



## **There's No Hope Above Us, Only Amongst Us**

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### **The Presidential Election, Neoliberalism, and The Way Forward**

With the recent re-election of Barack Obama as President of the United States, many are rejoicing and breathing a sigh of relief. There's a widespread belief amongst those who elected him that he is looking out for us and will fight for us. Unfortunately, besides a few token gestures that may occur during the next four years, his tenure in office is likely to be both a disappointment and one in which the interests of the elite classes are served at the expense of the popular classes. As described below, this has to do with structural, historical and social factors that have been ensuring, and continue to ensure, that this is the case regardless of who is in office. However, there is hope; we're just looking for it in the wrong places.

### **The Period We're In: Neo-liberalism**

We can only understand our political and economic situation today by looking at our history. In the past 30 years, we've seen a shift politically in the United States. This shift is sometimes understood as an outgrowth of the ideas outlined by then, future Supreme Court Justice, Lewis Powell, in a private memorandum he sent to Eugene Syndor of the US Chamber of Commerce[i]. This private memorandum laments the role of the left throughout society- in the media, in the courts, at the university, and so on- and argues for a deliberate and aggressive attack on this influence in conjunction with its corresponding replacement with business/ elite interests and ideology. The corresponding business attack- including the utilization of media, campaign contributions, think tanks- developed in the 1970's, became dominant in the 1980's and continues until today.

At the heart of this offensive, known as neo-liberalism, is an attack on institutions, services and ideas of the popular classes, while correspondingly emphasizing profit, privatization, deregulation, and individualism. During the 80's this included, among other things, a wide-ranging attack on private sector unions[ii], massive tax cuts for higher income individuals[iii], and the gutting of social services for the poor and working families[iv]. However despite President Ronald Reagan's rhetoric about cutting spending and decreasing the government, he actually increased government spending, replacing social programs with massive increases in military spending[v]. Reagan's ideological counterpart in the UK, Margaret Thatcher famously propagandized that unfortunately for those that

these right-wing reforms hurt, “there is no alternative” (which came to be known as “TINA” for short).

These ideas and this influence continued and have affected not just Republican Politicians; but Democrats as well. To name a few examples, Bill Clinton cut welfare services[vi], ended half-century old financing regulations that were set-up to avoid 2007-2008 style financial meltdowns[vii], and was even considering privatizing social security[viii]. Some more recent examples from our newly re-elected president, Barack Obama include his abandonment of proposals for universal healthcare or even a “public option” in favor of a privatized health care program that originated with the right wing think tank, the Heritage Foundation[ix], support for the necessity of bailing out the banks[x], and moving forward with an attack on Public Education and teachers through the market-inspired, Race to The Top Initiative[xi]. This final initiative, as discussed in the referenced source from the American Enterprise Institute (AEI), may have been only possible because Obama was – at least perceived as- a popular, progressively-inclined Democrat. AEI compares this to Nixon being able to go to China when a Democrat never could.

### **Modes of Attack**

Business and moneyed interests have been extremely successful in gutting social services, attacking unions, freeing capital (while keeping labor restrained) nationally and internationally, and benefiting themselves at the expense of the majority of us. Their ongoing class war (as Warren Buffet acknowledged and characterized these efforts[xii]) has caused historic rates of inequality[xiii] despite a strong base of support for more egalitarian economics existing in the country. In fact, some polls suggest that 30% of the overall population of the United States believes not just in a more egalitarian outlook, but actually prefers socialism to capitalism, and the majority of 18-29 year olds.[xiv] Below provides some detail as to how elites have been able to bypass the views and sentiments of large segments of the population as well as why voting for elected representatives to make decisions on our behalf can’t fundamentally address our issues within the popular classes.

First, candidates aren’t only disproportionately from the elite classes[xv]; but they also need money and cooperation from others within the rich and powerful classes to get elected and get things done both directly and indirectly[xvi]. The 2012 US Presidential Election cost approximately \$5.8 Billion[xvii]. Sure there were a number of individuals giving small amounts to campaigns; but the elite classes are able to throw their weight around with vastly larger sums of disposable income. In return for massive financial support, there is an expectation of policies that help, or at least do not hurt such interests. Besides the campaign contributions, there are also ongoing and vigorous lobbying efforts by moneyed interests to ensure politicians support their interests[xviii].

Any efforts by some elected officials to exceed the scope of such powerful interests are often thwarted by other elected officials who aren't willing to risk the consequences of offending elite interests. President Obama even recently acknowledged publicly- after having one of the strongest mandates for change in decades following the abysmal end to the Bush reign, two years (2009- 2011) of a Democrat-controlled House of Representatives and Senate to work with, and still encountering resistance within his own party to even moderate changes- that: "The most important lesson I've learned is that you can't change Washington from the inside. You can only change it from the outside." [xix] Some argue that electing more progressive Democrats in congress could change that dynamic. But, looking abroad, the 1973 experience of Salvador Allende in Chile is an example of how the elite classes have no problem dropping democracy if the popular classes threaten their power democratically. If this seems too long ago, or too dissimilar a country, more recently we can look at the response of elite classes in Europe to the situation in Greece and Italy- some call it a banker's coup [xx]- when their democratically elected officials weren't going far enough in ignoring the interests of the people to impose the demanded austerity measures of European and international bankers and politicians.

