

Every month since February 1987 the Olympia Fellowship of Reconciliation has produced one-hour TV programs on issues related to peace, social justice, economics, the environment, and nonviolence.

The Olympia FOR's program airs several times every week for the entire month on Thurston Community Television (TCTV), channel 22 for Thurston County's cable TV subscribers. You can see TCTV's schedule at [www.tctv.net](http://www.tctv.net).

You can also watch the program described below (and more than 90 of our previous interview programs and special programs at the Olympia FOR's website, [www.olympiafor.org](http://www.olympiafor.org). Simply click the TV programs link to reach [www.olympiafor.org/tv\\_programs.htm](http://www.olympiafor.org/tv_programs.htm), scroll down, and click the program you want to watch.

Many of our website's TV program listings also include a .pdf document describing the program.

## MAY 2011

# “CAUSING AND EXPLOITING BUDGET CRISES”

by GLEN ANDERSON, PRODUCER AND HOST OF THIS TV SERIES

What do Wisconsin's Republican politicians, the political aftermath of 9-11, the Wall Street banking crash, and the federal budget crisis all have in common?

In each case, a crisis (real or contrived) was used as the excuse to impose pre-conceived agendas of radical right-wing policies upon our political and/or economic lives.

The Patriot Act, for example, was not a carefully crafted response to the 9-11 attacks. Rather, it was a massive collection of proposals for stripping away Americans' constitutional rights to privacy, due process, and so forth. These proposals were too radical to ever be passed by Congress during normal times, so they sat on the shelf until an opportunity arose. After 9-11 the Bush regime lumped them all together into one gigantic bill and – exploiting the post-9-11 fear – rushed it through Congress before anyone in Congress or the media or the public had time to read it.



In 2007 Naomi Klein published a powerful book, *The Shock Doctrine: The Rise of Disaster Capitalism*, to explode the myth that the global free market triumphed democratically.

Klein's book exposes the thinking, the money trail and the puppet strings behind the world-changing crises and wars of the last four decades. The preferred method has been to exploit people and nations that have suffered disasters or other severe crises by imposing radical

“free market” policies upon them and stripping away social spending and democratic rights.



When Hurricane Katrina devastated New Orleans, the government demolished public housing (including buildings that had not been damaged at all),

public hospitals and public schools. Federal reconstruction efforts focused on privatizing schools, white tourist neighborhoods, and so forth. After a tsunami wiped out Southeast Asia's coasts, the pristine beaches were auctioned off for tourist resorts.

Fast forward to Wisconsin in January 2011, when a newly elected Republican governor with an agenda concocted by some of the richest individuals and corporations gave about \$140 million in new tax breaks to rich corporations, and then declared that the resulting budget crisis required that he bust the state employees' union. Even when the union agreed to harsh economic cutbacks, the governor persisted with his effort to unilaterally cancel collective bargaining. In order to avoid a legal tangle, he separated out his union-busting legislation from the budget bill, revealing that abolishing collective bargaining – not balancing the budget – was his real goal.

A crisis allows “disaster capitalism” to impose radical right-wing re-engineering upon societies so quickly as to prevent resistance. Klein's *Shock Doctrine* book looks back fifty years to the University of Chicago under Milton

Friedman, which produced many of the leading neo-conservative and neo-liberal thinkers who still wield tremendous power in Washington DC and elsewhere.

The book details how well-known events in recent decades have been deliberate, active theatres for the shock doctrine, including Pinochet's 1973 coup in Chile, Margaret Thatcher's 1982 Falklands War, the 1989 Tiananmen Square Massacre, the Soviet Union's 1991 collapse, the 1997 Asian Financial crisis, and 1998's Hurricane Mitch.

Right now in the U.S. many "deficit hawks" are misrepresenting Social Security's financial situation to claim – erroneously – that it is in a serious crisis that requires limiting benefits. Actually, the Social Security Trust Fund is distinct from the federal government's general fund, so the federal deficit is not a factor as some people mistakenly claim. And, actually, the relatively minor problem that does exist could be fixed in a few easy, painless ways.

The recent crash of Wall Street and banking was caused by horrendous greed, recklessness and incompetence among Wall Street's banksters and wheeler-dealers. The government used taxpayers' money to bail them out – but without requiring the accountability and strong reforms that were needed. The "too big to fail" banks were made even bigger by letting them absorb small banks. Profits of banks and Wall Street profits are very high again. Big banks are sitting on trillions of dollars that they won't lend out.

The financial crisis – including fallout at federal, state and local government levels and spillover into declining home prices – has caused the economic and political elites to impose harsh "austerity programs" – the kinds of "austerity programs" that the World Bank and International Monetary Fund (IMF) have imposed upon Third World countries that could not repay their loans. Instead of solving the real, underlying problems, Congress and state gov-

ernments are putting nearly the entire burden upon poor, working class, and middle class people through severe cutbacks in education, health, job-creating programs, low-income housing, environmental protection, children's services, mass transit, and on and on.

Meanwhile the rich continue to get richer. The gap between the U.S.'s top 1% and the bottom 90% has been getting wider for several decades and is now obscenely wide.

The extremely partisan, right-wing US Supreme Court is making this worse. Its January 2010 *Citizens United* decision opened the floodgates for giant corporations and rich individuals to buy elections. The Court has been overturning laws that attempted to regulate campaign spending and to provide public money to offset "big money" corruption.

Klein points out that the shock doctrine enables "free market" practitioners to impose their ideal free market economies upon blank slates after existing economies have been wiped out. Sometimes they rely upon natural disasters, and sometimes upon political upheavals or other violent destruction of the existing economic order. She explains how the shock doctrine has been carried out in several countries. She describes the U.S. occupation of Iraq as the most comprehensive and full-scale implementation of the shock doctrine ever attempted – especially in the early years after 2003, when Bush's gang imposed their policies on the devastated nation.

Beyond Klein's research and insights, the Olympia FOR's May TV program will also examine more recent events and offer additional insights related to our May program's title, "Causing and Exploiting Budget Crises."

Our guests will be Molly Gibbs and Larry Kerschner, two well informed, wise, and insightful members of our peace and justice community.