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## A Democratic Disaster

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## A Democratic Disaster

#### Abstract

Naomi Klein's "Disaster Capitalism" paints a grim and compelling portrait of an emerging American dystopia: Large corporations making huge profits on non-bid contracts to handle the government's response to natural and political disasters (like Katrina and Iraq). She envisions "a collective future of disaster apartheid, in which survival is determined primarily by one's ability to pay." The catalogue of outrages Klein supplies is enough to make even the local chamber of commerce president blush. Yet as I read her piece, I found myself angry not so much with the corporations as with my fellow citizens. How can we allow this to happen?

## Keywords

Human rights, Capitalism, Government policy

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#### A Democratic Disaster

### by Michael Goodhart

Naomi Klein's "Disaster Capitalism" paints a grim and compelling portrait of an emerging American dystopia: Large corporations making huge profits on non-bid contracts to handle the government's response to natural and political disasters (like Katrina and Iraq). She envisions "a collective future of disaster apartheid, in which survival is determined primarily by one's ability to pay." The catalogue of outrages Klein supplies is enough to make even the local chamber of commerce president blush. Yet as I read her piece, I found myself angry not so much with the corporations as with my fellow citizens. How can we allow this to happen?

Klein's essay should be read alongside Robert Reich's musings on "How Capitalism is Killing Democracy," in the September/October issue of Foreign Policy. According to Reich, "Democracy has become enfeebled largely because companies, in intensifying competition for global consumers and investors, have invested ever greater sums in lobbying, public relations, and even bribes and kickbacks" in seeking to change the rules of the game to their advantage (41). This cash-fueled competition prices most citizens out of politics. In effect, corporations are buying a political system that makes the rules under which "disaster capitalism" flourishes.

Yet the problem is not—or is not fundamentally—corporate greed. Reich reminds us that markets are designed to make us richer: Corporations exist to make a profit. That is what all of us expect and demand that they do when we act like investors, worriedly tracking the rise and fall of our IRAs, or as consumers, shopping for the best bargain. Democracy is supposed to distill and act for the common good. To Reich, the problem is that we do not do a good job in putting our role as citizens ahead of our role as investors and consumers.

"The challenge for citizens is to stop these economic entities from being the authors of the rules by which they live" (40). In other words, citizens must use the power of the ballot to check corporate excesses. Interestingly, the word "democracy" never appears in Klein's essay, and "democratic" appears only once, with a capital D, in identifying Representative Henry Waxman of California. That is the main flaw in her argument. As repulsive as disaster capitalism is, it is first and foremost a failure of democracy—a failure of the citizens.

Klein seems to think that we are in a hole so deep that we will never climb out of it. But she never admits that we have dug the hole ourselves—or maybe contracted Bechtel to do it for us. Even Reich talks about citizens' voices being "drown[ed] out" and society finding itself "unable" to respond to the social calamity of unbridled capitalism. Both apparently believe that somehow the corporations have gained an insurmountable advantage, that the writing is on the wall, that capitalism will run amok right until it runs over a cliff.

So in both of these stories, to varying degrees, capitalism is the villain, democracy the victim. This strikes me as utter nonsense. Of course, representative democracy is a flawed system: Money buys influence; the rules favor the haves over the have-nots. And, as Reich acknowledges, we face a tension between our public roles as citizens and our private roles as economic actors seeking to maximize our own personal welfare. But for all their problems, democratic institutions make it possible for the people to make and enforce the rules.

Thomas Frank, in his 2004 bestseller What's the Matter with Kansas?, argues that people have been duped by right-wingers, distracting themselves with values issues while privatization, deregulation, and the rest of it get smuggled in under their noses. This might be true, but it hardly absolves democratic citizens of our responsibility for those economic policies or for others (like the Iraq war). If people are so lazy, ignorant, or uninterested that they have not noticed corporations plundering the treasury and impoverishing the nation, perhaps the old adage that people get the government they deserve is true after all.

Karl Marx wrote in <u>The Communist Manifesto</u> that the first step in the proletarian revolution is "to win the battle of democracy." He saw that capitalism could never be tamed unless the people first used democratic political institutions to change the rules of the game. He would surely be saddened to learn that nearly 160 years later we have still not learned this lesson—or rather, that we have forgotten it. The post-war welfare states in Europe and North America are (were?) a testament to the power of the people to shape the system, to control capitalism without crippling it (they were also testament to an unjust global economic order, but that is another story).

Today capital again has the upper hand. Disaster capitalism, with all of its affronts, is clear evidence of that, as Klein shows. Yet perhaps the greatest outrage of all is that things have gotten so bad that democracy does not even seem to be worth mentioning.

Michael Goodhart is Associate Professor of Political Science and Women's Studies at the University of Pittsburgh. His research focuses on democratic theory and human rights, especially in the context of globalization. He has published on these subjects in Human Rights Quarterly, Perspectives on Politics, the Journal of Human Rights, Polity, and elsewhere. Goodhart's first book, Democracy as Human Rights: Freedom and Equality in the Age of Globalization, was published by Routledge in 2005. He is book review editor at Polity and a past president of the APSA organized section on human rights. For more information visit www.pitt.edu/~goodhart.