

# Requiem for the American Dream

## The 10 Principles of Concentration of Wealth and Power

### A Note on the American Dream

During the Great Depression, it was bad - much worse subjectively than today. But there was a sense that we'll get out of this somehow, an expectation that things would get better. It was a time of a lot of political radicalism that would hopefully lead to a better future (pix).

The rise of the union movement itself was a reflection of, and a source of, hopefulness. That's missing today. Today there is the feeling that nothing's coming back - it's over (px). The American Dream, like most dreams, has large elements of myth to it (px)

Social mobility is now lower than it is in Europe but the dream persists, fostered by propaganda. You hear it in every political speech - "vote for me, we'll get the dream back". Inequality is really unprecedented. you you look at total inequality today, it's like the worst periods of American history (pxi).

But if you refine it more closely, the inequality comes from the extreme wealth in a tiny sector of the population, a fraction of 1 percent. If you look at the wealth distribution, the inequality mostly comes from the super-wealth - literally, the top one-tenth of a percent are just super-wealthy (pxi).

This is the result of over thirty years of a shift in social and economic policy. Government policy has been modified completely against the will of the population to provide enormous benefits to the very rich (pxi).

The middle class in that sense, that unique American sense, is under severe attack. The idea that it is possible for everyone to get a decent job, buy a home, get a car, have children go to school... It's all collapsed (pxi).

## Introduction

In the United States, here are professed values like democracy. In a democracy, public opinion is going to have some influence on policy, and the government carries out actions determined by the population. That is what democracy means (pxii).

The privileged and powerful have never liked democracy and for very good reasons. Democracy puts power into the hands of the general population and takes it away from the privileged and powerful (pxiii).

Concentration of wealth yields concentration of power, which forces the political parties even more deeply into the pockets of major corporations as the cost of elections skyrockets. This political power quickly translates into legislation that increases the concentration of wealth (pxiv).

So we have this kind of vicious cycle in progress. According to Adam Smith, “the principal architects of policy” are the people who own the society - in his day “the merchants and manufacturers”. And they make sure their interests are well cared for however “grievous” the impact on the people (pxiv).

Now it's not merchants and manufacturers, it's financial institutions and multinational corporations. The people who Adam Smith called the “masters of mankind” are following the “vile maxim” - “all for ourselves and nothing for anyone else”. They're just going to pursue policies that benefit them and harm everyone else (xv).

Those are the policies that have increasingly been followed, and in the absence of a general popular reaction, that's pretty much what you'd expect (pxv).

## PRINCIPLE #1: REDUCE DEMOCRACY

Right through American history, there's been an ongoing clash between pressure for more freedom and democracy coming from below, and efforts at elite control and domination coming from above. This goes back to the founding of the country (p1).

James Madison felt that the United States system should be designed so that power rests in the hands of the wealthy. Because the wealthy are the more responsible set of men, those who have the public interest at heart (p1).

Therefore, the structure of the formal constitutional system placed most power in the hands of the Senate. The senate, not elected in those days, had sympathy for property owners and their rights (p2). A major question was to what extent should we permit real democracy? Madison said the major concern of the society has to be to "protect the minority of the opulent against the majority" (p3).

Suppose everyone had a vote freely. Well, the majority of the poor would get together and they would organize to take away property from the rich. Madison reckoned that would obviously be unjust and so, the Constitutional system has to be set up to prevent democracy - the "tyranny of the majority" - to insure that property of the opulent is not interfered with (p3).

The idea of the aristocrats is that power has to be vested in a special class of particularly distinguished and privileged people, who will make the decisions and do the right thing. The democrats believed that power should be in the hands of the population. Jefferson was supporting the democrats, not the aristocrats whom Madison was supporting (p4).

The first major book on political systems is Aristotle's Politics - a long study that investigates many different kinds of political systems. He concludes that of all of them, the best is democracy. But then he points out exactly the flaw that Madison pointed out (p4).

If Athens were a democracy of free men, the poor would get together and take away the property of the rich. Madison's solution was to reduce democracy. Aristotle's solution was the welfare state. He suggested trying to reduce inequality. Those conflicting aspirations have been the foundation of the country (p5).

Aristotle was right - the way to overcome the paradox of democracy is by reducing inequality, not reducing democracy. The United States was a settler-colonial society, the most brutal form of imperialism (p6).

The settlers got a richer, freer life by virtue of demicating the indigenous population, the first great "original sin" of American society; and massive slavery of another segment of the society - the second great sin (p6).

One significant factor in the American Revolution was slavery. American slave owners could see the writing on the wall. If the colonies remained subject to British rule, pretty soon slavery would be outlawed (p7).

Women got the vote in the 1920s. But before we feel too proud, that happens to be the same time that women's rights were dramatically improving in Afghanistan. The slaves were formally freed but not actually (p7).

In practice, slaves didn't get formal freedom till the 1960s. The 1960s were a period of significant democratization. Sectors of the population that were usually passive and apathetic became organized, active, and started pressing their demands (p8).

These civilizing times caused great fear among the ruling elite and along came economic forces that would be used to deal with it (p8).

## Principle # 2: SHAPE IDEOLOGY

There has been an enormous, concentrated, coordinated business offensive beginning in the 1970s to try to beat back the egalitarian efforts that went right through the Nixon years. The Powell Memorandum said that the most persecuted class in the United States is the capitalist class (p17).

But they could use their economic strength to save “freedom”, meaning their power. The Powell Memorandum is a call to business to use its control over resources to carry out a major offensive to beat back this democratizing wave (p18).

The Trilateral commission were appalled by the democratizing tendencies of the 1960s. They were concerned about the “excess of democracy” developing in the country. Previously passive and obedient parts of the population - women, young people, old people, working people - sometimes called “the special interests” were beginning to organize and try to enter the political arena (p18).

The Trilateral commission said that these people need to return to passivity and become depoliticized. The way they put it, there’s a failure on the part of the schools, the universities, the churches - the institutions responsible for the “indoctrination of the young”, and they recommended more “moderation in democracy” (p19).

The Trilateral Commission liberals went on to offer measures to reinstitute better indoctrination to control the press, drive people back into passivity and apathy, and let the “right” kind of society develop (p19).

From the early 1970s you begin to see a number of processes under way to control college students. College architecture changed. New college architecture from this period was consistently designed to avoid places where students can congregate (p19).

Since the 1970s college tuitions have started to climb, by now to ridiculous levels, which deprives large parts of the population of the option for higher education. Even those who are able to get through it, most of them are trapped by debt (p20).