So then how should we understand the relation of the elected politicians to the people with their constant campaigning, speeches, press conferences and other forms of public interaction? While internally some elites, such as Citi-Group, talk frankly about the United States not really being a democratic society; but rather a "plutonomy" [xxi] where only the rich matter, the elected representatives still seek the support of the people and need to justify their democratic legitimacy much more than a king would need to justify that they are serving in the interests of the people they rule. Within the ruling classes, there are also competing interests and legitimately different ideas about the best way to relate to the people while maintaining a system which, first and foremost, benefits them and their class. But this support can be thought of in some ways, as Noam Chomsky famously called, "manufactured consent" [xxii]. Just as large businesses have or contract public relations specialists, departments or firms, the government and elite classes communication is almost completely based on manipulative public relations strategies. They are supported by ideological think-tanks that are very deliberate and effective in framing messages, manipulating information, developing policies and propagating memes to build the popular support that will allow them to carry out their objectives. The Heritage Foundation, The Cato Institute and the American Enterprise Institute are some of the better known and more influential business and right wing think-tanks started or dramatically expanded shortly following the Powell Memorandum and ensuing Neo-liberal assault. All have contributed in crafting, framing and propagating ideas and messages that have facilitated in shifting public opinion to allow for political, social and economic changes that favor the elite classes. Perhaps the most well-known example in the early neo-liberal period of such an ideological tactic being utilized was the "welfare queen" meme used by Ronald Regan in his 1976 Presidential campaign and throughout his tenure in Office, from 1981 to 1989, to attack social services.

Such memes are developed, propagated and then constantly repeated by the media to promote certain ideological positions and set the framework for enacting policies corresponding to these positions. More recent examples include: “stop throwing money at the problem” or referring to teachers as lazy and unaccountable, to attack public education; “death panels” and the “government take-over of healthcare”, to fight a public option and other minimal healthcare reforms; “punishing success”, “hurting job-creators” and “the death tax” to refer to taxing the rich and inheritance taxes; “weapons of mass destruction” and “they hate our freedoms”, to justify going to war in Iraq and other military engagement. These memes don’t even need to be cited because they have been propagated so much that it would be unusual for anyone not to be familiar with them; and of course, this is a key part of the strategy.

With advertizing usually bringing in more than double the revenue of subscriptions[xxiii] for newspapers, the majority of revenue for cable news[xxiv], and news reporters dependent upon the powerful for leaks, exclusive coverage or priority on breaking news, the news media is often shaped and limited by the interests and expectations of businesses and other elites behind these funding and supply lines. Media is a business, first and foremost, and despite the honorable efforts of many journalists to create room within these constraints to prioritize true journalism, with Fox News- perhaps the embodiment of right wing public relations ideological framing – currently leading the industry, the task becomes ever harder.

If media is a business, constrained by the force of the profit motive, then what about other sources of public knowledge such as our schools and universities? Increasingly, public universities are becoming more privatized; and even the heads of flagship universities are acknowledging this.[xxv] With public-private “partnerships” come funding streams for research that often create a conflict of interest for the funders who- directly or indirectly- pressure researchers to produce results consistent with funders interests[xxvi]. This private influence has gone hand in hand with the decreased autonomy and security of researchers and academics, making them even more vulnerable to this influence, or punishable if they don’t succumb to it.[xxvii]

This assault is also occurring within the K-12 education system. In addition to teachers and other public sector workers being amongst the last strongholds of organized labor in the United States after the neo-liberal offensive has decimated most of organized labor in the private sector, the educational system is also seen by elite interests as ripe for profit opportunities[xxviii]. In addition, schools are a key site at which much of the ideology of the existing society is produced and reproduced. Much is at stake with regards to who controls and influences such a system. The movement for the privatization of the k-12 education system has been aided through ideologically-driven, so-called “documentaries”, such as “Waiting for Superman” and “Won’t Back Down”. These films attempt to discredit public education and proclaim the virtues of privatized educational models, such

as charter schooling,[xxix] despite ongoing evidence that even by their own standards, public schools with unionized teachers do no worse or even better than charters[xxx] even without controlling for the self-selective pool that charters draw from. Even within the public school system, private interests can drive curriculum and manipulate “reform” from private textbook companies, to private testing firms, to online learning companies[xxxi]. President Obama’s Race to the Top Initiative further contributes to this tendency by pushing market-based “performance-pay” schemes onto cash-strapped public schools in return for funding[xxxii].

