

The Fallacies of Neoliberalism and the Emergence of Human Rights

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Contents

- 1 Introduction
- 2 The Struggle against Indigenous development
- 3 Satisfying Public Needs
- 4 The Ideological Struggle
- 5 The Alternative
- 6 The Logic of Human Rights
- 7 The Recovery of the Citizenry

1. Introduction

How is it possible that an economic system that benefits merely ten percent of the populace is accepted by a plurality of the population?

How is it possible that well-regarded popular economists defend this system uncritically, especially now that there is an international reaction against it, translating into political transformations under the thumb of neoliberalism?

Neoliberalism is the ultimate and most extreme version of capitalism, begun by heads of state, Margaret Thatcher in Great Britain and Ronald Reagan in the United States taking advantage of the moment of collapse of the communist system. This final version is accentuated by globalization.

But Globalization is the third chapter in the history of capitalism. The first was state capitalism, colonization, exercised by powerful states over other, weaker ones, to defend themselves against their own risks and to control their activity, generally preferring the use of force. This is the case between Spain and Latin America, between England and India, and between Belgium and the Congo. The protection of states against their own business enterprise will be the subject of the second chapter. The United States sends their Army to protect the interests of the United Fruit Company in Central America, founding the expression “banana republic.” In another sense, this is the origin of the military coup in Chile and as usual, with the petroleum problem, with the crisis in the Middle East. In the third chapter, the protagonists are the multinational corporations that benefit from the protection of the World Bank, the International Monetary Fund, and especially the World Trade Organization, to privilege their own interests over the interests of the states on which they are sitting upon. This chapter represents the moment of the most amount of liberty of capital, not so much to open up the borders to free trade, but more to impose upon those

countries onto which the labor and environmental laws they exploit. This freedom allows an organizational reinforcement that goes from foreign direct investment to the creation of monetary paradises where they hide their money, leading to the overvalued financial sector and again, the exploitation of the countries in which this occurs.

In the era of globalization, multinational corporations are the predominant economic powers. There are two political powers, one constituted by the three entities mentioned previously. These lack a genuine democratic character in favor of business. The other, the United Nations, growing weaker with each passing day, is the object of antagonism and bearing the full brunt of attacks from the United States. The conflict in Iraq serves as an especially explosive example of this. The United Nations serves as a kind of library for international law and boasts a global police force and dampens social risks with entities such as UNICEF and others.

It is important to remember how neoliberalism has manipulated the intention of international legislatures to design the global organizations to which I refer. At the end of WWII, the assistants to the Breton Woods conference of 1944 planned to create a new economic order that would prevent catastrophes such as the Great Depression of 1929 as well as the fascist reaction that was produced in Europe. The International Monetary Fund and the World Bank, financed by the contributions of its initiating 43 member states, received an explicit mandate to impede these catastrophes. The World Bank would finance development in poor countries and the Fund would absorb temporary financial disruptions generated by speculation and volatility in the international markets. The two institutions took up residence in Washington, one across the street from the other on the same street. John Maynard Keynes, who headed the English delegation, after reaffirming the dangers of allowing the market to regulate itself, concluded that if the institutions created stayed true to their founding principles, universal fraternity among all men would be more than just a phrase. But the organizations showed early signs that they would not be true to these principles—quite the opposite. To begin, these were not democratic organizations. Nor is the World Trade Organization, the third piece of the aggregated system. Their decisions are not taken according to the votes of the majority of the countries, but rather according to the economic importance, a model in which the United States exercises the most power, followed by the European countries and Japan.

The colonization of the two organizations by alumni of the Economic School of Chicago, headed by Milton Friedman, resulted finally in a document titled the Washington Consensus, presented by John Williamson in 1989, that out to presumably raise the base quality of life in the global economy. These bases, evaluated technically, were nothing but a return to a more elemental capitalism and affirmed that public services ought to be privatized and that the limits on the movement of international capital should be abolished.

The result has been a rise in inequality. The 2005 Annual Report from the Population Reference Bureau documents that ...half of the world population lives on less than two Euros per day and that basic inequality continues to grow. The inequality is between not only the North and the South. In the United States there are 48 million citizens without health insurance. But it is in the South where inequality and the AIDS crisis in Africa grows because of pharmaceutical companies that have weakened the health infrastructure.

There is a terrible statistic that 5 million children die each year from lack of access to potable water, due to malaria.

And as the deterioration that these multinationals have caused take effect, the number of cases mount. From one year to another, maritime catastrophes continue to occur, proving the absence of international inspection of maritime traffic. *Blood Diamonds*, a recent movie by Giorgio Di Caprio about contraband gems promoted by specialized firms, serves to foment political instability in the countries of their production. Meanwhile war distracts international attention away from these shortages and inequalities. It continues to favor the maintenance of the military industrial complex, the American version of which can be considered the military appendage to the global economy. These wars are sometimes motivated by practical matters, such as the protection of oil and other interests, such as Iraq, with the added result of creating an international enemy, terrorism, like communism in its day.

But neoliberalism is dogmatic and the substance of its dogma is the wisdom and inexorable rationality of the market. That is nothing but a subterfuge to call capitalism by another name as if the market were free and not, in fact, dominated by the most powerful, the kingpins of fraud and hatchet jobs, and especially by financiers and governments. Thomas Frank, in his recent book *One Market under God*, (Doubleday, 2000) has sagely explicated the falsehoods of this explanation that many economists and not-too-few sociologists swallow with certain ease despite it being basically childish. The model is based on the principle of “trickle down,” meaning that government authorities should give money and freedom to the rich that in some way “mysteriously,” Frank says of the teleology of the market, ends up in the hands of the poor. But the objective here is not so much to critique neoliberalism because it increases inequality, maintains and creates large shortages for the many inhabitants of the planet and destroys the environment. The principle question is to look at the ways in which neoliberalism has attacked the organization of the economy. Prior to neoliberalism, national economies did often address the needs of its citizens. But multinational corporations and governments have sown a dense network of corruption so that international assistance does not benefit development in developing countries. The majority of it ends up in their poorly scrutinized pockets because the majority of the citizens do not react, or they do so in a weak manner against a system that is set up against them.

2. The Struggle Against Indigenous Development

The political climate that we lived in post-WWII pushed citizens and the government officials whom they elect, to guarantee a system of capitalism that was “decent,” with a minimum basic quality of life that impedes towns from seeking extremist ideologies, fascism, communism, that guarantee them. From there, social security was born, attention to public sanitation, worker protections, compulsory free education, matters that were known under the name State health, based in a progressive system of taxes and in the creation of a public sector responsible for the delivery of services.

The Latin American version of the welfare state, Developmentism, before taking on more risk, is forced to nationalize savings and organize the public administration, barely visible

in so many countries where the policy, the justice department, the regulatory organizations of industry and commerce either do not exist or are quite precarious. Developmentism began in the Southern Cone, under the auspices of the Economic Commission for Latin America, a subsidiary of the United Nations and Directed by the prestigious Chilean Economist Raul Prebisch from 1950 to 1963. Prebisch, who like Friedman in Chicago, except diametrically opposed, organized economists to advise development in those countries. The strategy was simple, but contradicted what was until then occurring in this zone where capital, primarily American, eventually backed by military force, took over the economies of what the Americans called their “back yard.” During the Developmentist period, the countries that were advised by Prebisch’s people succeeded in looking like Europe and, especially, they put in place an indigenous political industry to sustain imports.

