

The Shock Doctrine: a discussion

Naomi Klein, Neil Smith

The Graduate Center, The City University of New York, 365 Fifth Avenue, New York, NY 10016-4309, USA

Transcribed by Caitlin Patrick

Discussion date 16 November 2007

Abstract. In this discussion of her book *The Shock Doctrine* (2007, Metropolitan Books), Naomi Klein outlines a number of its key themes and brings the argument to bear on the California wildfires and developments in Latin America. Key issues discussed include the relation between disaster capitalism and creative destruction, natural disasters, neoliberalism, the antiglobalisation movement, the '9/11 truth' campaign, and the relation of this book to her earlier *No Logo* (2000, Knopf/Canada). Questions come from Neil Smith and from the audience at the Graduate Center, CUNY.

Neil Smith Thank you Aoibheann Sweeney for that fantastic introduction, especially for Naomi, and thank you Naomi for being here. We had you come under the auspices of the Center for Place, Culture and Politics about five years ago and I remember that being an extraordinary event for us, so I think you can tell from the audience that we're ready for another extraordinary event. The book is fantastic. I've read it; I love it. We've read it in the Center seminar and a number of questions came up in that context, all of them very supportive, but probing I think. One of the things I wanted to start with was the connection between what you're calling 'the shock doctrine'—which I think is a fantastic way of isolating a very particular moment in this history—with the idea of creative destruction. There's this whole historical work by someone like Schumpeter, but also going back to Marx and others, talking about the ways in which capitalism actually thrives off crisis. It seems to me you're doing something slightly different here. In their work, the crisis happened economically and there was a certain opportunism. I think you are suggesting that there is a creativity to the crises so I wondered if you'd like to begin by expanding on that.

Naomi Klein I'd like to thank all of you for being here and Aoibheann for that beautiful introduction and Neil for doing this. I'm very pleased to be here. The idea of the shock doctrine is connected to what I'm calling disaster capitalism. There are certainly points of intersection with the idea of creative destruction, but I am talking about something a little different. Part of the shock doctrine is really a philosophy of power. It's much more a political strategy, the premise of which is that there is total integration between corporate and political elites. That is the goal of this ideological crusade that some people call neoliberalism, but it's much more from the political side of things; not talking about how the market creates and then feeds off its own crises. That's connected to it because some of the crises I'm talking about are market crises, although not only market crises. But I think that's the main difference: that this is a philosophy of power, understood at the highest levels, that the best time to push through a policy (tsunami, sometimes called 'economic shock therapy'—the whole corporatist programme of privatisation, deregulation, cuts to government spending—is in the aftermath of a crisis. So I think that is different than the idea of creative destruction, Schumpeter's idea around the cyclical nature of capitalism, of new technologies

destroying what was there before, and the levelling and destruction built in. You know your writing about the illusion of natural disasters—I'm hesitating around this—because one could argue that all the disasters that I'm talking about are themselves market disasters in the sense of climate change being intimately connected to the quest for short-term economic growth, the inability of a market system to think and respond to crises and get off the disastrous ecological track that we're on as well as the intersection between climate change and weak infrastructure. This is also a culmination of this neoliberal project because we've been starving the public sphere now for twenty-five years and the bones of the public state are now frail and we saw this sort of collision in New Orleans of heavy weather connected to climate change and weak infrastructure connected to this ideological crusade. Then you have the wars, and then you have the terrorist attacks from those wars, so you could argue that it's all part of the same process, but I am talking about a political strategy.

NS I really want to get to New Orleans but before we do—and I know in the book you have a whole discussion of Friedman and the Chicago boys and all that—but where did this political philosophy, this philosophy of power, come from?

NK Well I think it's evolved, and I also want to be clear that the idea of exploiting crises to push through a political programme is not a new idea and neither is it an idea that is new to this chapter of history. I think it might be helpful just to define a few terms because one of the things that's most difficult about talking about this ideological crusade is defining what it is we're talking about. So we're talking about neoliberalism, and most people at CUNY know what neoliberalism is, but not everyone I'm assuming. And certainly I use the phrase 'neoliberalism' because that's what it's called in most parts of the world but in the United States no one knows what neoliberalism is, or rather they have a misconceived notion of what neoliberalism is. They don't understand it as an economic project and then there's a whole dialogue of whether neoliberalism really exists and whether this isn't just capitalism. So what it is that I'm tracking—and I'm using David Harvey's parameters here—is the counter-revolution against Keynesianism and developmentalism and the period from the 1930s through the end of the 60s, where there was a period when there was a response to another crisis which was the market crash of 1929. That being an example of another way in which crisis was a catalyst for rapid political change. The difference, I'm arguing, is that populist movements and left movements in general—though with some notable exceptions—have responded to crises by bringing more people into the political process. Natural disasters have sparked democratisation projects and there's nothing wrong with seizing opportunity. What I'm talking about is using a crisis to limit democracy, to declare a democracy-free zone because it's a state of emergency. That's the classic fascist tactic actually. And the reason why I'm stressing the fact that this tactic, not an original tactic, has been so central to the advancement of neoliberalism—this counterrevolution against the New Deal and versions of it around the world—is that it challenges the central myth of our time: which is that free peoples and free markets go hand in hand. We have this radical version of capitalism because we wanted it, because the people of the world demanded it, because it is so popular, because there has been a peaceful battle of ideas and that side won. The feeding-off of crisis and shock disorientation in these democracy-free zones and states of emergency challenges that narrative head-on. So that's why I focus on it, not to say this is a new idea—I don't credit them with any originality nor do I claim any originality in this analysis—but what I think is important about it is that it gives us a better way of understanding the present and a more confident position to take on neoliberalism.

