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Facing the Plague: Economic and Political Inequality

*Enfrentando la plaga:
desigualdad política y económica*

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ABSTRACT

Hopes for the future of democracy must now confront a basic power shift that has emerged since the early 1970s and is now reaching its advanced stages. This shift in control over key decisions and policies is clearly visible in my own country, the U.S.A., but is evident in many other nations as well. At stake is a seemingly ineluctable transfer of power from national governments to the transnational firms; from elected officials to directors of large banks, hedge funds, and global firms; from citizens to plutocrats; from democracy to corporatocracy.

KEYWORDS

Anthropology, economics, politics, sociology.

RESUMEN

La esperanza en el futuro de la democracia tiene que enfrentarse con una transformación sustancial de la estructura de poder, que comenzó en la década de 1970 y que está ahora alcanzando su fase más avanzada. Este cambio en la forma en que se controlan las decisiones y las políticas clave es claramente visible en mi propio país, EEUU, pero es también evidente en otros muchos países. Lo que está en juego es la aparentemente inevitable transferencia de poder desde los gobiernos nacionales hacia las empresas transnacionales; desde los políticos electos hacia los directivos de bancos, *hedge funds* y empresas multinacionales; desde los ciudadanos hacia los plutócratas; y desde la democracia hacia la corporatocracia.

PALABRAS CLAVE

Antropología, economía, política, sociología.

Hopes for the future of democracy must now confront a basic power shift that has emerged since the early 1970s and is now reaching its advanced stages. This shift in control over key decisions and policies is clearly visible in my own country, the U.S.A., but is evident in many other nations as well. At stake is a seemingly ineluctable transfer of power from national governments to the transnational firms; from elected officials to directors of large banks, hedge funds, and global firms; from citizens to plutocrats; from democracy to corporatocracy.

Recognition of this shift is by no means new. In recent years it has been thoroughly described and theorized in books on globalization, the rise of the information society and creation of the new economy. It is, for example, a key theme in Manuel Castells books on the “network society” and in Sheldon Wolin’s masterful study, *Democracy Incorporated* (Wolin, 2010).

Especially remarkable today are the numerous, troubling manifestations of power shift as it achieves maturity, specific signs of the obvious erosion at the very heart of democracy within nations, including the U.S.A., a country that has long believed it was prosperous enough and powerful enough to maintain the integrity of its fundamental principles and institutions against any unfriendly incursions.

An awareness of undeniable symptoms of this malady has made it necessary for me to change how I teach politics to university undergraduates. For many years the topic was perfectly straightforward, predictable and even a little dull. I offered a class entitled “American Politics and Elections” that included such topics as how our three branches of government work and interact, how a bill becomes a law in Congress, and how elections in a pluralist democracy operate. It was a basic, well-worn overview right out of the standard political science textbooks.

But about five years ago, it dawned on me that I could no longer honestly teach the standard narrative because the political system had changed fundamentally and was no longer working as advertised. How could I go on teaching the old, outdated myths as if nothing had changed? For example, if you look at how “a bill becomes a law” in our House of Representatives at present, you would have to admit that there are very few instances when that actually happens. During the Obama years (with few exceptions) the Congress has refused

to pass laws and policies expected to have any positive outcomes for American society. Legislation is blocked, totally obstructed by intensely ideological “conservative” politicians as those on the other side watch helplessly dumbfounded. Everyone in Washington, D.C. recognizes this gridlock, but few own up to its deeper implications. The flimsy excuse — “But both sides do it”— is about as far as most observers are willing to venture. Indeed, the prevalence of “both sider” explanations are a tell tale sign that political discourse and journalism have simply relinquished any willingness to probe the basic causes of widely noticed maladies in American politics and, indeed, in American society as a whole.

After several years of observing the paralysis, the public has begun to take notice. Recent opinion polls show that Congress has become a total laughing stock with approval ratings that hover around 5%. The nominal leader of Congress, “the Speaker” John Boehner, proudly announced that his success will not depend on how many laws he passes, but how many laws are repealed. For this reason when I teach introductory politics these days, I must explain the void: how a bill does not become a law.

