'The paramilitary groups have mercilessly decimated entire towns', they charge, while the authorities, 'facing the tragedy of the people, . . . remain indifferent without opposing the advance of this macabre plan of death and destruction'. Their charges are backed by the Mayor of Apartado, who alleges that the paramilitary groups are 'virtually running wild with an escalation of murders and horrible mutilations' while the tens of thousands of military and police watch in silence.

As does the world, in particular, the country that is providing the arms and training. The Communique may reach a few people in the solidarity groups, but will not find its way through the usual filters, for the usual reasons. It is the wrong story: the re-



sponsibility lies in the wrong hands, and the atrocities could readily be stopped if the public were alerted. So far, all efforts to expose the use of half of US military aid have been successfully deflected, but if that proves impossible, they can be dismissed with yawns and sneers about 'old stories' and 'routine America-bashing', or by appeal to the doctrine of 'change of course'; this was a few weeks ago, after all.

The current upsurge of military-paramilitary atrocities in Colombia seems to be part of land-grab efforts related to a multi-billion dollar development project in the region. The paramilitaries are closely linked to the landowners, ranchers, and narcotraffickers, one of the most important of whom recently became supreme commander of the paramilitary units of the Magdalena Medio region, long known for the close cooperation of the military, drug lords, landowners, and paramilitary forces. The agents of this 'macabre plan of death and destruction' are the usual ones, as are the targets: grassroots civic and popular organisations and their leaders, peasants, indigenous people and the Black population, in fact anyone who gets in the way of the alliance of the government, drug rackets, and 'legitimate' economic powers. All of this continues a regular pattern, including the silence.

## Markets in the Real World

Since the enduring truths lie beyond the reach of trivial fact, we may cheerfully put aside other qualms. Take the dedication to markets. If that is part of the 'national identity' by definition, it would be plain silly to bring up the fact that, from its origins, the US has been 'the mother country and bastion of modern protectionism'. I am quoting the eminent economic historian Paul Bairoch, who proceeds to document his more general conclusion that 'it is difficult to find another case where the facts so contradict a dominant theory' as the doctrine that free markets were the engine of

growth;<sup>6</sup> or, for that matter, that great powers adhered to them except for temporary advantage. That 'late developers' have departed from these principles has been familiar since the work of Alexander Gerschenkron, at least. The same is true of their predecessors. The United States, in particular, has always been extreme in rejecting market discipline. That is how it developed from the beginning, including textiles, steel, energy, chemicals, computers and electronics, pharmaceuticals and biotechnology, agribusiness, and so on, gaining enormous wealth and power instead of pursuing its comparative advantage in exporting furs, in accord with the stern principles of economic rationality.

Nor did the American developmental state break new ground. Britain had followed a similar course, only turning to free trade after 150 years of protectionism had given it such enormous advantages that a 'level playing field' seemed a fairly safe bet, even then relying on the fact that 40 per cent of its exports could go to the Third World (1800–1938). It is not easy to find an exception, from the origins of Europe's industrial revolution, when Daniel Defoe, expressing the common perception in 1728, warned that England faced an uphill struggle in attempting to compete with 'China, India and other Eastern countries'. The problem was that they have 'the most extended Manufacture, and the greatest variety in the World; and their Manufactures push themselves upon the World, by the meer Stress of their Cheapness'. They also may have had the highest real wages in the world at the time and the best conditions for working class organisation, so the most detailed recent scholarship indicates, contrary to long-standing beliefs. 'Britain itself would have been deindustrialized by the cheapness of Indian calicoes if protectionist policies had not been adopted', the same work concludes.<sup>7</sup>

Contemporaries saw matters much in that light. A century after Defoe, liberal historian Horace Wilson observed ruefully that without protection, 'the mills of Paisley and Manchester

would have been stopped in their outset, and could scarcely have been again set in motion, even by the power of steam. They were created by the sacrifice of Indian manufacturers'. It was India, not Britain, that was deindustrialised, including steel, ship-building, and other manufactures.

Britain showed the same 'constant face' when Egypt tried to undertake an industrial revolution under Mohammed Ali; with rich agricultural resources and domestic cotton, Egyptian development might have succeeded, as France and Britain feared, had it not been for British financial and military power, which intervened to bar unwanted competition and interference with British imperial strategy. Unlike the US at the same time, Egypt was unable to attempt a course of independent development in radical violation of the principles of economic science.<sup>8</sup>

Serious comparative studies are few, but what they suggest has much contemporary relevance. It can hardly escape notice that one part of the South resisted colonisation: Japan, the one part that developed, with its colonies in tow; a brutal colonial power, Japan nevertheless industrialised and developed its colonies, unlike the West. Or that the earliest colony happens to be the one part of northern Europe to retain Third World characteristics: Ireland. One of the leading historians of Africa, Basil Davidson, observes that modernising reforms in West Africa's Fanti Confederation and Asante kingdom were similar to those implemented by Japan at the same time, and indeed were seen in that light by African commentators and historians, one of whom wrote bitterly a few years later that 'The same laudable object was before them both, [but] the African's attempt was ruthlessly crushed and his plans frustrated' by British force. Davidson's own view is that the potential 'was in substance no different from the potential realised by the Japanese after 1867'. But West Africa joins Egypt and India, not Japan and the United States, which were able to pursue an independ-

ent path, free from colonial rule and the strictures of economic rationality.<sup>9</sup>

By the 1920s, England could not compete with more efficient Japanese industry. It therefore called the game off, returning to the practices that allowed it to develop in the first place. The empire was effectively closed to Japanese trade; Dutch and Americans followed suit. These were among the steps on the road to the Pacific phase of World War II, and among those ignored in the 50th anniversary commemorations.

The Reaganites followed much the same course in the face of Japanese competition half a century later. Had they permitted the market forces they worshipped in public to function, there would be no steel or automobile manufacturing in the United States today; nor semiconductors, massively parallel computing, and much else. The Reagan Administration simply closed the market to Japanese competition while pouring in public funds, measures expanded under Clinton. No such measures were needed to safeguard the leading civilian export industry, aircraft, or the huge and profitable tourism industry, based on aircraft and government-funded infrastructure. These are hardly more than an off-shoot of the major component of the welfare state: the Pentagon system (even the 'defense highway system' that was part of the state-corporate social engineering project that changed the face of America).

It was entirely natural for Clinton to select the Boeing corporation as the model for the 'grand vision of a free market future' that he proclaimed at the Seattle meeting of the Asia-Pacific Economic Conference (APEC) in 1993, to much acclaim. One could hardly find a finer prototype of the publicly subsidised private-profit economy that is proudly called 'free enterprise'. The triumph of the free market was further underscored by Clinton's announcement of his one APEC achievement: contracts with China for aircraft, nuclear power generators, supercomputers,

and satellites, produced by Boeing, GE, Cray and Hughes Aircraft, all paragons of free enterprise (the sales were illegal because of China's alleged involvement in nuclear and missile proliferation, but the State Department explained that Washington would 'interpret' the laws as inapplicable).

Equally appropriate was Clinton's selection at the Jakarta APEC session a year later: Exxon, another prime example of independent entrepreneurial values unhampered by the nanny state. Once again, Clinton was praised not only for the grand vision, but also for the successes of 'the Administration's campaign of commercial diplomacy', which 'will mean jobs for Americans', *Times* political correspondent Elaine Sciolino reported. She was referring to Clinton's announcement of a new US\$35 billion contract for Exxon to cooperate with Indonesia's Pertamina oil company to develop a natural gas field for the benefit of other US corporations and Indonesia's state-owned electrical company. That should provide lots of 'jobs for Americans'—at least lawyers, bankers, executives and managers, maybe a handful of skilled workers for a short period. The good news for American workers led to a rapid increase in Exxon's stock.<sup>10</sup>

It is perhaps worth mentioning that the word 'profits' has largely disappeared from respectable discourse. In contemporary Newspeak, the word is to be pronounced 'jobs'. Understanding the conventions, we appreciate the accuracy of the praise for Clinton's success in gaining 'jobs for Americans'. The same conventions allow recognition of the fact that the Pentagon is not *only* for defence against foreign hordes; it also provides 'jobs'. 'Politicians of both parties see the defense budget as a jobs program', Lawrence Korb of the Brookings Institution writes in a criticism of the inflated military budget. Profits for investors and higher salaries for top executives? Perish the thought.