The success of Developmentism in those years was obvious. Productivity rose, a network of infrastructures and public services was created, and a middle class that was proud of its country and began to invest their savings in it began to coalesce. This was a stark contrast to what was happening previously, when the rich had their savings in the United States.

That success notoriously angered foreign businesses and that anger put on the march a strategy to destroy Latin American Developmentism that Naomi Klein has explicated brilliantly in her book, *The Shock Doctrine: The Rise of Disaster Capitalism* (Metropolitan Books, 2007).

The neoliberals do not attempt to attack the European welfare state and not even Margaret Thatcher, with all that she did in that respect, was capable of assuming the totality of the doctrine. It is true that in the last few years and since the unification of the European Union, there have been notorious advances in neoliberalism in the zone and its critics, as has been demonstrated in the sinuous path to the approval of the European Constitution.

Because Europe, today, tends to imitate the United States and if it does not come through with a strong program of social welfare, then it will concede to the market a larger and larger space.

It is not understood without the American confusion between political and economic power that explains so many things about the country. European government officials already discuss things with businesses in American terms and the proof of it is the consolidation of the European “lobby.” Lobbyists, or groups that corporations form to pressure government and parliamentary leaders, constitute an institution so accepted, that its intrinsically immoral character is hardly detected. These lobbying organizations seek to have government agencies and members of parliament make decisions that benefit the companies that maintain them. They are able to accomplish this to varying degrees, in some cases they get more, in other cases they get less, and sometimes, depending on the weakness and accessibility of the government in office, they are able to attain spectacular and far-reaching domestic powers. Buildings harboring lobbyists plague Washington. There are national lobbies, foreign lobbies, foreign government lobbyists, political lobbies, university lobbies, and even Churches, all seeking the fraternity and favor of the most powerful people in the land. With the passing of time, the mission of these lobbies has gradually been modified. At first they were mere offices to put pressure on politicians and

to woo them with gifts, vacation packages, etc. Then they became their legal accessories, dedicating themselves to political battles & and procuring money for their electoral campaigns, neglecting even their own internal organizational tasks. As it is known, electoral politics in the United States is controlled by money, mostly to finance media campaigns. The money is received from corporations, which are later compensated with political favors. Meanwhile, lobbyists have personnel available to prepare, for instance, drafts of bills so that legislatures do not have to do this work themselves, and these lobbyists attempt to incorporate language that benefits their patron industries. One clamorous case has been that of Enron, the firm that fell apart in 2005 after insolvency and fraud beleaguered the company, which was so close to the White House that Bush's Energy policy was advised by executives from that entity. One of the disastrous precursors to that political furor was the deregulation of the energy industry, left to the game of the market, which instantly made the price of energy skyrocket, especially in California, which suffered numerous blackouts. Lobby staff frequently recruit from the same politicians and government officials, a practice known as "revolving door employment," the employees of this revolving door sometimes working in the corporate sector, and other times in the government.

This whole scheme of the contemptuous empathy between political and economic power has made its way to Europe, with Brussels and Luxembourg full of lobbyists but without having Americanized the traditional welfare state, definitively entrenched in Northern Europe.

But in the "backyard" of the United States, Latin America, neoliberalism could act more bluntly, and did exactly that with the beginnings of the neo-liberal fight against communism and epitomized in their attempts to expel Fidel Castro from Cuba's saddle. The fight against communism, turned into its more innocuous ideological element: the neoliberal doctrine. It was received enthusiastically by local oligarchies who had, at last, found a way to address citizen demands. Labeling as a communist those who aspired to better wages and working conditions, to a stronger system of justice and especially, those who, in their respective country, try to rescue nationalism from abduction by multinationals was the most affordable solution to who did not have much time or ability to disguise their interests differently. The fight against communism became, paradoxically, patriotic, among right-wing movements, such as *Patria y Libertad* (Homeland & Liberty) or *Patria y Propiedad* (Homeland & Property) born primarily in Chile and Brazil. But anticommunism received its warmest welcome in Latin America's militaries, many of whose leaders were indoctrinated in the School of the Americas that first in Panama and then in the United States, received, trained and indoctrinated future dictators of the Continent and their corpus of enablers, arming them with the practice of torture and other forms of intimidation.

Anti-communism offered an excuse to stop any Latin American social movement and paradoxically, the primary justification for overthrowing democratically elected governments.

The plan to topple nationalist movements that stand in the way of the interests of American companies was designed by the brothers John Foster Dulles, Secretary of State under President Eisenhower, and Allan Dulles, the Central Intelligence Agency's first director.

Before working for the government, both had been members of the law firm Sullivan & Cronwell, defending the interests of corporations that had a lot to lose with a rise of Latin American populist nationalism.

The first act of that plan was the overthrow by the CIA in 1953 of President Mossadegh who had dared to nationalize the oil in Iran and replaced him with the despotic pro-American leader, Shah Reza Palehvi.

The second, already in the "backyard", the following year, another CIA-sponsored coup against President Jacobo Arbenz in Guatemala, who had dared to defy the all-powerful United Fruit Company, by including in his agricultural modernization plan, the expropriation of some of the corporation's uncultivated land.

But on the centerpiece of this neoliberal shock was to occur in Chile. Allende's rise to power unsettled American companies not because the Chilean ruler was going to implement indigenous development in a radical fashion, but rather because of the public tradition of the country; Chile was about to invest in its educational system as an example of nationalist democracy that was previously unthinkable in the Americas. An economic boycott soon began, organized by a group consisting of CIA operatives and the major American companies with business interests in Chile. At the head was ITT, which owned a communication network that was about to be nationalized. The person to order the boycott was none other than Nixon and thanks to the current access to previously classified documents of the time, we know that Secretary of State Kissinger oversaw the implementation of the operation. The next step was to persuade the Chilean military to conduct a military coup by appealing to their patriotism. After several attempts to persuade him, they were finally able to convince General Pinochet, one of Allende's own, guaranteeing him all kinds of support. The coup was preceded by a manufactured chokehold on the economy and was executed violently and expeditiously. With the exception of initial approval from a certain segment of the middle-class linked to the extreme right, the general population fell into a state of prostration and helplessness. This opportunity was seized immediately to launch a very radical version of the neo-liberal doctrine. The government's immediate next steps included the privatization of public enterprises, the sale of public assets, deregulation of the economy, a ban on trade union activity, etc. This took place *manu militari*, so that domestic and especially foreign, mostly American, enterprises not only recovered their freedom to act without government regulation, but also gained the ability to dictate the direction of the economy, all with the backing of a ruthless army to intervene in any potential conflicts. Chile became a weak state, except when it came to imposing by force the rule of the market. Milton Friedman corresponded with Pinochet and insisted that the dictator be radical in his economic policies. Soon Pinochet put the economy in the hands of the "Chicago boys" and devoted himself to what he enjoyed most: the relentless repression of all those Chileans who did not integrate themselves into the new order.

