OMNI US CAPITALISM NEWSLETTER #8, July 14, 2012.
Compiled by Dick Bennett for a Culture of Peace and Justice (#1 Jan. 30, 2011; #2 August 24, 2011; #3 October 2, 2011; #4 Oct. 29, 2011; #5 Jan. 29, 2012; #6 April 7, 2012; #7 June 8, 2012).

Here is the link to all OMNI newsletters:

http://www.omnicenter.org/newsletter-archive/  Many of these newsletters expose the liabilities of US capitalism (unregulated corporations, deceptive advertising, and so on).

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**CRIME OF THE CENTURY**
Robert Scheer, Truthdig, July 6, 2012
Scheer writes: "Forget Bernie Madoff and Enron's Ken Lay - they were mere amateurs in financial crime. The current **Libor interest rate scandal**, involving hundreds of trillions in international derivatives trade, shows how the really big boys play."


**Help spread the word about the Robin Hood Tax**
*Karen Orenstein, Friends of the Earth*  [foe@foe.org](mailto:foe@foe.org) via [uark.edu](http://www.uark.edu)
Click here to watch the video on the Robin Hood Tax and spread the word.  [http://www.foe.org/Robin-hood-campaign-raf](http://www.foe.org/Robin-hood-campaign-raf)

What do actor Mark Ruffalo, Chris Martin of Coldplay, Tom Morello from Rage Against the Machine, and thousands of nurses, clergy, AIDS activists, students, climate activists and ordinary Americans have in common?

We’ve all joined forces this week to kick off the **Robin Hood Tax campaign**, calling for a tiny tax, half of 1 percent or less, on financial transactions that would raise hundreds of billions of dollars to fund public goods.

The idea is simple: **make Wall Street pay a wee bit of its fair share and put that money towards pressing social needs -- from funding climate change solutions to stemming home foreclosures to broadening public access to health care and education.**

As this campaign gets off the ground, we need your help to spread the word. We’ve put together a “tell-a-friend” page where you can watch the video launching the campaign, email your friends about it, tweet it out and post it to Facebook. Click here to get started.
The campaign kicked off this week with allies including National Nurses United, Health GAP and National People’s Action leading protests in 15 cities. Nurses sporting red scrubs and green felt hats held signs that read: “It’s not a tax on the people. It’s a tax for the people.” Even statues in New York City joined the fun -- with green felt hats and masks decorating famous faces throughout Manhattan. There’s no denying that we desperately need Robin Hood at this moment. Today, the U.S. is the most unequal advanced industrial country in the world. While poverty rates go up, Congress continues to slash programs that protect the environment and help people in need while doling out welfare to corporate polluters and big banks.

The concept of a Robin Hood Tax already has serious weight behind it globally. Bill Gates, Warren Buffett and more than 1,000 economists, including Paul Krugman, Jeffrey Sachs and Joseph Stiglitz, already endorse it. It's looking increasingly likely that a group of European countries will implement their own version of a Robin Hood Tax sometime this year.

As more Americans join forces with these prominent voices, we will make the demand to tax Wall Street more and more difficult for U.S. politicians to ignore. The first step in bringing Robin Hood to the U.S. is spreading the word to your friends. Click here to get started.

Friends of the Earth is committed to pushing for a Robin Hood Tax as one pillar of our campaign for budget solutions that put people and the planet first.

As we keep working with you to end bad budget choices -- like subsidizing the fossil fuel industry to the tune of billions each year -- we’re also excited to start building people power behind positive choices like the Robin Hood Tax.

The Robin Hood Tax would amount to small change for the banks -- but big, positive changes for people and the planet.

Help us put this idea into action by spreading the word about the Robin Hood Tax today.
I’ll keep you updated on more ways to take action in the coming weeks.
Prepare your masks, get out your green gear, and start spreading the news!

Karen Orenstein, for all the Robin Hoods in disguise at Friends of the Earth

P.S. For more about the Robin Hood Tax, you can read my blog post on the campaign launch and check out the Robin Hood

DEMOCRACY DROWNING IN MONEY: Show Us the Money
Eric Alterman
June 6, 2012  |  This article appeared in the June 25, 2012 edition of The Nation.

In an impressive bit of digging, Matea Gold and Joseph Tanfani of the Los Angeles Times recently reported that the hitherto unknown Center to Protect Patient Rights (CPPR) secretly sent more than $55 million to right-wing organizations during the 2010 election.

Eric Alterman
Walker Wins, Money Shouts (Politics, Society)
The center gave tens of millions of dollars to these groups—all with seemingly innocuous names like the American Future Fund, 60 Plus, Americans for Job Security and the Susan B. Anthony List—that,
according to the Times, were “behind a coordinated campaign against Democratic congressional candidates.” The largest contribution by far went to the American Future Fund, which allowed the group to run a series of dishonest ads against the Democrats in 2010. The fund spent at least $23 million on this effort, of which the majority came from CPPR—all part of a reported $304 million spent to support conservative candidates in the 2010 election cycle, according to the nonpartisan Center for Responsive Politics, much of it apparently coming out of the pockets of the Koch brothers.

Coincidentally, CPPR is staffed by many of the same people who have traditionally worked for the brothers Koch. Its chief is Sean Noble, who the LA Times piece (citing the blog Republic Report) notes is a “key operative in the Kochs’ political activities.” Heather Higgins, one of CPPR's original directors, is chair of the Koch-funded Independent Women’s Forum. Cheryl Hillen, who raised $2.6 million for its operation, was also the director of fundraising for the Kochs’ Citizens for a Sound Economy. Despite the noble-sounding name, however, it was no easy task for the Times reporters to learn about the Center to Protect Patient Rights, because virtually everyone they contacted regarding their relationship. (The CPPR lists a Phoenix PO box as its address.)

Amazingly—and depressingly—these figures are small potatoes when compared with what the Koch brothers and their allies have in store for November. According to Politico, these groups “plan to spend roughly $1 billion on November’s elections for the White House and control of Congress, according to officials familiar with [their] internal operations,” with “Koch-related organizations” kicking in roughly $400 million of that. (The Koch figure alone is more than John McCain spent on his entire 2008 run for the presidency.)

The fact that we are learning about CPPR’s existence only now, two years after the midterm elections—and that we still know precious little about how it operates and on whose behalf—demonstrates just how profoundly the secret money power has been allowed to undermine our electoral system. Despite the attention that has been paid since the Citizens United decision, the power of money to shape our politics, our culture, even our imaginations remains vastly underestimated and little understood in contemporary political discourse. You can see it most transparently in our politics, but it is everywhere apparent, and the corruption it invites is almost equally ubiquitous.