NS Let me push you a wee bit on the neoliberalism question because indeed I think you're absolutely right that the North American audiences, and even European audiences I regret to say, are a bit confused about neoliberalism. Isn't liberalism supposed to be the left? How did it end up being so conservative? How do we make sense of that?

NK I'm not even sure it is that useful a word. It is useful in the sense that it's a word a lot of us use so it's kind of a shorthand word, but it is confusing and I actually think that when we use it we are supporting the very propaganda campaign that I'm trying to challenge. For the same reason, I don't use the term 'free markets' because I don't think there's anything 'free' about these markets. Milton Friedman called himself a liberal because he believed that sold better than calling himself a corporatist, which is really what he was.

NS Is there any contradiction between conservative and liberal, actually? I mean, liberalism has always been conservative in a strange way.

NK I think that's a different political tradition than what we're talking about. I think these are just radical, pro-corporate policies. I think that the people who advance them show that, in terms of other aspects of things that people associate with liberalism, civil liberties for instance, they actually don't defend them with any vigour. Maybe they agree on paper with civil liberties but when push comes to shove they certainly don't defend them with any of the enthusiasm that they reserve for privatisation and free trade and the rest of it. I think the governing principle is defending the interests of the elites. I don't consider this to be an intellectually honest movement. I see them as paid thinkers for the most part, even in the academic context. Their academic institutions are heavily funded by business interests and the wealthiest interests who funded this counterrevolution. The University of Chicago was ground zero of a revolt of the elites: we know this. It began because other academic institutions of the time were seen as being overly dominated by Keynesians and socialists and it was getting too expensive to pay workers incremental raises and costs of living increases and the taxes were getting too high. This counterrevolution is best understood as an "all bets are off, we want it back". The way I see it is—this is probably overly populist for CUNY—but that the period after the Great Depression and the postwar period was capitalism in its seductive phase. It was capitalism that knew there were rival suitors and it came with flowers and chocolates like health care programmes and unemployment insurance, minimum wages, and all kinds of goodies precisely because it was part of this seductive dance to keep people from sliding into the hands of the socialists or, God forbid, the communists. Neoliberalism is really just capitalism in its boorish phase, capitalism on the couch in an undershirt saying "what are you going to do, leave me?"

NS I think you've arrived at a very good place. Let me push you on a slightly different angle. I actually went back and read *No Logo* again in preparation for this. **NK** That was me in my seductive phase ... **NS** But it seems to me that there's a political shift, evolution, movement between that and *The Shock Doctrine* and I wondered whether you've had a chance to think that through for yourself? I know you're incredibly busy going around doing all these things, but again I think back to when you were here five years ago and it seems to me that there's a political movement that's going on in your own mind. I don't know if you would like to reflect on that?

NK I certainly think there are continuities with *No Logo* in the sense that I always saw *No Logo* not as a book about marketing but a book about public space. The core issues in *No Logo*, even though it was often presented as a book about marketing, the reason

why I was interested in branding was because on the one side there was the degradation of labour and on the other side there was the swallowing of public space in order to protect the branded lifestyle. These hollow corporations needed ever more surfaces and backdrops and contact to fuel the idea that they were lifestyles not products. The superfluous of the marketing side was directly connected to the underfunding of the labour side. I considered that to be very much a left book even though it was about marketing and it came out of my concern about both of those issues: about labour rights, the right to organise, and the disappearance of the public sphere. That is neoliberalism too. I wasn't using this language, but I guess this book [*The Shock Doctrine*] is more overt. This book is much more radical and when I first launched it in Canada an interviewer said to me—it was one of my first interviews—he said "so what's it like to write when you don't care what people think of you anymore?" in the sense that it is a very radical critique of capitalism. What's gotten me into the most trouble in the book is the way I look at torture as both an enforcement tool to impose these economic programmes as well as a metaphor for the idea of taking advantage of shocked societies in their moment of trauma.

NS How has that got you in trouble?

NK Some people just don't like it when you compare economists to torturers.