It is sufficiently well known what happened after next. The so-called Chilean miracle resulted in a marked increase in economic and social inequality that persists even today, many years after the dictatorship. The damage done to the country and to the basic structures of the state was durable. Neoliberalism, although tempered, is still practiced in

successive democratic governments, which do not dare rebuild civilian institutions weakened by the dictatorship. Chile was an example of how, under the guise of patriotism, a military dictatorship filled its pockets. Pinochet will go down in history not so much as the leader of a government coup, but as a thief of public funds whom accumulated millions of dollars spread over 30 bank accounts controlled by him, his family or their relatives outside the country.

Something similar, though of a smaller magnitude, occurred in other Latin American dictatorships that sprouted like mushrooms at the time. In neighboring Argentina, Jose Martinez de la Hoz, the brilliant executor of dominant neo-liberalism masquerading as the dictatorship's finance minister of the dictatorship, was later accused of fraud to benefit one of his own companies. Almost all these countries have the same history. A good portion of the loans granted by the World Bank and the International Monetary Fund to support neo-liberal shock projects were diverted into military spending and the private off-shore bank accounts of military and civilian officials. Since the gradual recovery of democracy, steps have been taken to punish officials that ordered the repression of civilians and to try to recover stolen assets. The latter, usually with little success.

The wide-spread acceptance of neoliberalism, and in particular, its implementation by the international policies of the World Bank, International Monetary Fund and the World Trade Organization on newcomers to the system, constitutes its own special chapter. The most obvious examples are Poland, South Africa, China and, of course, Russia.

When in 1988 Poland changed regimes, under the insistence of labor unions created by Lech Walesa and backed by Pope John Paul II, Poles believed at first that they had regained their sovereignty from the clutches of Moscow. But soon they realized they had entered into another sphere of influence, peaceful but no less compromising. The well-known adviser to Latin American governments, Jeffrey Sachs, began to advise the union, Solidarity, even before their transition to power took place, they were under pressure from the IMF to open Poland to international capital and the international market, the shock therapy which defined Poland's new course. One of the disillusioned leaders of Solidarity put it this way:

It was an act of faith in liberty, similar to what we did with communism and with the same irrational basis. Overnight, we gave up control over the most important issues in the country. We asked ourselves, what had we spent so much time in prison for?

Victory over the South African apartheid regime gave birth to a new hope, nurtured by Mandela's Nationalist Party. They soon came to realize that although they had gained political power, the economy was practically forced to adhere to the dominance of neo-liberal international markets and foreign capital, making the improvement of living conditions for inhabitants a practical impossibility. Since 1994, the year in which the nationalist party took power, the number of people living on less than a dollar a day has doubled from two million to four million. Inequality between blacks and whites has grown, one million farmers have lost their modest farms and the population of the suburban suburbs has grown by 50%.

In 1989, when the Washington consensus was proclaimed and Fukuyama proclaimed the end of history, the events of Tiananmen Square in Beijing took place and Chinese leaders began their journey towards integration into the international neo-liberal system that opens up domestic markets to foreign companies. They accepted of the rules of the game, but the central Communist Party maintained control, meaning that the Chinese state retains the final decision on vast sectors of the economy. For example, China has not completely dismantled its public sector, as international agencies have demanded and it has maintained sufficient levels of an employment, helping to curtail unnecessary tensions. The persistence of a strong police regime helps keep order, though precariously so, in a country that shows its neo-liberal face externally and authoritarianism internally. This paradox defies traditional systems of neo-liberal orthodoxy.

The new Russia began exactly when Jeffrey Sachs was in the Yeltsin's office as the Russian leader announced the end of the Soviet regime. The agenda for Russia's new phase was drafted by a combination of "Chicago boys" and technocrats. This time the Communists led the opening of the markets alongside a significant dismantling of the public sector, the spoils falling into the hands of the new oligarchy, nouveaux riches of the country. One wrinkle was that President Putin benefited by acquiring possession of huge quantities of oil and gas, now being able to create a power structure in which neither the domestic nor foreign companies can dominate a government full of old Members of the KGB, which are capable of combining economic liberalism with political domination.

And with such a situation, international agencies have accepted that they are unable to carry out in Russia, nor in China, what they had succeeded in accomplishing in Poland, South Africa and many other countries that have regained sovereignty and political power, but not accompanied by economic power. But they continue to be most successful among the poorest nations. The shock doctrine was conveniently executed in Sri Lanka just after the tsunami ravaged its coast in July 2005. Until then the coast was the largely populated by fishing villages that attracted a few surfers to small hotels. After the tsunami, international agencies made the local authority see that it was time to convert the coast into a tourist paradise. To this end, they prevented fishermen from returning and dedicated the area exclusively to tourism. The same was done with countries affected by Hurricane Mitch in Central America: Honduras, Guatemala, and Nicaragua. The reconstruction aid coming from abroad, such as from the IMF or the U.S. government, was conditional on the privatization of companies and utilities. Thus Telmex, the Mexican telephone company, bought the telephone company in Uganda and the Spanish company Union Fenosa acquired key Nicaraguan energy companies and the San Francisco Airport won a contract to run the airports in Honduras.

Lebanon and Palestine have also drastically altered their economies during the conflicts that they suffer but in this case, their Israeli neighbor, serving as the *longa manus* of American neoliberalism, produced the political and military "tsunami."

3. How to meet public needs

The tenets of neoliberalism, apart from holding that the economy is basically an exercise of individual freedoms, preferably in the form of monetary exchanges, hold a peculiar and particular design about how to meet public needs, including public transport, public health,

education , Energy, among others. That design has brought about, as we shall see, an increasingly aggressive environment which forms the main part of the growing climate change problem.

Neoliberalism consists of very simple principles, generally standing on dogmatic formulas that are scarcely conducive to dialogue:

The smaller the state, the better;
Private enterprise is always more effective;
If something works well, we need someone who will benefit from this;
The best place for money is in the pockets of its owners;
Capital must travel freely, without borders

Tearing down borders is one of their favorite topics, especially in these times of globalization. The guiding principle of liberals, as well as their panacea, is "trickle down" economics, whereby the state should give money to the rich and economic and political freedoms will inevitably reach the poor.

But the application of these principles has historically resulted in the blockage in the progress of the realization of collective needs. This design is to their satisfaction, and even in the very nature of the philosophy.

The territory in which these formulas are applied, developed and defended has been, naturally, the United States. It did not begin by through the action of the Reagan Government but with Eisenhower and, a reaction to the weak Keynesianism economic policies that helped lead Roosevelt out of the Great Depression.

At the end of World War II, it became a necessary imperative to grow government civilian activities, to expand the domestic market, which had contracted during its preoccupation with meeting the industrial supply needs of war. This conversion and expansion of demand engulfed the attention of the Republican president and that of a team of managers whose main mission was to define, alongside major employers in the country, lines of desirable public investment. The first of these investments, transportation, would come to influence the rest.

3.1. Private Transport

Although it does not seem that way now, the United States was formed and expanded along a network of railroad track. The trip to the Western frontier, first made by horse and buggies of various designs, was transformed with the invention and expansion of rail. The East-West rail, with stops in Chicago, changed the American economy, created the first speculative investment millionaires or "Robber Barons", moved millions of inhabitants from the East Coast to the West, and became a conduit for work and emigration for Europeans, Latin Americans and Asians. Chinese workers were the main laborers in the extension of the rail network, many died in the effort and the gold rush contributed to the speed with which rail was laid down. With the train arrived telegraphic communication, electrification and all the modern technology found on the East Coast, which already enjoyed its own coastal railway, the line from Boston to Miami, where a corridor moving

people and goods was preferred to the road. Amtrak was the most powerful service company at that time but soon what was going to be overwhelmed by a coalition of representatives with different interests.

