A decent democratic society should be based on the principle of "consent of the governed." That idea has won general acceptance, but it can be challenged as both too strong and too weak. Too strong, because it suggests that people must be governed and controlled. Too weak, because even the most brutal rulers require some measure of "consent of the governed," and generally obtain it, not only by force.

I am interested here in how the more free and democratic societies have dealt with these issues. Over the years, popular forces have sought to gain a larger share in managing their affairs, with some success alongside of many defeats. Meanwhile, an instructive body of thought has been developed to justify elite resistance to democracy. Those who hope to understand the past and shape the future would do well to pay careful attention not only to practice but also to the doctrinal framework that supports it.

The issues were addressed 250 years ago by David Hume in classic work. Hume was intrigued by "the easiness with which the many are governed by the few, the implicit submission with which men resign" their fate to their rulers. This he found surprising, because "Force is always on the side of the governed." If people would realize that, they would rise up and overthrow the masters. He concluded that government is founded on control of opinion, a principle that "extends to the most despotic and most military governments, as well as to the most free and most popular."

Hume surely underestimated the effectiveness of brute force. A more accurate version is that the more "free and popular" a government, the more it becomes necessary to rely on control of opinion to ensure submission to the rulers.

That people must submit is taken for granted pretty much across the spectrum. In a democracy, the governed have the right to consent, but nothing more than that. In the terminology of modern progressive thought, the population may be "spectators," but not "participants," apart from occasional choices among leaders representing authentic power. That is the political arena. The general population must be excluded entirely from the
economic arena, where what happens in the society is largely determined. Here, the public is to have no role, according to prevailing democratic theory.

These assumptions have been challenged throughout history, but the issues have taken on particular force since the first modern democratic upsurge in 17th century England. The turmoil of the time is often depicted as a conflict between King and Parliament, but as is often true, a good part of the population did not want to be governed by either of the contestants for power but "by countrymen like ourselves, that know our wants," so their pamphlets declared, not by "knights and gentlemen" who do not 'know the people's sores" and will "but oppress us."

Such ideas greatly distressed "the men of best quality," as they called themselves: the "responsible men," in modern terminology. They were prepared to grant the people rights, but within limits, and on the principle that by "the people" we do not mean the confused and ignorant rabble, they explained. But how is that fundamental principle of social life to be reconciled with the doctrine of "consent of the governed," which was not so easy to suppress by then? A solution to the problem was proposed by Hume's contemporary Frances Hutcheson, a distinguished moral philosopher. He argued that the principle of "consent of the governed" is not violated when the rulers impose plans that are rejected by the public, if later on the "stupid" and "prejudiced" masses "will heartily consent" to what we have done in their name. We can adopt the principle of "consent without consent," the term used later by the North American sociologist Franklin Henry Giddings.

Hutcheson was concerned with control of the rabble at home; Giddings, with enforcing order abroad. He was writing about the Philippines, which the US army was liberating at the time, also liberating several hundred thousand souls from life's sorrows -or as the press put it, "slaughtering the natives in English fashion" so that "the misguided creatures" who resist us will at least "respect our arms" and later come to recognize that we wish them "liberty" and "happiness." To explain all of this in properly civilized tones, Giddings devised his concept of "consent without consent":

if in later years, [the conquered people] see and admit that the disputed relation was for the highest interest, it may be reasonably held that authority has been imposed with the consent of the governed,
as when a parent prevents a child from running into a busy street.

These explanations capture the real meaning of the doctrine of "consent of the governed." The people must submit to their rulers, and it is enough if they give "consent without consent." Within a tyrannical state or in foreign domains, force can be used. When the resources of violence are limited, the consent of the governed must be obtained by the devices called "manufacture of consent" by progressive and liberal opinion.

The enormous Public Relations industry, from its origins early in this century, has been dedicated to the "control of the public mind," as business leaders described the task. They warned of "the hazard facing industrialists" in "the newly realized political power of the masses," and the need to wage and win "the everlasting battle for the minds of men" and "indoctrinate citizens with the capitalist story" until "they are able to play back the story with remarkable fidelity." And they acted on their words, surely one of the central themes of modern history. The fact that the Public Relations industry has its roots and major centers in the country that is "most free" is exactly what we should expect, with a proper understanding of Hume's maxim.