In his famous prison notebooks, the Italian communist philosopher Antonio Gramsci identified, in the words of one of his scholarly interpreters, “an order in which a certain way of life and thought is dominant, in which one concept of reality is diffused throughout society in all its institutional and private manifestations, informing with its spirit all taste, morality, customs, religious and political principles, and all social relations, particularly in their intellectual and moral connotations.” Can it be a coincidence, in this context, that the top media executives who work hand in glove with politicians to shape our civic debate and discourse are among the wealthiest members of our society? I wrote about the power of money in the media in my last column, and I also addressed, back in March 2010, the problem posed by the extreme levels of pay demanded by celebrity anchors—tens of millions a year for the likes of Diane Sawyer and George Stephanopoulos—that were bankrupting news organizations and forcing the mass firings of people who actually produced “news.” But take a look at these recently released compensation figures for top media executives in 2011, as reported by the Associated Press:

§ Les Moonves, CBS, $69.9 million
§ David Zaslav, Discovery Communications, $52.4 million
§ Philippe Dauman, Viacom, $43 million
§ Robert Iger, Walt Disney, $31.4 million
§ Jeff Bewkes, Time Warner, $25.9 million.

William Cohan, who has written books about Bear Stearns and Goldman Sachs, believes there is “no
Eric Alterman
June 6, 2012 | This article appeared in the June 25, 2012 edition of The Nation.

Joseph Stiglitz | The System Is Failing Most of Us
W. W. Norton, RSN, June 12, 2012
Excerpt: "Markets have clearly not been working in the way that their boosters claim. Markets are supposed to be stable, but the global financial crisis showed that they could be very unstable, with devastating consequences."
READ MORE http://readersupportednews.org/opinion2/279-82/11882-focus-the-system-is-failing-most-of-us

THE RICH

Rich Get Richer; Rest Fall Behind
Posted on 03 March 2012 by admin

On Feb. 9, the Senate Budget Committee held a hearing that, according to Mother Jones magazine writer Josh Harkinson, was “another sign that Democrats have embraced income inequality as a cause célèbre.” He added: “The committee’s ranking Republican, Jeff Sessions of Alabama, managed to look concerned during two hours of testimony about the kneecapping of the Middle Class.”

The hearing included a number of shocking charts, including one that showed that the top “1 percent” has tallied an income gain of 277 percent from 1980 until the present, according to statistics from the Congressional Budget Office. Meanwhile, the middle 60 percent of Americans had a mere 38 percent income gain in the same time period, while “the next 19 percent” did have a 65 percent gain. Yet, the bottom 20 percent saw a gain of just 18 percent. To put it in perspective, in that timeframe, prices in the U.S. have increased by 161 percent.

Another disturbing chart at the hearing showed that the gap between the earnings of corporate CEOs and regular workers has increased dramatically. In 1980, the ratio was 42-1, with CEO annual income averaging at $1.6 million. By 1990, the ratio was 107-1, with an average CEO income of $3.3 million. But by 2010, the ratio stretched to 325-1, with $10.8 million shown as the average CEO income. The sources for these statistics were Business Week magazine and the Institute for Policy Studies.

Harkinson let these and other charts do the talking and did not comment much. Dick Eastman, a retired
economics teacher and monetary reform activist, maintains that there is a “two-looped” economy: The upper loop guarantees a constantly flowing “Niagara Falls” of cheap credit, and the lower loop is a virtual debtor’s prison where the middle and lower classes fight for crumbs in a realm where sufficient credit is denied, tax payments are harvested and money is kept scarce through deindustrialization and other means. This is especially true through the so-called “interest drain,” wherein existing debts and loans remove purchasing power from circulation faster than new purchasing power is added.

From this perspective, as the late Rev. Sheldon Emry concurred, there is always mushrooming debt that outpaces the meager ability of those in the lower loop—employees and employers—to earn a living, pay debts, make purchases, hire employees, pay rent etc.

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The Higher Bealism: The Moral Limits of Markets
Chris Lehmann
June 5, 2012  |  This article appeared in the June 25, 2012 edition of The Nation.

“I don’t have to tell you things are bad,” Howard Beale (played by Peter Finch) announces in the warm-up to his famed populist outburst in Network (1976), inciting his millions of viewers to rush to their living room windows and yell, “I’m as mad as hell, and I’m not going to take this anymore!” Beale ticks off a standard litany of 1970s-era social woes—inflation, unemployment, bank failures, violent crime—to stoke the audience of his nightly news broadcast. In the end, his undoing proves to be not hubris but civics. He tries to goad Americans into thinking critically about the ultimate source of their malaise: the economic arrangement of their daily affairs. Beale first denounces, and then embraces, the global market system, all to the detriment of his new calling as the “mad prophet of the airwaves.” Americans, it turns out, don’t want to be bothered with detailed jeremiads about the relative social costs of market sovereignty, and how effective social remedies may require a re-examination of the Republic’s guiding folklore of the free market. As Beale’s ratings tank, his bosses script a violent end for him—an on-air assassination carried out by an outfit called the
Ecumenical Liberation Army. With Beale out of the picture, the network can pad its prime-time schedule with lesser, more lurid tabloid knockoffs of his doomsaying style.

**Why Some Things Should Not Be for Sale**  
The Moral Limits of Markets.  
By Debra Satz.  
[Buy this book.](#)

**What Money Can’t Buy**  
The Moral Limits of Markets.  
By Michael J. Sandel.  
[Buy this book.](#)

**About the Author**

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**Also by the Author**

*Winging It: The Battle Between Reagan and PATCO*  
(US Politics, Unions, Non-fiction, Books and the Arts)

*Little Churches Everywhere: California's Evangelical Conservatism*  
(Religion, History, Books and the Arts)

…to ponder Beale’s glum fate, fictional though it is, as an instructive counterweight to a pair of new books—each bearing the same subtitle—seeking to impose moral limits on the market’s sovereignty. While Beale is remembered for the “I’m as mad as hell” mantra, his more fitting epitaph is “I don’t have to tell you things are bad.” God knows we don’t need moral theorists to let us know that things are bad, with the long-term fallout of the 2008 financial crisis having left millions of Americans foreclosed on, debt-ridden, jobless and worse. In addition, as does Beale in the early phase of his prophetic career, both Debra Satz, who teaches ethics and philosophy at Stanford, and Michael Sandel, a political philosopher at Harvard best known for his communitarian critique of liberal social-contract theory, focus on the subjective discomfort and dismay of their presumed readers over the imperial expansion of the market into spheres heretofore designated as civic, personal or spiritual. And much as
Beale proves to be, their books are at a loss to deliver an account of nonmarket moral principles that offer a serious challenge to the untrammeled reign of “rational choice” and “competitive advantage.”

In *Why Some Things Should Not Be for Sale*, Satz acknowledges the **universal sweep of market prerogative across the social realm** and advances the crucial point that some of the market’s triumphs can disfigure or stunt the ability of its subjects to do much civic or moral thinking for themselves. Lest this latter notion strike readers as unduly radical, Satz emphasizes that it was forcefully argued by the intellectual hero of classical market economics: Adam Smith. Writing in *The Wealth of Nations* about the baleful impact of the industrial-age division of labor on a democratic citizenry, Smith observed that

The man whose whole life is spent in performing a few simple operations, of which the effects, too, are perhaps always the same…has no occasion to exert his understanding, or to exercise his invention, in finding out expedients for removing difficulties which never occur. He naturally loses, therefore, the habit of such exertion, and generally becomes as stupid and ignorant as it is possible for a human creature to become…. [He is incapable] of forming any just judgment concerning many even of the ordinary duties of private life. Of the great and extensive interests of his country he is altogether incapable of judging.