In the nineteen-fifties, oil entrepreneurs, the real estate industry, and the automobile industry took to the White House inhabited by Eisenhower, a plan to design a national network of highways to meet their common interest.

Large roads called "highways" should serve to transport people and goods by road, opening an important market for a new private initiative of transportation that outstripped travel by rail for his spontaneity and variety. It would also serve the purpose of decongesting the cities, creating suburbs that would become home to the new generation of the middle class. And finally, the plan would trigger a public works project capable of employing many war veterans who, upon their return, found their former jobs filled by another.

The message was loud and clear to the government. The plan quickly gained important allies and was hastily approved.

Other important governmental provisions were passed concurrently, including the GI Bill, which assisted the reintegration of war veterans and, in particular, provided loans and grants for education and housing.

Veterans began to enroll in universities by the thousands, changing their class identities in the process. Above all, they began to populate the dream suburbs designed by the same people who drew up the highway plans. The prefabricated houses were designed by Bill Levitt, who had tested the system during the in the war and began to build and sell thousands of units per month. This model house consisting of a single plant, a garage and a garden, would become the new model residence of the middle class. Homeowners residing outside of the nation's cities would drive a car to work on a fast road, giving birth to the new American citizen and replacing the former city-dweller modeled after the European system.

In New York, Boston, Chicago and, of course, the South and West, the face of the nation was transformed. As the middle class fled to the suburbs, the poor, especially black urban neighborhoods abandoned by whites, began disintegrating into urban third worldism.

Between the car and road for suburbanites and the subways for city-dwellers, the nation's railways gradually began to diminish in importance.

And the car, which at its inception was an instrument of leisure for weekends and vacations, was transformed into a working tool as half of all Americans drove to and from work each day.

During these years, Europe's solution benefited both the everyday needs of travelers and transit workers by not only increasing the network of public railways, subways, trams and shortly thereafter, buses, but also by mandating that many large companies dedicate resources to supporting the transit costs that individual workers incur while travelling to and from work.

But the turn to individualized transportation has had perverse consequences. On the one hand, there are deleterious health risks for both drivers and pedestrians. Despite speed limits in the United States, about fifty thousand people die every year in auto accidents, more than twice that number are left seriously injured, and it is the leading cause of death among young people. These increasing fatalities have a social price tag, increasing the cost of health care and posing a great loss for the economy.

The amount of public funds being spent on the maintenance and expansion of federal highways at the national and local levels far exceeds what it costs to invest in public transportation. Despite that many elderly and poor people rely on public transit networks as their primary source of mobility, these resources are left to languish. The need to pay for a car is a burden for many low-income people, many of whom do not even have car insurance, thereby increasing the costs of the system.

The individual car still enjoys much public popularity and its possession is coveted by young people as a sign personal maturity. But the reality is more sordid. Modern cars can achieve speeds that are very difficult for young people to resist. This often results in tragedy, on pathways that although may be well-designed and maintained, do not always contain all the elements of risk prevention, resulting in an all too common risk for motorists. Cars and motorcycles have caused more deaths among young people than the wars around the world.

The combination of interests that achieved such a transformation is also bound by it. The United States will come to make war to maintain a sufficient flow of oil to maintain this form of transportation and much of its foreign policy is influenced by such dependence.

The gradual conversion of housing from rent to private property and the increasing distance between home and work, impose a financial burden: mortgages, increased energy costs, and the mandatory use of cars. All of this contributes to the new American disease, "stress," which is increasing the quantity of medications, mainly antidepressants, which citizens now consume.

And that brings us to the second issue at hand.

3.2. Health

According to one observer of the American lifestyle, "the state of your health depends on the state of your pocket."

The American version of the solution to the prevention and cure of diseases is an act of faith in the market that contradicts trends and solutions that exist in Europe and even in neighboring Canada.

Access to health care for Americans, including treatment in hospitals or clinics, depends on their level of economic prosperity, usually measured by the nature and quality of their work contract. The network of medical services, hospitals and private clinics (there is no public health center as in the European model) does not act until the patient does not prove to be

insured by one of the major health insurance companies in which they can enlist, individually or collectively. Insurance costs depend on several circumstances, including your age and social status. If you are rich or are well-employed in a solvent company, your insurance covers almost all of your health risks. If you are poor or your contract of employment is of a lower class, your health insurance will not cover many types of diseases or accidents. And today, as job security is on the decline and long vacations are a thing of the past, the state of America's health is in lock step with the state of inequality in other basic indicators.

The two institutions created to provide relief for the elderly and the unemployed respectively, Medicare and Medicaid, operate with great constraints. Many poor or unemployed people go to the Emergency Room pretending to be in a destitute situation, just to seek basic tests that they are unable to obtain through other means. America lacks a network of primary health care, like the ones provided in Europe.

All of this has an effect on demographic statistics. The U.S. holds one of the highest rates of infant mortality in the world, despite that it is the largest economic power. There is a Fourth World in some poor, squalid areas of America's cities. In Southern Texas children suffer from malaria or malnutrition simply from lacking access to safe water. A litany of health indicators in the US reflects the relationship between economic inequality and health among Americans. Since health is freely traded on the open market, one can only purchase whatever care, prevention, testing or operations one can afford. The health system only takes into consideration the client's ability to pay, despite that health expenditure on the elderly is far higher than spending on children. This huge expenditure on health is distributed not by age, but by social class.

Many inventions and scientific advances are produced and applied in the United States, but they do not have access to enough patients who can afford them. American hospitals are of high quality but a large portion of their sick patients come from other wealthy countries while in the very same neighborhood where hospitals are located live people whose health is very poor.

Parallel to this, the pharmaceutical industry, one of the most powerful and influential industries in the country, is still fighting for the protection of its patents and its unrestricted access to domestic and international markets. This component of American domination abroad draws added resentment from rest of the world. The fight against AIDS in poor countries is a prime example of this. Paradoxically, Americans themselves cross the border into Canada and Mexico to buy cheaper medicines.

The United States, therefore, has no concept of a public health system that benefits the general health of the entire population of its citizenry. One of the basic elements associated with a system of public health includes monitoring the effects of pollutants on health, especially with increasing environmental pollution. But this does not have a place in the American structure of government. This lack of responsible action to design, plan and develop a public health policy is among many effects of the country's decentralized model of public services, which is part of the country's federal structure.

3.3. Education

Decentralization had important effects on the educational system. The welfare state, which had previously ensured free compulsory education for minors and indiscriminate access to primary schooling, arrived late to the United States. It proved impossible to implement because education became the responsibility of States rather than that of the Federal government. Thus, there is a fragmented primary education system and the big loser in the last decade, thanks to the faith that many legislators place in neoliberalism, is the public school. Operating on scant funding, many schools have witnessed a flight of good students to private schools, often with support from public funds. This "voucher" system makes the difference between the rich and poor even more noticeable. In the sixties, influenced by a short episode of progressivism, some cities tried exactly the opposite: bussing poor children to rich areas and vice versa. But this bussing experiment ended quickly and badly, due to violent reactions from rich parents.