The business press, however, has laxer standards. As the US pressured Japan to accept more car parts from US manufacturers

in mid-1995, the respectable media featured the official theme: 'This is just being hard-nosed and understanding the interests of the American people', unfairly deprived of jobs (US trade representative Mickey Kantor). But the *Wall Street Journal* could lift the veil. US parts-makers were indeed hoping that state power would pry open the Japanese market, which they intended to supply from their plants in China, Southeast Asia, and Japan itself. There would be few jobs for Americans in the literal sense of the word, but plenty of 'jobs' for US-based transnationals in the Orwellian sense.<sup>11</sup>

No resort to this device is too ludicrous to elicit even a raised eyebrow, so conventional has it become.

Defiance of market principles and state violence have been significant factors in economic development, including postwar Europe, Japan, and the NICs in its periphery, all of which received a crucial economic stimulus from US military adventures. Today's First and Third Worlds were far more similar in the eighteenth century. One reason for the enormous difference since is that the rulers were able to avoid the market discipline rammed down the throats of their dependencies. 'There is no doubt', Bairoch concludes in his detailed refutation of the leading 'myth of economic science', 'that the Third World's compulsory economic liberalism in the nineteenth century is a major element in explaining the delay in its industrialisation', in fact, its 'de-industrialisation', a story that continues to the present under various guises. Bairoch in fact considerably understates the role of state intervention for the wealthy, because he limits himself in conventional manner to a narrow category of market interferences: protection. But that is only a small part of the story. To mention only one omission, the early industrial revolution in England and the US was fuelled by cotton, which was cheap and accessible thanks to the expulsion or extermination of the native population of the southeast United States and the import of slaves, de-

partures from market orthodoxy that do not enter the odes to its wonders. So the story continues to the present.

Keeping to protectionist measures, Bairoch concludes that after World War II, the US at last moved towards liberal internationalism after a long history of violating these principles, including its most rapid period of growth, when tariffs were far higher than competitors. But that belief can be sustained only by ignoring the huge state component of the economy, which undergirded all of high-technology industry during the 'golden age of free market capitalism'. In the 1950s, virtually all funds for research and development of computers came from the taxpayer, along with 85 per cent of R&D for electronics generally. I'll return to the matter; ignoring it, we can understand little about the contemporary economy or 'really existing free markets'. Similarly, the huge social engineering project that led to the 'suburbanization of America', with enormous consequences, relied on extensive state intervention, from the local to national level, along with major corporate crime that received a tap on the wrist in the courts; consumer choices were a slight factor.<sup>12</sup>

There are fluctuations, to be sure. The statist reactionaries of the Reagan years broke new records in protectionism and public subsidy, boasting about it quite openly to their business audience. Secretary of the Treasury James Baker 'proudly proclaimed that Mr Ronald Reagan had "granted more import relief to US industry than any of his predecessors in more than half a century"', international economist Fred Bergsten writes, adding that the Reaganites specialised in 'the most insidious form of protectionism': 'managed trade' that most 'restricts trade and closes markets', and 'raises prices, reduces competition and reinforces cartel behaviour'. Baker was much too modest. The free trade enthusiasts and fiscal conservatives imposed more protectionist measures than all postwar administrations combined, virtually doubling import restrictions to 23 per cent, while rapidly

increasing deficits as well, burdening the taxpayer with huge interest payments.<sup>13</sup>

Though the Reaganites generally led the pack, almost all industrial societies have become more protectionist in recent years. The effects on the South have been severe. Protectionist measures of the rich have been a significant factor in doubling the already huge gap between the poorest and richest countries in the past generation. The 1992 UN Development Report estimates that protectionist and financial measures of the rich countries deprived the South of US\$1/2 trillion a year, about 12 times total 'aid'—most of it publicly subsidised export promotion. This behaviour is 'virtually criminal', the distinguished Irish diplomat and author Erskine Childers observed recently. He also notes that the West, under US lead, blocked a 1991 resolution tabled at the General Assembly by the South against 'economic measures as a means of political and economic coercion against developing countries', the favoured technique, apart from terror, by which Washington has sought to destroy such independent upstarts as Cuba and Nicaragua—while never ceasing to chant odes to the free market. The facts are 'very little known', Childers writes, 'because of course such things do not get reported by the dominant Northern media'. He hopes that some day this 'wholesale moral abdication by Northern countries' will lead to 'their utter shame before their own citizens'.<sup>14</sup>

No one familiar with the 'enduring truths' is holding their breath.

Childers couldn't be more right about the 'utter shame'. Two years ago, WHO director-general Hiroshi Nakajima reported that 11 million children die every year from easily treatable diseases because the developed world lacks the will to provide the meagre resources needed to overcome this 'preventable tragedy'—a 'silent genocide' that should shame all of us. In June 1995, UNICEF released its annual report, estimating at 13 mil-



lion the number of children who die because the rich countries deny them pennies of aid. That too evaded the 'dominant Northern media', at least in the United States, though the national press did report on the same day that Congress planned to reduce by a third the princely sum of US\$425 million that had been proposed for UNICEF for the coming year, also slashing foreign aid by US\$3 billion over two years (while leaving intact the US\$3 billion that goes to a rich country that serves US interests, Israel, along with US\$2.1 billion to Egypt, for similar reasons; that amounts to almost half the total). The US already had the most miserly aid record of OECD countries, but not miserly enough, Congress has determined.

Shortly after, Washington informed the UN Industrial Development Organisation (UNIDO) that it would provide only half of its US\$26 million pledge (legally binding under UN treaties), forcing a large curtailment of UNIDO's operations. The Group of 77 was 'deeply shocked and dismayed' at this further illegal action by the leading debtor, already US\$8 million in arrears. Only the most diligent could discover the facts, once again.

The actions that would 'utterly shame' any decent person have little to do with public opinion. On the contrary, recent studies again show that 'a strong majority' of the public favour maintaining or even increasing aid, and directing it to the poor rather than to strategic allies and military purposes. A 'strong majority' would also be willing to pay more taxes if aid went to people who need it, and an 'overwhelming majority rejects the idea that the United States should only give when it promotes the U.S. national interest'. All exactly the opposite of the policies executed by the political leadership, who never cease to proclaim their service to the public will.<sup>15</sup>

The regularity of the pattern is instructive. Thus President Clinton agrees that the US must lower its contributions to UN peacekeeping operations while his right-wing adversaries want

to go much further, shackling or even ending them. In contrast, they are favoured by over 80 per cent of the public. Half consistently support US participation, 88 per cent if there are fair prospects of success. Only 5–10 per cent consistently oppose such operations, the remainder varying with circumstances. The effect of fatalities in Somalia was slight, contrary to much pretence. Two-thirds favour contributing US troops to a UN operation to protect ‘safe havens’ or to stop atrocities in Bosnia; 80 per cent take the same position with regard to Rwanda, if the UN were to conclude that genocide is underway.

Nevertheless, 60 per cent of the population think the US has ‘done enough to stop the war in Bosnia’—namely, nothing. But not because of cruelty or indifference, as other studies reveal. There is also opposition to foreign aid, particularly on the part of the 25 per cent of the population who believe it to be the biggest item on the federal budget. In fact, about half of discretionary spending goes to the Pentagon, a fact known to under one-third of the population, while foreign aid is undetectable (putting aside its purposes).<sup>16</sup>

Such apparently contradictory results are not hard to explain. People would like to do the right thing, but have been drowned in ‘enduring truths’ about our altruism and awesome benevolence, and the ingratitude of a hostile world. For similar reasons, overwhelming majorities support more help for the poor but call for cutting welfare: why spend our hard-earned money for Black mothers in Cadillacs who breed like rabbits to get more welfare cheques? And having been deluged with these and other fairy tales—sometimes related by figures like Ronald Reagan, who may even have believed his famous anecdotes—they also much overestimate the share of the Federal budget that goes to welfare, and are quite unaware that it has fallen radically over the past 20 years from a level that was low to begin with by comparative standards. A similar barrage leads the public to feel crushed

by an overwhelming tax burden; only Turkey and Australia are lower, relative to GDP, among the OECD countries (1991).