A few years after Hume and Hutcheson wrote, the problems caused by the rabble in England spread to the rebelling colonies of North America. The Founding Fathers repeated the sentiments of the British "men of best quality" in almost the same words. As one put it:

> When I mention the public, I mean to include only the rational part of it. The ignorant vulgar are as unfit to judge of the modes [of government], as they are unable to manage [its] reins.

The people are a "great beast" that must be tamed, his colleague Alexander Hamilton declared. Rebellious and independent farmers had to be taught, sometimes by force, that the ideals of the revolutionary pamphlets were not to be taken too seriously. The common people were not to be represented by countrymen like themselves, who know the people's sores, but by gentry, merchants, lawyers, and other "responsible men" who can be trusted to defend privilege.

The reigning doctrine was expressed clearly by the President of the Continental Congress and first Chief Justice of the Supreme Court, John Jay: "the people who own the country ought to govern it." One issue remained to be settled: Who owns the country? The question was answered by the rise of private corporations and the institutional structures.
devised to protect and support them, though it remains a difficult task to compel the public to keep to the spectator role.

The United States is surely the most important case to study if we hope to understand the world of today and tomorrow. One reason is its incomparable power. Another is its stable democratic institutions. Furthermore, the United States was as close to a **TABULA RASA** as one can find. America can be "As happy as she pleases," Thomas Paine remarked in 1776: "she has a blank sheet to write upon." The indigenous societies were largely eliminated. The US also has little residue of earlier European structures, one reason for the relative weakness of the social contract and of support systems, which often had their roots in pre-capitalist institutions. And to an unusual extent, the socio-political order was consciously designed. In studying history, one cannot construct experiments, but the US is as close to the "ideal case" of state capitalist democracy as can be found.

The main designer, furthermore, was an astute political thinker: James Madison. In the debates on the Constitution, Madison pointed out that if elections in England "were open to all classes of people, the property of landed proprietors would be insecure. An agrarian law would soon take place," giving land to the landless. The Constitutional system must be designed to prevent such injustice and "secure the permanent interests of the country," which are property rights. The primary responsibility of government is "to protect the minority of the opulent against the majority," Madison declared. That has been the guiding principle of the democratic system from its origins until today.

In public discussion, Madison spoke of the rights of minorities in general, but it is quite clear that he had a particular minority in mind: the minority of the opulent, who have to be protected against the majority. Modern political theory stresses his belief that "in a just and a free government the rights both of property and of persons ought to be [effectively] guarded." But in this case too it is useful to look at the doctrine more carefully. There are no "rights OF property," only rights TO property: that is, rights of persons with property. Perhaps I have a right to my car, but my car has no rights. The right to property also differs from others in that one person's possession of property deprives another of that right: if I own my car, you do not; but in a just and free society, my freedom of speech would not limit yours. The Madisonian principle, then, is that government must guard the rights of persons generally, but must provide special and additional guarantees for the rights of one class of persons, property owners.

Madison foresaw that the threat of democracy was likely to become more severe over time because of the increase in "the proportion of those who will labor under all the
hardships of life, and secretly sigh for a more equal distribution of its blessings." They might gain influence, Madison feared. He was concerned by the "symptoms of a leveling spirit" that had already appeared, and warned "of the future danger" if the right to vote would place "power over property in hands without a share in it." Those "without property, or the hope of acquiring it, cannot be expected to sympathize sufficiently with its rights," Madison explained. His solution was to keep political power in the hands of those who "come from and represent the wealth of the nation," the "more capable set of men," in his words, with the general public fragmented and disorganized.

The problem of a "leveling spirit" also arises abroad, of course. We learn a lot about "really existing democratic theory" by seeing how this problem is perceived, particularly in secret internal documents, where leaders can be more frank and open.

Take the important example of Brazil, the "colossus of the South." On a visit in 1960, President Eisenhower assured Brazilians that

our socially conscious private-enterprise system benefits all the people, owners and workers alike... In freedom the Brazilian worker is happily demonstrating the joys of life under a democratic system.

The Ambassador added that US influence had broken "down the old order in South America" by bringing to it

such revolutionary ideas as free compulsory education, equality before the law, a relatively classless society, a responsible democratic system of government, free competitive enterprise, [and] a fabulous standard of living for the masses.