As Satz notes, this trenchant appraisal of a worker’s diminished social and intellectual life demonstrates Smith’s belief that “the parties to certain kinds of exchanges are themselves partially constituted in the market.” For political economists of Smith’s persuasion, the preferences and capacities of agents in the labor market are not permanent, objective features of economic life; rather, in the voguish terminology of today, they are socially constructed, arrangements we create and that in turn shape us. What’s more, Satz writes,
“these preferences and capacities are relevant to our assessment of markets: labor markets can have troubling social, cultural, and political effects precisely by shaping preferences and capacities…. In the labor market workers make not only pins and widgets, but they also make aspects of themselves.”

Satz argues that as economics became ever more divorced from public and moral questions, the discipline downplayed and eventually ignored altogether the civic worries of its Enlightenment founder. So-called marginalist economic thinkers—who stressed the gains of select productive inputs as decisive factors in economic growth—seemed to gloss over Smith’s anxieties about the qualitative damage wrought in workers’ lives by the industrial division of labor (as well as the allied critiques of the exploitation of labor advanced by nineteenth-century figures such as David Ricardo and Karl Marx). By the time the next pseudoscientific shift in economic thinking occurred—with the rising prestige of the now regnant “neoclassical” school, which views not simply business transactions but all of social life as a function of the rational pursuit of competitive advantage—its adherents came to regard the economic sphere as a sort of post-social utopia. “The economy is now viewed as an autonomous sphere of activity, independent of law, convention or power,” Satz writes. Under the neoclassical dispensation, “human wants and resources are taken as given; people are simply assumed to have certain ‘preferences’ or ‘endowments’ whose justice or nature is not relevant to the economic assessment of markets.” Put another way, the activity of workers as self-creating agents no longer provides the standard for judging the social value of a market; rather, the allegedly inherent efficiencies and values of the market now dictate not merely labor relations but social policy, global trade—even, increasingly, the charitable activities of nonprofit foundations. The cart precedes the horse.
In an effort to restore a rounder and more measured account of market relations and their moral fallout, Satz turns to contemporary egalitarian political theory and likewise finds it thin on compelling social specifics. Sizing up the argument of Ronald Dworkin, the New York University philosopher, for a sort of social welfare auction system designed to allocate more resources to citizens facing physical impairments, Satz notes that even Dworkin’s scheme rests heavily on market logic to develop remedies to inequalities that markets otherwise exacerbate. Markets “cannot tell us…what resources people are entitled to or what distributive outcomes are fair.” To develop a fuller sense of how to evaluate markets from the elusive Archimedean point outside the market system, Satz devotes the balance of her book to isolating the features of what she terms “noxious markets”—those that traffic in certain goods that can damage the moral agency or exploit the vulnerabilities of their trading partners, or that may create overly destructive personal or social costs. These markets, in Satz’s judgment, should be subject to a measure of public oversight and, in some cases, outright bans.

The controversial markets Satz highlights are familiar to students of ethical theory and, for that matter, news audiences: surrogacy arrangements (or markets in women’s reproductive labor); prostitution (or markets in—chiefly—women’s sexual labor); child labor; voluntary slavery (debt bondage, peonage, wage slavery); and the trade in human kidneys and other vital organs. Satz judges each market according to her understanding of its role in perpetuating certain social inequalities, and of broader perceptions about how women and children especially are segregated from fuller participation in public life. Her findings generally follow critically minded, small-d democratic policy choices: contract pregnancy is broadly untroubling, save for its reinforcement of the gender division of labor confining women to the role of child-rearing; voluntary slavery is both a contravention of human identity, as Rousseau
famously argued—bartering away a right to self-determination and liberty that is constitutive of human nature—and an equally damaging (if more subtly destructive) social enormity.

“Democratic societies depend on the ability of their citizens to operate as equals,” Satz writes. “This means not only that in such societies people have equal rights, but also that they see themselves as having equal basic rights, understand and act on the requirements of justice, and accept that they and others are self-authenticating sources of claims who do not need to ask permission to have and make demands” (italics in original).

Satz contends that voluntary slavery should be barred in democratic societies because it creates lousy citizens: “A servile person not only refuses to press his rights in certain cases, but does not see himself as having rights in the first place. Even when he is able to walk away from bondage his mind is unfree, shaped by a world in which others have always made decisions for him.” The qualitative issue of fathoming the rights inherent in contracted social arrangements vastly complicates the standard accounts of “state of nature”–style political theory, especially the asocial varieties favored by libertarian thinkers. Libertarians are unable to adduce any strong objection to voluntary slavery arrangements, Satz notes, as long as such dealings “were established by contract rather than by birth or conquest. Ironically, far from being the natural ideology for a capitalist society, libertarianism has difficulty representing capitalism as a moral advance over feudalism.”

Not all of Satz’s assessments are persuasive. In arguing for upholding some form of a ban on prostitution, she suggests that more open markets for sexual labor will continue to reinforce the sexual objectification of women, and that prostitution advances third-party harm to women as a class, perhaps even making sexual favors a more routine and explicit expectation for women in other labor markets. However, such objections seem just as likely to perpetuate
sexualized stereotypes as to shield women from their noxious influence. A legalized corps of sex workers could, after all, unionize and create a working climate far more conducive to gender equality than the status quo—by eliminating pimps, for starters. Satz’s argument about the seepage of prostitution-based work into the female labor market at large seems to diminish the agency not merely of sex workers themselves but also of women employees—and even their male counterparts. Whatever else prostitution is, it’s not a viral condition that transfers semi-spontaneously in any setting where the genders meet. This argument also entirely overlooks federal protections against gender discrimination and sexual harassment on the job, which make the prospect of hooker-happy male employers seeking to attach sexual riders to existing work contracts seem quite remote indeed.

For all of her book’s shortcomings, Satz has sketched a vital new approach to assessing some well-worn case studies in ethical and political theory. It’s something of a jolt to realize how alien any sort of social criticism grounded in classical political economy now sounds to our market-addled ears. Yet Satz’s argument becomes curiously clipped whenever it turns to the moral impact of macroeconomic policy. In part this is a function of the comparatively narrow scope of what is at bottom a theoretical monograph: Satz isn’t trying so much to question the legitimacy of the many market compacts that now govern our lives as to revise the guiding terms and concepts of the contracts themselves.

In the conclusion of her book, Satz seems reluctant to apply her meditations on individually contracted market arrangements to a social world disfigured in many obvious ways by the ideology of the market. If individual noxious markets create bad or damaged political subjects, what are we to make of the far more powerful “innocuous” markets that profoundly circumscribe and distort our range of political choices and economic freedom? Satz does
allow that, under her criteria, the market in mortgage derivatives that came close to toppling the economy in 2008 probably qualifies as a noxious market: it weakened the agency of mortgage holders by consigning them to third-party speculators, while creating “extreme harms” for borrowers outfitted with ballooning mortgage obligations they were no longer able to meet. But beyond pausing to note that “there are important regulatory lessons here,” Satz remains agnostic on practical measures to restrain or intensively regulate such markets. The best she can do is to issue a disclaimer about her reluctance “to endorse blanket prohibitions on markets that have troubling characteristics,” because “multiple factors” and “many values” figure into the appraisal of a market’s worth, and “the fact that a market is noxious does not tell us whether we should ban it or attempt to regulate it.”