The debt is structured so that they can’t pay it, they can’t go bankrupt unlike business debt or personal debt. It’s hanging over their heads for the rest of their lives, so they have to subordinate themselves to power (p20).

One of the other ways of indoctrination and control was simply to reduce or eliminate free education. The rise of the Charter school system is also a very thinly disguised effort to destroy the public school system (p21).

Charter schools are a way of drawing public funds into private institutions, which will undermine the public school system. Now, we as a society have decided not to modify the society but to modify the children with drugs that are supposed to improve poor performance (p21).

It’s not quite the case that we as a society have decided on that, rather the masters of the society have decided on that (p21).

The notion of being “anti-American” is quite an interesting one - it’s actually a totalitarian notion - it isn’t used in free societies. In the old Soviet Union, dissidents were called “anti-Soviet”, and that was the worst condemnation (p22).

In the Brazilian military dictatorship, people were called “anti-Brazilian”. Therefore, if you criticize state corporate power you’re against the society, you’re against the people. It’s a sign of elements in the elite culture that are quite ugly (p22).

The Trilateral Commission actually argued that the media are out of control, and if they continue to be so irresponsible government controls may be necessary to keep them in line. But anyone who has looked at the media knows that they are so conformist it’s embarrassing. But it was much too much for the liberals, on occasion doing something they didn’t like (p23).

Private business is the national interest by definition so they’re allowed to have lobbyists, buy campaigns, staff the executive, made decisions. But the special interests i.e. the rest of the population have to be subdued (p23).

### **Principle # 3 REDESIGN THE ECONOMY**

Since the 1970s, there has been a concerted effort on the part of the “masters of mankind” to shift the economy on two crucial respects. One, to increase the role of financial institutions: banks, investment firms, insurance companies, and so on (p33).

By 2007, right before the latest crash, they had literally 40 percent of corporate profits, far beyond anything in the past. Back in the 1950s, the United States was the great manufacturing center of the world. Financial institutions used to be a relatively small part of the economy (p33).

Up until the early 1970s there was an international economic system. It was called the Bretton Woods system, and based pretty much on regulation of capital. There was very little currency speculation, because there was no room for it. The International Monetary Fund was permitting, even supporting, government controls on the export of capital (p35).

The World Bank was financing state-run development projects. That was in the 1950s and 1960s, but by the 1970s that was dismantled, completely. Controls on currencies were removed, which led predictably to an immediate sharp rise in speculation against currency (p35).

At the same time the rate of profit on industrial production was declining. So, there started a huge increase in the flows of speculative capital and enormous changes in the financial sector from traditional banks to risky investments, complex financial instruments, money manipulations, and so on (p36).

The head of a major American corporation back in the '50s and '60s was very likely to be an engineer. More recently, the directorship and the top managerial positions are people who came out of business schools, learned financial trickery of various kinds, and so on (p36).

The way to get ahead now in a major firm is to show the good results in the next quarter. That's not the long-term future of the firm and that also determines your salary and bonuses and so on. So if business practices can be designed to make short-term profits and you can make a ton of money and it crashes, you leave (p36).

That has changed the nature of the way firms are treated very significantly. By the 1980s, say, General Electric could make more profit playing games with money than it could by producing in the United States. General electric is essentially a financial institution today (p37).

It makes half its profits just by moving money around in complicated ways. It's very unclear that they're doing anything that's of value to the economy. So what happened was a sharp increase in the role of finance in the economy, and a corresponding decline in production (p37).

There has been a conscious decision to hollow out the productive capacity of the country, by shifting production to places where there is cheaper labor, no health and safety standards and no environmental conditions, to places like Northern Mexico, China, Vietnam and so on (p37).

Producers are still making plenty of money, but they're producing elsewhere. This is all quite profitable for multinationals but very harmful to the population. So Apple, one of the biggest corporations, will happily produce in a Taiwanese-owned torture chamber in China - that's about what it amounts to (p37).

What are called international “free trade agreements” are not free trade at all. The trade system was reconstructed with a very explicit design of putting working people in competition with one another all over the world (p38).

What it’s led to is a reduction in the share of income on the part of working people. It means that an American worker’s in competition with the super-exploited worker in China. There are plenty of labour struggles in China trying to overcome inequality, but it’s a very harsh regime (p39).

It’s kind of an automatic consequence of designing trade systems to protect the rich and privileged. In the manufacturing sector in the United States, unemployment has recently been at the level of the Great Depression, but those jobs aren’t coming back this time (p39).

Those who run the society - the “masters of mankind” - to borrow Adam Smith’s phrase - aren’t interested in having large-scale manufacturing come back to the United States, because they can make more profit by exploiting super-cheap labour with no environmental constraints elsewhere (p39).

Meanwhile, highly paid professionals are protected. They are not placed in competition with the rest of the world. Capital is free to move but worker’s aren’t. Adam Smith said that the “free circulation of labour” is the foundation of any free trade system, but workers are pretty much stuck (p39).

Alan Greenspan, when he testified to Congress, he explained his success in running the economy as based on what he called “greater worker insecurity”. Keep workers insecure and they’ll be under control. They are not going to ask for decent wages or decent working conditions, or the opportunity to unionize (p40).

The way that people in the US have been able to maintain their lifestyles in the last thirty years of stagnation is, first of all, by higher working hours. The other is borrowing - going deeper and deeper into debt to try to keep going (p40).

The US now has much higher working hours than comparable countries, and that has a disciplinary effect - less freedom, less time for leisure, less time for thought, more time following orders and so on. There are big effects to that (p41).

For the mass of the population it’s essentially service work - you work at McDonald’s. For the masters of mankind, that’s fine, they make their profits but for the rest of the population it’s devastating. These two processes - financialization and offshoring, are part of what leads to a vicious cycle of concentration of wealth and power. Producers are still making plenty of money, but elsewhere (p41).

The business world has lobbied very hard to create exceptions to Dodd-Frank, so that much of the shadow-banking system has been exempted from regulation by lobbyist pressure. To the extent that the public fights back, effective systems can be created - not only to regulate the big banks, but to insist that they demonstrate their legitimacy (p42).

It’s not a law of nature that the United States doesn’t have a manufacturing industry. Why should management make those decisions? Why shouldn’t those decisions be in the hands of what are called “stakeholders”, the workforce and the community (p42)?

We’re constantly seeing cases where, if there were enough popular mobilization and activism, we would have a production industry manufacturing the right things. The auto industry in the United States was pretty much taken over by the government who returned it essentially to the same owners (p43).