But Brazilians reacted harshly to the good news brought by their northern tutors. Latin American elites are "like children," Secretary of State John Foster Dulles informed the National Security Council, "with practically no capacity for self-government." Worse still, the US is "hopelessly far behind the Soviets in developing controls over the minds and emotions of unsophisticated peoples." Dulles and Eisenhower expressed their concern over the Communist "ability to get control of mass movements," an ability that "we have
no capacity to duplicate." "The poor people are the over they appeal to and they have always wanted to plunder the rich."

In other words, we find it hard to induce people to accept our doctrine, that the rich should plunder the poor, a public relations problem that had not yet been solved.

The Kennedy Administration faced the problem by shifting the mission of the Latin American military from "hemispheric defense" to "internal security," a decision with fateful consequences, beginning with the military coup in Brazil. The military had been seen by Washington as an "island of sanity" in Brazil, and the coup was welcomed by Kennedy's Ambassador, Lincoln Gordon, as a "democratic rebellion." It is "the single most decisive victory of freedom in the mid-twentieth century," he said. A former Harvard University economist, Gordon added that the victory should "create a greatly improved climate for private investments," giving some further insight into the meaning of the terms "freedom" and "democracy."

Two years later, Defense Secretary Robert McNamara informed his associates that "U.S. policies toward the Latin American military have, on the whole, been effective in attaining the goals set for them." These policies had improved "internal security capabilities" and established "predominant US military influence." The Latin American military understand their tasks and are equipped to pursue them, thanks to Kennedy's programs of military aid and training. These tasks include the overthrow of civilian governments "whenever, in the judgment of the military, the conduct of these leaders is injurious to the welfare of the nation." Such actions by the military are necessary in "the Latin American cultural environment," the Kennedy intellectuals explained. And we can be confident that they will be carried out properly, now that the military have gained an "understanding of, and orientation toward, U.S. objectives." That assures a proper outcome to the "revolutionary struggle for power among major groups which constitute the present class structure" in Latin America, an outcome that will protect "private U.S. investment" and trade, the "economic root" that is at the heart of "U.S. political interest in Latin America."

These are secret documents; in this case, of Kennedy liberalism. Public discourse is naturally quite different. If we keep to it, we will understand little about the true meaning of "democracy," or about the global order of the past years; and the future as well, since the same hands hold the reins.

The more serious scholarship is clear about the basic facts. The National Security States installed and backed by the US are discussed in an important book by Lars Schoultz,
one of the leading Latin American scholars. Their goal, in his words, was "to destroy permanently a perceived threat to the existing structure of socioeconomic privilege by eliminating the political participation of the numerical majority," Hamilton's "great beast." The goal is basically the same in the home society, though the means are different.

The pattern continues today. The champion human rights violator in the hemisphere is Colombia, also the leading recipient of US military aid and training in recent years. The pretext is the "drug war," but that is "a myth," as regularly reported by major human rights groups, the Church, and other who have investigated the shocking record of atrocities and the close links between the narcotraffickers, landowners, the military, and their paramilitary associates. State terror has devastated popular organizations and virtually destroyed the one independent political party by assassination of thousands of activists, including presidential candidates, mayors, and others. Nonetheless, Colombia is hailed as a stable democracy, revealing again what is meant by "democracy."

A particular instructive example is the reaction to Guatemala's first experiment with democracy. In this case, the secret record is partially available so we know a good deal about the thinking that guided policy. In 1952, the CIA warned that the "radical and nationalist policies" of the government had gained "the support or acquiescence of almost all Guatemalans." The government was "mobilizing the hitherto politically inert peasantry" and creating "mass support for the present regime" by means of labor organization, agrarian reform, and other policies "identified with the revolution of 1944," which had aroused "a strong national movement to free Guatemala from the military dictatorship, social backwardness, and 'economic colonialism' which had been the pattern of the past." The policies of the democratic government "inspired the loyalty and conformed to the self-interest of most politically conscious Guatemalans." State Department intelligence reported that the democratic leadership "insisted upon the maintenance of an open political system," thus allowing Communists to "expand their operations and appeal effectively to various sectors of the population." These deficiencies of democracy were cured by the military coup of 1954 and the reign of terror since, always with large-scale US support.