Also hidden in the shadows is the fact that the tax system is unusually regressive. A particularly telling measure is the effect of taxes and transfers (benefits, etc.) on alleviating poverty. The most careful study of the topic, by economists Lawrence Mishel and Jared Bernstein, concludes that 'the U.S. system of taxes and transfers is much less effective in reducing poverty than that of any other [industrialised] country', and is becoming 'even *less* effective over time', particularly in the Reagan years, while it has grown more effective elsewhere. Children suffer particularly under the US system. In the average comparable country, such measures reduced child poverty by over half from 1979 into the 1980s, while in the US they reduced it by less than a quarter in 1979, down to 8.5 per cent in 1986 as Reaganite policies took effect.

Currently fashionable 'flat tax' proposals call for excluding financial gains (dividends, capital gains, interest), which constitute almost half of income for the top 1 per cent of families, a proportion that declines very rapidly as we move to lower income levels. 'It's hard to find a definition of "fairness" more compelling than the idea that every citizen is treated equally', *Fortune* magazine declares in an upbeat cover story on 'the beginning of the end of the American income tax system', quoting an economist for a right-wing research institute.<sup>17</sup>

What business leaders call their 'everlasting battle for the minds of men' may not have changed attitudes very much, but it has left the population mired in confusion, which is just as good for the fundamental purpose: driving the 'great beast', as Alexander Hamilton called the people, out of the public arena, where it does not belong, sentiments echoed across the spectrum throughout American history—again, not an innovation or exception.

But once again, such matters have no bearing on the state of American democracy, if indeed the enduring truths are beyond the reach of evidence.

## Democracy: 'Containing the People'

It would be unfair to imply that everyone considers facts irrelevant. I've already mentioned a few examples to the contrary and there are others. Take democracy according to the canon, the principle that guides and inspires the political leadership above any other. To evaluate the theory we naturally turn to the place where policy makers had a relatively free hand: 'our little region over here', rich in resources and potential, and one of the world's worst horror chambers—another fact from which we are to learn nothing. But what about the 1980s, when there was yet another 'change of course' as the Reagan Administration led a grand crusade to bring the benefits of democracy to oppressed people? Perhaps the most serious studies of the topic within the mainstream are by Thomas Carothers, who combines the view of a historian with that of an insider, having been involved in the Reagan Administration programs to 'assist democracy' in Latin America. These programs were 'sincere', he writes, but largely a failure—though an oddly systematic one. Where US influence was least, progress was greatest: in the southern cone, where there was real progress, opposed by the Reaganites at every step although they took credit for it when the tide could not be stemmed. Where US influence was greatest—in Central America—progress was least. Here Washington 'inevitably sought only limited, top-down forms of democratic change that did not risk upsetting the traditional structures of power with which the United States has long been allied', Carothers writes. The US sought to maintain 'the basic order of . . . quite undemocratic societies' and to avoid 'populist-based change' that might upset 'established economic and political orders' and open 'a leftist direction'.<sup>18</sup> As, indeed, quite generally.

It is only by looking closely at individual cases that one can appreciate the depth of the fear and hatred of democracy in elite circles. One of the most instructive examples is Nicaragua, also well studied, but in work that is far from the public eye.

Nicaragua had elections in 1984, widely praised by even hostile international observers and by the professional organisation of Latin American scholars, which studied them in unusual depth. But they could not be controlled, so they did not take place. Period. The first elections, by official fiat and near universal practice, were in 1990—we need not tarry on the official tale that the elections always scheduled for 1990 took place only because of US pressures, standard apologetics for the terrorist war. As the electoral campaign opened, the White House announced that US terror and economic warfare would continue unless Washington's candidate were elected; that is considered no interference with the 'democratic process' in the United States, or the West generally. When the elections came out 'the right way', the Latin American press, largely hostile to the Sandinistas, generally interpreted it as a victory for George Bush. The US reaction was different. The Newspaper of Record was typical, with its headlines hailing the 'Victory for U.S. Fair Play' as Americans were 'United in Joy' in the style of Albania and North Korea. At the outer limits, columnist Anthony Lewis could scarcely contain his admiration for Washington's 'experiment in peace and democracy', which gave 'fresh testimony to the power of Jefferson's idea: government with the consent of the governed . . . To say so seems romantic, but then we live in a romantic age'.

Few had any doubts as to how 'Jefferson's idea' was realised. Thus *Time* magazine rejoiced as 'democracy burst forth' in Nicaragua, outlining the methods of 'U.S. Fair Play': to 'wreck the economy and prosecute a long and deadly proxy war until the exhausted natives overthrow the unwanted government themselves', with a cost to us that is 'minimal', leaving the victim

'with wrecked bridges, sabotaged power stations, and ruined farms', and providing Washington's candidate with 'a winning issue', ending the 'impoverishment of the people of Nicaragua'.<sup>19</sup>

But that's all down the memory hole, along with the rest of the sordid story. Also best avoided is what happened to the shattered society after 'democracy burst forth'. For the overwhelming majority the outcome has been a disaster, so much so that the UN Food and Agriculture Organisation (FAO) predicts that 'Nicaragua's next generation will be smaller, weaker, and less intelligent than today's population'—those who survive, that is. Deaths from malnutrition of children under four have increased by 35 per cent since the 'romantic age' began. Homeless waifs beg for pennies on the streets, or sniff glue to 'take away the hunger'. Creatures that scarcely resemble humans scour the Managua dump for scraps of food. There has been massive starvation on the Atlantic Coast and a huge drug epidemic. The facts are reported by relief organisations and at the usual margins, but are of no interest to the perpetrators of the crimes, including those who shed bitter tears over the sad fate of the coastal people subjected to 'genocide' by the cruel Sandinistas; abuses were real, though undetectable by comparison to what the same people fervently supported, as the international human rights monitors vainly reported.<sup>20</sup>

Of all of these crimes, the most cruel is the destruction of hope in a demoralised society, sinking into helplessness, misery, and despair. The facts filed away out of sight tell us a lot about the passion for democracy and human rights, in case after shameful case.

What Carothers describes is exactly what we are seeing right now in the prize model of the Clinton Doctrine offered by National Security Adviser Lake: Haiti. Its elected President was allowed to return after the popular organisations had been subjected to a sufficient dose of terror, but only after he too had

been educated—given ‘a crash course in democracy and capitalism’, as his leading supporter in Washington described the process of civilising the troublesome priest, in terms far more sympathetic to the ‘radical extremist’ than the norm. President Aristide was compelled to accept a US-dictated economic program stipulating that ‘The renovated state must focus on an economic strategy centered on the energy and initiative of Civil Society, especially the private sector, both national and foreign’. US investors are the core of Haitian Civil Society, along with the super-rich coup backers, but not the Haitian peasants and slum-dwellers who scandalised Washington by creating a civil society so lively and vibrant that they were able to elect a President and enter the public arena. That impropriety was overcome in the usual way with ample US complicity; for example, by the decision of the Bush and Clinton administrations to allow the Texaco Oil Company to supply the coup leaders and their wealthy supporters in violation of the sanctions, a crucial fact revealed by Associated Press the day before US troops landed in September 1994, though also kept from the public eye. The ‘renovated state’ is now back on track, following the policies of Washington’s candidate in the 1990 elections, in which he received 14 per cent of the vote.<sup>21</sup>

An honest inquiry will reveal that the conventional picture ranges from dubious to false in every crucial respect, save one: the importance of enduring truths. It is only necessary that we agree to look at the historical record to discover what they are, and why. And surely we should take them quite seriously as we consider the likely future, with institutional structures essentially unchanged and operating with little constraint.