NS Seems normal to me.

NK It's good to be here.

NS You're right; it's not a populist crowd.

NK In some ways I think the book is kind of funny in that the critique is more radical than I set out to make. It's a very different book. One of my editors, who's here today, Sara Bershlet can attest to the fact that this book completely changed from the proposal that was submitted some three to four years ago. It was changed by the research. I thought that I was going to write a book about contemporary disaster capitalism—Iraq, New Orleans, Katrina—and that this was the evolution. After *No Logo* I was very much part of the antiglobalisation movement, which was actually just an anti-neoliberalism movement but people had trouble with that concept. There was a change in that the policies that we had been protesting outside of trade summits—the World Trade Organisation, the IMF, the World Bank, the G8—were no longer being negotiated, they were being imposed in the aftermath of major shocks, like the shock-and-awe invasion of Iraq or after the tsunami or hurricane Katrina so this was no longer asking, no venter of consent, and just this seizing new markets on the battlefield of preemptive war. I thought I was writing about something new and what I found in the research was that this pattern of exploiting moments of shock recurred again and again in the key, 'big bang', 'leap forward' moments for neoliberalism. Russia in 1993 when Yeltsin sent the tanks in to attack the Russian parliament, suspended the Constitution, and in that window of opportunity sold off the Russian state; China after the Tiananmen Square massacres in the terror and shock that those spread through the country; that was the period when China became the sweatshop to the world. It had started before 1989, but the fact that it was contested was why there were protests in the streets and they were crushed so brutally. So the radicalism of the thesis came out of the research. On the flip side of it is some people on the left think the book is too Keynesian. The book is not saying "this is my worldview; this is what I believe in". It's showing a range of third ways, of experiments in democratic socialism that were shocked out of the way through these tactics. My position is I'm interested in all of them; I'm interested in what Allende was trying to do in Chile, I'm interested in

the Solidarity vision in Poland of workers' coops, I'm interested in what Gortbachew wanted to do in the former Soviet Union. What's interesting to me is that none of these experiments were allowed to play out. So in that way it's not that radical, I suppose.

NS In your most recent piece in *The Nation* you talk about resistance to the neoliberal onslaught in Latin America over the last thirty-odd years. Do you want to push that a little bit? What can we learn from those experiments? For myself as a Marxist I would actually want to push the envelope a little bit further and talk about class organisation and so forth. I think your article was really interesting about the way in which there's been this congealing of opposition. It's almost like we're going through the anti-Friedman revolt of our own on the left in Latin America.

NK Definitely and it's quite overt. Rafael Correa, the president of Ecuador, was elected last year. He's an economist and really interesting figure who hasn't been getting as much attention as Evo Morales and Hugo Chavez obviously. But he's a very interesting guy and when he was elected in his very first interview he was asked "what can we expect from your economic program?" and he said "let's put it this way: I'm no fan of Milton Friedman". It's a consciously anti-neoliberal moment, named as such, in Latin America. If we understand that Latin America was the first laboratory for neoliberalism, which it absolutely was—in fact, they got a decade head start—then the fact that the opposition to neoliberalism is most articulated in Latin America could be interpreted—optimistically granted—as "they had it first; they're rejecting it first". Maybe that rejection isn't just "those Latin Americans, they're so much more radical than the rest of us," but that might potentially spread. But I think it's also the nature of the overtness of the violence with which neoliberalism was imposed in Latin America. In Chile, Argentina, Uruguay, and Brazil—in the key southern-cone laboratory where you had this conscious, ideological transfer process—the US State Department and the Ford Foundation funded hundreds of Latin American economics students to go to the University of Chicago, be trained under Friedman and his colleagues, and then go back and wage ideological war. This was a programme of the US government; I think this is something people don't fully understand. Greg Grandin's book *Empire's Workshop* is fantastic on this. *Pinochet's Economist* is the definitive book on this project and was actually written by Juan Gabriel Valdes who ended up being the Foreign Minister under the first post-Pinochet, democratically elected government in Chile, but this was his graduate thesis I believe. I think the revolt against neoliberalism, or the rejection of neoliberalism, is more complicated in Eastern Europe, for instance, because in Latin America there is nobody who can argue there was any democratic consent in this process. Left-wing governments were elected, they were violently overthrown and right-wing juntas imposed neoliberalism with their Chicago boy advisors. That's what happened and people know that. So it makes sense that ideas that were crushed with violence are now bubbling back up to the surface as people come out of shock, regain their confidence. In Eastern Europe I would argue that there is a backlash against neoliberalism, shock therapy going on in countries like Poland and Russia. The problem is that there's so much disillusionment with left-wing ideas because of the history of totalitarian communism and because in many cases it was a betrayal by their own leaders. Like in Poland it was the workers' party who embraced shock therapy after they were elected to do something else. Actually, the rejection of neoliberalism is playing itself out in a rise of fascism, anti-immigrant, antiwomen, antigay, all kinds of bad stuff. So I think we need to understand that the rejection of neoliberalism is global, but it's also manifesting itself in this country in support for Lou Dobbs, which is a manifestation of the same phenomenon that's playing itself out in Poland.