A glimpse of reality from another point of view is provided by the recent NAFTA agreement -- incidentally, hardly a "free trade agreement." Its highly protectionist features are largely an attempt to block East Asian and European competitors. To mention another departure from principle, half of US "exports" to Mexico never enter the Mexican market, but are simply transferred from one branch of a US firm to another, crossing the border to make use of cheaper labor and freedom from environmental and other regulation, and then
returning to the US as "imports," but always controlled by the visible hand of central management. But the treaty was at least North American, so the term is not entirely false.

It is no longer possible to offer happy predictions about NAFTA and its benefits for all. Advocates now concede that the "underlying purpose of NAFTA was not to promote trade but to cement Mexico's economic reforms" (FOREIGN AFFAIRS). Its goal was to "lock Mexico in" to the "reforms" that had made it an "economic miracle" -- for US investors and the Mexican rich, while the population sank into misery. "Locking Mexico in" to these reforms, it is hoped, will deflect the danger detected by a Latin America Strategy Development Workshop in Washington in 1990 that:

a 'democracy opening' in Mexico could test the special relationship by bringing into office a government more interested in challenging the US on economic and nationalist grounds.

Democracy will be less threatening if policy choices are closed. The general neoliberal program of "minimizing the state" has the same intent.

Responsible men who have to deal with the children of the world face a hard task, and it is therefore not surprising that Washington's "impulse to promote democracy" is generally ineffective, and often limited to rhetoric. I am quoting the major study of Washington's crusade for democracy during the Reagan years, by Thomas Carothers, who writes with an "insider's perspective," having worked on these programs in Reagan's State Department. Carothers regards the programs as "sincere," though largely a failure. He notes further that failure was systematic: where Washington's influence was least, in South America, there was real progress towards democracy, which the Reagan Administration generally opposed, later taking credit for it when the process proved irresistible. Where Washington's influence was greatest, closer to home, progress was least. In his words, the US sought to maintain "the basic order of...quite undemocratic societies" and to avoid "populist-based change." Like its predecessors, the Reagan Administration adopted prodemocracy policies as a means of relieving pressure for more radical change, but inevitably sought only limited, top-down forms of democratic change that did not risk upsetting the traditional structures of power with which the United States has long been allied.
Similar problems have arisen with international institutions. At first, the United Nations was a reliable instrument of US policy, and was greatly admired. But decolonization brought about what came to be called "the tyranny of the majority." From the 1960s, Washington took the lead in vetoing Security Council resolutions (with Britain second, and France a distant third), and voting alone or with a few client states against General Assembly resolutions. The UN fell into disfavor, and sober articles began to appear asking why the world was "opposing the United States"; that the US might be opposing the world is a thought too bizarre to be entertained.

The US withdrew its acceptance of compulsory jurisdiction by the World Court for similar reasons. The State Department explained that when the US had accepted such jurisdiction after the war, most members of the UN "were aligned with the United States and shared its views regarding world order." But no longer. Now "A great many of these cannot be counted on to share our views," and "This same majority often opposes the United States on important international questions." We must therefore "reserve to ourselves the power to determine whether the Court has jurisdiction over us in a particular case." We will not allow the Court to judge "disputes involving matters essentially within the domestic jurisdiction of the United States, as determined by the United States." At issue were the US actions against Nicaragua that were later condemned by the Court as an "unlawful use of force" -that is, international terrorism, but within the "domestic jurisdiction of the United States," as it unilaterally determines. The principle was reaffirmed recently by Clinton's UN Ambassador, Madeleine Albright, who informed the Security Council that Washington will act "multilaterally when we can and unilaterally as we must."

My comments on the Madisonian roots of the prevailing concepts of democracy was unfair in an important respect. Like Adam Smith and other founders of classical liberalism, Madison was pre-capitalist, and anti-capitalist in spirit. He expected that the rulers would be "enlightened Statesmen" and "benevolent philosophers," "whose wisdom may best discern the true interests of their country." They would "refine" and "enlarge" the "public views," guarding the true interests of the country against the "mischiefs" of democratic majorities, but with enlightenment and benevolence.