Pursuing this course, we find reason to believe that the ‘new world’ that is portrayed in such bright and hopeful colours may indeed be marked by a shift away from ‘containment’, but not to ‘enlargement’; rather, to ‘rollback’, to borrow another term from

the lexicon of international affairs. For over a century those whom Adam Smith called 'the principal architects of policy'—in his day the 'merchants and manufacturers' of England, in ours, their inheritors—have sought to contain democracy and human rights, disdaining markets except when they confer advantage. As in Smith's day they naturally try to mobilise state power to ensure that their own interests 'are most peculiarly attended to', however 'grievous' the impact on others. Since the early 1970s, important changes in the global economy have opened the prospect of not just containing but actually rolling back the victories for human rights, freedom, and democracy that have been won in a century of bitter popular struggle—an alluring prospect, as the current scene illustrates vividly. The enduring truths are likely not only to persist, but to become still more grim for much of the world's population; at home as well, as the social contract is unravelled.

These are large topics, and I can only hope to touch on a few of them.<sup>22</sup> But let me try to flesh out the story as I see it with some specific detail.

A good place to start is in Washington, right now. The standard picture is that a 'historic political realignment' took place in the congressional elections of 1994 that swept Newt Gingrich and his army into power in a 'landslide victory', a 'triumph of conservatism' that reflects the continuing 'drift to the right'. With their 'overwhelming popular mandate', the Gingrich army will fulfil the promises of the Contract with America. They will 'get government off our backs' so that we can return to the happy days when the free market reigned and restore 'family values', ridding us of 'the excesses of the welfare state' and the other residues of the failed 'big government' policies of New Deal liberalism and the 'Great Society'. By dismantling the 'nanny state', they will be able to 'create jobs for Americans' and win security and freedom for the 'middle class'. And they will take over and



successfully lead the crusade to establish the American Dream of free market democracy, worldwide.

That's the basic story. It has a familiar ring.

Ten years before, Ronald Reagan was re-elected in the second 'conservative landslide' in four years. In the first, in 1980, Reagan won a bare majority of the popular vote and 28 per cent of the electorate. Exit polls showed that the vote was not 'for Reagan' but 'against Carter'—who had in fact initiated the policies that the Reaganites took up and implemented, with the general support of congressional Democrats: accelerated military spending (the state sector of the economy) and cutbacks in programs that serve the vast majority. Polls in 1980 revealed that 11 per cent of Reagan voters chose him because 'he's a real conservative'—whatever that term is supposed to mean.

In 1984, there were great efforts to get out the vote, and they worked: it increased by 1 per cent. The number of voters who supported Reagan as a 'real conservative' dropped to 4 per cent. A considerable majority of those who voted hoped that Reaganite legislative programs would not be enacted. Public opinion studies showed a continuation of the steady drift towards a kind of New Deal-style welfare state liberalism.

Why the votes? The concerns and desires of the public are not articulated in the political system—one reason why voting so sharply skewed towards privileged sectors.

When the interests of the privileged and powerful are the guiding commitment of both political factions, people who do not share these interests tend to stay home. William Dean Burnham, a leading specialist on electoral politics, pointed out that the class pattern of abstention 'seems inseparably linked to another crucial comparative peculiarity of the American political system: the total absence of a socialist or laborite party as an organized competitor in the electoral market'. That was fifteen years ago, and it has only become more pronounced as civil so-

ciety has been even more effectively dismantled: unions, political organisations, and so on.

In the United States, 'the interests of the bottom three-fifths of society' are not represented in the political system, political commentator Thomas Edsall of the *Washington Post* pointed out a decade ago, referring to the Reagan elections. There are many consequences apart from the highly skewed voting pattern. One is that half the population thinks that both parties should be disbanded. Over 80 per cent regard the economic system as 'inherently unfair' and the government 'run for the benefit of the few and the special interests, not the people' (up from a steady 50 per cent for a similarly worded question in the pre-Reagan years)—though what people might mean by 'special interests' is another question. The same proportion think that workers have too little influence—though only 20 per cent feel that way about unions and 40 per cent consider them too influential, another sign of the effects of the propaganda system in inducing confusion, if not in changing attitudes.

That brings us to 1994, the next in the series of 'conservative landslides'. Of the 38 per cent of the electorate who took part, a bare majority voted Republican. 'Republicans claimed about 52 percent of all votes cast for candidates in contested House seats, slightly better than a two-point improvement from 1992', when the Democrats won, the polling director of the *Washington Post* reported. One out of six voters described the outcome as 'an affirmation of the Republican agenda'. A 'more conservative Congress' was considered an issue by a rousing 12 per cent of the voters. An overwhelming majority had never heard of Gingrich's Contract with America, which articulated the Republican agenda and has since been relentlessly implemented, with much fanfare about the popular will, and less said about the fact that it is the first contract in history with only one party signing, and the other scarcely knowing of its existence.

When asked about the central components of the Contract, large majorities opposed almost all, notably the central one: large cuts in social spending. Over 60 per cent of the population wanted to see such spending *increased* at the time of the elections. Gingrich himself was highly unpopular, even more than Clinton, whose ratings are very low; and that distaste has only persisted as the program has been implemented.

There was plenty of opposition to Democrats; the election was a 'vote against'. But it was nuanced. Clinton-style 'New Democrats'—in effect, moderate Republicans—lost heavily but not those who kept to the traditional liberal agenda and tried to activate the old Democratic coalition: the majority of the population who see themselves, correctly, as effectively disenfranchised.

Voting was even more heavily skewed toward the wealthy and privileged than before. Democrats were heavily preferred by those who earn less than US\$30 000 a year (about the median) and ran even with Republicans in the US\$30 000–US\$50 000 range. The opinion profiles of non-voters were similar on major issues to those who voted the Democratic ticket. Voters who sensed a decline in their standard of living chose Republicans—or, more accurately, opposed incumbent Democrats—by close to two to one. Most are white males with very uncertain economic futures, just the people who would have been part of a left-populist coalition committed to equitable economic growth and political democracy were such an option to intrude into the business-run political arena. In its absence, many are turning to religious fanaticism, cults of every imaginable kind, paramilitary organisations ('militias'), and other forms of irrationality, an ominous development, with precedents that we remember, and that now concern even the corporate executives who applaud the actions of the Gingrich army in its dedicated service to the most rich and privileged.

Nevertheless, despite the propaganda onslaught of the last half century, the general population has somehow maintained

social democratic attitudes. Substantial majorities believe the government should assist people in need, and favour spending for health, education, help for the poor, and protection of the environment. As I've already mentioned, they also approve of foreign aid for the needy and peacekeeping operations. But policy follows a radically different course.

The central doctrine—a balanced budget—is a striking illustration. Business favours it. 'American business has spoken: Balance the federal budget', *Business Week* concludes from a poll of senior business executives. And when business speaks, so does the political class and the press—at least the headlines. Those who look no further will have little sense of a complex reality.

In Australia, Graham Richardson reports from New York that 'Americans are convinced . . . that budgets should be balanced irrespective of prevailing conditions', and support cuts in social spending to that end. His source is Don Hewitt, 'the elder statesman of American current affairs television', with whom he had breakfast in the Edwardian Room of the Plaza Hotel, 'one of New York's finest'. Hewitt is 'a man accustomed to mixing with presidents, billionaires and stars', and 'to have stayed on top in [TV] current affairs for so long means that Hewitt has a real feel for the pulse of middle America'—not the owners of the corporate media and the advertisers to whom they sell their product (audiences), or the billionaires who dine in the Edwardian Room. When Hewitt tells us what Americans want, 'you have to take notice', just as you have to be impressed by 'the huge swing to the Republicans' in the elections, just reviewed.