A similar need arises in helping students understand the current status of the three branches of government in our Constitution —the executive, judicial and legislative branches. It is now apparent that two of the three have been radically transformed their workings. The legislative branch is now more accurately called the “obstructive” branch, since it obstructs any constructive legislation aimed at addressing national problems of any significance. In similar ways, the judicial branch —especially the Supreme Court— now functions as a group of nine unaccountable kings and queens who usually uphold whatever the corporations and wealthy elites demand. Thus, the three branches of government, I explain in my classroom (with only a small touch of irony), are now the executive, the obstructive and the monarchical.

Beyond this comedy of labels, of course, lie some gravely serious issues. Perhaps the most shocking surprise flowing directly from the power shift at the heart of American politics right now —a surprise that has recently erupted with extraordinary force— the enormous gap in the inequality of income, wealth and political power that has arisen in the U.S.A.

Most Americans are simply befuddled as they learn the sad facts about extreme inequality and their implications, for the situation is completely at odds with the most basic American beliefs, including what has traditionally been known as “The American Dream” (Smith, 2012) (Barlett & Steele, 2012). From its beginning, the the nation has supposedly been committed to equality as its founding principle. “We hold these truths to be self-evident that all men are created equal...,” Thomas Jefferson proclaimed in The Declaration of Independence. Perhaps

the greatest work of political theory about the USA, Alexis de Tocqueville's *Democracy in America*, could more accurately have been named "Equality in America," for that was what the French philosopher and statesmen observed when he visited the young republic in the 1830s. In every town and village, what Tocqueville noticed were ordinary American people busily realizing dreams of equality as the nation expanded westward (de Tocqueville, 2003).

Of course, there were always notable exceptions to this grand ideal. America's native peoples, African slaves, the indentured servants of the Republic's early years, women until the mid 20th century, and African-Americans during the decades of "Jim Crow" segregation were all excluded from the dynamics of equality. (These are stories for another occasion.) Suffice it to say the idea of equality and of equal rights is central to America's understanding of itself as a very special and virtuous place —"American exceptionalism" as some observers (even now) like to proclaim.

Unfortunately, during the past four decades or so there has arisen a remarkable turnaround in the legend of equality in the USA, the appearance of trends long documented by social scientists, but ones ignored by the media and most politicians. The lid finally blew off the story with the eruption of the Occupy Wall Street in the autumn of 2011 when "the gap" between the 1% and 99% became headline news.

Some of the basic facts are these:

Since the early 1970s there has been an astonishing shift in the distribution of wealth and income in the United States.

The real wages of working class and middle-class people have essentially flattened, while the incomes of the top 1% to 2% have soared.

The differential can be seen in the comparison of the incomes of chief executive officers (CEOs) in banks and corporations to the earnings of ordinary workers. In 1978 CEOs earned 29 times more than the average employee. In 2012 they took home roughly 203 times more than workers overall (Mishel & Sabadish, 2013) In fact, one recent analysis shows that CEOs today earn 311 times the pay of the average American worker (Paywatch, 2013), while some estimates of today's inequality in the U.S. soar even higher.

During several decades marked by steady economic growth and steadily rising productivity, workers have captured very little of the gains. Today's exaggerated levels of inequality in wealth in the U.S. are comparable to those of ancient Rome. The magnitude of inequality of income is worse than any other industrialized country, even worse than developing countries such as Pakistan and the Ivory Coast. A recent study of the statistics

revealed that the top 0.1% of the U.S. population commands wealth equal to 90% of the rest of the populace (Saez & Zucman, 2014) (Monaghan, 2014). And the economic crevasse continues to expand with dizzying rapidity.

While many America citizens are vaguely aware of this unhappy situation in contemporary social life, very few comprehend the sheer size of the gap that separates the excessively rich from everyone else (Utrend, 2014). What is truly unsettling to citizens, politicians and academics alike is that what have long been understood as conventional remedies for economic malaise available to the nation are no longer functioning. Most notable is the lovely conviction that economic growth in itself will boost the fortunes of the working class and middle class Americans. In fact, there has been considerable expansion of the economy as a whole and growth in the productivity of workers in recent times, much of it due to computerization. But since the middle 1970s real wages have flattened or even declined for roughly 60% of the population. Trends of this kind are intensifying. Since the economic crash of 2008, 95% of the income gains in the USA during the so-called “recovery” have gone to the top 1% (Sáez, 2012).