Yet it’s hard to justify such guarded formulations under the terms of Satz’s own argument. It is, after all, an extremely daunting civic hardship to be plunged into long-term, ruinous debt of an investment bank’s devising—especially when the original underlying mortgage loan has been so choked with third-party claims and transaction costs that it can be impossible to determine the actual holder of the loan in question. Add in the doctrinaire budget antics of the austerity-minded right—which have already greatly hampered the prospects for a robust, equitable recovery under the difference-trimming centrist economic policies of the Obama White House—and it becomes plain that the market’s advocates are taking collective action to stunt the public’s access to collective goods, from affordable housing to education to job security. While it’s crucial to acknowledge, as Satz does, that economic contracts can produce significant harms to the contracting parties, and by extension to the moral tenor of our common life, the damage wrought in the 2008 meltdown has greatly diminished the life chances of many people while also drastically reconfiguring civic life at every level. The outcome of the 2008 crisis has been bizarre: because government revenues have been
It’s not incumbent on Satz to offer a ready-made solution to this stubborn impasse of political imagination. But at the same time, the broader failure of moral and political thinkers to engage fully with the true, dispiriting scale of market sovereignty in our age is striking. Consider, by contrast, the intellectual labors of American thinkers in the wake of the last economic calamity, the 1929 crash. Edmund Wilson dedicated himself to chronicling the devastation of market failure in the United States (The American Jitters) as well as capitalism’s rival ideologies (To the Finland Station). Economic thinkers from John Maynard Keynes to Stuart Chase to Thurman Arnold envisioned a newly robust role for state programs to counteract the market’s worst, and least democratic, excesses. Cabinet members in the Roosevelt White House established a new regulatory playing field for the financial industry that helped stave off another enormous collapse—until 1999, when Congress foolishly repealed the foundation of that system as laid out in the Glass-Steagall Act. (That service was performed, naturally, at the behest of free-market ideologues in the Clinton White House such as Alan Greenspan, Robert Rubin and Lawrence Summers.) Especially as financial firms, with the compliance of a largely prostrate business press, attempt to undermine even the comparatively modest banking controls enacted under the so-called Volcker Rule in the Dodd-Frank Wall Street Reform and Consumer Protection Act, for Satz to sidestep such matters in a study of the market’s corrosive effect on social ethics feels very much like an effort to “change the subject” (to quote Satz herself on the marginalist economists’ attempts to gloss over the social
problems raised by Smith and his fellow classical economists).

* * *

Much the same foreshortened social outlook constrains Sandel’s *What Money Can’t Buy*, the bulk of which is devoted to examining the same basic conundrums discussed by Satz, such as surrogacy contracts and kidney sales. But unlike Satz, Sandel stops short of making robust claims about the market’s role in shaping the worldviews and life chances of the individual selves bound up in a given contract. As a result, his account of market sovereignty in our time is much less analytically satisfying; while Satz at least sketches the spheres in which market values work to distort the social good, Sandel gestures toward arenas where market prerogatives “crowd out” moral concerns and calls for more sustained moral deliberation about the desirability of a given market outcome.

The problem with his analytic scheme is that it’s exceedingly vague. Who, exactly, are the deliberating subjects envisioned in Sandel’s account, and how will their reasoning be best positioned, institutionally and politically, to countermand the force of a market logic that has increasingly captured our public institutions as well as our moral sense? Sandel doesn’t really say. As Satz notes, it’s crucial to assess the full social-background conditions that shape the bargaining position of any contracting party in a proposed agreement; in prospective child-labor contracts, for instance, “if the background circumstances and options poor children and their parents face are unjust, the option chosen does not by some mysterious process suddenly become just.” If Satz is right in following Smith’s intuitions about the damage that the industrial division of labor does to the capacity of citizens to fathom, let alone deliberate over, the stuff of public morality, the basic terms of Sandel’s prescriptive account grow fuzzier still.
Sandel does offer some important insights about the actual limits of markets in generating new modes of moral reasoning and behavior. He notes, for example, that introducing cash incentives into traditionally nonmarket settings can pervert the intended social aims in play. In one well-known study—which Satz also cites—several Israeli daycare centers, hoping to encourage greater punctuality among their clients, instituted a schedule of fines for parents who showed up late to retrieve their children. Instead, Sandel notes, “late pickups actually increased” because the fines created a perverse sense of entitlement in a community that relied on social norms—shame being one—to regulate its own behavior. “Before, parents who came late felt guilty; they were imposing an inconvenience on the teachers. Now parents considered a late pickup as a service for which they were willing to pay. They treated the fine as if it were a fee.”

At the other end of the spectrum, people can react harshly to offers of cash designed to alter their behaviors or political preferences, viewing them as an insult to their civic honor. In 1993 the residents of the Swiss town of Wolfenschiessen were narrowly in favor of a scheduled referendum to build a nuclear waste facility nearby. A group of economists decided that they could generate still greater support for the plan by extending a monetary offer to each adult citizen endorsing the referendum proposal. Instead, Sandel notes, local support for the plan “went down, not up. Adding the financial inducement cut the rate of acceptance in half, from 51 percent to 25 percent…. What’s more, upping the ante didn’t help. When the economists increased the monetary offer, the result was unchanged. The residents stood firm even when offered yearly cash payments as high as $8,700 per person, well in excess of the median monthly income.”

Sandel also surveys a host of more informal social relations that appear to lose their inherent
meaning the more they are conscripted into the market’s cash nexus: fee-based services for wedding toasts and for line-standing surrogates at Congressional hearings and public events; markets in athletes’ autographs; cash incentives to induce adults to stop smoking, or children to read more books. There’s something discomfiting about many of these examples (though speaking as a member of a family with a generally lousy track record in gift-giving, I don’t share Sandel’s seeming aversion to gift cards and holiday checks), but they don’t approach the more dire level of “crowding out” moral concerns. I might find someone else’s purchased wedding toast crass, or the money-for-reading scheme self-defeating when it comes to cultivating truly engaged and motivated readers, but that’s not likely to stop me from composing my own wedding toast or promoting the act of reading as a self-rewarding virtue.