In England, under the headline 'We're all for balanced budgets now', the commentator on America for the *Financial Times*, Michael Prowse, writes that 'Newt Gingrich and his Republican revolutionaries once again deserve our applause' for pursuing a balanced budget in the face of the 'cynical strategy' of those who oppose big cuts in social programs. And the revolutionaries re-

flect the will of the people, Prowse writes: 'polls show 80 percent approval for the goal of a balanced budget'.<sup>23</sup>

Richardson no doubt reports what his source believes, or at least prefers to believe; and Prowse is right about the headlines and what he may well hear on the major elite news program on National Public Radio, regularly accused of liberal bias, where a leading commentator, Robert Siegel, reports that 'Americans voted for a balanced budget', detailing the cuts in education and welfare pursuant to the public will. But if we move beyond the Edwardian Room and the headlines, we find a different picture. It is true that most people would prefer a balanced budget, just as they would like to see their household budgets balanced, with all debt magically removed at no cost. But the same polls show that in response to the obvious next question—Do you want the budget balanced if that entails spending reductions for education, health, the environment, and other favoured programs?—support dwindles to a small minority in the 20–30 per cent range. So we learn, for example, from the small print in an article headlined 'Americans Like G.O.P. Agenda But Split on How to Reach Goals', reporting data showing that Americans *dislike* the GOP agenda, overwhelmingly. Other polls give similar results: balanced budget, Fine; with cuts in social spending, No. As the Republicans targeted the Departments of Education and Energy for elimination, 80 per cent wanted to preserve the former, 63 per cent the latter. 'A strong 72 per cent oppose any reduction in education whatsoever', the *Wall Street Journal* reported, and 'solid majorities oppose any substantial cuts in Social Security, the Medicare health program for the elderly and the Medicaid health program for the poor'—all targeted for severe reduction along with many other popular programs, with only Social Security on hold.<sup>24</sup>

The facts, however, are unwelcome, apart from one: business has spoken, and that's really all we have to know. Furthermore,

with little in the way of a counterforce within the doctrinal system, wish will become reality over time, very likely.

The same holds pretty much across the board. Polls show consistently that the public is opposed to more Pentagon spending. But the voice of business again says the opposite; business leaders are well aware that the Pentagon is the core of the welfare state for the rich. Accordingly, Clinton's first reaction to the Republican 'landslide' was to announce a substantial increase in Pentagon spending; his right-wing opponents quickly upped the ante. In real dollars, the Pentagon budget is at about 85 per cent of the Cold War average, US\$30 billion a year higher than under Nixon. The Cold War enemy is, of course, now an ally even in military production: thus its advanced research programs enabled the US to regain the world lead in pulsed power and microwave weaponry, *Jane's Defence Weekly* reported. The figures give some indication of how large 'the threat to market democracy' posed by the Great Satan loomed in the eyes of planners who sought to 'contain' it and 'roll it back'.

In April 1995, the far-right Heritage Foundation submitted its budget proposal, basically adopted by Congress. It called for an increase in the Pentagon budget in accord with the wishes of one out of six taxpayers, while sharply cutting funds for education, drug addiction programs, the environment, and other social spending favoured by two-thirds of the public. 'The issue [is] philosophical', a policy analyst at the Heritage Foundation explains: 'Taxpayers should not be forced to support activities they may not agree with'; certain taxpayers, that is. 'The issue', in this case, was specifically the Foundation's call for 'defunding the left', defined as Catholic Charities, the American Association of Retired Persons, and others who try to help the wrong sorts of people, sometimes with minuscule Federal grants—a rather flattering image of 'the left', incidentally.<sup>25</sup>

The increase in Pentagon spending was opposed not only by the population, but even by the Joint Chiefs of Staff, who warned

that it would cause problems for the military down the road. But no matter: business has spoken, and the statist reactionaries know how to listen.

For 'the principal architects of policy' to flout public opinion is neither surprising nor particularly unusual, though it is an indication of how democracy is understood by those who sing its praises. But the pattern has become so consistent and dramatic as to call forth some commentary, which is unusual. The respected political commentator of the *Christian Science Monitor*, Brad Knickerbocker, mused that 'It's almost as if lawmakers looked at what Americans want . . .—and then marched off in the opposite direction'. He happened to be referring to energy and environmental policies, but the conclusions hold dramatically, well beyond even the norm.<sup>26</sup>

Those truly concerned about democracy would do well to attend closely to the founding principles of the first modern democracy 200 years ago, still in many ways the model. In the debates in 1787 on the Federal Constitution, James Madison observed that 'In England, at this day if elections were open to all classes of people, the property of landed proprietors would be insecure. An agrarian law would soon take place'. To ward off such injustice, 'our government ought to secure the permanent interests of the country against innovation', establishing checks and balances so 'as to protect the minority of the opulent against the majority'.

The constitutional framework adhered closely to Madison's design. The 'permanent interest' he identified has remained the 'Purpose of America' at home, in the eyes of the powerful, and 'the tolerant society' they manage has always insisted on upholding the same principle abroad—'multilaterally when we can and unilaterally as we must', as Clinton's UN Ambassador instructed the UN Security Council in October 1994 just as Anthony Lake was lauding our historic commitment to pacifist principles.<sup>27</sup>

There are two ‘cardinal objects of government’, Madison held: ‘the rights of persons, and the rights of property’. It is the latter that must have priority, because the rights of property will constantly be under threat from ‘the will of the majority’, who may, by their power in a democracy, ‘trespass on the rights of a minority’. Madison’s more vague formulations have often been misread as expressing a general concern that ‘the tyranny of the majority’ might trample individual rights: say to freedom of speech and conscience. But that reading mistakes Madison’s concern, which was much more restricted, as he made quite clear. The primary threat was to ‘the rights of property’. The rights of the ‘opulent minority’ that government must protect as its primary duty are, furthermore, quite unlike ‘the rights of persons’; the latter are to be granted uniformly under the Constitutional system, whereas ‘the rights of property’ are narrowly held in the hands of the ‘opulent minority’. The majority are denied these rights, and must be prevented from infringing on them.

The Madisonian rhetoric, which has largely dominated subsequent discussion, is misleading in other ways. It is senseless to compare rights of persons and rights of property. The pen in my hand is my property but it has no rights, though perhaps I have a right to own it. The rights of property are rights of persons—certain persons, always to be a minority, it was held. The Madisonian framework, then, concerns only rights of persons, and assigns to an opulent minority among them extra rights in addition to the rights theoretically shared by all; indeed it privileges these additional rights, holding that they must take precedence over the rights that are shared. The issues are obscured—rather seriously in fact—by the rhetoric in which they are formulated, and in much subsequent discussion.

To ensure that the rights of the opulent minority are privileged, they must hold the reins of government, Madison held. He added that this is only fair, because property ‘chiefly bears



the burden of government', and 'In a certain sense the Country may be said to belong to [the owners of the soil]'—a notion that generalised in the obvious way as the society shifted from an agricultural to a manufacturing and financial power base. As Jennifer Nedelsky points out in the most careful analysis of 'the Madisonian framework and its legacy', his primary focus on 'the protection of property' cast "'the people", the future majority, in the role of a problem to be contained'. This conception was accepted as a matter of course by almost all of the Framers, she notes, citing James Wilson as 'the only one who declared that property was not the main object of government' and who 'gave priority to what was seen by his colleagues as the major threat to property: the political liberty of the people'.

Thomas Jefferson took a position like Wilson's, but he had no direct role in these deliberations. As for Madison, some years later he did come to recognise—apparently with some shock—that the 'opulent minority' would abuse its power, not acting in the enlightened manner he had rather naively anticipated. Madison deplored 'the daring depravity of the times' as the wealthy came to use their control of government much in the way that Adam Smith had described, with the 'stock jobber' coming to be 'the pretorian [*sic*] band of the Government, at once its tool and its tyrant; bribed by its largesses and overawing it by its clamours and combinations'.<sup>28</sup>

A central theme of American history is the implementation of the original Madisonian framework, basically preserved through many social changes. Nedelsky observes that this legacy, though attenuated, helps explain 'the weaknesses of the democratic tradition' in the United States, and its failure to deal with 'the interpenetration of economic and political power'—or, more accurately, its success in dealing with the problem in a specific way: by sanctifying privileging the rights of those who own the country. These rights have come virtually to define the concept of democracy.

Thus it was in the service of democracy that radio, later television, was kept from the public domain and handed over to a few huge corporations; private tyranny equals freedom. That is second nature. Few detect a problem when a well-known journalist writes in the *New York Times*: ‘As every schoolchild must know, a free press—which means a press free of government—is essential to a democratic system’ (David Shipler). In contrast, a press free of Murdoch or Berlusconi, or huge corporations, is not essential.