So in Latin America there is something very hopeful, but I'm tempering this idea that it's going to spread because I think that the particular way that neoliberalism was imposed there is related to the way in which these ideas are bubbling back up.

NS Well to push that tempering a wee bit, how did the ideas bubble up? I was in Buenos Aires less than a month ago and talked to some folks in housing cooperatives, *cooperativas*, and I had no idea there's this longer history of organising from the 1980s when the coup was finally defeated but there was a really powerful organising set of campaigns, quite fragmented. From your own experience and massive travels, you're the person who travels way more than I do, how do you see that resistance being organised? I think for all of us here we're completely hungry for that, especially in the US, Canada too...

NK I think it's useful to think about what's going on in Latin America, particularly in countries like Argentina, that had a real industrial revolution and then a period of de-development or development in reverse. Some of you might have seen this film I made with my partner, Avi Lewis, called *The Take*, which is about a group of Argentinian auto workers who occupy their abandoned auto parts factory and turn it into a workers' coop. I think it's useful to think about what's going on in countries like Argentina as post-disaster reconstruction. It's another model of post-disaster reconstruction, reconstructing from the disaster that is neoliberalism, a slower motion disaster. It's not a hurricane, but there is a parallel between what happens to an industrial community that just loses all its jobs and leaves these ghost towns behind and what New Orleans looks like today or large parts of New Orleans look like today. So if we look at groups like the MST [Landless Workers' Movement] or the Workers Coops in Argentina they are picking up the pieces from the disaster. It's fallow farmland that was seen as no longer profitable that the MST occupies and turns into farming cooperatives. The cooperative model in Argentina is mentioned in the last chapter of the book that I call "starting from scrap" because the more I studied the psychology of the disaster capitalists and this constant imagining of a clean slate and this language of rebirth it's always this 'starting from scratch' idea that's so appealing. I focus on it because it's such an antidemocratic, antihuman idea that it's possible to start from scratch. Once again, it's not new; it's the heart of the colonial project: start over, reboot, blank slate. The flip side of that is the "scorched earth"; it's "this slate won't be blanked so we'll have to blank it with more force" and we're seeing this in Iraq. So workers' factories in Argentina are the opposite—"it's OK, whatever's left behind"—and we have this footage in our film of workers going back to their factory just covered in cobwebs and literally dusting it off and saying "Is this machine still working? Can we get this working? Can we rig something together?" It is a kind of utopian experiment, but it's very much a reconstruction process. Democracy is at its very centre in stark contrast to the disaster capitalist 'starting from scrap' model and it's "whatever's left, patch it together and start from there". So I do think in many ways you have the ideas of the 70s bubbling back up but you also have what I call "shock absorbers" being built in. A clear identification of what made the attempts of the 60s and 70s vulnerable to the various kinds of shock therapy that were imposed and trying to block those systematically. Everything from pulling students out of the School of the Americas—Bolivia just announced that they're not going to be sending anymore students to the School of the Americas—and I think they're the sixth Latin American government to announce that they will not send students there. The School of the Americas is in a pioneer manoeuvre now because you've got pressure from here and you've got pressure from the South. The most significant shock absorber is just refusing money from the IMF because that has been the most effective means of leverage.

NS So let's shift focus a bit and talk about New Orleans but especially in the context of the California fires several weeks ago which I know you've written about. The divergent responses to those two disasters really was not well written up in the mainstream press at all. How would you see—you write about New Orleans in the book—but, in light of the California fires, how would you see this disaster at home fitting into the argument about disaster capitalism?

NK It certainly shows what you've written about so well which is the myth of the natural disaster and New Orleans was a created disaster on every level. From the obviously human contributions to climate change and human contributions to infrastructure failure and just the choices that were made all along the way not to respond, not to treat, not to have a sense of urgency. I think particularly the scandal of the dispersal of the people of New Orleans, the forced relocation and the violence of that process. I actually think if you go to New Orleans and talk to people they're still almost in a state of disbelief about what they went through in terms of the brutality with which families were treated. Armed men pushing them onto buses, not telling them where the buses were going, parents separated from children; this was unbelievable and the idea that you could spread out this community through every state in the country is an amazing idea that I don't think has been examined closely enough. A lot of people in New Orleans call it genocide and I don't think it's much of a stretch. I think at the moment you could argue that this was just disorganisation but two years later when people have still not received tickets home this is just forced relocation, which is one of the signature definitions of a genocide. I got in trouble in New Orleans for not using that phrase in a public talk.

NS For not using that phrase?