In fact, according to recent opinion polls, most Americans do not believe there has even been a “recovery.” Recovery, you say? What recovery? Where? When? The fact that Wall Street is prospering and corporate profits are skyrocketing means very little or ordinary people whose salaries have stalled or are among the long term unemployed and are still struggling to make ends meet. Happy talk from the Obama administration about many months of “job creation” and “economic growth” have done little assuage the very real fears of the middle class and working poor that “the economy” no longer functions for them.

Perhaps even more unnerving sign of the effect of inequality is growing skepticism about the cherished belief that America is a “land of opportunity.” Social surveys indicate that in recent times there has been almost no upward economic mobility. If you are born in a particular socio-economic stratum, you are almost certainly destined to stay right there. Vanishingly few people are able to rise to higher levels (DeParle, 2012). Deeply entrenched inherited wealth has become a dominant, enduring feature of the social order.

Taken together these surprises about people's real economic conditions point to a predicament often noted in today's political discussions —the collapse of the aforementioned “American Dream”— the celebrated belief that if a person worked hard and played by the rules, one could prosper, buy a home, give one's children a good education, and retire comfortably in one's later years. Along with evidence of stagnant or even declining wages

there is undeniable evidence that other important features of the dream are rapidly fading as well. Funds for public education are being slashed, several hundred thousands teachers have lost their jobs since the 2008 crash and college education is affordable only to the wealthy or by those by willing to take on crushing burdens of debt. Buying a house is possible for fewer and fewer people. Old age pensions have largely been eliminated. People expect to work many more years than in previous generations.

Recognizing trends of this kind, our politicians and journalists have begun talking about a crisis. They ask, “Whatever became of The American Dream?” As the great comedian George Carlin once observed: “The owners of this country know the truth: It's called the American dream because you have to be asleep to believe it” (Carlin, 2005).

When I ask my students about their visions of life's possibilities they often choose to avoid the trends glaring at them in the statistics. Their eyes still shine brightly as they intone the lovely myth that America is “the land of opportunity.” But they have no solid answer to my question: “What in the world does opportunity mean these days?” A common move is to embrace fantasies of becoming the next great billionaire and joining the 0.01%. One of their favorite examples is Elon Musk, a South African/Canadian who, as a young man, came to the U.S. and co-founded Pay Pal, got fabulously rich and went on the found the Tesla automobile company and a firm that builds space rockets. Here, students explain, is grand proof of what's still possible in America. When I ask what's the sample size for the likelihood of success on that scale, they admit it's one in 30 million people or so. But they remain confident that they themselves will be the next winners in the great entrepreneurial lottery. They plan to overcome inequality (and pay off their staggering student loans) by becoming fabulously rich in Silicon Valley or on Wall Street. I smile appreciatively and wish them “Good luck!”

For those who look more closely at this predicament, it becomes clear that the phenomenon of inequality is not simply a matter of wealth and poverty. A widely read survey of cross-national data shows that societies like the USA that exhibit wide gaps in income inequality are more likely to experience a range of social and psychological ills —higher rates of mental illness, suicide, depression, illegal drug use, lack of trust, and other maladies. In their book, *The Spirit Level: Why Greater Equality Makes Societies Strong*, demographers Kate Pickett and Richard Wilkinson and suggest that inequality is kind of collective disease, a pervasive malady that afflicts members of society as a whole —both the poor and the rich—a disease of the body politic itself (Pickett and Wilkinson, 2010).

Attempts to explain the origins of pathological levels of inequality we see today are hotly debated among economists, sociologists and public-policy analysts. In the list of causes one

finds the influence of free trade agreements, corporate outsourcing of jobs, the financial and organizational features of globalization, decades long rates of return on capital as compared to ordinary economic growth, the lingering effects of racial discrimination, and numerous other factors. The debate has recently been galvanized by Thomas Piketty's *Capital in the Twenty-First Century*, a magisterial study of decades of international economic data, an attempt to explain the reappearance of staggering inequalities reminiscent of the *Belle Époque* in Europe (Gilded Age in the U.S.A.) of the late 19th century (Piketty, 2014).