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There was another possibility. The industry could have been handed over to the workforce and the communities and they could have made a democratic decision about what to do. And maybe their decision would have been to produce what the country desperately needs, which is not more cars on the street, but efficient mass transportation for our own benefit, and for the benefit of our grandchildren (p43).

Retooling the autoindustry wouldn't have been that expensive, and it would be beneficial to them, beneficial to us, beneficial to the future. That was a possibility. And things like that are happening all the time, constantly (p43).

There's no reason why production in the United States can't be for the benefit of people, of the workforce in the United States, the consumers in the United States and the future of the world. It can be done (p44).

## Principle #4: SHIFT THE BURDEN

The American Dream, like many ideals, was partly symbolic, but partly real. In the 1950s and 1960s, say, there was the biggest growth period in American economic history. The Golden Age. It was pretty egalitarian growth so the lowest fifth of the population was improving about as much as the upper fifth (p51).

It was possible, for example, for a black worker to get a decent job in an auto plant, buy a home, get a car, have his children go to school, and so on. Famously, Henry Ford raised the salary of his workers so they'd be able to buy cars (p51).

Recently, there was a publication by Citigroup, one of the biggest banks. They put out a study for investors in which they identify a new category in the world - what they call the "plutonomy" - those who have substantial wealth (p52).

The plutonomy are the main drivers of the economy - they're the main consumers, and that's where all the wealth goes - so Citigroup has a "plutonomy investment portfolio". They've had it since the mid-1980s, when Reagan and Thatcher in England drove forward policies of enriching the very wealthy and letting everyone else suffer (p52).

So the small percentage of the world's population that's gathering together in increasing wealth - that's what you focus on. The rest you can forget about. Most American consumers are not going to be consuming products anyway, at least not on a major basis (p52).

From the point of view of the policy makers, the long-term future of the country doesn't matter so much. What matters is just those sectors of the society that sustain concentrated privilege. The "rest" are called the precariat - precarious proletariat - the working people of the world who are living a more and more precarious existence (p54).

So we have the precariat living insecure, precarious lives, getting by if they can, many in terrible poverty and suffering in other ways and the advice of Citigroup is that they're asking investors to focus attention on the plutonomy (p54).

From the point of view of the masters of mankind, it doesn't matter much - "as long as we make plenty of profit tomorrow, who cares if our grandchildren won't have a world to live in?" it's related to the attitude toward the country altogether (p54).

In China, it's the same - it has an extremely oppressed labour force, no independent unions, tens of thousands of labour protests every year - and super wealthy. In India it's even more extreme. In other developing countries it's changing a little bit like in Latin America (p54).

For the most part, the Citigroup analysis is pretty accurate - there's a plutonomy that's very rich, and the rest get by somehow if they can. During the period of great growth in the economy - the 1950s and '60s taxes on wealth were far higher. Now the shift is toward reducing taxes for those who are quite wealthy. Correspondingly, the tax burden on the rest of the population has increased (p55).

The pretext in this case is, “well, that increases investment and increases jobs”. But there isn’t any evidence for that. If you really want to increase jobs and increase investment, what you do is increase demand. If there’s demand, investors will meet it (p56).

If you want to increase investment, give money to the poor who spend all of it and that stimulates production, stimulates investment, leads to job growth, and so on. If you’re an ideologue for the masters, you have a different line. Even if there’s no evidence for it, even if it makes no economic sense (p56).

There’s no shortage of cash in Goldman Sachs. Pouring more cash into their hands is not in order to increase investment, it’s simply in order to increase the extraordinary concentration of wealth and with it stagnation for the rest of the population (p56).

That’s exactly what you expect to happen when you put power in the hands of those who are going to follow the vile maxim - all for ourselves and nothing for anyone else (p56).

General Electric is paying zero taxes and they have enormous profits. They take the profit somewhere else and that is common. The major American corporations shifted the burden of sustaining the society onto the rest of the population (p57).

The issue of raising taxes on the rich has, typically, been strongly supported even by the likes of those who backed Donald Trump in 2016. Voters have pretty much social democratic attitudes if you look. Welfare was demonized by Ronald Reagan - welfare, Reagan asserted, means some black man stealing your money at the state office. No one wants that but people want what welfare does (p57).

Take the 2016 Bernie Sanders campaign - across the board, his views and positions had substantial, if not majority public support, and they were pretty mainstream not long ago. But the spectrum has shifted so far to the right that what the population wants, and what was once the mainstream, now looks radical and extremist (p58).

It’s up to us to shift it back. Today’s Democrats are pretty much what used to be called moderate Republicans. That’s the mainstream of the Democratic party. The Republicans are just off the spectrum - they’re not even a political party anymore (p58).

The Republicans have moved so far toward a dedication to the wealthy and the corporate sector that they cannot hope to get votes on their actual programs, and have turned to mobilizing sectors of the population that have always been there, but not as an organized coalitional political force: evangelicals, natifists, racists, and the victims of the forms of globalization designed to set working people around the world in competition with one another while protecting the privileged (p58).

So the core question is, can that mass popular mobilization be continued and extended and become a functioning force that’ll beat back the regressive tendencies that have created a pretty ugly situation in the country (p58)?

## Principle # 5: ATTACK SOLIDARITY

Solidarity is quite dangerous. From the point of view of the masters, you're only supposed to care about yourself, not about other people, which is ok for the rich and powerful but devastating for everyone else. It's taken a lot of effort to drive these basic human emotions out of people's heads (p65).

There's a lot of talk about the crisis of social security, which is nonexistent. It's in quite good shape - about as good as it's ever been. Social security is a very effective program, and has almost no administrative cost. But the masters hate it (p66).

Social security is based on a principle - the principle of solidarity. Social security means, "I pay payroll taxes so that the widow across town can get something to live on". It's of no use to the rich, so therefore, there's a concerted attempt to destroy it (p66).

One of the ways is by defunding it. Then it won't work. People will be angry, and they will want something else. It's a standard technique for privatizing some system (p66).

We see it in the attack on public schools. Public schools are based on the principle of solidarity. The principle of solidarity says "I happily pay taxes so that the kids across the street can go to school". That's a normal human emotion and you have to drive it out of people's heads. "Why should I pay taxes? Privatize it" and so on (p66).

The public education system - all the way from kindergarten to higher education - is under severe attack. That's one of the jewels of American society. From the nineteenth century the US was way in the lead in developing extensive mass public education at every level (p67).