As Madison’s praetorian band tightened its grip, politics became ever more ‘the shadow cast on society by big business’, as Adam Smith’s truism was formulated by America’s leading twentieth century philosopher, John Dewey. The system that developed did not simply protect property, Nedelsky adds, but ‘inequality of property’, in accord with its basic design, subordinating the rights of the great majority of the population in all other spheres of life as well. The only serious challenge to these ideas has been from labour and other popular movements, which have certainly won victories, though they have been marginalised to an extent unusual in industrial democracies, and are now losing the gains that they had won.<sup>29</sup>

The ‘top-down’ structures of power that Carothers describes as a ‘failure’ of American efforts to enhance democracy are anything but that. They are not only another success in the project of undermining democracy in US domains—which is why the ‘failure’ is so systematic— but also reflect the nature of the domestic society. The facts are not hard to discover in history and doctrine, if we lift the veils of rhetoric that conceal them.

### ‘Free Market Conservatism’

Following the same course, we can come to understand the concept of ‘free market conservatism’. Its real meaning is revealed by a closer look at the most passionate enthusiasts for ‘getting the government off our backs’ and letting the market reign undis-

turbed. Speaker of the House Newt Gingrich is perhaps the most striking example. He represents Cobb County, Georgia, which the *New York Times* selected in a front-page story to illustrate the rising tide of 'conservatism' and contempt for the 'nanny state'. The headline reads: 'Conservatism Flowering Among the Malls', in this rich suburb of Atlanta, scrupulously insulated from any urban infection so that the inhabitants can enjoy the fruits of their 'entrepreneurial values' and market enthusiasms, defended in Congress by its leading conservative, Newt Gingrich, who describes his district with pride as a 'Norman Rockwell world with fiber optic computers and jet airplanes'.<sup>30</sup>

There's a small footnote, however. Cobb County receives more Federal subsidies than any other suburban county in the country, with two interesting exceptions: Arlington, Virginia, which is effectively part of the Federal government, and the Florida home of the Kennedy Space Centre, another component of the system of public subsidy, private profit. When we move out of the Federal system itself, Cobb County takes the lead in extorting funds from the taxpayer—who is also responsible for funding the 'jet planes and fiber optic computers' of the Norman Rockwell world. Most jobs in Cobb County, properly high paying, are gained by feeding at the public trough. The wealth of the Atlanta region generally can be traced substantially to the same source. Meanwhile praises to market miracles reach the heavens where 'conservatism is flowering'.

There is also an interesting sidelight. During the congressional campaign, when Gingrich propaganda about the nanny state and welfare excesses was resounding to the rooftops and the New Democrats were on the run, no one was willing to issue a simple rejoinder: Gingrich is the country's leading advocate of the welfare state—for the rich. The reasons for the silence are easy to understand: class interests prevail over narrow electoral ones. It's agreed across the board that the rich must be protected from market discipline by a powerful and interventionist welfare state.

Gingrich's 'Contract with America' neatly exemplifies the ideology of the double-edged 'free market': state protection and public subsidy for the rich, market discipline for the poor. It called for 'cuts in social spending' across the board—for the poor and defenceless, including children and the elderly. And for increasing welfare for the rich, in the classic ways: regressive fiscal measures, and outright subsidy. In the former category are increased tax exemptions for business and the wealthy capital gains cuts, and so on. In the latter are taxpayer subsidies for investment in plants and equipment, more favourable rules for depreciation, dismantling the regulatory apparatus that merely protects people and future generations. The formulations are remarkably brazen. Thus the proposals for business incentives, regressive tax cuts, and other such welfare for the rich appear under the heading 'The Job Creation and Wage Enhancement Act'. The section does indeed include a provision for measures 'to create jobs and raise worker wages'—with the added word: 'unfunded'. But no matter, given prevailing conventions, 'jobs' means 'profits', so it is indeed a 'job creation' proposal, which will continue to 'enhance' wages downwards.

The contract also calls for 'strengthening our national defense' so that we can better 'maintain our credibility around the world'—so that anyone who gets funny ideas, like priests and peasant organisers in Latin America, will learn better. The phrase 'national defense' is hardly even a sick joke, which should elicit ridicule among people with any self-respect. The US faces no threats, but spends almost as much on 'defense' as the rest of the world combined. Military expenditures are no joke, however. Apart from ensuring a particular form of 'stability' in the 'permanent interest' of those who matter, the Pentagon is needed to provide for the likes of Gingrich and his rich constituents, so that they can fulminate against the nanny state that is pouring public funds into their pockets.

Here again a look at history is instructive. As already mentioned, illusions about the viability of free market capitalism have been the domain of ideologists, not actors in the political and economic system. What illusions might have remained about the matter dissipated after the Great Depression and the success of the government-managed World War II economy in overcoming it, with vast growth of production and profits. The lessons were taught to the corporate managers who flocked to Washington 'to carry out one of the most complex pieces of economic planning in history', an experience that 'lessened the ideological fears over the government's role in stabilizing the economy', the leading business historian, Alfred Chandler, points out. They and others anticipated a return to depression unless such measures were retained, in some way. The business world recognised that advanced industry 'cannot satisfactorily exist in a pure, competitive, unsubsidized, "free enterprise" economy' and that 'the government is their only possible savior' (*Fortune, Business Week*). The remarks refer specifically to the aircraft industry established by public funds and wartime profiteering, but they were understood to generalise. For well-known reasons, the Pentagon system was preferred to alternatives and revitalised as the 'savior', sustaining and expanding the aircraft industry and its by-products, along with steel and metals generally, electronics, chemicals, machine tools, automation and robotics, and other central components of the industrial economy.

As long as the fable could be sustained, the Cold War provided the pretext, often as conscious fraud. The first Secretary of the Air Force, Stuart Symington, put the matter plainly in January 1948: 'The word to talk was not "subsidy"; the word to talk was "security"'. As industry representative in Washington, Symington regularly demanded that the military budget 'meet the requirements of the aircraft industry', as he put it. The story continues without essential change until today in just about every function-

ing sector of the economy, and surely in Cobb County. There, as elsewhere, the 'private sector' relies extensively on welfare payments, subsidies often called 'security'. Dramatically again in the Reagan years, industry has relied on advanced technology that is readily transferred from military to commercial use. This crucial factor in modern industrial development and economic progress has long been understood in the business world, and had been discussed on the left as well, though the debate has been confused by anti-militarist literature that concentrates on the fact that the military path is harmful to the economy as compared with civilian alternates. That is correct, but irrelevant to business leaders, who explained 50 years ago why they preferred the military alternative: primarily reasons of domestic power, not economic health. Some of these topics are at last being investigated even in mainstream academic work, which is useful, though misunderstanding persists in the belief that what is found is 'contrary to the beliefs of analysts from both the right and the left'; it has long been clear in the business press and among left critics. The same studies conclude that the 'defense industrial base' should be maintained—appropriately, on the understanding that the wealthy must be protected from market discipline and the population tricked into subsidising them.<sup>31</sup>

These are major reasons why military spending is increased while anything that might benefit the 'great beast' that threatens 'the opulent minority' must be sharply cut.

The general principles are clear and explicit: free markets are fine for the Third World and its growing counterpart at home. Mothers with dependent children can be sternly lectured on the need for self-reliance, but not dependent executives and investors, please. For them, the welfare state must flourish.

A closer look at particulars again brings out the real meaning of what is happening. Not content with Clinton's increase in the Pentagon budget in radical opposition to the public will, Speaker

of the House Gingrich, who represents Lockheed-Martin and other high tech industries, led the House in approving even more public funds for his wealthy constituents. Under his leadership, the House approved a US\$3.2 billion 'emergency' supplement for the starving Pentagon, the funds to be drawn from programs for the vast majority. In a vain and pallid gesture that highlights what is at issue, House Democrat David Obey proposed in committee to replace a planned US\$5 billion–US\$7 billion of cuts in child nutrition, housing, and job training by a five-year delay in deployment of Lockheed F-22 advanced fighters, a (surely underestimated) welfare program of US\$72 billion: *delay*, not discontinuation of the taxpayer giveaway. The suggestion was summarily rejected, and scarcely reported.