Madison soon learned differently, as the "opulent minority" proceeded to use their new-found power much as Adam Smith had described a few years earlier. They were intent on pursuing what Smith called the "vile maxim" of the masters: "All for ourselves,
and nothing for other people." By 1792, Madison warned that the rising developmental capitalist state was "substituting the motive of private interest in place of public duty," leading to "a real domination of the few under an apparent liberty of the many." He deplored "the daring depravity of the times," as private powers "become the pretorian band of the government at once its tools and its tyrant; bribed by its largesses, and overawing it by clamors and combinations." They cast over society the shadow that we call "politics," as John Dewey later commented. One of the major 20th century philosophers and a leading figure of North American liberalism, Dewey emphasized that talk of democracy has little content when big business "rules the life of the country" through its control of "the means of production, exchange, publicity, transportation and communication, reinforced by command of the press, press agents and other means of publicity and propaganda." He held further that in a free and democratic society, workers must be "the masters of their own industrial fate," not tools rented by employers, ideas that trace back to classical liberalism and the Enlightenment, and have constantly reappeared in popular struggle in the United States as elsewhere.

There have been many changes in the past 200 years, but Madison's words of warning have only become more appropriate, taking new meaning with the establishment of great private tyrannies that were granted extraordinary powers early in this century, primarily by the Courts. Internally, their structure is essentially totalitarian; the theories devised to justify them, often by progressives, are based on ideas that also underlie fascism and Bolshevism. They receive ample "largesses" from the states they largely dominate, remaining both "tools and tyrants" in Madison's phrase. And they have gained substantial control over the domestic and international economy as well as the informational and doctrinal systems, bringing to mind another of Madison's concerns that "a popular Government, without popular information, or the means of acquiring it, is but a Prologue to a Farce or a Tragedy; or perhaps both."

Let's now look at the doctrines that have been crafted to impose the modern forms of political democracy. They are expressed quite accurately in an important manual of the Public Relations industry by one of its leading figures, Edward Bernays. He opens by observing that "The conscious and intelligent manipulation of the organized habits and opinions of the masses is an important element in democratic society." To carry out this essential task, "the intelligent minorities must make use of propaganda continuously and systematically," because they alone "understand the mental processes and social patterns of the masses" and can "pull the wires which control the public mind." Therefore, our
"society has consented to permit free competition to be organized by leadership and propaganda," another case of "consent without consent." Propaganda provides the leadership with a mechanism "to mold the mind of the masses" so that "they will throw their newly gained strength in the desired direction." The leadership can "regiment the public mind every bit as much as an army regiments the bodies of its soldiers." This process of "engineering consent" is the very "essence of the democratic process," Bernays wrote shortly before he was honored for his contributions by the American Psychological Association in 1949.

A good New Deal liberal, Bernays had developed his skills in Woodrow Wilson's Committee on Public Information, the first US state propaganda agency. "It was the astounding success of propaganda during the war that opened the eyes of the intelligent few in all departments of life to the possibilities of regimenting the public mind," Bernays explained in his Public Relations manual, entitled "Propaganda." The intelligent few were perhaps unaware that their "astounding success" relied in no small part on propaganda fabrications about Hun atrocities provided to them by the British Ministry of Information, which secretly defined its task as "to direct the thought of most of the world."

Ali of this is good Wilsonian doctrine, known as "Wilsonian idealism" in political theory. Wilson's own view was that an elite of gentlemen with "elevated ideals" is needed to preserve "stability and righteousness." It is the intelligent minority of "responsible men" who must control decision-making, another veteran of the propaganda Committee, Walter Lippmann, explained in his influential essays on democracy. Lippmann was also the most respected figure in North American journalism and a noted commentator on public affairs for half a century. The intelligent minority are a "specialized class" who are responsible for setting policy and for "the formation of a sound public opinion," Lippmann elaborated. They must be free from interference by the general public, who are "ignorant and meddlesome outsiders." The public must "be put in its place," Lippmann continued: their "function" is to be "spectators of action," not participants, apart from periodic electoral exercises when they choose among the specialized class. Leaders must be free to operate in "technocratic insulation," to borrow current World Bank terminology.