NK For not using it. Dance around it, but this was an unmaking of a community and a community with the deepest cultural—political roots in this country. I do think the onus is on us to ask ourselves why we don't use language like that about what happened there. I was last in New Orleans on the second anniversary and I actually launched the book there. I went to a conference there on disaster capitalism which was an exchange between tsunami survivors from Tamil Nadu and community organisers from New Orleans. The people from India kept saying "If they did this in India, there would be a revolution", that's what they kept saying to the people in New Orleans. So, in terms of the hierarchy of humanity that we saw in New Orleans, the energy of the response in California was obviously a powerful counterpoint. You obviously saw a more functional state, but not a completely functional state. What I actually think we got was a lot of Schwarzenegger spin; he performed better which just glossed over the fact that the fires could have been contained much more quickly, that there was a failure of the state. A parallel would be Giuliani in New York. If you have leaders who are playing their part—Bush was exhausted in that role when Katrina arrived so it wasn't just that he was late and looked out the window of his plane—it was also that he had lost that capital, that cultural capital to ride to the rescue. Schwarzenegger still has it, and used it, in the same way that Rudy Giuliani's role playing in the 9/11 period glossed over the real failures. I don't want to say that "rich people got good response, poor people didn't" because I actually think the response was pretty bad, it just got a better performance. What we saw in California was another stage in the privatisation of disaster response. Some of you might have read the column that I just wrote for *The Nation* called "Rapture rescue 911", arguing that maybe we're misinterpreting this obsession with the rapture among powerful forces in the United States. Maybe we're misinterpreting it and it's not actually a fantasy, it's a

reality they're building down here. Heaven can wait, we have the rapture down here on earth where the chosen are airlifted out of apocalyptic situations, but it's not about if you pray it's about if you can pay. We saw this leap forward during the California wildfires; there were private firefighters and this isn't a new idea but we haven't seen it in maybe 100 years or so. Bright red fire trucks, fire hats, and the whole bit, they just had the AIG insurance logo on their trucks and they were putting out fires, but only in the homes of people who had paid about \$20,000 a year. They were bragging that the houses next door were burning to the ground. I live in Canada, so the idea of universality, the idea that there are certain services that the state supplies to all people; we still have that in health, education, and also firefighting. We still have that for now. But it really struck me that the first responders are really the only vestige of the idea of universality in the United States, the idea that if your house is burning down everybody gets the same response, even if we know that isn't true if you live in poor parts of town, but even that is now eroding. Blackwater is diversifying into humanitarian response, or what they call humanitarian response, which is just "next time it could be you stuck on the roof when the waters rise; you can pay to get a ride off". I'm not exaggerating; I'm really disturbed. This book came out three months ago and I was predicting this would happen, but I thought it would take years before we would see this overt privatisation applied to emergency response. Just in the past couple months a whole slew of companies have launched and they're all run by ex-spooks—ex-CIA, ex-Special Ops—and they are selling escape from the failed state, escape from climate change, escape from terrorist attacks and they're saying "look I just came out of the government, I should know, they can't help you, I used to work at FEMA". That's their sales pitch. It's really scary.

NS Well this may be a good moment to begin to think about opening it up to questions so while you're formulating questions for Naomi Klein let me just ask you another question which is maybe going back a bit to the resistance question, Naomi, at one point you talk about the detritus of globalization and what that has wrought. Can we almost flip that and start to think about the evolution from *No Logo* to *The Shock Doctrine*. What's the—detritus is the wrong word—but what's the evolution for an oppositional politics from an antiglobalisation politics of the late 90s into the beginning of this century to a coherent kind of oppositional politics right now? While I ask you that, let me encourage people to think about questions and come to the microphones.

NK I'm not sure I have great response. I feel that we've gone backwards in having a coherent analysis and that's why I wrote the book. In a sense it's my response to the way I feel the shock doctrine has worked in North America. What about we talking about before we were so rudely interrupted? We were actually talking about capitalism if I recall, before September 11th. There was a really powerful global discussion going on and it wasn't about globalisation; it was actually more and more about capitalism. There's been a lot of activism since that period but I feel like we on the left and we who were part of that moment, not really a movement but a moment, went in two different directions. Some people who were talking about neoliberalism just sort of put their heads down and kept talking about neoliberalism and pretended there weren't wars and terrorism and just stayed on message. That's what their foundation money was for and they were just going to stick with it. They were surprised that there weren't hundreds of people interested in talking about it anymore when they would organise events as there had been before. People were actually interested in what was going on in Iraq and in Afghanistan and they wanted an analysis of torture and things had changed. The other side of it is that a lot of the energy of that anticorporate, anticapitalist analysis went to just fighting wars, as well it should have. But I think part of the problem was, and it was particularly true in this country, was that the