The word to use remains 'security', not 'subsidy'. And, as often in the past, current plans for 'defense' are designed so as to foster security threats. A minor one is Russia; though now ally it remains a potential threat to US 'preponderance', the currently fashionable term for global rule. But the primary threat is 'Third World weapons proliferation', Air Force Director of Science and Technology General Richard Paul informed *Jane's*. We must maintain military spending and strengthen the 'defense industrial base' because of 'the growing technological sophistication of Third World conflicts', the Bush Administration had explained to Congress while watching the Berlin Wall collapse, taking with it the most efficient pretext for 'subsidy'. No one who has kept their eyes on the 'security system' will be surprised to learn that both threats are to be enhanced.

Some of the funding for the emergency Pentagon supplement is to be drawn from programs to help dismantle and safeguard the nuclear arsenals of the former USSR. To protect ourselves from the resulting threat, we will have to 'increase the Defense Department's budget', Florida Democratic Representative Pete Peterson commented. Furthermore, 'Third World

weapons proliferation' is to be stimulated, with new contributions to its 'growing technological sophistication'. The US share in arms sales to Third World countries has reached almost three-quarters. We must therefore provide them with even more advanced weaponry so that we can tremble in proper fear. The sale of F-16 aircraft with taxpayer-subsidised loans allows the Air Force to pay Lockheed to upgrade the aircraft and to develop the F-22 to counter the threat they pose. The welfare programs extend beyond Gingrich country. General Paul emphasised, outlining the commitment 'to spin dual-use [Science & Technology] outside the military' in 'the national interest', 'enhancing our economic security'. Particularly 'enhanced' is the welfare of corporate America, which is to 'transition our work', General Paul continued in standard bureaucratese.

Gingrich's favourite government-funded cash cow understands the scam perfectly. Lockheed propaganda warns that it is a 'dangerous world' in which 'sophisticated fighter airplanes and air defense systems are being sold'—mostly thanks to its 'savior'. One of the authors adds: 'We've sold the F-16 all over the world; what if [a friend or ally] turns against us?' To fend off that threat, we have to sell potential adversaries still more advanced weapons, and to transfer still more public funds to the shrinking sectors of the population that bear the burden of 'dazzling' profits. Quite simple, really.

Arms sales to undemocratic countries—most of the recipients—are opposed by a mere 96 per cent of the population, so these programs reflect the 'popular mandate' as well as their companions.<sup>32</sup>

The National Security State is a natural favourite of the advocates of private tyrannies. The device facilitates the transfer of public funds to advanced industry and to wealthy sectors generally, with the public cowering in fear of foreign enemies so that planners can operate in 'technocratic insulation', in World Bank lingo.



Furthermore, the 'great beast' has to be dealt with somehow, and the easiest way is to frighten them. With internal enemies as well. Engendering fear and hatred is a standard method of population control, whether the devil is Jews, homosexuals, Arab terrorists, welfare queens (Black, by implication), or criminals lurking in dark corners (ditto). While crime rates have been stable for decades, perception and fear of crime has sharply increased, in large part artificially stimulated, criminologist William Chambliss concludes from the timing of inflamed public rhetoric and polls; the same was true, very dramatically, with regard to drugs.<sup>33</sup>

It is therefore only reasonable that the new 'conservatives' should expand further the domestic security system organised and conducted by the powerful state they wish to nurture. Along with the Pentagon, the rapid growth of the prison system is to be accelerated while constitutional protections are dismantled—for example, by legislation permitting warrantless searches (considered a 'bad idea' by 69 per cent of those who conferred 'the mandate'). The harsh measures of the new crime bills make little sense for a 'war against crime', as experts have regularly pointed out. But they make good sense for a war against the population, with two aspects: frightening into submission the large majority targeted for reduction of quality of life and opportunity; and removal of the growing mass of people who are superfluous but must somehow be controlled as the Third World model is brought home.

Under Reaganite enthusiasts for state power, the number of prisoners in the US almost tripled, leaving the main competitors, South Africa and Russia, well behind—though Russia has just caught up, having begun to grasp the values of its American tutors. The largely fraudulent 'drug war' has served as a leading device to imprison the unwanted population. New crime bills are expected to facilitate the process, with their much harsher sentencing procedures. The vast new expenditures for prisons are

also welcomed as another Keynesian stimulus to the economy. 'Businesses Cash In', the *Wall Street Journal* reports, recognising a new way to milk the public. Among the beneficiaries are the construction industry, law firms, the booming and profitable private prison complex, 'the loftiest names in finance' such as Goldman Sachs, Prudential, and others, 'competing to underwrite prison construction with private, tax-exempt bonds. Also standing in line is the 'defense establishment, . . . scenting a new line of business' in high-tech surveillance and control systems of a sort that Big Brother would have admired.<sup>34</sup>

These are the basic reasons, it seems, for the growth of what Chambliss calls 'the crime control industry'. Not that crime isn't a real threat to safety and survival—it is, and has been for a long time. But the causes are not being addressed. Rather, it is being exploited as a method of population control, in various ways.

In general, it is the more vulnerable sectors that are under attack. Children are another natural target. The matter has been addressed in important work, including a UNICEF study by a well-known US economist, Sylvia Ann Hewlett.<sup>35</sup> Reviewing the past fifteen years, Hewlett finds a sharp split between Anglo-American societies and Continental Europe–Japan. The Anglo-American model, Hewlett writes, is a 'disaster' for children and families; the European–Japanese model, in contrast, has improved their situation considerably. Like others, Hewlett attributes the Anglo-American 'disaster' to the ideological preference for 'free markets'. But that is only half true. Whatever one wants to call the reigning ideology it is unfair to tarnish the good name of 'conservatism' by applying it to this form of violent, lawless, reactionary statism, with its contempt for democracy and human rights, and markets as well.

Causes aside, there isn't much doubt about the effects of what Hewlett calls the 'anti-child spirit that is loose in these lands', primarily the US and Britain. The 'neglect-filled Anglo-American model' has largely privatised child-rearing while plac-

ing it out of reach of most of the population. The result is a disaster for children and families, while in the 'much more supportive European model', social policy has strengthened support systems for them.

A Blue-Ribbon Commission of the State Boards of Education and the American Medical Association pointed out that 'Never before has one generation of children been less healthy, less cared for or less prepared for life than their parents were at the same age'—though only in the Anglo-American societies, where an 'anti-child, anti-family spirit' has reigned for fifteen years under the guise of 'conservatism' and 'family values'—a doctrinal triumph that any dictator would admire.

In part, the disaster is a simple result of falling wages. For much of the population, both parents have to work overtime merely to provide necessities. And the elimination of 'market rigidities' means that you work extra hours at lower wages—OR ELSE. The consequences are predictable. Contact time between parents and children has declined radically. There is sharp increase in reliance on TV for child supervision, 'latchkey children', child alcoholism and drug use, criminality, violence by and against children, and other obvious effects on health, education, and ability to participate in a democratic society—even survival.

Hunger is most severe among children, with effects that are permanent. Hunger among the elderly is also 'surging', the *Wall Street Journal* reports: 'several million older Americans are going hungry—and their numbers are growing steadily', while some 5 million, about 16 per cent of the population over 60, 'are either hungry or malnourished to some degree'—again, phenomena unknown in other developed societies.<sup>36</sup>

To comprehend what all this means, one has to bear in mind the unparalleled advantages of the United States. To give only one indication, health and life expectancy levels of mid-eighteenth century Americans were not reached until this century by the

*upper classes in Britain.* The social and economic catastrophe of state capitalism is an extraordinary phenomenon—for the ‘great beast’, that is—not to speak of what it has wrought elsewhere.