One element of the story that, although probably not the most important in the overall situation, is one that attracted the attention of scholars and policy makers in the late 1970s. I first took note of this body of research during a time in which I moved from conventional political science to the field of science and technology studies (STS). A hotly contested issue back then was that of automation, computerization and what was often called "the future of work."

It was perfectly clear to industrial workers, corporate managers, and academics in the emerging field of STS, that digital technologies were involved in a wide range of changes in the material and social settings of industrial production. Significant examples of developments underway were the creation of the regimes of containerized cargo in international shipping as well the creation of new generations of machines in factory production, including computer numerically controlled machine tools, CNCs. Conferences, seminars and public debates in universities and other venues pondered the innovations on the horizon with an emphasis upon how intelligent, caring people could participate in planning for and shaping the changes underway. No one knew exactly how these events would unfold, but a great many observers understood that sweeping transformations in technologies of industrial production would surely affect the fabric of social life.

Thoughtful participants in the debate wondered about whether or not there should be an overall "industrial policy," a set of plans cooperatively fashioned by leaders in government, the corporations, and labor unions to guide the future of technological development and the qualities of working life in the decades ahead. As the "post-industrial" economy took shape, of course, intentions of that kind were never realized. The vogue of neoliberalism with its faith in the exquisite beneficence of the market transfixed leaders in the corporations and political parties. Within this magical mindset no American "industrial policy" was ever devised, no democratically formulated plan for the future of factory work, no strategy for managing technological change for the greater good.

An important study within this field of issues was the research of historian David F. Noble on the design, development and introduction of computer numerically controlled machine tools during the 1940s through the 1970s (Noble, 1984). Noble's research pointed to a struggle between two distinctly different conceptions of industrial innovation within projects the sought to connect factory lathes used to mill metal parts with the power of computers. One model —the record playback machine— left much of the initiative and creativity on the shop floor in the hands of skilled unionized workers. In the shaping of metal parts, such machines were guided by the hands of conventional factory workers, their motions electronically recorded for playback on the cutting of production runs of metal parts.

An alternative model, computer numerically controlled machine tools, CNC, favored by the Air Force corporations like General Electric, was a design that relied upon white collar engineers and managers off the shop floor to do the intricate computer programming that would guide the actions of the machines.

In his book *Forces of Production*, Noble details the history of these developments, using historical records to test various hypotheses about why CNC was eventually victorious while the record playback machine more favorable to ordinary workers was rejected (Noble, 1984). What, he asks, was decisive in the outcome? Was it the quest for precision, efficiency, flexibility, or even profitability for the corporation?

Noble argues that if one looks carefully, none of the favored explanations holds up very well. What was decisive in the end was the quest for managerial control over the production process. The managers at GE wanted a technological design and mode of implementation that favored their own power over that of unionized workers. Thus, they chose the CNC design with all that entailed and rejected the material design and social relations of record playback.

Directly in question was the role of the participation and creativity of blue-collar working people, the survival of their jobs, their incomes, the labor unions, and ultimately their very way of life.

Within the great confrontations during the 1960s into the late 1970s, the workers lost and the US military and its corporate contractors won. At stake were momentous choices about which machines would be designed and implemented and where control would be located —a crucial dimension of what today see as a sweeping power shift.

Recently, sociologists and economists have been going back over the data about productivity and technological change to see which patterns can help explain an increasingly troubled state of affairs in the USA —the decline of manufacturing and the demise of the

kinds of work that supported a prosperous working class in the U.S. during the thirty years or so after World War II. One retrospective of this kind is a study by Tali Kristal published in the *American Sociological Review*, "The Capitalist Machine: Computerization, Workers' Power and the Decline in Labor's Share within U.S. Industries" (Kristal, 2014), a lengthy, sophisticated, quantitative analysis that teases out of the data the various circumstances that account for widening inequality within the US populace.

Kristal notes that since the late 1970s there has been a "decline in labor's share of national income" of 6%. Much of this is "due to a large decline" (as much as 14%) "in construction, manufacturing and transportation combined." She notes that earlier, during the 1950s and 1960s, labor's share of income had steadily increased. However, "Since then, labor's share has declined in all rich countries, as labor unions and labor-affiliated political parties fell on lean times and workers were left without a strong collective voice to confront employers." Looking at the U.S. data she concludes "that computer-based technologies are not class neutral but embody essential characteristics that favor capitalists (and high-skilled workers), while eroding most rank-and-file workers bargaining power."