promise of a really big movement—a big, popular antiwar, anti-Bush movement—was so seductive to a lot of organisers that there was an idea that we really shouldn't talk about economics because that's divisive. We all agree "Bush is bad, Wars are bad". Let's have a big protest saying "Bush is bad and wars are bad" and not talk about the economic agenda that is being served or make connections with what we knew before September 11th. The more I understand shock tactics the more I realise that this was a classic state of disorientation in the sense of we lost our narrative, we lost our story and the discourse of the war on terrorists was incredibly effective at heightening that disorientation. "Everything you thought you knew no longer applies; that was pre-9/11 thinking." The whole world's been rebooted and there's a whole new language and you don't know it. It had a really effective silencing effect on a lot of people. In terms of thinking about how we reorganise, I believe it's about knitting together what it is that we know about war, natural disasters and profiteering now and what we knew before and our work will be cut out for us really. I also believe that the level of dissent is so high but there's a lack of confidence, a lack of courage and I think part of that is about the effectiveness of fear tactics. One of the things we don't talk about is the effect of hearing about torture and surveillance on a political culture. That's another thing I learned from living in Argentina and making that film. It's very odd that in the United States people talk about torture exclusively as something that's going on in an interrogation cell because everywhere else in the world—in societies that have a lot of experience with state terror—it's deeply understood that torture is public. Torture is not just about getting information in an interrogation cell, it's about transmitting information to a broader society and there's a very rich literature from around the world about how whole societies are terrorised by the knowledge that torture is taking place. That's why it's called state terror. As we think about and beat ourselves up about why we're not stronger and braver, I think part of the discussion should be an acknowledgement that it [state terrorism] works, and it works on people who have the most to gain from activism. These are the people who feel themselves most likely to be the victims of state terror, ending up in Guantanamo, of being deported. So neoliberalism is self-disciplining in that way.

NS I think that's a tremendous point. I think that if you look back to the demonstrations before and even after the Iraq war started—25 million people out in February 2003 across the world—those demonstrations actually stopped the United States from moving into Iran and Syria as they were intent on doing. Massive op-ed agitation for such an escalation came out right after the war started in Iraq. Blair came to Washington in May 2003 and basically said to Bush "under no circumstances will you get any British support for moving into Syria or Iran" and it stopped. It stopped not because Blair was a nice guy—he's not—but because there were one million people in the streets in London. The antiwar movement succeeded actually. It stopped that war from escalating so far.

NK Another thing worth pointing out is that the so-called antiglobalisation movement has also succeeded. The WTO talks have been derailed for four years, the IMF and World Bank are both in crisis, and there is this dependence on disasters and wars to advance this agenda and the cover of the war on terror being used in the United States to launch a privatised war on terror but not talk about it as an economy or a privatisation process. We talk about Blackwater and Halliburton and a massacre here or a corruption scandal there, but we don't talk about the fact that this actually represents the last frontier of radical privatisation of the state. As grotesque as it is, it's also a sign of desperation; it's also that it's become so difficult to advance this agenda with any veneer of consent. Disaster capitalism is a desperate move, which isn't to say that we should be complacent and wait for the inevitable crisis to happen.

NS Let's open it up. I think we've got people on both sides at the microphones ...

1st questioner I respectfully wrote down three questions, and they're short, so I'm not going to monopolise. One is just a statement. I really liked your analogy with "the honeymoon is over" with the guy in a t-shirt on the couch because I really think it is applicable to being wooed. The second one is that you talked about the economists and the terrorists of the analogies that you wrote and I was wondering who was more upset, the economists or the terrorists, at the comparison to each other. The third is concerning 9/11. I was one of the people who actually worked downtown. Do you think there's enough information for us to make a conclusive statement that it wasn't a disaster capitalism manipulation in some way? Because things keep coming out about it.

NK The economists and not terrorists, torturers, economists and torturers. I'll treat that one as rhetorical. Can I treat the last one as rhetorical too? We don't have enough information. The level of information about 9/11 is totally unacceptable. There has never been an investigation that has satisfied basic standards of clarity and transparency. I would absolutely grant that. The 9/11 Commission was a farce, absolutely. They wanted Kissinger to chair that; that was their first choice for goodness sake.

NS He has a Nobel Peace Prize ...

NK Kissinger's desire to cover up his corporate contacts was more important to him than the desire to cover up 9/11 ... just kidding ... Here's the thing. I've been challenged on this question a few times and I have a few different answers. You can choose one, whichever one you like better. This is how I really piss off the 9/11 truth people. I want to be very clear: I don't think we have enough information. That said, there's something that really bothers me about the 9/11 truth movement. The premise of it is that it's a desire for a shock: "if we could just nail this, really prove this, it would jolt people and they'd really wake up, there'd be a revolution". I feel like there's so much out there already: what I've described in New Orleans, the drowning of an American city, forced relocation of hundreds of thousands of African Americans. I'm a journalist, so I only report on what I can prove and source. I don't speculate and even with that I get called a conspiracy theorist, even with sixty pages of endnotes. As a journalist, I can't prove that the Bush administration was involved in deliberately blowing up the World Trade Center, leading to the deaths of 3000 people. But as a journalist I can prove that they deliberately and illegally invaded Iraq and that that has led to the death of probably more than one million people, probably well over one million people. It really bothers me that that's not enough. I actually think that, if it's not, it's racism. We shouldn't pander to it.