In the ENCYCLOPAEDIA OF THE SOCIAL SCIENCES, Harold Lasswell, one of the founders of modern political science, warned that the intelligent few must recognize the "ignorance and stupidity of the masses" and not succumb to "democratic dogmatisms about men being the best judges of their own interests." They are not the best judges; we are. The masses must be controlled for their own good, and in more democratic societies, where
force is unavailable, social managers must turn to "a whole new technique of control, largely through propaganda."

Note that this is good Leninist doctrine. The similarity between progressive democratic theory and Marxism-Leninism is rather striking, something that Bakunin had predicted long before.

The themes resonate to the current period; for example, when the Professor of the Science of Government at Harvard, Samuel Huntington explained early in the Reagan years that

you may have to sell intervention or other military action in such a way as to create the misimpression that it is the Soviet Union that you are fighting. That is what the United States has been doing ever since the Truman Doctrine.

Another lesson of the Science of Government, the same scholar continues, is that "The architects of power must create a force that can be felt but not seen. Power remains strong when it remains in the dark; exposed to the sunlight it begins to evaporate." To manufacture the consent of the governed, it is not only necessary to delude them about policy, but also to conceal the forces that cast the shadow called politics. It is the responsibility of the intellectuals to carry out these demanding tasks.

With a proper understanding of the concept of "consent," we can see that implementation of the business agenda over the objections of the general public is "with the consent of the governed," a form of "consent without consent." That is a fair description of what has been happening in the United States. There is often a gap between public preferences and public policy. In recent years, the gap has become substantial. A comparison sheds further light on the functioning of the democratic system.

More than 80% of the public think that the government is "run for the benefit of the few and the special interests, not the people," up from about 50% in earlier years. Over 80% believe that the economic system is "inherently unfair," and that working people have too little say in what goes on in the country. More than 70% feel that "Business has gained too much power over too many aspects of American life." And by almost 20-1, the public believe that corporations "should sometimes sacrifice some profit for the sake of making things better for their workers and communities."
Public attitudes remain stubbornly social democratic in important respects, as they did through the Reagan years, contrary to a good deal of mythology. But we should also note that these attitudes fall far short of the ideas that animated the democratic revolutions. Working people of 19th century North America did not plead with their rulers to be more benevolent. Rather, they denied their right to rule. "Those who work in the mills should own them," the labor press demanded, upholding the ideals of the American revolution as the dangerous rabble understood them.

The 1994 congressional election is a revealing example of the gap between rhetoric and fact. It was called a "political earthquake," a "landslide victory," a "triumph of conservatism" that reflects the continuing "drift to the right" as voters gave an "overwhelming popular mandate" to Newt Gingrich's ultra-right army who promised to "get government off our backs" and bring back the happy days when the free market reigned.

Turning to the facts, the "landslide victory" was won with barely over half the votes cast, about 20% of the electorate, figures that hardly differ from two years earlier, when the Democrats won. Among the 20% who voted for "the triumph of conservatism," one out of six described the outcome as "an affirmation of the Republican agenda." Of the minority who voted at all, only one out of four had heard of the Contract with America, which presented that agenda. And when informed, the population opposed virtually all of it by large majorities. About 60% of the public wanted social spending INCREASED. A year later, 80% held that "the federal government must protect the most vulnerable in society, especially the poor and the elderly, by guaranteeing minimum living standards and providing social benefits." 80-90% of Americans support federal guarantees of public assistance for those who cannot work, unemployment insurance, subsidized prescription drugs and nursing home care for the elderly, a minimum level of health care, and Social Security.

Three-quarters support federally guaranteed child care for low-income working mothers. The resilience of such attitudes is particularly striking in the light of the unremitting propaganda assault to persuade the public that they hold radically different beliefs.

Public opinion studies show that the more voters learn about the Republican program in Congress, the more they oppose the party and its congressional program. The standard bearer of the revolution, Newt Gingrich, was unpopular at the time of his "triumph," and sank steadily afterwards, becoming perhaps the most unpopular political
figure in the country. One of the more comical aspects of the 1996 elections was the scene of Gingrich's closest associates struggling to deny any connection to their leader and his ideas. In the primaries, the first candidate to disappear, virtually at once, was Phil Gramm, the sole representative of the congressional Republicans, very well-funded and saying all the words that the voters are supposed to love, according to the headlines. In fact, almost the full range of policy issues disappeared instantly as soon as the candidates had to face the voters last January. The most dramatic example was balancing the budget. Through 1995, the major issue in the country was how quickly to do it, 7 years or a bit longer. The government was shut down several times as the controversy raged. As soon as the primaries opened, talk of the budget was gone. The WALL STREET JOURNAL reported with surprise that voters "have abandoned their balanced-budget obsession" -- that is, their opposition to balancing the budget under any minimally realistic assumptions, as polis had regularly shown.