To be more precise, Kristal writes, "computerization has reduced labor's share indirectly through its role in reducing unionization." This echoes David Noble's position argued in the late 1970s and early 1980s in his study of numerically controlled machine tools. In his book, *Progress Without People*, Noble argued that this was not an isolated case, but one representative of a wide range of computerized applications in industry (Noble, 1995). The corporate formula was: Remove control from rank-and-file workers. The CNC model of new machine tools was merely part of an ongoing technologically embodied attack upon the power of labor unions aimed at liquidating entire categories of skilled factory work.

Of course, the whole story here has many additional, noteworthy dimensions, including surveillance of workers on the job, strategies of divide and conquer especially in payment schedules, firing union activists, and a good deal more. But, as Kristal's research makes clear, the influence of particular kinds of technological initiatives strongly shaped the broader outcomes.

Noble's study emphasized the question: Can factory workers' skills be replicated by computer programs used to run production equipment? Today the equivalent question can be stated more broadly: Can all or most forms of productive activity be embodied within the countless, rapidly proliferating algorithms that do useful work with little or no human presence? In studies such as *Race Against the Machine: How the Digital Revolution is*

Accelerating Innovation, Driving Productivity and Irreversibly Transforming Employment and the Economy by Erik Brynjolfsson and Andrew McAfee, the classic debate about technology and the future of work and income is reborn, this time on steroids (Brynjolfsson and McAfee, 2011). Books and articles in this genre, often written by people in schools of management and by Silicon Valley gurus, openly speculate that in the decades just ahead countless millions of people will be thrown out of work by a flood new artificially intelligent algorithms in every conceivable field of human activity. Will the ongoing ruminations and proposals in this genre be more fruitful than the “future of work” debates of the 1970s? (Don’t count on it.)

Another feature of the power shift evident in spiraling levels of economic inequality in America is a distressing trend in the nation’s political life, one slowly beginning to dawn on the citizenry —the recognition that those who now derive their riches from international finance and global regimes of production and service no longer much care about vitality and coherence of democratic society. The evidence mounts that wealthy corporations and business moguls are often busily at work seeking to undermine the integrity of democratic institutions and vitality of civic culture (McChesney and Nichols, 2013).

Ominous indicators here include the hundreds of millions of dollars spent in the U.S. by wealthy individuals and their campaign organizations to dominate the outcome of elections. Their explicit goal is that of placing in office people who will lower taxes on the rich, eliminate barriers of regulation on corporate activity, dismantle government programs that help ordinary people, and reduce the share of income that everyday workers can expect to receive. Because the enormous amounts of money spent by wealthy individuals and organizations is largely secret (“dark money”), it is difficult for citizens to know exactly what is happening in elections, much less in public policy making. But the facts dribble out bit by bit. For example, two of America’s most powerful oligarchs —the Koch brothers- Charles and David Koch— spent more than \$400 million on the 2012 elections (Gold, 2014). During the same period the network of moneyed interests organized Karl Rove spent hundreds of millions as well. In this vein, a long list of millionaires and billionaires are involved in flagrant efforts to undermine the choice of government officials and processes by which public policies are made. A series of recent Supreme Court decisions, the notorious “Citizens United” judgment in particular, have ratified such bald-faced varieties of corruption and extortion as constitutionally protected “free speech” available to corporations defined now as “persons” (Citizens United v. Federal Elections Commission, 2010).

To a great extent influence of this kind has simply absorbed one of our two political parties, the Republican Party, a once reputable organization that now serves as a kind of

hollow shell for priorities of America's increasingly open and aggressive corporatocracy. Within elections at the level of our fifty states, forces of this kind are now engaged in campaigns of neo-Jim Crow voter suppression, “gerrymandering” (controlling the shape of electoral district boundaries), instituting a variety of measures that make it difficult for their opponents to vote at all. This amounts to an increasingly open, explicitly shameless declaration of war on the most elemental expression of democracy —the vote.