The lack of a quality education in the American public school system in many States is reflected in the fact that many families of migrants from Latin America send their children cared for by their grandparents, to attend primary school and even high school to their countries of origin, which is higher quality and cheaper or free. They then return to university-level American education, though also discriminatory, offers many opportunities to good students.

The teaching profession, in the United States and elsewhere, has lost some of its prestige as the younger generation is socialized into a society that has greater exposure to the media, games, their peers, etc. That is because the educational system, which traditionally cultivates solidarity, can not contradict the dominant ideology, with its emphasis on competitiveness and the unrestricted search for personal gain, which dominates the national scene.

Neoliberalism, in its American version, penetrates all spheres of life, public and private, of its citizens. The manner in which they work or fail to do so, the manner in which they buy or rent property or services, has been transformed under the dually-dominant basic principles of deregulation and privatization.

3.4. Deregulation

The governments of Reagan and Thatcher begin their journey of state welfare reform through deregulation. Fail-safe controls on economic activity and entrepreneurial freedom had emerged historically as a way to avoid their rapaciousness and evil deeds. Not all errors stem from the corporate thirst for immediate benefit, but often they are reigned in depending on how difficult the particular market has become. Sometimes the big fish eats the boy, often employing nefarious methods.

All of this is to say that the welfare state incorporates the regulatory structure of most economic activities for universal interest, for the common good. But these phrases, "universal interest," "common good," ceased to sound good to the ears of the neo-liberal ideology, even turning their ideology into a fight against the common good. Society has no common interests. As Margaret Thatcher proclaimed, "there is no thing called society."

The transformation of society into a market, free of government control, launched a strategy to promote entrepreneurship and deregulation, none greater than that of the financial sector. Never had the financial sector been freer than since their national and international freedom was decreed in the eighties. Banks and lenders demanded and were able to use your money without any conditions other than reporting their identities. It remains difficult for the public to understand, but now the public surrenders their savings without knowing what will become of it. Competing with each other, sometimes locked into fierce, ruthless battles, its protagonists, the financial sector, took a role that was previously unknown. With the help of international deregulation produced by globalization, they began to use an arcane language, "derivatives", "hedge funds", which for most economists of the time was not in their textbooks.

The financial sector was traditionally, the sum of actual savings and investments, reflecting the prices of the stock exchange. Speculators gambled on the rise and fall of stocks, which used to represent also rises and falls in the demand for goods and services.

Suddenly, everything changed. The financial sector ceased to represent the productive sector and became autonomous, mysterious, trading only on paper backed by trust. Many of these papers were only backed by some States. Some companies could, and indeed at times did, not follow through on some of these commitments.

At the same time, thanks to globalization, one could speculate on an international level and there are now specialists able to raise and lower entire national currencies using methods unknown to the mere mortal. Such is the case with George Soros, whom today is a philanthropist, and others who manage to manipulate financial situation and the national currencies of Southeast Asia. Damaged by foreign aggression, these countries had to rebuild their economies, through no fault of their own.

On top of that, the financial sector takes refuge in tax havens, beyond the reach of the IRS, causing a drain on resources available for public services. This corresponding decrease in state action sometimes results in their not meeting certain budgets does not meet their goals, thereby having an excuse for further privatization. This system illustrates that privatization, is the other side of deregulation.

3.5. Privatization

Privatization constitutes the most eloquent discourse that neoliberalism has to offer. And it is the most basic element of the doctrine. The post-war European public sector, paradoxically stimulated by the Marshall plan, keeps improving. The reconstruction took place through public works projects. Governments were populated by people who believed in the need to rebuild the country through a combination of government action and through a partnership between corporate entities and unions. In the fifties, unions sat on the boards of many companies. Utility, rail, air, and media companies gained both economic momentum and the loyalty of those who were proud of owning a piece of the moral civil service industry.

In the American business world, that model has not sat well ever since the mid-seventies, just as Reagan Thatcher began to create foundations, "Think Tanks," in order to legitimize

public action and lay the groundwork for a general theory of privatization, as envisaged by the Chicago School under the leadership of Milton Friedman. The project could not get off the ground in Europe during those two decades but privatization in the United States immediately began to function and perhaps its first effect was felt in the public utilities.

Electricity, gas, water were traditionally produced and distributed through parastatal companies or "utilities." Friedman's scheme was to have consumers pay for their service directly, being charged a fee for maintaining and improving services, but not for the company to produce profits. These government controlled entities had no shareholders to answer to. That is, until the time came to privatize and sell the entities to, as they felt was necessary, produce profits. This undermined the nature and mission of the very existence of these entities, producing confusion, mistakes and failures. Since then, a lack of investment and maintenance of essential infrastructures has resulted in power outages, water shortages, and damage that cannot be recuperated because the new companies, now private, have devised the irresponsibility formula of attributing the failures to natural causes. The privatization of "utilities" was followed by other privatization plans until today, where it has reached the very heart of the state.

The Bush administration recruited two key proponents of neoliberalism, Donald Rumsfeld and Dick Cheney, both young members of the Reagan team, admirers of Friedman, and protagonists of the revolving door jobs, working between the State and private companies in its satellite. Already during the Clinton years, the neoliberal philosophy was being implemented, but not to same degree as it has been rolled out since then. As chairperson of the seemingly-omnipresent Halliburton, Cheney succeeded in obtaining military contracts that would make him immensely rich. Since he has taken his post under Bush he has made the company so rich from an unprecedented number of opportunities of a private company for the use of public money. Cheney has never cut all of his ties with the company and instead has continued his personal fortune associated with the company while Vice President.

But Bush turned them into the principal authors of his privatization policy. Bush was had already been a convert to the privatization doctrine, having presided over the privatization of the prison industry as governor of Texas. The prison industry especially flourished under his stewardship and exhibited its most egregious practices. Texas has the dubious honor of holding the record for the highest number of fatal executions in the United States. The death penalty is still legal in America, companies profit from the private management of prisons, and conditions for prisons have worsened.

But the turning point came on September 11. Since Reagan's decision to abruptly end the air traffic controllers strike, the country has neglected public investment in preventing and resolving security problems and this has resulted in a progressive degradation. The flaws and shortcomings of aviation safety in the country were laid to bare on that day. September 11 was an opportunity to step up public investment and confidence in public officials, firefighters, and police officers who behaved so heroically during the disaster. Sadly, the opportunity was missed. Just the opposite took place and in the same way that the tragic event buoyed those who wanted to impose military and commercial hegemony in the

United States, triggering the wars in Afghanistan and Iraq, so too were those who sought to privatize state as the best solution to deal with such conflicts.

The purpose of the state, as decreed the Bush team, was to provide security, but not necessarily by buying it at market prices. And as the New York Times reported in February 2007, "without public debate, without parliamentary discussion, the contractors became the fourth branch of government." The new doctrine was applied to the Department of Defense, but was more forcefully executed through the new Department created for that purpose, the Department of Homeland Security. In the words of one senior official at the time, Ken Minihan, "National security is too important to entrust the Government." The market of terrorism was born.