* * *

Sandel devotes the final chapter of What Money Can’t Buy to the excesses of corporate sponsorship in sports, whereby professional teams not only lease out the naming rights to their stadiums but also pimp out broadcasting calls of individual plays to advertisers, as in the “AT&T call to the bullpen” and “Safe at home. Safe and secure. New York Life.” This is all plenty irksome, as is the proliferation of advertising spots in schools and on airplanes, two other trends that Sandel laments at considerable length. More irksome still is the staggering degree of communitarian significance Sandel grants to national sporting contests: “From Yankee Stadium in New York to Candlestick Park in San Francisco, sports stadiums are the cathedrals of our civic religion, public spaces that gather people from different walks of life in rituals of loss and hope, profanity and prayer.” Something truly irreplaceable is lost, Sandel argues, when this sacred space gets profaned by commerce: “As stadiums become less like landmarks and more like billboards, their public character fades. So, perhaps, do the social
bonds and civic sentiments they inspire.”

Not to put too fine a point on things, but this argument is deeply misguided, and not only because sports fandom is far from reverent and civic-minded when in the throes of hard-fought regional rivalries and post-season battles. Major League Baseball—the sport that Sandel plainly reveres most—has been beset throughout its history with corrupt practices and scandals, be it the 1919 “Black Sox” World Series, Pete Rose’s history of gambling on the game while still in uniform in the 1980s, or the steroid scandals of our own age. The most fabled hitter of the sport’s early golden age, Ty Cobb, once beat a fan senseless at the Polo Grounds and, by some accounts, may even have killed a man. No less corrupt is baseball’s ownership structure; it enjoys an antitrust exemption pretty much without precedent in the annals of the American regulatory state, largely on the basis of the same sepia-toned appeal to its exceptional nature as our national pastime that Sandel evokes. The sport’s commissioner, Bud Selig, is the former owner of the Milwaukee Brewers, whose MVP outfielder, Ryan Braun, narrowly escaped a long-term suspension for doping by pillorying the character of the low-level MLB testing official who handled his urine sample—while never contesting the actual findings of his drug test. To assert, at this late date, that the moral fiber of the national pastime is being corrupted by the money culture demonstrates precious little understanding of the pastime or culture in question.

Sandel is so besotted with what he imagines as the higher nobilities of baseball that he uses Sabermetrics, the statistical analysis of player performance popularized in Michael Lewis’s 2003 book *Moneyball* (and by the recent Brad Pitt film version), as the crowning metaphor for the infiltration of commercial values into every last crevice of our common life. This strained comparison misses the fundamental point of moneyball: it was a strategy born of
economic necessity, to improve the standing of a small-market team unable to retain marquee talent amid the competitive rigors of free agency. Moneyball, in other words, was a savvy end run around the very economic distortions of the sporting market bemoaned by Sandel in the balance of his chapter. What’s more striking, however, is that Sandel seizes on the moneyball experiment to levy a mild critique of the social philosophy of Larry Summers, the former Council of Economic Advisers chair, treasury secretary and Harvard president (“my friend and colleague,” Sandel sunnily discloses). Summers, Sandel reasons, embraced moneyball as an all-purpose symbol for the wonders being worked by fast-calculating numbers wizards throughout the economy, be they environmental regulators, political campaign strategists or derivatives traders. “Here, just four years before the financial crisis, was the market triumphalist faith—the moneyball faith—on bold display,” Sandel writes. “As events would show, it didn’t turn out well—not for the economy and not for the Oakland Athletics,” the first team to capitalize on the moneyball stratagem.

But the far more telling example of our market-addled social order is not the symbolic use that Larry Summers makes of recent trends in baseball scouting; it is, in fact, the career of Larry Summers himself, a veritable Where’s Waldo figure of latter-day financial calamity whose dismal track record is dwarfed only by his inexplicable capacity for failing ever upward. As treasury secretary under Bill Clinton, Summers lobbied hard for the repeal of Glass-Steagall; as president of Harvard, he sent the institution’s portfolio into free fall on a series of disastrous hedge-fund and derivatives trades. Summers even has a cameo in Satz’s book, where he is found pitching a scheme to market toxic-waste sites to cash-strapped countries in the developing world—on moral grounds, naturally. Whereas Satz has awkwardly sidestepped the real moral and economic legacies of the 2008 meltdown, Sandel subsumes them into a gauzy communitarian sermon on the endangered “social bonds and civic sentiments” of the
sporting world—and indicts one of the worst actors in the financial crisis chiefly on the grounds of his sporting sympathies. Using much the same wrong-end-of-the-telescope methodology, Sandel elsewhere assails a sponsorship deal that the lifeguards of Orange County, California, struck with Chevy in order to procure a fleet of forty-two beach-worthy pickup trucks, but without bothering to note the reason Orange County was hard up for cash: in the mid-1990s, it became the first major US municipality to be bankrupted by derivatives.

The incursions of commerce into the traditionally private, affective and civic spheres of our world are indeed risible, but disturbing all the same. Yet in an era of stupendous, unpunished financial crime, it's hard to believe that our most serious moral ills stem from an epidemic of gift cards and corporate-sponsored stadiums. Civic engagement, like a dead fish, rots from the head down. To start reckoning with the real moral limits of markets, we need to make some sharper moral choices about the kind of behavior our economy routinely rewards. And this means, in turn, that our moral philosophers will have to do a lot more by way of thinking through the messy background of their test cases—and in the process, be willing to offend some of their gracious friends and colleagues. We have a long way to go before that happens. But then again, I don’t have to tell you things are bad.

Chris Lehmann
June 5, 2012

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Pity the Billionaire: The Hard-Times Swindle and the Unlikely Comeback of the Right by Thomas Frank – review Nick Cohen guardian.co.uk, Thursday 5 January

Why have US conservatives, and not the left, monopolised political fury since the banks went down? This timely polemic by one of the best leftwing commentators provides the answer

Comics Stephen Colbert, left, and Jon Stewart sing at the Rally to Restore Sanity and/or Fear in Washington DC, October 2010. Photograph: Saul Loeb/AFP/Getty Images

In October 2010, American liberals held their largest demonstration in Washington DC since the great crash of 2008. They did not raise their angry voices to denounce fantastic corporate greed and fraud. They were not furious that speculators had destroyed the hopes of millions of Americans. Instead, they
staged the world's first protest against anger – a rage against rage.

1. **Pity the Billionaire: The Hard-Times Swindle and the Unlikely Comeback of the Right**
   2. by Thomas Frank
   3. [Buy it from the Guardian bookshop](https://www.theguardian.com/books/bookshop/)

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Its organisers, comedians Jon Stewart and Stephen Colbert, exhorted their followers at the "Rally to Restore Sanity" to wear "I'm With Reasonable" T-shirts – ironically, of course – and set aside political differences in the interests of getting on with their neighbours. Despite the subsequent Occupy Wall Street movement, the pattern Stewart and Colbert set has held. Genteel liberals have allowed American conservatives to all but monopolise political fury since the banks went down. Considering what conservatives allowed financial markets to do, the fact that the right could be furious with anyone but itself is an astonishing story and one that Thomas Frank was born to cover.

**Frank's speciality is how conservatives have appropriated the language and passions of the left.**

In *The Conquest of Cool* (1997), he looked at how the counterculture became capitalist culture. *One Market Under God* (2000) was a more muscular demolition of the corporate populism that enabled billionaire CEOs to pose as the common people's firmest and truest friends. *What's the Matter With America?* (2004) took Frank back to his native Kansas, as he tried to explain why a state that was once a hotbed of leftish populism was now so Republican George W Bush did not need to waste time campaigning there. And yet, despite everything he knew, the Tea Party's success in returning the Republicans to power in the 2010 congressional elections and making them viable contenders for the presidency in 2012 floored even him.

