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Book Review by Patrick Brown

Metaphor & Method, Shock and Awe

When the review copy of Naomi Klein's new book, *The Shock Doctrine: The Rise of Disaster Capitalism*, arrived, the editor told me I couldn't have it to read; she had started it and wouldn't send it to me. 'It's the story of my lifetime, it all makes sense, now!' she said. I had to go straight to a Sechelt bookstore and buy their last copy. People's desire to actually read it, speaks to the relevance of this substantial and significant volume, a selective economic and political history of the last fifty years. And surprisingly readable it is.

For me, shock lies in the darkness of the narrative; awe in that it could be so cogently explained, by 37-year-old Canadian Naomi Klein. The book is an exposé of recent history, a revelation of our times. It is breathtaking in its scope; disturbing in its implications of widespread amorality. Klein's thesis is that modern international capitalism, founded on deregulation, privatization, corporatism, free markets, and the manipulation of governments, must overcome democracy before it can be implemented.

And the only way democracy can be temporarily be defeated is through shock and disaster, natural or contrived: economic, environmental, political, genocidal, and war. It is convincing and thoroughly researched, including 70 pages of end notes.

Focussed on her almost forensic account, Klein's book talks little about alternatives, although its implications are that she favours mixed economies with social safety nets.

Instead of making sense of their lives and times, readers who have not been adults for the last forty years will want to know how we got to this point, what are today's most dangerous pitfalls and to look for clues in avoiding them. This is history to learn from, all the more effective because it took place within a generation, still living.

Metaphor

For Klein, 'shock' is both a metaphor and a method that her book exposes. Shock can result in a 'blank slate' on which can be written a new economic order. Her metaphor is built with an chilling account of the electroshock therapy carried out on unsuspecting patients by Dr Ewen Cameron at McGill University in the 1950s, supported by the CIA. The object was to create in his subjects a 'blank slate' on which could be written a new personality. (It was not effective in the patriarchal way Cameron envisaged. But the methods were soon taught and used as torture in a South American crusade against dissent.)

Method

Her narrative of the many faces of the 'shock doctrine' trace the theory of the new fundamental capitalism back to economist Milton Friedman at the University of Chicago and a US

Government project to sponsor the education there of Latin American economists in the 1950s. Friedman was a staunch believer in minimal government and an opponent of mixed economies; and needless to say, a confirmed enemy of anything that might be tinged with 'socialism.'

After graduation, his 'Chicago Boys' were sent out thoroughly imbued with the need to change the world into a completely unregulated free market. It must have made big business lick its lips.

Backed by university and government, they started in the developing countries of Latin America, whose governments were beginning to play a role in both the 'commanding heights' of the economy, and in improving the welfare of their people, many of whom were poor.

But governments could be made unstable, leaders assassinated, economic crises created, and when dictators came to power, the Chicago Boys were waiting with their prewritten and non-negotiable policies of deregulation, privatization, free trade, and the destruction of the social safety net, pegged to the funding to get over the 'crises.'

Thus corporatism started by taking advantage of the turmoil that came with military coups and crooked elections in Chile, Argentina, Uruguay, and Brazil in the 1970s. Klein is explicit but her narrative doesn't stop there, right along with the Chicago boys, it rampages through Indonesia, the UK under Margaret Thatcher, Bolivia, Poland, Russia, China, South Africa, Thailand, South Korea, the Philippines, Sri Lanka; even the remaking of New Orleans after hurricane Katrina. Ending inevitably with Iraq, where 'shock and awe' were a declared military tactic.

The conclusion is clear, the untrammelled free market as economic nirvana is a myth. It can only be imposed by the utmost brutality and even then fails miserably again and again.

Klein is no armchair writer; she has spent a good deal of time in contemporary 'shock doctrine' victim countries. She makes it clear that drastic change to democracy can only be implemented in a brief period while a population is disoriented, whatever the source of the shock.

In Iraq, she is willing to suggest that the same corporations who profit from the manufacture of weapons also position themselves to profit from rebuilding. If so, then the object of war becomes not victory, but continued war.