Millions and billions of dollars were lavished upon companies that existed or were created for this purpose. And as in the fifties, when Washington was filled with lobbyists, so it happened again, this time with national security companies. The industry of security cameras, data collection, and suspect database management, flourished and helped detain thousands of travelers for quarantining and questioning. The mistakes and abuses of the system were many, as were those that took place in the Ministry of Defense in its management of war, but remained hidden until it became impossible to keep it a secret any longer. It had turned out that many of the privatized operations were not holding up the same responsible standards that the government agencies previously had. It was a case of a State that had been outsourced to subcontractors whose enterprises were difficult to hold accountable for oversight purposes and to hold under the control of the executive branch.

The matter came to a head with the privatization of war, the Iraq war being the best example. The philosophies that led to war, and which were found in reports that we have now been made aware of, twisted the facts on Iraq's supposed possession of weapons of mass destruction. The goal was a capitalist democracy. The mistakes and abuses of U.S. and Israel were overlooked and they marched on, settling on "Shock and Awe" as the best recipe with which to transform politics in the country. We know the abuses that have occurred and continue to occur, with the arrest and torture of thousands of Iraqis with the obvious result that these abuses produced enemies, not allies. For every victim of repression that the American occupation produced, which increased as time went on, there were one, two or three anti-American militants created. The impact of the War in Iraq, and that of Afghanistan in a different way, was mainly increasing the number of insurgents.

Two features characterized the politics immediately following the occupation: the demolition of the Iraqi State, its staff and facilities; and the privatization of both the Iraqi state and the war itself. The head of the occupation, Paul Bremer, himself a disciple of the neoliberal school, carried out these politics. With his manual in tow Bremer began putting it into practice without any consultation with Iraqi leaders. The money available for the reconstruction was not intended for local industries, which would have created jobs and stability, but for foreign companies that were importing everything—including the workers.

The discouraged and enraged Iraqis were quick to note the ease with which the US dispensed with local industry and disenfranchised them from the emerging Iraqi government, the only legal channel that remains to change their situation. Perhaps worst of

all, the American occupying authority lacked, and still lacks the resources and personnel to monitor and assess the actions of companies active in the reconstruction. So things are getting worse, with serious problems in electrical services, water, health and education. Formal complaints were produced against companies in these sectors in American courts. But in March 2006 a federal court in Virginia decided that the Occupation Authority was not a part of the U.S. government and therefore, the US government could not be held responsible for such abuses. Nor could such a claim be brought before an Iraqi court of law.

Privatization has stopped for the moment while a bill awarding oil concessions to U.S. corporations found fierce opposition from the Iraqi government that has been imposed, supposedly to serve the White House. While opening the country to foreign investment remains part of the plan, negotiations on oil profits are held in limbo. Not even the promise of American companies to deliver five million dollars to each Iraqi legislature has been successful so far.

Perhaps the largest disaster the privatization plan has been the impact on the Iraqi army. Soldiers are becoming scarce and not only are they recruiting mercenaries to replace them, but also the management of the occupation itself has been outsourced to Halliburton and other companies. The fierceness of privatization has even come to dismantle the medical system set up to care for war veterans who, on returning to the United States, are faced with partially-covered or rejected claims because the Defense Department dismantled the medical teams and outsourced those functions to private health care providers.

The neoliberal, so revered in the US, takes advantage of disasters to test out its theories of small state budgets, deregulation and privatization, creating enemies of the US in its wake. And if they have succeeded in creating Anti-Americanism with the Iraq war, with Katrina, which highlighted the inability of the Bush Administration to prevent and remedy the disaster, they have brought disrepute. Even America's citizens are discouraged, their government unable to cope with crises that lesser countries have resolved and taking advantage of domestic disasters to test their neo-liberal theories on housing, health, and education in New Orleans. The results have benefitted only a few and have been a detriment to most.

4. The ideological struggle

There have been few historical disputes that have been as bitter as that between the neo-liberals and their opponents. Milton Friedman argued that there is no alternative to his scientific theory, and neoliberals have thus been very forceful in dismissing their adversaries. Sometimes, mixing scientific research with *ad hominem* attacks.

Few people have been more vilified by the world of the neo-liberalism as John Kenneth Galbraith, who had the misfortune of being Friedman's contemporary. Rather than advocate socialism for America, Galbraith wanted to negotiate for a softer capitalism that would cause less suffering for the world's poor. Like His intellectual predecessor, Maynard Keynes, he advocated for a post-war welfare state throughout the West as a corrective to interventionist capitalism. Keynes took the opposite position from Friedrich Hayek, the first neoliberal of the twentieth century. But then, in the fifties, it was very difficult not to recognize that the western world needed what Keynes postulated. His welfare state policies

went into effect and lasted almost until the eighties, when Reagan and Thatcher come to power and placed a bet against Keynesianism, placing Friedman, momentarily eclipsed, at the helm of the neoliberal revolution.

The height of excitement for neoliberals was the crisis of communism and the demise of the Soviet empire, which for them was proof of the failure of any socialism.

The "Think Tanks" developed by Friedman and sponsored by major American companies staffed the "Chicago boys" and gave them the opportunity to develop neoliberalism. In practice, however, most of them preferred political action as part of the International Monetary Fund. Advisers to foreign governments subsequently either chose or were pushed toward neoliberalism.

The theoretical development of neoliberalism developed beyond Friedman's original ideas. His followers preferred to implement them as a complete package, and always as a kind of act of faith. This doctrine of salvation is preached with conviction and enthusiasm, dismissing most criticism as baseless. The most practical forms of neoliberalism occur when it comes to fruition through a democratic system that is replacing a military dictatorship, as occurred in Latin America. And although the respective populations were unable to oppose the economic imperative of the market that used force to squelch the fires, the gradual increase of inequality and poverty over time gave way to protests that were more resilient to repression. "We must have patience" is often the neo-liberal retort, when it is injured by complaints. But there is a limit to patience has a limit, especially when the interim period is accompanied by violent repression and the leaders of neoliberalism are discredited for criminal abuses. The clearest example would be Pinochet's prevarication, but neo-liberal politicians have been prosecuted in Argentina, Uruguay, Russia, Bolivia, Canada and of course in the United States. Ken Lay, friend and benefactor to Bush, was punished by crimes committed in the management of Enron, a corporate beacon of neoliberalism.

It was precisely the disappointment of neo-liberalism, in terms of practical results, that led to strange political alliances necessary to achieve what they debated, and continue to debate, to be a difference between the faithful and the traitors. The first to make public his disappointment was Andre Gunder Frank, a Chilean student and admirer of Friedman who, on returning to his country and seeing the effects of the doctrine, became the quintessential critic of it. In a letter that he wrote to his teachers Friedman and Harberger, he explains that many Chileans found themselves in a situation where they had to spend 74 percent of their income simply to buy bread, milk, and the bus fare to work. Pinochet abolished Allende's program that offered a glass of milk to children at school. Gunder Frank stresses that without violence Pinochet's policies would have been impossible to implement. Friedmanist neoliberalism resulted mainly in the transfer of wealth from the poor and middle classes to the rich. Gunder Frank was immediately expelled from the university. There he witnessed six students shot dead on the doorstep of the Department of Economics as a lesson for the others.

In the very epicenter of the neoliberal financial revolution, at the IMF and the World Bank, there emerged dissidents as well. The first and most well-known, Joseph Stiglitz, chief

economist of the Bank, wrote a famous text on globalization that in his view, was increasing inequality with the help of these agencies.