2nd questioner Hi Naomi. I'd like to ask you how you think your book relates to what's happening in Pakistan right now and what you think of Putin, what he's doing in Russia.

NK I'm not sure how Pakistan relates to be honest. It relates in the sense that it's yet more evidence, as if we needed it, that they don't really believe in democracy and freedom. I've actually had my eyes focused more on what's going on in Georgia right now because Georgia was held up very recently as a shining example of free markets and free people and how they're a wonderful democratisation role model. They just cracked down on demonstrators and landed 600 people in hospital. That's more an example of what I'm writing about in the book, of a collision between these economic shock therapy programmes and democracy, and when push comes to shove it's the right to congregate and to have democracy that is sacrificed. There was a state of

emergency imposed at the same time as Musharraf's state of emergency. These went on simultaneously and this event in Georgia didn't get the attention because of what was going on in Pakistan. In terms of what's going on with Putin, what in particular? I guess I would just say that I think it's significant to look at the three most important economies in the world right now—China, Russia. I would argue, and the United States. China is "skip the democracy stage entirely" and it is an authoritarian capitalist state using every method of controlling the population with varying degrees of success, because there's more and more resistance in China, but you have this complete integration between the same communications companies. In the 90s the promise was "new communications technologies will come to China and they will break down the authoritarian system because with access to the internet no authoritarian system can hold" and now you have Yahoo helping the Chinese government to put dissidents under surveillance. You have all the high-tech companies, including Microsoft, building an absolutely sci-fi surveillance state with networked CCTV cameras, GPS, everything, biometric IDs, and the companies doing it are privatised, they're listed on the NASDAQ, and they're doing very, very well. So they've turned the surveillance state into a new market. I think something similar is going on in Russia where there was an attempt to bring democracy and when that democratic experiment collided with the neoliberal programme, at first under Yeltsin, democracy was sacrificed and it's just been eroded ever since. It's really important to remember that Putin was appointed by Yeltsin with the full backing of the United States. Putin is building what *The Economist* magazine calls a 'spookocracy', which I actually think is really close to what's being built in this country. All these ex-spooks going into business and selling these surveillance technologies to private companies and so on.

2nd questioner But he's taking the companies back from the oligarchs ...

NK I don't think we should be confusing Putin with Chavez, I really don't. I think it's a big, big mistake. He is engaged in power struggles with certain oligarchs who threatened him politically, he's building up other oligarchs and supporting other oligarchs, he's creating new oligarchs, friends of his from the KGB. I really think it's a mistake to take it at face value as a straight-up nationalist project or economic nationalism.

3rd questioner Socialism and capitalism. Socialism is a good word. Everywhere but the United States. I think. Do you agree with this? Capitalism is a dirty word everywhere. I think, except Eastern Europe. In Eastern Asia, I should say. Socialism is a good word. I think, in Eastern Europe, do you agree or disagree?

NK I call myself a democratic socialist when pressed.

NS I think the gist of what you're arguing is that the Chinese government has decided that capitalism is the highest stage of communism.

NK Exactly.

4th questioner You mentioned in the context of opposition to the war on terror and the war in Iraq the decision to avoid the topic of economics and I think that was partly because they found some allies on the right with Scott Ritter, Pat Buchanan, the John Birchers. They thought it was important to have them under the umbrella. The progressive left didn't have enough power to do it on its own. How do you feel about the potential for that alliance or how do you feel about the potential for the left to get away from it and succeed anyway?

NK I think you're right. That may be true in the United States that that was a motivating force. I think it was less an alliance with the right and more just middle-of-the-road. Democrat-voting forces more than it was trying to create an alliance with the right. It may well have been the right short-term strategy, but I think it set in as a long-term strategy and as a long-term strategy, first, it's intellectually dishonest. Second, people are actually hungering for a deeper analysis of how to stop the next war as well as how to cut off some of this at the source so I think it's a bad long-term strategy. Particularly in this country there's always an election, always a reason to just focus on the expedient short-term strategy and it's been said many times before, also in the context of the Democratic Party, these decisions that are made in the interest of popularity actually end up being self-defeating. Just being intellectually honest, as honest as we can be, may even be a better strategy for building a mass movement.

4th questioner I'm just struck though by having [Dennis] Kucinich running in the Democratic Party and Ron Paul running in the Republican Party rather than a third party that could have some unified plank and really challenge both the Democratic and Republican Parties.

NK I'm going to treat that as a comment.