This brings us to an incisive point. In the past, Klein has often asserted that corporatism damages society, overrides human rights, and attacks community and culture at local, national, and international levels. Now she concludes, with

considerable certainty, that modern corporatism *cannot* be implemented without violence: physical, sociological, political, economic, or all four. It benefits few and leaves many in an abysmal state.

Looking For an Answer

It's a devastating assertion, savage in its very existence, and Klein has made the incredible, credible. It is a powerful expression of morality, independent of any ideological framework. It demands an answer.

This is where things get interesting; so far, there has been no answer. Klein's moral statement remains without rebuttal, in particular from the protagonists of economic power. Even the negative reviews seem equivocal.

As evidence, some words from economist and Nobel Prize winner Joseph Stiglitz, former president of the World Bank. 'Klein is not an academic and cannot be judged as one. There are many places in her book where she oversimplifies. But Friedman and the other shock therapists were also guilty of oversimplification, basing their belief in the perfection of market economies on models that assumed perfect information, perfect competition, perfect risk markets. Indeed, the case against these policies is even stronger than the one Klein makes. They were never based on solid empirical and theoretical foundations, and even as many of these policies were being pushed, academic economists were explaining the limitations of markets—for instance, whenever information is imperfect, which is to say always.' (I would term Klein's story as simple, not simplistic.)

Counterpunch, damning with faint praise.: 'Capitalism, after all, as always been a shock doctrine of selfish predation, as one can discover from Hobbes and Locke, Marx and Weber, none of them saluted by Klein. Read the vivid accounts of the Hammonds about the English enclosures of the eighteenth century, when villagers would find nailed to the door of the parish church an announcement their common lands had been privatized. ...The wrenching conversion of peasant societies to cash economics, private property, the job regime, has always been brutal. ...Klein's outrage is admirable. Her specific exposés across six decades of infamy are often excellent, but in her larger ambitions her metaphors betray her. From the anti-capitalist point of view she's too gloomy by half. A capitalism that thrives best on the abnormal, on disasters, is

by definition in decline.'

Did this reviewer get it? In fact, criticism of the book has tended toward the *ad hominem*. Klein has been accused by the never-to-be-converted of 'preaching to the converted.' She has been accused of bad economics by economists, of polemics by polemicists, and of selective history by historians.

She says she's happy to have triggered a debate; but that debate turns out not to be about the content of the book, but about her omission of a comprehensive listing of the benefits of capitalism. If there is anything proved so far by this discussion it is that fundamentalist capitalism believers continue to be unable to consider compromises or alternatives. But then, why should they; the money is in their pockets.

My editor recommended that I should read the last chapter after the first chapter. She said she needed to get to the hopeful bit to give her courage to read and witness all the shocking examples of a world gone mad while she wasn't paying enough attention. No, I felt, I must take it on the chin. So I started at the beginning and read right through to the end (something I felt many reviewers have simply not done). The impact was chilling but the last chapter offers hope that the Friedmanite trend is now reversing itself, starting—as before, in Latin America.

However, John Cusack, in a recent interview with Klein, poses the following possibility: '...Blackwater [the mercenary army under contract to the US government] is a symptom of a larger problem which is also more terrifying: basically what the Bush administration has done is use its time in office to fund and create a dangerous counter-power to the very government it is leading.'

Klein agrees: 'That's exactly right. And once you understand this—that a parallel, privatized state has been built for the elites with public money—it makes Bush's so-called bungling look a lot more sinister. Maybe the construction of this parallel state, and the starving of the public one, is the real mission accomplished.

'When the Blackwaters and the Halliburtons and the Lockheeds are looked at as a whole, what you see is a fully articulated state-within-a-state that is as muscular and capable as the actual state is frail and feeble. And of course, as creatures of the new economy, these companies are weightless and stateless. If Blackwater wanted to make like Halliburton and move to Dubai, there would be nothing to stop it.' ✍

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Island Tides, Box 55, Pender Island, BC, Canada. Phone: 250-629-3660. Fax: 250-629-3838.
Email: islandtides@islandtides.com. Website: <http://www.islandtides.com>