The most detailed testimony was offered by Budhha Davison, an economist at the Fund who wrote a letter to its chairperson, Camdessus, denouncing especially the manipulation of statistics to be made to support the policies of deregulation and privatization that the Fund advocated. Several governmental investigations took place, notably in the case of Trinidad, Budhha's birthplace. The investigation found that the Fund inflated and fabricated false statistics for the purposes of manipulating a loan out of the Trinidadians. Budhha's letter of resignation was featured in the play "Fifty years is enough," dramatized in a New York courtroom. Even Jeffrey Sachs, a great champion of neoliberalism and an advisor to governments forced to implement the Fund's plan, tossed institutional loyalty to the wind and accused the Fund, say that rather than extinguish the fires of crisis, they "added gasoline."

The furor became so grand and the international standing of neoliberalism dropped so low that in Latin America, its defenders had to resort to name calling and character assassination to fight back against the deluge of critics. Not least of the critics was the book, "The Perfect Latin American Idiot's Field Guide," by Carlos Montaner, Pliny-Apuleius and Alvaro Vargas Llosa.

That is because the popular reaction, both against dictatorship and against the neoliberal economic model, has resulted in electoral defections from those camps in recent years. In Brazil, Venezuela, Bolivia, Ecuador, Nicaragua, Chile and Argentina, neoliberalism's critics have been elected. They have begun to restore some pieces of the welfare state that was so violently snatched from these countries. From Patagonia to Mexico, and throughout Central America, the winds shifted in support of civic solidarity. Neoliberals and their beneficiaries, the richest sectors of the population, became uncomfortable.

5. The alternative

Generally neoliberalism is contrasted to socialism. But in the middle lie several options, with varying doses of regulation, public sector, taxation, etc. These alternatives have a political dimension with varying degrees of citizen participation in the decision-making process as well as varying degrees of effective democracy. There are also different ways of organizing the economy, with varying degrees of regulation and so on. These ideas are not in the abstract but are practically experienced contemporaneously. Scandinavian countries have long practicing these options, supporting a major public sector with a large national tax. Their enormous wealth, something they have in common with the Bush administration, is redistributed through the tax in a more equitable manner.

But for some time now there has been a worldwide outcry, "Another world is possible," focused mainly around the World Social Forum. The World Social Forum began as an alternative to the Davos Forum, an exclusive platform for the rich. Every year the World Social Forum offers a venue to discuss the many economic initiatives that have been a part of the Forum from the very beginning, as well as other items on the agenda of coexistence that have emerged since then. Among these are the defense and strengthening of human rights.

5.1. THE defense of human rights.

The Universal Declaration of Human Rights of 1948 was the stand-alone version of the Breton Woods agreement that sought to stabilize the economic situation of countries, seeking global welfare and avoiding crises that lead to collective economic hardship and war. However, the actions that the UN agencies and the parallel institutions of the International Monetary Fund and the World Bank took began to gradually erode these fundamental goals. The Cold War, the Korean War, the Vietnam War, and the wars in Afghanistan and Iraq prove that the Soviet Union and the United States subordinate everything to their projects for world domination. The fall of the Soviet Union set economic globalization in motion, but global inequality and pre-Breton Woods collective dangers remain unresolved in this new environment where multinationals which pit themselves against States defines international politics.

Human Rights took a distinct path, though two separate processes were involved. Human rights law has grown but without having a real effect on its potential beneficiaries. The history of human rights starts before the Declaration, the principles of enlightenment that marked the transition from one political era to a new one. Its first consequence was the recognition of the fundamental equality of persons, with the abolition of slavery. And although there are still forms of labor and cultural slavery, it is no longer possible to legally buy and sell people anywhere in the world. In the second stage, and after the 1948 Declaration, two types of human rights were developed: the political rights of racial minorities and the women's movement in the sixties. These battles were waged especially in the western world and were particularly acute in the United States. Concurrently, humanitarian rights, the Geneva Convention for POWs, and other advances were developed.

Now we are faced with a third generation of basic rights, health, education, housing, which are slowly entering into the new constitutions. This third generation of basic rights includes among public goods the quality of very air we breathe and the water we drink. It provides that the State and ultimately the UN should take measures to both to prevent the privatization of such assets and adopt coercive measures to enable recognition of these neglected human rights. But education, health and housing are not free. Many services are paid through taxes, especially indirect taxes levied to citizens throughout the life course and disproportionately derived from the poorest. Nor should fees for the use of public services be shunned, as the traditional model of so-called "utilities" in the Anglo-Saxon model provides. What the new collective conscience maintains is that human rights should not be subject to speculative markets: they should be *extra commercium*.

The affirmation of human rights does not have an economic shape "per se" but it creates a logic that inevitably collides against neo-liberal logic. The recognition the human right to health, education, housing, and work cannot be a result of transactions in the market and obviously calls for the creation or strengthening of the public sector that neoliberalism has condemned. Defending human rights arouses the interest of citizens, who have formed movements and associations specially created to defend any and all human rights. And even some professions that previously had no regard for human rights in its day-to-day activities in society, are recognizing it as part of their professional ethics. This is true of Sociologists.

Sociology and Human Rights have only recently met. Themes of civic freedoms and rights were key to Sociology's precursors, like Saint Simon, who did address these issues. But Sociology became colder and more analytical with the introduction of their academics, Comte and Weber. Weber decided that in order to obtain the same reputation that the natural scientists have, Sociologists should concentrate on social causalities and leave the world of values. That did not sit well with Marx and a few others who understand that in understanding society means also changing it for the better. Sociologists are the children of its circumstances and the world of academia, of its rules.

The Universal Declaration of Human Rights of 1948 occurred when American sociology, on the side of the victors of the Second World War, became overwhelmingly functionalist. Democratic capitalism, they maintained, is part of the physical fabric of coexistence. The small fragments that are not natural constitute our universe of sociological investigation. The model improved with the coming of the Keynesian welfare state's restraints on private enterprise, but the books on social structures that we read in the 1950's and 60's were quite bluntly antagonistic towards accepting any more public interventions.

However, the Frankfurt School, and its British and French allies, began to give importance to conflict theory as a key theoretical lens from which to view social development and the need to democratize power. The issue remains poignant today, as another conservative paradigm seeks to impose itself, the wise and inexorable rationality of the market rationality that Thomas Frank has criticized in his book quoted above. Sociologists should feel comfortable in the analysis and defense of human rights, be they on the side of the Left or the Right. In a certain sense, some Marxists do not feel comfortable with this problem because, for them, the defense of human rights will be a consequence of the Leftist revolution. Moreover, it means delaying *ad calendas graecas* the historical communism that has been so gravely mutilated. It will also delay the implementation of human rights, which have also been mutilated by, for example, the purest capitalists in the Chilean model.

Embracing the cause of human rights means simply to help those who need those rights either because they do not already enjoy them in whole or in part. Sociologists are specially equipped to do so, because the field of Sociology that has the most information about social determinants. It also boasts a highly developed methodology with which to analyze it. The next step, to engage in the research, will inevitably yield results without necessarily having to steep oneself in prior political definitions.

The problem with the protection of human rights is its legal and economic ramifications. There are over three hundred national and international documents on human rights provisions. But many are not met because individual States refuse to do, because there is no international executive authority, and in most cases, because there is a lack of resources.