"If you had brought the world's teenaged anarchists together in some great international congress and asked them to design an ideal crisis," he says, "they could not have discredited market-based civilisation more completely than did the crash of 2008." As evidence, he offers the reader pre-crash editions of *Trader Monthly* – the US Eequivalent of the FT's grotesque celebration of conspicuous consumption, the *How to Spend Itcorrect* magazine. It instructed Wall Street bankers and dealers to impress their friends with $20,000 bottles of Johnnie Walker, private jets and, my favourite, a $300,000 turntable that acted as a "huge middle finger to everyone who enters your home". After asking why speculators would want to greet their guests in such a manner, Frank draws the obvious conclusion. "If ever a financial order deserved a 30s-style repudiation, this one did. Its gods were false. Its taste was bad. Its heroes were oafs and brutes and thieves and bullies. And all of them failed, even on their own stunted terms."

But when they failed, and wiped around $16tn dollars off American household wealth, when they rubbed the taxpayers' noses in the dirt by appropriating their money to refresh their bonuses, the last thing ordinary Americans did was imitate their ancestors from the 30s. Afghan and Iraq war veterans did not march on Washington DC. Farmers did not block highways. The majority of the electorate did not demand that their politicians bring the arrogant boss class to heel. Contrary to the expectations of respected Washington commentators, the most potent force in the land became a radical movement for business deregulation.

With as much patience as he can muster, Frank writes: "Before this recession, people who had been cheated by bankers almost never took that occasion to demand that bankers be freed from 'red tape' and the scrutiny of the law. Before 2009, the man in the bread line did not ordinarily weep for the man lounging in his yacht."

There are two reasons, apart from his dazzling style, why Frank is one of the best leftwing writers America has produced. He comes from the midwest and there is a solidity behind his work that one
associates with the sturdiness of the American heartlands. He regarded the culture wars as distractions from old-style, populist economic arguments against the power and pelf of the plutocracy. (And who can now deny that events have proved him right?) Second, although he wears his learning lightly, Frank always puts in the legwork. He has trudged round the Tea Party rallies and reports that what liberals like to think about the Republican right misses the point.

It is not a racist movement, reacting against the election of America's first black president. Leftish journalists may seize on the odd Ku Klux Klannish comment from "birthers", but the language of the Tea Party as a whole is politically correct. Indeed, it refuted the racism charge when it briefly decided that its favourite for the Republic presidential nomination was one Herman Cain, a grasping and, allegedly, groping executive from the pizza trade, who was far "blacker" than Obama. Nor do the obsessions with abortion and gay marriage of the old Christian conservatives move it.

The new Republicans are utopians, who reacted to a crisis of capitalism by arguing that the fault the calamity revealed was not that America was too capitalist but that it was not capitalist enough. The propaganda of Rand Paul, for instance, imagines a monster from Washington scooping up Wall Street. Far from the financial system corrupting a succession of Democrat and Republican administrations and ruining the state, the state was engaged in a brutal takeover of free institutions. Fox News claims that liberals secretly engineer recessions so they can extend socialism. Newt Gingrich compares Obama's Washington to Nazi Germany and the Soviet Union.

Their arguments make no sense. They deplore the bailout of the banks and then bewail any measures to prevent the banks being bailed out again as a tyrannical imposition on the sacred market. Frank's essential argument is, however, that the right did not have to make sense because it provided the only vehicle for popular anger. The vacuity of Jon Stewart, Stephen Colbert and the "reasonable" liberal demonstrators was not a one-off. Obama came to power in circumstances as grim as those that greeted Roosevelt in 1932. But he was more MOR than FDR. He allowed publicly subsidised speculators to keep on receiving other people's money. He did not challenge Wall Street's power over Washington but brought Larry Summers and other discredited Wall Street Democrats of the Clinton era back into the White House. Obama never understood or wanted to understand that you can only win political arguments by taking them to your opponents and building a consensus for change. Democrats did not tell the angry public why their system had run aground and offer an alternative. They allowed the right a free run.

Before I read this book, I assumed that the extremism of the Tea Party would guarantee Obama a second term, however dismal his performance in office had been. Now I am not so sure. A Republican victory would at least teach the leaders of Britain and Europe's centre-left parties that they cannot support systems, whether in the City or the Eurozone, that crush their supporters' livelihoods. Cheering though that would be, a rightwing White House would also hand what is left of America's public space to incontinent and unthinking demagogues who are so lost in dreams of capitalist utopianism that not even the sound of the greatest crash since 1929 can wake them.

“The Rise of the American Oligarchy”

By MICHAEL KINSLEY, New York Times, January 6, 2012

Thomas Frank is the thinking person’s Michael Moore. If Moore, the left-wing filmmaker, had Frank’s Ph.D. (in history from the University of Chicago), he might produce books like this one and Frank’s previous best seller, “What’s the Matter With Kansas?”
As you can tell from its ham-fisted title, “Pity the Billionaire” is not the world’s most subtle political critique. But subtlety isn’t everything. Frank’s best moments come when his contempt boils over and his inner grouch is released.

This book is Frank’s interpretation of developments since “What’s the Matter With Kansas?” was published eight years ago. Frank’s thesis here is basically that the thesis of the old book has been confirmed. He will not persuade anybody who does not already buy the Tom Frank line. But those who do (as I do, more or less) will enjoy a very good time having their predispositions massaged.

Frank sometimes writes in an arch voice that seemed familiar when I first encountered it but that I couldn’t place. Then I read in his book-jacket bio that he writes for Harper’s Magazine, and I thought, “Zounds, Watson, the man may have Lapham’s Disease.” The symptoms of this malady, named after the longtime editor of Harper’s, Lewis H. Lapham (now of Lapham’s Quarterly), include an elevated, orotund, deeply ironic prose style that, in severe cases, reveals almost nothing about what the topic is or what the author wishes to say about it except for a general sense of superiority to everyone and everything around.

Fortunately, Frank’s case is very mild. What he retains is a healthy refusal to be intimidated by charges of “elitism.” He’s not afraid to give his chapters titles like “Mimesis.” (I looked it up. It’s a good joke.) He says of some right-wing nut who enjoyed 15 seconds of YouTube fame that he possessed “an understanding of German history that bordered on complete fantasy.” His message to liberals is: Oh, for heaven’s sake, don’t be so defensive! The other side (Republicans, financiers, business executives, billionaires) has most of the economic — and therefore political — power. Today’s conservatives wield reverse snobbery as a weapon, accusing liberals of sins like living on the East or West Coast. Frank mocks conservatives’ claims that they are victims of an all-powerful liberal establishment. He calls this “tearful weepy-woo.”