By now, however, in more than half the states, most of the funding for the state colleges comes from tuition, not from the state. That's a radical change, and that's a terrible burden on students. It means that students, if they don't come from wealthy families, they're going to leave college with big debts (p67).

In the 1950s, it was a much poorer society than it is today but, nevertheless, it could handle essentially free mass higher education. Today, a much richer society claims it doesn't have the resources for it. That's the general attack on principles that are the basis of the prosperity and health of this society (p68).

Take say some of the proposals for Medicare - basically destroying Medicare and privatizing it. We have the only health care system in the advanced world that is based overwhelmingly on virtually unregulated private health care, and that is extremely inefficient and very costly (p69).

Almost every other industrial society has some sort of administrative costs and they are far more efficient both in outcomes and costs than the one we have in the United States (p70).

The United States is the only country in the world in which the government, by law, is not permitted to negotiate drug prices. That is, of course, a radical violation of the principle of free trade. Medicare costs are skyrocketing now, only because they have to go through the privatized unregulated insurance system (p70).

It's known how to deal with these questions; in fact, we have models all around us. But you can't touch them because they're too powerful in the economy. It is what's called "politically impossible" or "lacking political support" when, actually, a majority of the population has wanted it for a long time (p70).

Political support means Goldman Sachs, JPMorgan Chase, and so on - that's political support. If we had a healthcare system like other countries, we would have no deficit, we'd probably have a surplus (p71).

The major human problem in the United States isn't the deficit - it's joblessness. Joblessness has a devastating effect on the society. There are terrible consequences for the people and their families. When people aren't working there are resources that could develop the economy that are not being used - they're being wasted (p71).

It's as if you somehow decided to leave factories idle. Infrastructure has collapsed, health care is a total wreck, the educational system is being torn to shreds, nothing works, and all with incredible resources.

To get people to sit passively and look at that reality takes very effective propaganda (p72).

The government, to the extent that democracy functions, carries out actions in the interests of and determined by the population. That's what democracy means. But the masters would prefer to have total control without interference from the public (p72).

So they're happy to see the government diminished although with two caveats: they want to make sure there's a powerful state there that can mobilize taxpayers to bail them out and to enrich them further.

And, secondly, they want a major military force to make sure that the world is under control (p73).

Overwhelmingly, the discussion is shaped by the masters: "look at the deficit, forget everything else".

But even when looking at the deficit, it's striking that they omit anything about the causes of the deficit.

One is the extraordinary military spending that's about the same as that of the rest of the world combined (p73).

How do we make higher education more affordable? Very easy - by doing it. Finland comes out close to the top on virtually any measure of educational achievement and they pay nothing to go to college.

Same in Germany. You pay nothing in Mexico either (p74).

There is no economic reason why education can't be available to everyone for free. But those are social and political decisions. The economy would almost certainly be better off if more people did have the opportunity to develop themselves and contribute to society through what higher education can offer (p74).

## Principle #6: RUN THE REGULATORS

If you look over the history of regulation - railroad regulation, financial regulation, and so on - you find that it's either initiated by the economic concentrations that are being regulated, or it's supported by them. And the reason is because they know that, sooner or later, they can take over the regulations and essentially run what they do (p79).

This happens naturally in many ways and ends up with what's called "regulatory capture". The business being regulated is in fact running the regulators. It gets so extreme that the banks and bank lobbyists are actually writing the laws of financial regulation (p79).

During the Depression, one of the regulations instituted was to separate commercial banks from investment banks. They were separated in what was called the Glass-Steagall Act. In the 1990s, the economic programs of the Clinton administration were run pretty much by Robert Rubin and his associates - people who basically came out of the financial industries (p80).

And they wanted to overrule this law from back in the '30s. They succeeded, in 1999, by undermining Glass-Steagall with the cooperation of the right wing Republicans. That meant that, the risky operations of investment banks ended up being guaranteed by the government (p80).

Robert Rubin went back to become a director of Citigroup and made use of the new laws. He helped them take over a big insurance company and so on - made a lot of money - then it all crashed. He went off with his money, came back as Obama's chief adviser, and then the government bailed out Citigroup (p81). This is what is known as the "revolving door" - you're a legislator and you become a lobbyist, and as a lobbyist, you want to control regulation. One of the things that expanded enormously in the 1970s is lobbying. There was a huge effort with lobbyists to try even to write legislation (p81).

The business world was upset by the advances in public welfare in the 1960s, in particular by Richard Nixon, and they regarded that as class treachery. In Nixon's administration, we got the consumer safety legislation, safety and health regulations in the workplace, the Environmental Protection Agency (p81). Business didn't like it and so they began a coordinated effort to try to overcome it. Lobbying sharply increased. New think tanks were developed to try to control the ideological system, like the Heritage Foundation. The spending on campaigns went way up and there was fantastic growth of the role of finance in the economy. Deregulation began with a real ferocity (p82).

Remember, there were no financial crashes in the '50s and 60s because the regulatory apparatus of the New Deal was in place. As it began to be dismantled under business pressure and political pressure, you get more and more crashes (p83).

Instead of letting them pay the cost, Reagan bailed out the banks. In the early 1980s, the US went into the deepest recession since the Great Depression, only to be pulled out by various forms of subsidy and so on. Reagan ended his term with a huge financial crisis - the savings and loans crisis, and again, the government moved in and bailed it out (p83).

The savings and loan crisis was a little different from the 2008 financial crisis, because the perpetrators were brought to court and tried, and a lot was learned from the trials about the chicanery, shenanigans, trickery, and crimes that were carried out (p83).

Power has become so concentrated now that not only are banks “too big to fail”, but as one economist put it, they are also “too big to jail”. Deregulation when on through the Clinton years. In 1999, regulation separating commercial banks from investment banks was dismantled (p84).

Bush came along and we had the \$8 trillion housing bubble that held no relation to the relevant facts about the cost of housing. Of course, that broke in 2007, and trillions of dollars of capital just disappeared - fake wealth. That led to the biggest financial crisis since the Great Depression (p84). Then comes the Bush and Obama bailout, which reconstructed the powerful institutions - the perpetrators - and left everyone else floating (p84).

There was severe harm to people, who had houses taken away from them, jobs diminished, and so on. It was done with impunity, and they're building up to the next one. Each time, the taxpayer is called on to bail out those who created the crisis, increasingly the major financial institutions (p84).

In a capitalist economy you wouldn't do that. In a capitalist system, that would wipe out the investors who made risky investments. But the rich and powerful don't want a capitalist system. They want to be able to run to the “nanny state” as soon as they're in trouble, and get bailed out by the taxpayer (p85). They're given a government insurance policy, which means that no matter how often you risk everything, if you get into trouble, the public will bail you out because you're too big to fail, and it's just repeated over and over (p85).