Lets us take the case of children, for example. Although there is an International Agency, UNICEF, for the reader's attention, more than 25,000 children under five die each day from malnutrition, lack of drinking water or malaria, mostly in poor countries. Sociological studies highlight the relationship of this tragedy with structural problems of the international community and it is necessary to continue drawing attention to this from our professional perspective.

Sociologists Without Borders proposes that human rights are the basis of the professional ethics of a sociologist—it is a moral commitment. In this sense if an American sociologist receives the task of analyzing whether the death penalty serves to combat crime, after concluding that obviously does not, it must follow that it is also a violation of human rights. Of course, if you happen to work for Texas, Nevada, or in China or Kuwait, you might have to find yourself another job. At some point in life we must choose between cow towing to the powerful or crashing the party. If we do our jobs well, we ought to take the latter route. At least if we are not too tight on money.

And here we come to the final question, what choices individual have to effect positive change.

5.2. The recovery of citizenship

The neoliberal message to citizens is very simple and President Bush put it conclusively when he addressed New Yorkers after the fall of the Twin Towers. His advice to them to recover from the shock was, "Go shopping." Neoliberalism does not so much want us as citizens, but as consumers focused on the privacy of our family, in our everyday problems, and leaving the big decisions of public affairs in the hands of the statal-corporate alliance that constitutes the capitalist democracy. The principal advocates of neoliberalism have been engaged in a battle to transform the structure of the media to ensure that they will lead us to accept this philosophy of life.

Between 1930 and the 1950's, important slates of newspapers were developed in major European and American cities. Although they sought an economic return, they wanted above all, as explained by their Founding Editors, to reflect and inform public opinion. They were the only media since radio and TV had not yet arrived developed as robustly, and the press was referred to as the "fourth branch of government." The press was eager to criticize the other branches, especially government officials. They were attentive both to human rights abuses and to political corruption. They injected the paper with advertisements, but they were careful to keep the interests of the paper and that of the advertisers separate.

When newspapers began to merge and to create chains, then they boasted that their largeness would enable them to be more forceful in their criticism. Not much later, and coinciding precisely with the development of radio and television, their independence was threatened. Today there exists a media structure that is not critical, but serves as an accomplice both to political and, above all, economic power. These structural changes have been studied and published in several other books (*El nuevo poder informativo en España; Manipulación mediática*. Ediciones Libertarias, 1997, 99). These studies focus on corporate mergers, multimedia and, above all, that the owners of the media are no longer specialized media entrepreneurs but large conglomerates that have a media appendage. So in the U.S., General Electric owns NBC and there are similar cases around the world that illustrate the rule of advertising and the media. When the *Los Angeles Times* appointed a new manager, he was warned that there was a strict wall separating the Editorial Board from the interests of its advertisers. He replied that he would purchase a bazooka to tear the wall down. As Giorgio Bocca said, "before the owners of newspapers were living in their palaces,

enjoying its benefits but now the true owners are the Editors and Publishers (Il Padronne in redazione”, Sperling Kupfer , 1985). Even Randolph Hearst, the great American tycoon, permitted himself to say that "journalism is what goes between the ads."

So we can say that the media business media is no longer in the business of selling information and entertainment to their readers. Rather, they sell their readers to the advertisers. Consequently, its main function is not so much to inform as to entertain, especially given the completion that the press now receives from television and other media. As Berlusconi said: "TV viewers come home quite tired from work, tired of his boss, and tired of traffic. We are not going to complicate life; it should be entertainment." Likewise, Azcarraga, the Mexican businessman said, "The majority of Mexicans led a very fucked up life and that's not going to change any time soon. On television they can forget about that a little." *The more television you watch, the less you know about what is going on* is the title of a recent book. (Danny Schechter, Seven Stories Press, 1987).

The creation of an entertainment-based consumer audience on television soon began for children, with a which has a healthy of ads, toys, and especially video games, which train the children to be adept at them from a very young age. Meanwhile, real information becomes scarcer on television, or is manipulated. It is not just politicians who try to control the flow of information communicated to the public on television. Entrepreneurs have succeeded in presenting a very positive image of their products to conceal their flaws until it is impossible to do anything about it, such as what happened with the American car industry in the eighties.

The entertainment industry aims to baby us, to make our lives trivial, and to have us believe that the most important thing in life is fun. This is what Norman Corwin explains quite clearly in *Trivializing America*, in *The triumph of Mediocrity* (Lyle Stuart, 1986) and what Neil Postman discusses in *Amusing Ourselves to Death* (1985).

The question is now, how do we prevent this from happening? How do we prevent the arrogant media from hypnotizing us and preventing us from having a public life? How do we forestall what Robert Chesney has termed a "Rich media, poor democracy" (Also the title of his book, University of Illinois Pres, 1999)? Happily this mainly affects America, but the ambition is to have this spread throughout the world.

The counterculture that is being forged at the meetings and discussions of the World Social Forum has inherited this terrain. In addition to being a central node for collecting initiatives, forging solidarity, and nurturing cooperation, they are making the move towards a concept of a substantive democracy.

The western model of representative democracy, whose main example is America, has reduced itself to a periodic vote of confidence in the system every four years, a process that only empowers the executive. But the system is clearly problematic and that is why, and especially in America, citizen participation is low while the dominance of money grows. The elections are becoming more expensive, the last one costing two billion dollars, and only those candidates who receive financial backing are able to remain active throughout the campaign. Once elected, they must return the money received in favors. This corruption

sometimes leads to fraud. This is precisely what happened when the U.S. Supreme Court prevented the recount of the votes of in Florida during the 2000 election, as requested by the Supreme Court. The result was the election of Bush.

But the aspiration to a substantive democracy is growing and it situates political rights in the context of more comprehensive human, economic, social, and cultural rights. As more people are raised with the right to liberty, health, education, and work, they will fight harder for participation in political decisions affecting the recognition of those rights. In that sense, politics for them is not so much a struggle between conflicting interests but rather, a focus on how to advance human, individual, and collective rights and the general welfare of all. In fact, surveys show that a vast majority of people agreed with this form of politics and lament the fact that politics has become a battle between political parties. The disappointment with conventional politics is further reinforced by the growth of civil society, which has sprung social movements to promote basic rights. Citizens organize themselves autonomously and sometimes pressure governments and other autonomous bodies to generate results outside of the traditional political arena.

For them, democracy is not an end in itself but a means to achieve these ends. The inevitable corollary is that citizens should have greater involvement in matters that affect them. Participatory democracy has much to do with the democratization of cities, workplaces, cultural activities. The article *Substantive Democracy* offers some ideas (number 1 of the journal *Sociological Analysis*, 2007). Judith Blau and I compare the mechanisms of the American democracy with many other formulas for citizen participation that are being developed at the local, state or global level in today's world. This has affects not just in the political sphere but in much of human interaction, including economies. This reciprocity, this cooperation is being deployed in vast sectors of contemporary life, sometimes in response to the shortcomings of the systems and policies that are in place. Other times to propose their own alternatives.

In this debate it is important to discuss the role of the market that is so central to neoliberalism. For the participants of this democratic process, the economy must be circumscribed to be just one part of all human interaction. There are two logics, that of neoliberalism which is focused on short-term benefit and the struggle for democratic interests and substantive democracy, based in an wide project advancing human rights.

The new century will be the scene of this confrontation.