Although seldom stated as such, the underlying goal of these machinations is to eliminate the role of government as a positive force for recognizing and solving important problems that face American society. The idea that a democratically elected government can be and ought to be an active, creative problem-solving institution is now directly under attack. During the years of Obama’s presidency this has largely been achieved. After his first two years during which there were a few modest reforms in government policies, Obama’s opponents have blocked every significant reform he has proposed. His presidency has been reduced to a sequence of flowery speeches with no consequences for legislation or public policy (Pierce, 2013).

An increasingly tangible, visible consequence of this situation is that “the world’s richest nation” is simply no longer engaged in plans or projects to address the country’s most urgent needs. Even simple matters about which one might expect an easy consensus —rebuilding crumbling roads, repairing decaying bridges, replacing outmoded airports, revitalizing the public schools, etc.— are left unattended. This is readily apparent to anyone who travels to the USA from foreign, still ambitious countries —China for example— that are constructing new public facilities at a rapid clip. Signs of torpor and inaction in the U.S. at present are positively breathtaking.

By the same token the country is not building new schools, not launching programs in job creation and certainly not responding in any serious way to the need to address the emergencies of climate change. While the government still funds scientific research, levels of spending in that category have been frozen.

Evidence of this kind reveals the power shift in stark detail. A yawning vacuum in public priorities and the exercise of democratic government points to a ruling elite that has simply ceased to care about the U.S. populace as a whole. Justified by bombastic talk about growing debt and deficits and excessive government spending, the standard nostrums involve cutting taxes, eliminating government regulations and slashing programs that offer resources to the

working poor: food stamps, higher minimum wages, unemployment insurance, job training, social security, and so forth.

In their recent, meticulous, data driven study, political scientists Martin Gilens and Benjamin I. Page demonstrate what most careful observers of the American system already understood: elected officials pay almost exclusive attention to the priorities of society's most wealthy segment, very little heed to the expressed wants and needs of the great mass of citizens (Gilens and Page, 2014). As the authors note, "When the preferences of economic elites and the stands of organized interest groups are controlled for, the preferences of the average American appear to have only a minuscule, near-zero, statistically non-significant impact upon public policy." At the article's conclusion, Gilens and Page reflect upon what their data has revealed and lament that "if policymaking is dominated by powerful business organizations and a small number of affluent Americans, then America's claims to being a democratic society are seriously threatened."

It is no mystery why the wealthy economic and political elites —the 1% as Occupy Wall Street called them— would favor measures that consolidate their power. But, you may be asking, isn't it true that there are tens of millions of everyday people in the middle class and even among the working poor who regularly vote for the policies that favor today's conservative oligarchy?

Yes, in fact, a fairly large segment of the American people is beguiled by an ideology of so-called "freedom" that justifies the kinds of market measures the oligarchs prefer. Beyond that, a great many even seem to be aware that, in actual practice, the term "market" identifies ways that large business firms are shipping their jobs to China, Vietnam and elsewhere and devastating their standard of living. But how can one explain a situation in which 30% or more of the voting populace supports corporate interests and elects politicians that work to undermine the wellbeing of everyday citizens?

In my view, the answer can be found in the power of resentment. It's increasingly clear that people who are not wealthy come to be persuaded that government is simply in the business of taking their money and giving it to the "others" —giving it to the undeserving poor, those lazy louts in other neighborhoods (Frank, 2004). A cleverly crafted, intricately coded language of "dog whistle politics" evokes feelings of that kind —diatribes about "welfare queens," "young bucks," the "culture of inner city males," and so forth— strongly suggesting that the "others" are unworthy black and brown people or immigrants from foreign countries (Hanley-López, 2014). This is a topic Americans do not like to discuss explicitly in

public: How race and racial discrimination are very much a part of distribution of power in the country both historically and in the present moment as well.

How is it that so many people in the US whose own fortunes are visibly sinking nevertheless repeatedly vote for the interests of billionaires and a well-organized corporatocracy? The basic mind set appears to be: Precisely because I realize that my own prospects are sinking, I will do my best to make sure that the government will not spend any tax dollars to help anybody else, especially those undeserving “others.” A mentality of this kind has been spectacularly on display in recent election, especially the “off year,” non-presidential elections of 2010 and 2014 in which “conservative” Republicans were notably successful at the polls.