To be accurate, parts of the public did share the "obsession" of both political parties with balancing the budget. In August 1995, the deficit was chosen as the country's most important problem by 5% of the population, ranking alongside of homelessness. But the 5% who were obsessed with the budget happened to include people who matter. "American business has spoken: balance the federal budget," BUSINESS WEEK announced, reporting a poll of senior executives. And when business speaks, so do the political class and the media, which informed the public that it demanded a balanced budget, detailing the cuts in social spending in accord with the public will -- and over its substantial opposition, as polis demonstrated. It is not surprising that the topic suddenly disappeared from view as soon as politicians had to face the great beast.

It is also not surprising that the agenda continues to be implemented in its standard double-edged fashion, with cruel and often unpopular cuts in social spending alongside of increases in the Pentagon budget that the public opposes, but with strong business support in both cases. The reasons for the spending increases are easily understood when we bear in mind the domestic role of the Pentagon system: to transfer public funds to advanced sectors of industry, so that Newt Gingrich's rich constituents, for example, can be protected from the rigors of the marketplace with more government subsidies than any other suburban district in the country while the leader of the conservative revolution denounces "big government" and lauds rugged individualism.

From the beginning, it has been clear from the polis that the stories about the conservative landslide were untrue. Now the fraud is quietly conceded. The polling
specialist of the Gingrich Republicans explained that when he reported that most people supported the Contract with America, what he meant was that they liked the slogans that were used for packaging. For example, his studies showed that the public opposes dismantling the health system but wants to "preserve, protect and strengthen" it "for the next generation." So dismantling is packaged as "a solution that preserves and protects" the health system for the next generation. The same is true generally.

All of this is very natural in a society that is, to an unusual degree, business-run, with huge expenditures on marketing: $1 trillion a year, one-sixth of gross domestic product, and mostly tax-deductible, so that people pay for the privilege of being subjected to manipulation of their attitudes and behavior.

But the great beast is hard to tame. Repeatedly, it has been thought that the problem has been solved, and that the "end of history" has been reached in a kind of utopia of the masters. One classic moment was at the origins of "neoliberal" doctrine in the early 19th century, when Ricardo, Malthus, and other great figures of classical economics announced that the new science had proven, with the certainty of Newton's laws, that we only harm the poor by trying to help them, and that the best gift we can offer the suffering masses is to free them from the delusion that they have a right to live. The new science proved that people had no rights beyond what they can obtain in the unregulated labor market. By the 1830s, it seemed that the doctrines had won the day in England. With the triumph of right thinking at the service of British manufacturing and financial interests, the people of England were "forced into the paths of a utopian experiment," Karl Polanyi wrote in classic work, the most "ruthless act of social reform" in all of history, which "crushed multitudes of lives." But an unanticipated problem arose. The stupid masses began to draw the conclusion that if we have no right to live, then you have no right to rule. The British army had to cope with riots and disorder, and soon an even greater threat took shape as workers began to organize, demanding factory laws and social legislation to protect them from the brutal neoliberal experiment, and often going well beyond. The science, which is fortunately flexible, took new forms as elite opinion shifted in response to uncontrollable popular forces, discovering that the "right to live" had to be preserved under a social contract of sorts.

Later in the century, it seemed to many that order had been restored, though a few dissented. The famous artist William Morris outraged respectable opinion by declaring himself a socialist in a talk at Oxford. He recognized that it was "the received opinion that the competitive or 'Devil take the hindmost' system is the last system of economy which
the world will see; that it is perfection, and therefore finality has been reached in it." But if history really is at an end, he continued, then "civilization will die." And this he refused to believe, despite the confident proclamations of "the most learned men." He was right, as popular struggle demonstrated.