Their power is so enormous that any attempt to deal with it is essentially beaten back. There have been mild attempts, like Dodd-Frank, but that's whittled down in the implementation by lobbyists - and it doesn't go after the main issues anyway (p85).

The people picked to fix the crisis were those who created it - the Robert Rubin crowd, the Goldman Sachs crowd. They created the crisis and are now more powerful than before. That's not an accident. The last bailout was unprecedented in scale. These corporations were kept viable in a period where, in a capitalist system, they would've crashed. But we don't have a capitalist economy - business wouldn't accept that, so, the public comes in to pour literally trillions of dollars into the hands of failing corporations and maintain them (p85).

While this is unprecedented in scale, there is nothing new about it. The same is true after all financial crises. When a big investment bank like Goldman Sachs make an investment or a loan, they don't take into account what's called “systemic risk” (p87).

Systemic risk is the risk that if their investments collapse, the whole system will collapse. That has been exacerbated by the deregulation mania and also by the development of very complex financial instruments, which have no contribution to the economy, but make it possible to distribute risks in complex ways (p87).

That's what happened with the mortgage crisis. Mortgage sellers were offering subprime mortgages to people who they knew would never be able to pay them back. The banks broke the mortgages up into small parts and handed them off to someone else (p87).

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These investors often didn't know what they were buying. Technically this was supposed to reduce risk but when the system suffered a break, the effects of the crisis were enormous. And again, the taxpayers were called in to bail it out (p87).

That's not just bailing out the banks, that's hundreds of billions of dollars coming out of the Fed and Treasury, providing cheap credit, and so on. If the population allows it to proceed, it's just going to go on and on like this until the next crash, which is so much expected that credit agencies, which evaluate the status of firms, are now counting into their calculations the taxpayer bailout that they expect to come after the next crash (p87).

Everywhere you look, policies are designed this way. That's what happens when you put power into the hands of a narrow sector of wealth, which is dedicated to increasing power for itself - just as you'd expect. The simplest definition of neoliberalism is "let the market run everything" (p88).

Get the government out of policy formation except to support market activities. Nobody really means that. Those measures applied to the poor and the weak but not to yourself. For the large majority of the population, the principle is you've got to "let the markets prevail". But not for the rich. For the rich, the state is a powerful state, which is ready to move in as soon as you get into trouble and need a bailout (p90).

Reagan is the icon of neoliberalism, free markets, and so on. He was also the most protectionist president in postwar American history. He doubled protectionist barriers to try to protect incompetent US management from superior Japanese production (p90).

He also bailed out the banks instead of letting them pay the costs. In fact, government actually grew during the Reagan years relative to the economy. The poor are told the opposite - let market principles prevail, don't expect any help from the government, the government is the problem, not the solution, and so on. That's essentially neoliberalism - one set of rules for the rich, and the opposite set of rules for the poor (p90).

## Principle #7: ENGINEER ELECTIONS

There is a shredding of the democratic system by the rapid increase in the ability to just buy elections. The Fourteenth Amendment has a provision that says no person's rights can be infringed without due process of law, and the intent, clearly, was to protect freed slaves (p97).

Almost immediately it was used for businesses - corporations - their rights can't be infringed without due process of law. This is a sharp attack on classical liberal principles, and was condemned by conservatives in those days (p97).

But that trend continued into the early twentieth century, when it was pretty much established that corporations have personal rights, and it extended through the twentieth century, when they gradually became persons under the law (p98).

Corporations are state-created legal fictions. Maybe they're good, maybe they're bad but to call them persons is kind of outrageous. The so called free trade agreement - NAFTA gave corporations rights way beyond what persons have (p98).

So while the notion of personhood was expanded to include corporations, it was restricted for others, like immigrants. Undocumented aliens who are living here and building your buildings, cleaning your lawns, and so on, they're not persons, but General Electric is a person, an immortal, super-powerful person (p98).

In the 1970s, the courts decided that money was a form of speech but then you go on through the years to Citizens United, which says the right of free speech of corporations can't be curtailed. It means that corporations, which have been pretty much buying elections anyway, are now free to do it with virtually no constraint. That's a tremendous attack on the residue of democracy (p99).

It puts the country in a position where business power is greatly extended beyond what it always was. The Supreme Court justices are put in by reactionary presidents, who get in there because they're funded by business. It's the way the cycle works. Business and investors, not the voters, have tremendous influence in the political system (p100).

If you want to be in the game, you go to the center of the corporate system. The funding for campaigns is not just to get the candidate in. If you're funding a candidate, it buys access. Every funder understands that (p101).

When the candidate wins, privileged access means that your corporate lawyers go to the staff of the legislator, the people who actually write the legislation. The legislators often don't even know what's in it, but the people who actually do the work - the corporate lawyers - go and deluge them with alleged data, arguments, and tons of material; they basically write the laws (p101).

So, what comes out as policy is pretty much what's written by corporate lobbyists and lawyers, who gain the access thanks to funding. After we spend 10 minutes voting in an electoral extravaganza we should turn to what really matters - which is not the election but the continued effort to develop and organize active dedicated popular movements that will continue to struggle constantly for what has to be done (p102).

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You don't build a better-functioning democracy, or a party for that matter, by voting once every four years. You have to be out there constantly - developing the system that goes from school boards to city councils, legislatures, all the way up to Congress (p102).

And there are people who understand that, namely the far-right. That's how the Tea Party got organized - with plenty of capital and plenty of thinking - and it has an effect (p102).

## Principle #8: KEEP THE RABBLE IN LINE

There is one organized force that, with all its flaws, has traditionally been in the forefront of efforts to improve the lives of the general population. That's organized labour. It's been the one barrier to this vicious cycle going on, which leads to corporate tyranny (p107).

A major reason for the concentrated, almost fanatic attack on unions and organized labour is that they are a democratizing force. They provide a barrier that defends workers' rights, but also popular rights generally. That interferes with the prerogatives and power of those who own and manage the society (p107).

Antiunion sentiment in the United States among elites is so strong that the fundamental core of labour rights - the basic principle in the International Labour Organization, which is the right to free association, hence the right to form unions - has never been ratified by the U.S (p108).

The business class is highly class-conscious, and rising popular power has always called forth real, deep concerns on the part of the business classes and the educated sectors, which are usually in line with the thesis that "too much democracy" is a real problem (p108).