This is a remarkably different attitude from that of European social democracy or American New Deal liberalism in which a majority agreed: “We’re all in this together. Let’s pool our resources and move forward.” That was the prevailing view in the USA during the middle of the twentieth century—a view of hope, solidarity and national community. Alas, sentiments of that kind have pretty much evaporated within today’s mainstream political discourse and media coverage. The one exception is occasional mobilization for war, currently “the war on terror,” including the attack on and occupation of Iraq in 2003 and other battles in the Middle East, e.g., the offensive against ISIS in Syria and Iraq in 2014.

Much of the American populace today—a great many older, white, working class and middle class voters have moved from the mentality of hope, solidarity and national community—a mentality that many of them formerly embraced—to a mood of rigid, embittered resentment heightened by waves of fear—fears of an Ebola outbreak, of imagined waves of immigrants flooding the nation’s borders and the fear-of-the-week fanned by reactionary politicians and “pundits” on cable TV. This makes them natural allies with the wealthy ruling oligarchs who have now rather openly and unabashedly written off much of the U.S. populace altogether.

Recently, attitudes of this kind have erupted within the very mainstream of American public life. During the 2012 presidential campaign candidate Mitt Romney gave a talk, secretly recorded by a waiter at a funding raising event, in which Romney let the cat out of the bag, arguing that about half the country’s voters, —47%, “believe the government has a responsibility to care for them, who believe that they are entitled to health care, to food, to housing, to you-name-it. My job is not to worry about those people. I’ll never convince them they should take personal responsibility and care for their lives.” (Corn, 2103)

From this point of view the nation's population is divided into two opposing segments: "The Makers and The Takers". As argued by corporatist elites as well as the long-standing extremist conservative faction re-branded as "The Tea Party," the message is in effect: We're fed up with half the American people and we're not giving them another dime of "our money."

Sentiments of this sort reflect circumstances in which the vitality of the nation state in steering the economy and responding to social needs has yielded to priorities of transnational, intricately networked, increasingly voracious 21st century capitalism. As this transformation continues, it becomes increasingly obvious that many of the traditional practices, institutions and modes of communication in national politics suffer from a profound paralysis and derangement.

One symptom of the derangement is evident in the decay of mainstream political discourse —the discourse of our politicians as well as communication formats that prevail in our mass media, a crippled discourse that blocks an effort to imagine fruitful strategies of action. A regrettable instance took shape in 2013-2014 as President Barack Obama, an intelligent, caring, obviously competent man —began to talk about the source of inequality in occasional public comments. In the weeks leading up to his 2014 State of the Union address, Obama seemed to be getting ready to tackle inequality forcefully, head on. His speeches emphasized the gravity of the problem of inequality how it was eating away at the nation's soul and its very future. Many of his supporters expected that Obama would soon propose strong policy measures to reverse this trend.

But when Obama's opportunity to speak to the nation finally arrived, any mention of the lethal collective disease of inequality had somehow vanished, replaced by Obama's vague happy talk about how America was still a wonderful land of opportunity (Obama, 2014). A great many people listened to the talk and said to themselves: What! Please, Mr. President, the model of our society that you are talking about is the very one that is rapidly collapsing before our very eyes. You've recently admitted as much yourself. Why is it that we cannot we come together to talk about these matters in, open, honest, decisive terms?

Along with the other problems I've mentioned, a crucial problem is that America's capacities of political speech are increasingly vacuous, irrational and absurd, out of touch with anything even remotely resembling reality. As reflected in the widely watched Fox News Channel, a 24 hour a day of well produced, colorful, generally hate-filled commentaries on the news, and non-stop right wing talk shows on hundreds of AM radio stations, there is little desire to discuss the pressing issues of our time (Brock & Rabin-Havt, 2012). Instead, Fox

News propagates a series of largely imaginary scandals. The current set includes what happened during the chaotic events at Benghazi, the claim that Obama used the government's tax office to attack right wing political groups, and the bungled introduction of the nation's new health care plan.

Thus, Fox News channel's exclusive message about government in Washington is the drumbeat —scandal! scandal! Scandal!— even when rumors supposedly revealing the scandal have, for the most part, been thoroughly discredited.