Meanwhile, **things have gone from bad to worse.** Conservatives continue their Sherman’s march through the landmarks of liberal government, burning and looting as they go. They’ve gone after the legacies of Lyndon Johnson (Medicare), Franklin Roosevelt (Social Security; financial regulation) and Theodore Roosevelt.
And working people continue to be duped into supporting measures manifestly against their own self-interest. In “What’s the Matter With Kansas?” Frank attributed this to a clever bait-and-switch by conservatives, who appeal to middle- and lower-class voters on the basis of social issues like abortion and gays in the military, and values like patriotism and religion. And then they govern on the agenda of traditional Republican groups like businessmen and bankers.

With “Pity the Billionaire,” the emphasis is different and the explanation is simpler: President Obama has betrayed the voters who elected him. He ran like a populist, Frank believes, but he has governed like a plutocrat, or at least a friend of plutocrats. Frank quotes a remarkable passage from Obama’s book “The Audacity of Hope” about “people of means” whom he met at Democratic fund-raisers:

“As a rule they were smart, interesting people, knowledgeable about public policy, liberal in their politics, expecting nothing more than a hearing . . . in exchange for their checks. But they reflected, almost uniformly, the perspectives of their class. . . . They believed in the free market and an educational meritocracy. . . . They had no patience with protectionism, found unions troublesome and were not particularly sympathetic to those whose lives were upended by the movements of global capital. Most were adamantly pro-choice and anti-gun and were vaguely suspicious of deep religious sentiment.”

Obama goes on to admit that by hanging around with these people, he was becoming “more like” them, and Frank — refusing to plea-bargain this stunning confession for a milder sentence — agrees, then piles on.

It seems to me that a Democratic president who gets us health care reform and tough new financial protection for consumers, who guides the economy through its roughest period in 80 years with moderate success (who could do better?), who ends our long war in Iraq and avenge the worst insult to our sovereignty since Pearl Harbor (as his Republican predecessor manifestly failed to do, despite a lot of noise and promises); a president who faced an opposition of really spectacular intransigence and downright meanness; a president who has the self-knowledge and wisdom about Washington to write the passage quoted above, and the courage to publish it: that president deserves a bit more credit from the left than Frank is willing to give him.

Frank may also be a bit overly impressed by what the right has achieved. Evelyn Waugh complained that the British Conservative Party had failed to turn back the clock by a single second. Have the Republicans done much better? (Waugh was speaking long before the Margaret Thatcher revolution, which really did change British society enormously.) Conservatives have dominated the debate, and usually the government, for three decades now, yet they haven’t managed to abolish a single cabinet department or eliminate a single major entitlement program.
Nothing big has been “privatized.” Somehow or other, against all expectations and despite a conservative Supreme Court, abortion rights and affirmative action have been preserved. Gay rights are advancing so fast that the Republican Party itself is probably ahead of where Democrats were a generation ago. The Constitution has not been amended to require a balanced budget or forbid flag-burning.

True, they've pretty much killed the union movement. While they are not to blame for the effects of globalization and technology on income distribution, they've done nothing to mitigate these. And then there are tax cuts — especially tax cuts for the wealthy. That we have had. In spades. Actually, all this tends to confirm Frank’s contention that what Republicans really care about, politically, is money, and all that other stuff is just prole meat.

Frank dates the discovery by conservatives that they are being oppressed by a liberal elite all the way back to 2010, when The American Spectator magazine published an article by Angelo Codevilla called “America’s Ruling Class.” I believe that, in fact, the funhouse-mirror class war (in which liberals and poor people are the upper class and billionaires are among the oppressed masses) has been going on longer than that — at least since Nixon’s “silent majority.” (The man was president, but he still felt oppressed.) But then Frank, as a liberal elitist, has a touching belief in the influence of words. He believes a magazine article can change the world. He quotes from obscure books and pamphlets he has picked up as if each one had been read by everyone in the Tea Party.

The two great antiheroes of “Pity the Billionaire” are Ayn Rand and Glenn Beck. You might say that Frank is intrigued by Beck, or you might say he is obsessed. He is like an intellectual stalker, following Beck around as he attends to his empire of projects, making sure we don’t miss a single lie or absurdity. Beck is influential, and he was enjoying his 15 minutes when Frank was writing this book. But is he more influential than any other radio talk-show host? I'd put my money on Rush. Or how about Grover Norquist, whose ability to pressure members of Congress into supporting his agenda is like nothing since “Red Channels” (the McCarthy-era publication that maintained the blacklist)?

Frank spends 11 out of 187 pages (before the endnotes) in this short book on an entertaining deconstruction of Ayn Rand’s masterwork, “Atlas Shrugged.” “For me,” Frank writes, “it is the political flimflam of our times wrapped up in one big package: the manifesto of the deregulators and free marketeers who caused the economic disaster.” “Atlas Shrugged” is certainly a ridiculous book, and a good illustration of the absurd self-pity of the rich that Frank so deftly skewers in “Pity the Billionaire.” But the notion that this 1,000-page novel about the breakdown of society due to a corrupt government plays any role in, say, the debate over “cap and trade” seems far-fetched.
This is not a book about policy, and Frank shouldn’t be expected to have a 10-point program for reforming the Federal Reserve Board before he allows himself a sarcastic reference to Ben Bernanke. But when he casually uses phrases like “deregulators and free marketeers” to define the bad guys, it does give one pause. For Frank, are government regulations ever excessive? Does he see no merit at all in free trade? Frank surely doesn’t oppose free-market capitalism as a general principle, however much he may dislike Glenn Beck. Or does he? It would have been nice to know a bit more about where Thomas Frank is coming from. Otherwise, he starts to sound like those Tea Party people whom he rightly mocks for being very, very angry with no idea why or what to do about it.

*Michael Kinsley is a columnist for Bloomberg*

“**The Spread of Sacrifice Zones**” by David Swanson, review of Hedges and Sacco’s *Days of Destruction, Days of Revolt*

Posted by: "Shelly Rockett" [shelly@veteransforpeace.org](mailto:shelly@veteransforpeace.org)

Fri Jun 15, 2012   From Veterans for Peace

From: **David Swanson** &lt;davidcnswanson@gmail.com&gt;

Date: Fri, Jun 8, 2012

**The Spread of Sacrifice Zones** By David Swanson

[http://warisacrime.org/content/spread-sacrifice-zones](http://warisacrime.org/content/spread-sacrifice-zones)

**Chris Hedge's and Joe Sacco's new book, Days of Destruction, Days of Revolt** is a treasure. Hedges wrote the plain text. Sacco produced the text-heavy cartoon sections and other illustrations, which even I -- not a big fan of cartoon books -- found to enrich this book enormously.

Hedges and Sacco visit Pine Ridge, South Dakota, to examine the misery of
the Native Americans who remain there. It’s nice to think that we’ve
corrected our crimes through political correctness, and yet they continue
uninterrupted -- unconscionably, intolerably, tragically. Here the human
stories are told, and told by those affected and by those resisting and
struggling to set things right. Ironically, the victims of the United
States’ first imperial slaughters are now disproportionately suffering the
pain common to veterans of recent U.S. wars. That same pattern of
widespread military experience is found in each of three other sections of
the book as well, while other communities in this country have virtually no
participation in the military.