The U.S. has a long and very violent labour history as compared with similar societies. The labour movement had been very strong, but by the 1920s, in a period not unlike today, it was virtually crushed - in part by Woodrow Wilson's red scare (p108).

So, the labour movement was pretty dormant right through the early 1930s but by the mid-'30s, it began to reconstruct. The organization of the Congress of Industrial Organizations was the most significant part, and it drew in lots of people (p108).

It had a galvanizing effect on other kinds of activism, along with the Communist Party, which was the spearhead of all kinds of activism - civil rights, labour organizing, social and political movements, and so on. Franklin Delano Roosevelt was rather sympathetic to progressive legislation that would benefit the general population (p109).

He informed the labour leaders and others "Force me to do it. If you can force me to do it, I'll be glad to do it". What he meant is, go out and demonstrate, organize, protest, develop the labour movement, strike, and so on (p109).

When the popular pressure is sufficient, I'll be able to put through the legislation you want. The business world was actually split during the New Deal years in the 1930s. High-tech internationally orientated business was supportive of the New Deal. Whereas the National Association of Manufacturers were passionately opposed to the New Deal (p109).

So there was a combination of sympathetic government and, by the mid-'30s, very substantial popular activism. There were industrial actions - sit down strikes, which were very frightening to the ownership. A sit-down strike is just one step before saying, "We don't need bosses. We can run this by ourselves" (p110).

And business was appalled. In the business press in the late 1930s, they were talking about "the hazard facing industrialists in the rising political power of the masses", which has to be repressed. We must

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fight the “everlasting battle for the minds of men to indoctrinate people with the capitalist story”, and so on (p110).

The business class at the time began to develop what were called scientific methods of strike breaking - when violence isn't working anymore, they had to look at more sophisticated ways to undermine the labour movement (p110).

The huge government stimulus after the second world war set the stage for the unprecedented postwar growth and development. Most of the high-tech economy we have today developed substantially through what amounts to the state sector of the economy (p111).

Things were on hold during the second world war but immediately afterward, the business offensive began in force. The Taft-Hartely Act and McCarthyism, for instance, were followed by massive corporate propaganda offensives - to take over and control the educational system, sports leagues, infiltrate churches, everything (p111).

On the one hand, people must be induced to hate and fear government, the potential instrument of popular will, while private corporations are left unaccountable, yielding a form of tyranny. The more power they have and the less government has power, the better from the viewpoint of the rich and powerful (p111).

On the other hand, people have to support government because private business relies extensively on state support - all the way from high-tech economy to bailouts, to international force, and so on. The offensive sharply increased during the Reagan years when Reagan pretty much told the business world “if you want to illegally break organizing efforts and strikes, then go ahead” (p112).

Illegal strike-breaking shot way up, and illegal firing tripled. It continued in the 1990s and of course with George W. Bush it went through the roof. By now, less than 7 percent of private sector workers have unions, and it's not because workers don't want unions - polls show that, overwhelmingly, they want to unionize - but they can't (p112).

A sympathetic government could respond by implementing policies that would deal with the real problems of the country, and not just the ones of concern to the financial institutions. If you're in a position of power, you want to maintain class consciousness for yourself, but eliminate it everywhere else (p113).

During the industrial revolution, working people overwhelmingly regarded wage labour as not very different from slavery, different only in that it was temporary. “Working people ought to take over the factories” was the slogan of the big mass labour organizations that was developing (p114).

One hundred and fifty years ago, in the early days of the Industrial Revolution, there was a very free press. Wage labour was regarded as not very different from slavery. There was a bitter attack on the industrial system, which they said was turning free Americans into basically slaves (p114).

There was anger at what some called “the New Spirit of the Age - gain wealth forgetting all but self”. There was a sharp rise in class consciousness. Now, class has become a dirty word - you can't say it. On page 450 of Adam Smith's *Wealth of Nations*, he condemns the division of labour, because he says it turns people into creatures as stupid and ignorant as can be. Because they're going to be driven to

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performing routine, simple tasks, and not developing and exercising their intelligence and creative capacity (p115).

So, therefore, he urges that in every civilized society the government intervene to prevent this from happening. We're human beings, we're not automatons. You work at your job but you don't stop being a human being (p115).

Being a human being means benefiting from rich cultural traditions - not just our own traditions, but many others - and becoming not just skilled, but also wise. Somebody who can think creatively, think independently, explore, inquire - and contribute to society (p115).

If you don't have that, you might as well be replaced by a robot. That simply can't be ignored if we want a society worth living in. When you hear a politician say, "we've got to have jobs", it almost always translates into "we have to have profits". They don't care about jobs. The same people who are saying "we have to have jobs" are happily exporting them to Mexico and China because that increases profits (p115).

The whole rhetorical system has shifted around to try to prevent people from seeing what's happening - that's understandable, and exactly what you'd expect people with power to do, but we should recognize it. (p115).

The US has less social mobility than comparable industrial countries. When you're talking about working people, we mostly refer to them as middle class. And the middle class, in the unique American sense, is under severe attack (p116).

So America is one of the few societies in which you just don't talk about class. The notion of class is pretty simple: Who gives the orders? Who follows them? That basically defines class. It's more nuanced than that, but that's basically it (p116).

We're not genetically different from the people in the 1930s. What was done then can be done again. At the time, it was done after a period not unlike today - a period of very high inequality, harsh repression, destruction of the labour movement, a much poorer society than today with fewer opportunities (p116).

We can pick up the same thing, and turn the current developments in that direction. But it has to be done; it's not going to happen by itself (p116).

## Principle #9: MANUFACTURE CONSENT

In every state, no matter what type - whether it's feudal, militaristic, whatever it was power is in the hands of the governed. They can, if they get together, take power. As long as they can be made to feel they don't have power, then the powerful can rule (p123).

But if they come to understand that they do have power, then repressive and authoritarian government alike will collapse. That's one of the reasons why we have this enormous public relations industry. The public relations industry is a phenomenon that developed in the freest countries, in Britain and the United States, and the reason is pretty clear (p124).

A century ago it became clear that it was not going to be easy to control the population by force. Too much freedom had been won through labor organizing, parliamentary labor parties, and so on. It was kind of like the 1960s - the danger of democracy, and the reaction was sort of similar. A crucial rise of the PR industry (p124).

Its leading intellectual figure was Edward Bernays - a progressive talking from the so-called left end of the political spectrum. He wrote a book called Propaganda which was kind of a manual, providing theoretical guidance for the rising public relations industry (p124).