As Manuel Castell's writings of the 1990s argued (Castells, 1997) one sign of power shift and the weakening of the grasp of national governments is an obsession with pseudo-events, what some observers today call "anti-news" (Engehardt, 2014). Because government officials can no longer perform the positive duties of office and because government is no longer a focused, resourceful problem-solving entity, the void in public life is filled with the latest sex gossip or reports about the misappropriation of public funds. Stories of this kind fill the television screen twenty-four hours a day, making it seem as if issues of great importance are being presented to a well-informed public. What is actually happening, of course, is that the public is being fed a steady diet of info-trash.

Looking at the predicament from a wider standpoint, it seems that the U.S.A. has met roughly the same fate as its political opponent in the Cold War, the Soviet Union (now Russia). Both have shed the high ground of political principle that supposedly inspired their epic struggles for power —socialism for one country, freedom and democracy for the other — only to collapse into rough, raw money hungry oligarchies ruling over increasingly dispirited populations.

So it goes for would-be empires.

The successful strategy of political capture engineered by the billionaire Koch brothers and their *compadres* in the top 0.1% can now be easily summarized. If one funds enough policy think tanks, buys enough radio stations, owns enough cable television channels, endows enough university chairs, purchases enough election attack ads, pays for the favors of enough politicians, bankrolls for enough voter suppression laws, and employs enough lapdog pundits spewing right wing blather twenty-four hours a day, enough to dumb down political speech and most people into distraction, despair and passivity —then one has essentially bought a whole nation. From the billionaire's perspective, the total cost of the campaign was relatively cheap. As the wipeout victory of the right wing in the 2014 elections made clear, the success

of this oligarchical onslaught now looks less like a "challenge for American democracy" than the culmination of a slow moving *coup d'état* (Democracy Now, 2014).

The situations I've described here defy any easy solution. Beneficial policies would certainly include raising taxes on the wealthy, greatly increasing the minimum wage, providing free education for all citizens from kindergarten through college, giving poor families the real resources they would need to realize the "opportunity" that our politicians cynically proclaim in their speeches. A clear, hopeful sign would be that massive numbers of people, especially young people, begin to recognize that the game is rigged—that society is now systematically unequal, unjust, undemocratic, and unable to chart a reasonable future for them—, people who announce their vocal, active resistance to an economic and political order that now works only for the very rich.

A response of that kind began to emerge in the autumn of 2011 in the Occupy Wall Street movement and similar Occupy demonstrations across the United States. This uprising called attention to the glaring gap between the wealthy 1% and the rest of the populace, many of whom are suffering severe decline in their incomes and life chances.

While the Occupy movement generated extensive lists of demands, it did not announce any specific set of goals or anoint a telegenic leader, a situation that made it difficult for the corporate media and our deeply bought off politicians to embrace its perfectly clear, urgent message. Asking for widespread debate on a previously taboo subject—glaring conditions of inequality in America— Occupy refused to elevate any particular celebrity as its spokesperson. Within their encampments in public parks and general assemblies, participants openly debated the most basic questions. What is the problem here? What can be done?

After a period in which the authorities allowed the demonstrations to continue, there was finally a brutal, nationwide crackdown. Documents obtained via the Freedom of Information Act reveal a coordinated attack planned by the F.B.I., Department of Homeland Security, local police, large banks, and several universities (Wolf, 2012).

Scattered pieces of the Occupy movement still function online as well as in focused political initiatives such as the formation of a watchdog group to influence new regulations in the Securities and Exchange Commission and a program that raises funds to buy up mortgages homes subject to foreclosure. At present there are Occupy-like demonstrations in the "Moral Monday" movement in North Carolina and other parts of the south, demanding an end to voter suppression laws and an end to ongoing attacks on women's rights.

In sum, we live in a period of history in which the maladies of inequality have repeatedly surfaced, only to be swept under the rug; a time in which crucial “elections” have been reduced to mere “auctions;” a turning point in which the traditional workings of democracy have been replaced by pungent, thinly disguised forms of oligarchy and corporatocracy. In this dire situation, the open, intelligent, resourceful resistance of a mass populace—expressed in a variety of ingenious projects—is the best course of action and, perhaps, the only pathway left to us.

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