### **Looking to Each Other For Hope**

But there have certainly been gains for the popular classes throughout history. These have come not from politicians leading, but rather reacting to popular movements that were forcing change from below. So let’s examine a few of the more dramatic times of reform in our history: The Civil War was both provoked by the actions of abolitionists- such as John Brown’s raid on Harper’s Ferry, the continuing success of the Underground Railroad, recurrent slave rebellions and militant agitating and organizing in the North- and was turned from a war to “Save the Union” into a war to end slavery, after slaves engaged in a massive freeing of themselves[xxxiii]. Contrary to popular belief, the Emancipation Proclamation, didn’t free the slaves, but was a military tactic only freed slaves that Lincoln had no control over- those in the still rebelling areas of the Confederacy- while keeping those he did have control over in bondage.[xxxiv] The 13th Amendment to the US Constitution, banning slavery, only made legal what millions of slaves had already done in practice by that point: freeing themselves and consequently crippling the capacity of the Confederacy.

With regards to the social democratic reforms of the 1930s, Stanford’s Hoover Institute points out[xxxv] that the New Deal programs were actually an attempt to co-opt strong popular movements, powerful left radicalism and revolutionary sentiment, in an effort to save capitalism. Further reforms during this era such as the Wagner Act protecting the rights of workers to unionize only acknowledged what labor unions had claimed through their power, strength and struggle through their activity and gains for over a half-century.

Perhaps the most memorable recent period of reform was the Civil Rights/ Black Freedom movement peaking in the 1950s and 1960s. Again, the law- The Civil Rights Act of 1964- was a reaction to the movement. Politicians were forced to accept change due to ongoing pressure from sit-ins, protests, boycotts, community programs, armed self-defense and widespread activity and militancy of organizers and activists within the movement. Organized, consistent and militant popular movements have been the clearest way throughout history to make gains.

But even the methods we have used historically are under attack. Popular movements are coming under the influence of business and moneyed interests

as many groups and activities have become legal non-profit organizations. With non-profitization, organizers and movements have had to rely increasingly on the constraining and narrowed-focus of foundation funding sources, business laws, professionalization cultures and organizer dependency dynamics. In the past decade, consciousness of these dynamics, and developed critiques of this situation, have come forth in books such as Incite!'s *The Revolution Will Not Be Funded*, where they coined the term, and described the dynamics of, the Non-profit Industrial Complex[xxxvi].

In addition to constraining popular movements, the elite classes have also attempted to co-opt their methods. In 2009-2011, the supposedly anti-elite Tea Party "movement" (a reactionary, and –many argue- fake grassroots tendency with wealthy backers[xxxvii]) were able to force politicians, or as least provide them with the perception of public legitimacy, to reject an overwhelmingly popular universal healthcare public option[xxxviii] and then later focus on perhaps the worst possible plan of action in the middle of a recession (or "slow-growth", high-unemployment economy)[xxxix] according to any legitimate economist: cutting government spending. Fareed Zakaria argues not only do economists know that cutting spending hurts growth and costs jobs theoretically; but they know it does in practice. So the European and International elites that are imposing austerity measures (and by consequence economic recession/depression) on Portugal, Spain, Italy and Greece know it will harm their economies, witness the economic devastation it causes, and still continue pushing for it because their priorities aren't the same as the popular classes of these countries.[xl] By focusing on, and forcing the issue of, deficit reduction while the US economy was weak, the Tea Party – and its elite backers- ensured that they could capitalize on the crisis to cut social programs for the popular classes.

## **Conclusion**

The ongoing assault is widespread, organized and comprehensive; and it moves forward regardless of who's in office. Already President Obama and the Democrats facing the "Fiscal Cliff" (a combination of self-imposed, automatic spending cuts and tax hikes coming in 2013), have been willing to put social programs such as Medicare on the chopping block[xli] even though the deficit was largely caused by Bush Era Tax cuts and the weak economy after a financier-provoked crisis[xlii]. But if there are already signs that Obama and the Democrats are going to give us another four years of crumbs, if the elite classes are continuing to wage top-down class war, and if popular movements are even themselves tempered and controlled, what is the solution? We must stop looking up to find hope and start looking at each other. We'll never match the elite classes in money or control of positions in the hierarchy (without being controlled, corrupted or crushed); but what we do have are the numbers. We need to fight elite top-down power with popular, bottom-up power. We have to organize ourselves in our workplaces, neighborhoods, schools and communities to force change, rather than hoping someone from above will do it for us. As we advance together, building egalitarian, anti-oppressive and directly-democratic power from

below, we will make gains that force small reforms to make our lives better in the short-term. In the medium term, we will build our collective capacity, consciousness, skills and solidarity, enabling us to grow our collective power while we make greater and greater gains and model the society we want to an ever greater degree. In the long-run, we need to completely replace the current systems, institutions and cultural modes of hierarchy, domination, oppression and inequality with directly-democratic decision-making; egalitarian, needs-based, accountable economics; and anti-oppressive, respectful, liberatory human relations. Frederick Douglass once said, “Find out just what any people will quietly submit to and you have found out the exact measure of injustice and wrong which will be imposed upon them.”<sup>[xliii]</sup>Let’s start by attacking quiet submission, as we build towards ending all imposition.