He said the country has to be governed by the intelligent minority, which was of course us. The intelligent minority has to run the country in the interests of the general population. You can't let the majority make decisions because they will be terrible decisions (p124).

Part of the way we do this is by what he called "engineering of consent". They're too dumb to understand so we'll engineer their consent to what we decide, and that's the purpose of the public relations industry (p124).

You find this doctrine all through progressive intellectual thought, like Walter Lippmann, the major progressive intellectual of the twentieth century. He wrote famous progressive essays on democracy in which his view was exactly that. "The public must be put in their place" so that the responsible men can make decisions without interference from the "bewildered herd" (p125).

It was understood and expressed that you have to control people through beliefs and attitudes. One of the best ways to control people in terms of attitudes is by "fabricating consumers". If you can fabricate wants, make obtaining things that are just about within your reach the essence of life, they're going to be trapped into becoming consumers (p125).

The business press of the 1920s talks about the need to direct people to the superficial things of life, like "fashionable consumption" and that'll keep them out of your hair. The first major achievement of Bernays was to get women to smoke (p125).

The advertising industry just exploded with this goal - fabricating consumers, trapping people into consumerism - and it's done with great sophistication. The ideal is what you see today where, teenage girls still go walking in the shopping mall, not to the library or somewhere else. Kids feel like "I haven't achieved anything in my life unless I have another electronic gadget" (p126).

The idea is to try to control everyone, to turn the whole society into the perfect system. The perfect system would be a society based on a dyad - a pair. The pair is you and your television set, or maybe now you and your iPhone and the internet, and that presents you with what the proper life should be (p126).

Then you spend your time and effort gaining those things that you don't need or don't want - maybe you'll throw them away - but that's the measure of a decent life. Markets are supposed to be based on informed consumers making rational choices (p127).

But that's not what is done. An ad for a car is a football hero, an actress, the car doing something crazy like going up a mountain or something. Hundreds of millions of dollars are spent to try to create uninformed consumers who will make irrational choices - that's what advertising is (p127).

Some years ago it became recognized in the advertising industry that there's a sector of the population that they're not reaching - children. Children don't have any money so they hadn't been directing advertising to children (p127).

Children may not have money but their parents do. So something new developed in the advertising industry - it's called "the psychology of nagging". So, applied psychology departments now, in the academic world, study various kinds of nagging (p127).

Parents are familiar with this because they see it happening. There are very good studies of the effects of this on children and adults as they grow up. So that's one form of trapping people. Another very significant form of trapping people is by debt. It brings back a slave economy (p128).

When the same institutions - the PR system - run elections, they do it the same way. They want to create an uninformed electorate that will make irrational choices, often against their own interests. Democracy is supposed to be based on informed citizens making rational decisions. But the PR industry runs the campaigns so all that you get is glitz, and illusion, and personalities, and so on (p129).

They keep away from issues and their reason they keep away from issues is clear enough. On issues there's a big substantial divide between public policy and public opinion. So they drive the population to marginal things, and that way they can undermine democracy the same way they undermine markets (p129).

In that way they contribute to the general purpose of marginalizing, atomizing people and directing their attitudes and concerns away from what might matter to them as functioning people in a free, vibrant, democratic society (p129).

The public are to be spectators not participants. Then you get a "properly functioning democracy". And we see it each time one of these election extravaganzas takes place (p129).

## **Principle # 10: MARGINALIZE THE POPULATION**

Policy is uncorrelated with public attitudes, and closely correlated with corporate interests. About 70 percent of the population has no influence on policy - they might as well be in some other country. As you go up the income and wealth level, the impact on policy is greater - the rich essentially get what they want (p139).

The real concentration of power is in a fraction of 1 percent. Government policy is designed to implement state power and the power of dominant interests within the society. Here, it means mainly the corporate sector. The welfare of the population is secondary and often not cared for at all (p140). And the population knows it. That's why you have this tremendous antagonism toward institutions - all institutions. So support for Congress is often in the single digits; the presidency is disliked; corporations are disliked; banks are hated. Even science is disliked - "why should we believe them (p140)?"

There is popular mobilization and activism, but in very self-destructive directions. It's taking the form of unfocused anger-hatred, attacks on one another and on vulnerable targets. Really irrational attitudes - people mobilizing against their own interests. Supporting political figures whose goal is to harm them as much as possible (p140).

It is corrosive of social relations, and that's the point. The point is to make people hate and fear each other, look out only for themselves, and not do anything for anyone else. So take Donald Trump. He has unleashed forces, even though he does not fit the image of an honest demagogue. He seems to have very little of a considered ideology apart from me and my friends (p141).

He got huge support from people who are angry at everything. Everytime Trump makes a nasty comment about whoever, his popularity goes up. Because it is based on hate and fear. The phenomenon that we are seeing here is "generalized rage". Mostly white, working class, lower middle class people, who have been cast by the wayside during the neoliberalism period (p141).

They've lived through a generation of stagnation and decline. And a decline in the functioning of democracy. Even their own elected representatives barely reflect their interests and concerns. Everything has been taken away from them (p141).

There is no economic growth for them, there is for other people. The institutions are all against them. They have serious contempt for institutions, especially congress. They have a deep concern that they are losing they're losing their country because a generalized "they" are taking it away from them (p142). The kind of scapegoating of those who are even more vulnerable and oppressed, along with illusions about how they are being coddled by the "liberal elites", is all too familiar, along with the often bitter outcomes. It's important to bear in mind that the genuine fears and concerns can be addressed by serious constructive policies (p142).

Many of the Trump supporters voted for Obama in 2008, believing the message of "hope and change". They saw little of either, and now in their disillusionment they are seduced by a con man offering a different message of hope and change - which could lead to a very ugly reaction when the imagery collapses (p142).

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But the outcomes could be far more hopeful if there is a real and meaningful program that genuinely inspires hope and does promise seriously to bring about badly needed change. The response instead is generalized anger at everything (p142).

April 15<sup>th</sup> is the day you pay your taxes in America. If a society is really democratic, April 15 should be a day of celebration when the population gets together and decide to fund programs and activities that they have formulated and agreed upon (p142).

It's not that way in the United States. Instead it is a day of mourning. It's a day in which some alien power that has nothing to do with you is coming down to steal your hard-earned money - and you do everything you can do to keep them from doing it (p142).

That's a measure of the extent to which, at least in popular consciousness, democracy is actually functioning. Not a very attractive picture. The tendencies that we've been describing within American society, unless reversed, will create an extremely ugly society (p143).