In the US too, the "Gay '90s" a century ago were hailed as "perfection" and "finality." And by the "Roaring '20s," it was confidently assumed that labor had been crushed for good, and the utopia of the masters achieved -- in "a most undemocratic America" that was "created over its workers' protests," Yale University historian David Montgomery comments. But again, the celebration was premature. Within a few years, the great beast once again escaped its cage, and even the United States, the business-run society par excellence, was forced by popular struggle to grant rights that had long ago been won in far more autocratic societies.

Immediately after World War II, business launched a huge propaganda offensive to regain what it had lost. By the late 1950s, it was widely assumed that the goal had been achieved. We had reached the "end of ideology," Harvard sociologist Daniel Bell wrote. A few years earlier, as an editor of the leading business journal FORTUNE, he had reported the "staggering" scale of business propaganda campaigns designed to overcome the social democratic attitudes that persisted into the postwar years.

But again, the celebration was premature. Events of the 1960s showed that the great beast was still on the prowl, once again arousing the fear of democracy among "responsible men." The Trilateral Commission, founded by David Rockefeller in 1973, devoted its first major study to the "crisis of democracy" throughout the West as large sectors of the population sought to enter the public arena. The naive might think of that as a step toward democracy, but the Commission understood that it was "excessive democracy." and hoped to restore the days when "Truman had been able to govern the country with the cooperation of a relatively small number of Wall Street lawyers and bankers," as the American rapporteur commented. That was proper "moderation in democracy." Of particular concern to the Commission were the failures of what it called the institutions responsible "for the indoctrination of the young": the schools, universities and churches. The Commission proposed means to restore discipline, and to return the general public to passivity and obedience, overcoming the crisis of democracy.

The Commission represents the more progressive internationalist sectors of power and intellectual life in the US, Europe, and Japan: the Carter Administration was drawn almost entirely from its ranks. The right wing takes a much harsher line.
From the 1970s, changes in the international economy put new weapons into the hands of the masters, enabling them to chip away at the hated social contract that had been won by popular struggle. The political spectrum in the United States, always very narrow, reduced to near invisibility. A few months after Bill Clinton took office, the lead story in the WALL STREET JOURNAL expressed its pleasure that "On issue after issue, Mr. Clinton and his administration come down on the same side as corporate America," eliciting cheers from heads of major corporations, who were delighted that "We're getting along much better with this administration than we did with previous ones," as one put it.

A year later, business leaders found they could do even better, and by September 1995, BUSINESS WEEK reported that the new Congress "represents a milestone for business: Never before have so many goodies been showered so enthusiastically on America's entrepreneurs." In the November 1996 elections, both candidates were moderate Republicans and longtime government insiders, candidates of the business world. The campaign was one of "historic dullness," the business press reported. Polls showed that public interest had declined even below the previous low levels despite record-breaking spending, and that voters disliked both candidates and expected little from either of them.

There is large-scale discontent with the workings of the democratic system. A similar phenomenon has been reported in Latin America, and though conditions are quite different, some of the reasons are the same. Argentine political scientist Atilio Boron has stressed the fact that in Latin America, the democratic process was established together with neoliberal economic reforms, which have been a disaster for most people. The introduction of similar programs in the richest country in the world has had similar effects. When more than 80% of the population feel that the democratic system is a sham and that the economy is "inherently unfair," the "consent of the governed" is going to be very shallow.

The business press records "capital's clear subjugation of labor for the past 15 years," which has allowed it to win many victories. But it also warns that the glorious days may not last because of the increasingly "aggressive campaign" of workers "to secure a so-called 'living wage'" and "a guaranteed bigger piece of the pie."

It is worth remembering that we have been through all of this before. The "end of history," "perfection," and "finality" have often been proclaimed, always falsely. And with all the sordid continuities, an optimistic soul can still discern slow progress, realistically I think. In the advanced industrial countries, and often elsewhere too, popular struggles can start from a higher plane and with greater expectations than those of the Gay '90s and
roaring '20s, or even 30 years ago. And international solidarity can take new and more constructive forms as the great majority of the people of the world come to understand that their interests are pretty much the same and can be advanced by working together. There is no more reason now than there has ever been to believe that we are constrained by mysterious and unknown social laws, not simply decisions made within institutions that are subject to human will -- HUMAN institutions, that have to face the test of legitimacy, and if they do not meet it, can be replaced by others that are more free and more just, as often in the past.