An even more vulnerable target is future generations, who have no ‘votes’ in the market so that costs can be freely transferred to them in the wealth-concentration frenzy. That is the long-term effect of dismantling the regulatory system, which the Gingrich army hope to achieve across the board by imposing cost–benefit assessment conditions on all environmental and health regulations. The huge Federal bureaucracy required to administer the system can be undercut by refusal to fund it, and any corporate lawyer should be able to tie up proceedings for long periods in this domain of guesses and uncertainties. Related changes in the legal system are designed to protect corporate crime by imposing onerous conditions on victims who seek redress and compensation, eliminating protection for consumers and small time investors, and reducing enforcement powers. That will be a boon for the ‘unscrupulous people’ who ‘steal tens of billions of dollars, maybe hundreds of billions’, in financial and insurance frauds, business law professor Benjamin Stein observes, the costs falling on the vulnerable, including the taxpayer, who is expected to pick up the tab when things go sour, as in the savings and loan fiasco, which added many billions to the Federal deficits. It is also an important gift to such corporations as Philip Morris, the biggest corporate donor to the Gingrich army, which needs government protection for marketing its lethal addictive drugs, responsible for far more deaths than the illegal variety, including non- users (unlike hard drugs).<sup>37</sup>

## Towards the End of History: the Utopia of the Masters

For most of the population, conditions of life and work are declining, something new in the history of industrial society. The latest

edition of the annual scholarly study of 'the state of working America' concludes that during the recovery from the deep Reagan recession of 1982, 'the vast majority of families lost wealth as the economy grew'; all but the top 20 per cent, the authors estimate. As the economy stagnated and fell into recession in 1988–91, 'wealth declined among nearly every income group', and, through the Clinton recovery, median wages have continued their steady decline since 1980. Wages for entry-level jobs—a predictor for the future—fell 30 per cent for male and 18 per cent for female high school graduates (3/4 of the work force), and for the college educated, fell 8 per cent for males and rose 4 per cent for females. Hourly wages dropped over 10 per cent, more for high school graduates. For men with high school education, real income fell a 'stunning' 21 per cent from 1979 to 1990, the 1994 *Economic Report of the President* reported, falling further since. Poverty rates reached double the level of other industrial countries; child poverty is particularly high, far beyond any other industrial society, almost three times the average. Meanwhile salaries for CEOs rose 66 per cent, second only to Britain's 123 per cent rise, though the US retains its huge lead in CEO/worker pay ratio. The slow growth in wealth was concentrated in financial assets, overwhelmingly held by the wealthy. There was a 'spectacular redistribution' of wealth, with inequality now far higher than any other country of the developed world. The share of marketable net worth held by the top 1 per cent is now twice that of England and 50 per cent higher than France, the nearest competitor in the Mishel–Bernstein list. In 1980, differences among these countries were slight, but Reaganite programs directed 60 per cent of marketable wealth gain to the top 1 per cent of income recipients, while the bottom 40 per cent suffered an absolute loss of net worth in real terms; other measures are still more stark.<sup>38</sup>

Mishel and Bernstein identify several factors in the wage decline: primarily a severe drop in the minimum wage and deunion-

isation, rapid expansion of low-wage service jobs (80 per cent of new jobs created were in the lowest-paying service sector industries), and globalisation of the economy. They find little if any impact of technology on wage and employment structure. A closer look shows extensive state initiative in each of these developments, favouring some economic forces, undermining others; consistently in ways that serve 'the minority of the opulent'. One indication is that 'the emergence of greater wage disparities has been evident only in the United States and Great Britain, the two countries that have moved fastest to "deregulate" their labor markets', though other factors (technological change, etc.) do not single out these cases.

The general situation is similar in England, less so in continental Europe and Japan, though in an increasingly globalised economy, those who pursue the harshest and most inegalitarian policies will carry others along. The end of the Cold War offers new weapons to private power in its battle against the 'pampered Western workers' who are going to have to face reality and give up their 'luxurious life-styles' in the wondrous new world order, the business press warns. But some are doing fine, as the same sources exult. After four straight years of double-digit profit growth, profits—now at a 45-year high—are expected to continue their 'stunning' growth, while real wages and benefits are expected to continue their steady decline. Earnings per share have more than doubled since 1991 for the top 500 corporations, and are expected to double that growth rate in 1996; return on capital for non-financial corporations has more than doubled since 1980, even surpassing the growth of poverty, though not keeping up with the increasing prison population.<sup>39</sup>

Along with democracy, markets are under attack. Even putting aside massive state intervention, increasing economic concentration and market control offers endless devices to evade and undermine market discipline, a long story that there is no time

to go into here; to mention only one aspect, some 40 per cent of 'world trade' is intrafirm, over 50 per cent for the US and Japan. This is not 'trade' in any meaningful sense; rather, operations internal to corporations, centrally managed by a highly visible hand, with all sorts of mechanisms for undermining markets in the interest of profit and power.<sup>40</sup>

In reality, the quasi-mercantilist system of transnational corporate capitalism is rife with the kinds of 'conspiracies' of the masters against the public of which Adam Smith famously warned, not to speak of the traditional reliance on state power and public subsidy. A 1992 OECD study concludes that 'Oligopolistic competition and strategic interaction among firms and governments rather than the invisible hand of market forces condition today's competitive advantage and international division of labor in high-technology industries', as in agriculture, pharmaceuticals, services, and major areas of economic activity generally. The vast majority of the world's population, who are subjected to market discipline and regaled with odes to its wonders, are not supposed to hear such words; and rarely do.

The globalisation of production puts tremendous weapons into the hands of private tyrannies. Another critical factor is the huge explosion of unregulated financial capital since Richard Nixon dismantled the Bretton Woods system in the early 1970s. The consequences of the deregulation of financial markets were quickly understood. In 1978, Nobel Prize laureate in economics James Tobin proposed that foreign exchange transactions be taxed to slow the haemorrhage of capital from the real economy (investment and trade) to financial manipulations that now constitute 95 per cent of foreign exchange transactions (as compared with 10 per cent of a far smaller total in 1970). As Tobin observed at this early stage, these processes would drive the world towards a low-growth, low-wage economy. A study directed by Paul Volcker, formerly head of the Federal Reserve, attributes about half

of the substantial slow-down in growth since the early 1970s to this factor.

International economist David Felix makes the interesting observation that even the productive sectors that would benefit from the Tobin tax have joined financial capital in resisting it. The reason, he suggests, is that elites generally are 'bonded by a common objective, . . . to shrink, perhaps even to liquidate, the welfare state'. The instant mobility of huge sums of financial capital is a potent weapon to force governments to follow 'fiscally responsible policies', which can bring home the sharply two-tiered Third World model to the rich societies. By enhancing the shadow cast by big business over society and restricting the capacity of governments to respond to the public will, these processes also undermine the threat of democracy, another welcome consequence. The shared elite interest, Felix suggests, overcomes the narrower self-interest of the owners and managers of productive sectors of the economy.<sup>41</sup>

The suggestion is a reasonable one. The history of business and political economy yields many examples of the subordination of narrow gain to the broader interest of the opulent minority, which is unusually class conscious in a business-run society like the United States. Illustrations include central features of the modern world: the creation and sustenance of the Pentagon system of corporate welfare despite its well-known inefficiencies; the openly proclaimed strategy of diversion of soaring profits to creation of excess capacity abroad as a weapon against the domestic working class; the design of automation within the state system to enhance managerial control and de-skill workers even at the cost of efficiency and profitability; and many other examples, including a large part of the foreign policy.

I'm afraid this barely skims the surface. It's easy to see why the masters see a real hope of rolling back the hated welfare state, driving the great beast to its lair, and at last achieving the



'daring depravity of the times' that so shocked Madison in its very early stages, with private tyrannies, now released from even limited public accountability, assuming their proper role as 'the pretorian [*sic*] band of the Government, at once its tool and its tyrant; bribed by its largesses and overawing it by its clamours and combinations'. It is also easy to understand the mood of desperation, anxiety, hopelessness and fear that is so prevalent in the world, outside of wealthy and privileged sectors and those who sing their praises.

To stem and reverse this course and restore a modicum of respect for the values of the Enlightenment, for freedom and human rights, will be no simple matter. The first step is to penetrate the clouds of deceit and distortion and learn the truth about the world, then to organise and act to change it. That's never been impossible, and never been easy. It's not impossible now, and not easy either. There has rarely been a time in history when that choice carried such dramatic human consequences.