A society based on Adam Smith's vile maxim, "All for ourselves, nothing for anyone else", the new spirit of the age, "gain wealth, forgetting all but self", a society in which normal human instincts and emotions of sympathy, solidarity, mutual support, in which they're driven out (p143).

That's a society so ugly it's hard to imagine anyone wanting to live in it. If a society is based on control by private wealth, it will reflect those values - values of greed and the desire to maximize personal gain at the expense of others (p143).

Now, a small society based on that principle is ugly, but it can survive. A global society based on that principle is headed for massive destruction (p143).

The future looks pretty grim. We are facing really serious problems. Can the species survive, at least in any decent form? That's a real problem. The republican party has become the most dangerous organization in world history (p143).

The party is dedicated to racing as rapidly as possible to destruction of organized human life. There is no historical precedent for such a stand. The winning candidate, Donald Trump, calls for rapid increase in use of fossil fuels, including coal; dismantling of regulations; rejection of help to developing countries that are seeking to move to sustainable energy; and in general, racing to the cliff as fast as possible (p144).

The COP21 Paris negotiations on climate change aimed for a verifiable treaty, but had to settle for verbal commitments because the Republican Congress would not accept any binding commitments. The leader in upholding the hopes for decent survival was China! And the leading wrecker, in virtual isolation, was "the leader of the Free world". One can hardly find words to capture this spectacle (p144).

We are heading, eyes open, toward a world in which our grandchildren may not even be able to survive. We're heading towards environmental disaster and not just heading toward it but rushing towards it. It's an escalating process because as the ice cap in the Arctic melts, less of the sun's energy is reflected, and more comes into the atmosphere, creating an escalating, nonlinear process that gets out of control (p145).

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The reaction is enthusiasm. We can now accelerate the process because new areas of the arctic are open for digging and extraction of fossil fuels, so we can make it worse. This is a death sentence for our descendants. Hundreds of millions of people in Bangladesh are going to be driven from their homes by rising sea levels in the not too distant future (p145).

This demonstrates either a remarkable lack of concern for our own grandchildren or else an equally remarkable inability to see what's before our own eyes. There's another major threat that's been hanging over human life for more than seventy years - and that's nuclear war (p145).

Bertrand Russell and Albert Einstein, around 1955, issued a passionate plea to the people of the world to recognise they have a choice that is stark and unavoidable: they must decide - all of mankind must decide - to renounce war, or to self-destruct. And we have come very close to self-destruction a number of times (p146).

We are not smart enough to design in any detail what a perfectly just and free society would be like. But we can ask how we can progress in that direction. John Dewey, the leading social philosopher in the late twentieth century, argued that until all institutions - production, commerce, media - are under participatory democratic control, we will not have a functioning democratic society. As he put it "Policy will be the shadow cast by business over society" (p146).

Where there are structures of authority, domination and hierarchy, they are not self-justifying. They have to justify themselves. They have a burden of proof to meet. If you take a close look, usually you find that they can't justify themselves (p147).

If they can't, we ought to dismantle them - trying to expand the domain of freedom and justice by dismantling that form of illegitimate authority. That's another task for an organized, committed, dedicated population: not just to regulate them, but to ask why they're there (p147).

This comes straight out of the libertarian element of the Enlightenment and classic liberal thought. It's also the core principle of anarchism, but that's democracy as well. They're just different ways of looking at the same kind of problem - popular decision making in the hands of people who are concerned with the decisions and their impact. And progress over the years has been just that (p147).

The reason things change is because lots of people are working all the time. They're working in their communities, in their workplaces, or wherever they happen to be. And they're building up the basis for popular movements, which are going to make changes. That's the way everything has ever happened in history (p147).

Take, say, freedom of speech, one of the real achievements of American society - we're first in the world in that. It's not truly guaranteed in the Bill of Rights, in the Constitution. Freedom of speech issues began to come to the Supreme Court in the early twentieth century (p148).

The major contributions came in the 1960s. One of the leading ones was a case in the civil rights movement. By then you had a mass popular movement, which was demanding rights, refusing to back down. In that context, the Supreme Court did establish a pretty high standard for freedom of speech (p148).

Or take, say, women's rights. Women also began identifying oppressive structures, refusing to accept them, bringing other people to join with them. That's how rights are won. There is no general remedy. The activists are the people who have created the rights that we enjoy (p148).

They're not only carrying out policies based on information that they're receiving, but also contributing to understanding. It's a reciprocal process. You try to do things. You learn. You learn about what the world is like. That feeds back to the understanding of how to go on (p148).

The way people learn is by interaction. That's even true of the advanced sciences. If you go to a research lab in the sciences, people are talking to each other, they're challenging each other, they're presenting ideas, getting reactions from colleagues, students and so on. If you're isolated, you might be an individual genius who can figure things out, but it's not likely. You don't have the resources, or the support, or the encouragement to try to find out who you are, what's happening in the world, where you should be looking, and so on (p149).

In societies with functioning, significant organizations like unions - which were a very educational force, not just fighting for workers' rights, but where workers' education was a major phenomenon - you can learn where to look (p149).

You can encourage each other. You can inform one another. You can have your views challenged, refine them, and so on. Then, you can overcome the very natural efforts of elite institutions to protect you from what they don't want you to know. It's very like everything else, a constant struggle against power (p149).

During the Arab Spring, in the early days of the Tahrir Square demonstrations, government pressures were very significant. A lot of the organizing was done through social media, and President Mubarak made the decision to shut down the Internet to block activism through social media (p149).

Activism increased because people returned to what really matters, which is face-to-face contact. People began to talk to one another. We have plenty of evidence that direct personal interchange - organizing people directly has a major effect (p149).

Social media are useful, and all organizers and activists use them, but it's not like really entering into discussions with people directly. We're human beings, we're not robots, and that can't be forgotten. The fact of the matter is by comparative standards, we live in quite a free society (p150).

It wasn't a gift from heaven. The freedoms that we have were won by hard, painful, courageous popular struggle. We have that legacy - a legacy granted to us by the struggles of others. There are huge opportunities - it's still the freest society in the world in many ways. Government has very limited capacity to coerce (p150).

Corporate business may try to coerce, but they don't have the mechanisms. There's a lot that can be done if people organize - struggle for their rights as they have done in the past - and we can win many victories. We're going to have to find new ways of political action (p150).

There is a change going on, mainly among young people, but that is where change usually starts. It goes where people like us direct it. What matters is the countless small deeds of unknown people, who lay the basis for the significant events that enter history. They're the ones who've been doing things in the past. They're the ones who'll have to do it in the future (p150).

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