Hedges and Sacco go to Camden, New Jersey, to examine the world of
impoverished and ghettoized African Americans, whose lives have worsened by
many measures over the past generation, despite the successes of the civil
rights movement. Poor whites and others figure into the story as well,
with special attention to those struggling to improve the world, whether on
a small or large scale. Michael Doyle’s voice is one of those from Camden
residents that tell the story of decline and devastation that city has
experienced:

"You hear people my age get up and say, 'We were poor. We put cardboard in
our shoes.' We talk like that. But we didn't know we were poor. Today
you do. And how do you know you're poor? Your television shows you that
you're poor. So it's very easy to build up anger in a, say, a high-voltage kid of seventeen, and, he knows he's poor, he looks at the TV."

Doyle went on to say that the cause was unclear, the "enemy" was unclear to people, and "so you take it out on your neighbor." Young men with no education have no employment anymore, he said, no opportunities to be worth anything -- except through the military.

The authors went to Welch, West Virginia, to speak with those suffering from and resisting mountain-top removal by the coal companies. Larry Gibson, who lives with death threats and other health hazards, has saved a fraction of his family's land from the surrounding devastation. "You heard about the World Trade Center terrorists?" he asks.

"You heard about them? Bombing, three thousand people dying, but have you heard that with the emissions of coal we lose twenty-four thousand people a year in this country? You know, eight times bigger than the World Trade Center. Nobody say anything about that. Then you have the something like six hundred and forty thousand premature births and birth defects, newborns, every year, EVERY year, and nobody's doin' anything about that. Coal kills, everybody knows coal kills. But, you know, profit."

Gibson points out that cities have passed laws restricting cigarette
smoking in public, but families living near coal fields breathe the dust.

Julian Martin, a retired high-school teacher and son of a coal miner, says, 
"It's a sacrifice zone. It's so the rest of the country can have electric

toothbrushes and leave the lights on all night in parking lots for used
cars and banks lit up all night long and shit like that."

Finally, the authors headed down to Immokalee, Florida, to meet with
immigrant farm workers, tomato pickers, new slaves, resisters, and
organizers. The wages for picking tomatoes have dropped by half over the
past 30 years. An unlimited supply of cheap and vulnerable labor has meant
less concern for workers than there may have been in some cases for slaves
of old. "Before the war, we owned the negroes," a planter said in 1883.
"If a man had a good nigger, he could afford to take care of him; if he was
sick, get a doctor. He might even put gold plugs in his teeth. But these
convicts: we don't own 'em. One dies, get another." From 1883 to today,
what's changed is that many of the workers are effectively owned and in
some cases literally enslaved, chained up, confined, and threatened should
they attempt escape. What has not changed is the expendability, a product
of corporate global trade and unregulated greed. With less work for women
in the fields, many are essentially enslaved as prostitutes. But these
most powerless of immigrants -- the farm workers of Immokalee -- have
organized, resisted, and won major improvements from massive corporations,
inspiring others across the country and around the world.

The fifth and last section of the book is focused on resistance, and in particular on Occupy Wall Street. It includes an excellent discussion of the occupation of Freedom Plaza in Washington, D.C., with Kevin Zeese, a persuasive case that a nonviolent revolution is coming -- that conditions are all aligned -- and a great summary of Hedges' recent thinking on activism and rebellion. But if you were part of Freedom Plaza, and if you've kept up on your weekly Hedges reading, it is the first four sections of the book that you will find most valuable. In many ways, there is greater organizing and activism found in those sacrifice zones than what we have seen thus far from the Occupy movement.

Occupy is national, even international, and -- at least at first -- had much greater attention from the corporate media (which is what made it national). It is also more middle-class and less-rooted in a community. If it can build one massive movement out of all the pockets of resistance, and move on from resistance to creation and substitution, it may indeed turn this avalanche of horror and misery around and push it back up the mountainside. "I have no interest in participating in the traditional political process," says John Friesen, occupier of Wall Street. "It's bureaucratic. It's vertical. It's exclusive. It's ruled by money. It's cumbersome. This is cumbersome, too, what we're doing here, but the
principles that I'm pushing and that many people are pushing to uphold here
are in direct opposition to the existing structure."

Hedges notes, importantly, I think, that the governmental response we have
seen to the Occupy movement, the militarized police brutality, and the
passage of federal legislation allowing the military to engage in domestic
policing, is not a sign of weakness in our movement, but rather one of
strength -- a sign of fear by Congress and its corporate bosses. Now we
have to turn that fear into realization that the spreading of sacrifice
zones will absorb us all unless radical change comes soon.

David Swanson's books include "War Is A Lie <http://warisalie.org/>." He
blogs at http://davidswanson.org and http://warisacrime.org and works for
the online activist organization http://rootsaction.org. He hosts Talk
Nation Radio <http://davidswanson.org/taxonomy/term/41>. Follow him on
Twitter: @davidcnswanson <http://twitter.com/davidcnswanson> and
FaceBook http://www.facebook.com/pages/David-Swanson/297768373319#
Also read review in Columbia Journalism Review (July/August 2012).

I saw #4 of “Money, Power, and Wall Street” July 3 as Frontline continued its noble
efforts to expose the truth about US financial corruption and power, what I refer to as US
capitalism. The 4th episode concludes with a vision of corporate control of all the federal agencies
intended to regulate the system for the public good. I did not feel depressed because I believe we
cannot do useful work until we have examined the full—the worst—reality. Dick

THE BETRAYAL OF THE AMERICAN DREAM

DONALD L. BARLETT AND JAMES B. STEELE

SUMMARY

A fiercely-reported indictment of how the American middle class has been condemned to terminal decline, from the authors of the New York Times bestseller America: What Went Wrong

A series of actions by Washington and Wall Street over decades have systematically dismantled the economic foundation of America's middle class. In The Betrayal, two of the country's finest investigative reporters reveal the extent of the ruination and the people and agencies most culpable.

Barlett and Steele's 1992 bestseller about Washington's assault on the middle
class—*America: What Went Wrong*—was controversial in its day. But when the authors reexamined it, their conclusions then seemed quaint in the light of today's realities. For this new book they document a fundamental betrayal of the American promise, through peerless reportorial investigation and through the perspectives of workers and businessmen across the country. One former factory manager said: "If we keep up as we are now, within twenty to thirty years will there even be a middle class?" Barlett and Steele show why Americans are rightfully fearful about the future, and warn that greater economic pain lies ahead unless we make fundamental changes now.

**Donald L. Barlett** and **James B. Steele** are the nation's most honored investigative reporting team, and authors of the *New York Times* bestseller *America: What Went Wrong*. They have worked together for more than thirty-eight years, first at *The Philadelphia Inquirer* (1971-1997), then at *Time* magazine (1997–2006) and now at *Vanity Fair* since 2006. They have also written seven books. They are the only reporting team ever to have received two Pulitzer Prizes for newspaper reporting and two National Magazine Awards for magazine work. They live in Philadelphia.