5th questioner I have two quick questions. I was wondering if you could reflect on Hugo Chavez because I think a lot of us on the left have defended his economic policies for uplifting the poor, and those are programmes I wish we saw more of in the United States. But I feel like a lot of us on the left have not been critical of him for some of his undemocratic manoeuvres impacting the Supreme Court and really this rule by decree in unlimited elections. I think on the left we sometimes have made the mistake of supporting people who are in power because we think they reflect the interests of the poor. I'm much more one for defending people who are organising grassroots and democratically like the workers you focus on in your film, *The Take*. I think the left does need to turn a critical eye to Chavez because I think there are some strong concerns. Secondly, I just want to comment: I think we on the left really do discredit ourselves when we do defend the 9/11 'truth' movement because I think the evidence is out there and I'm very proud that magazines like *The Nation*, like Matthew Rothschild from *The Progressive*, have come out and really said "no there really isn't any proof to this". I think we can be critical of the 9/11 commission in saying that they didn't really critically examine Giuliani or Bush or Cheney enough but to say that it didn't really establish who was behind it isn't really true. I think a lot of people like Amy Goodman, also on Democracy Now, brought on the 9/11 truth outifters in 2003–2004, exploring what they had to say again. There's not a single engineer in this country who will defend their claims. I think we on the left need to take a firm stand and say "no, there's enough to criticize the Bush administration without having to make things up".

NK I'm going to treat that second one as a comment because I think I've already addressed this, but I do agree with you. In fact, I agree with you about pretty much everything. I agree that we have to know that the left has a bad history of uncritical support. On the Chavez question, it's clear that there's a power struggle going on in Chavez's government and you have to ask questions of "what exactly can you do from here that is most effective" and, just in terms of linking it with the last question, I think intellectual honesty and consistency is never a bad idea. If we believe in democracy, we probably shouldn't defend emergency rule measures that Chavez is pushing through. My experience with talking to Venezuelans on the left on this question is that, in thinking about what is most important to do here, intellectual honesty is important.

It's important to know our history on the left, know the mistakes we've made in the past and not repeat them. We shouldn't use Latin America to feel better about ourselves and fetishise the leaders we wish we had and not create a situation where we engage in our own imperial project of blurring these huge differences. It's amazing to me when I hear leftists hold up Christina Kirchner as being a part of the same political movement as Morales and Chavez because they want to say there's a pink tide sweeping Latin America. Christina Kirchner and Nestor Kirchner in Argentina are regressive forces, and the social movements in Argentina are fighting them and it's no help to getting this blanket analysis from leftists in North America who need to make themselves feel better. I've been guilty of this. When I was in Argentina I used to call it 'inspiration mining'. We were coming to Argentina as lefty conquistadors mining for inspiration. Back to Chavez: Chavez is a complicated guy and there's a war going on inside him. He is capable of advancing some pretty radical forms of participatory democracy; he has in the past. He is also an egomaniac; this is obvious, power corrupts, we know this. I think what's important to understand is that if we think of these two sides of Chavez and which side will win we realise that there are actually a few clear camps in the Chavez government—some who say that democracy is the Cuba model, some people who want a deeper democracy. What strengthens the antidemocratic side most is interference from the United States. His best argument for why there needs to be a strongman figure in Venezuela is because he's up against such powerful forces that are interfering. And he's not imagining it. There was a coup and there is ongoing interference in Venezuela's democracy. So the best way that we can support democracy in Venezuela in our countries is to call out the fake democracy promoters and the NED [National Endowment for Democracy] projects that are interfering and all these things that actually Chavez uses to justify why he can drift in this antidemocratic direction. I know this is a complicated answer, but I really believe that that's our primary role here in North America, to fight that imperial intervention on the parts of our governments.

6th questioner My question is: what do you think about the argument that Latin America has moved beyond a stage of neoliberalism to a stage of post-neoliberalism. I think the people who make this argument are not saying that the negative effects of neoliberalism have been overcome in any way, but that the new forms of resistance are arising out of the world that neoliberalism has created. I think your film *The Take* is a perfect example of how these abandoned factories are being reused and rebuilt into some new. But I'm not sure, do you think it's too much to say that we've moved into this new phase or is it something else?

NK I think it's too early to say. But I think it isn't too early to say that we're starting to see the outlines of what that new phase would look like. Argentina is a good example; we can point to some amazing social movements that are living this alternative to neoliberalism, but the most left Argentinian economists will tell you that their government is still squarely within the Washington consensus. I think what Morales is doing is definitely going in that direction with land reform, with gas policy, with the mines, but it isn't there yet and that's another example. The social movements in Bolivia are keeping Morales on a very tight leash of "we're supporting you so long as you stay true to why we elected you". I think we're starting to see it, with Alba, Bank of the South, but we just need to recognise that these really are in a nascent phase and we need to build on them. I have spent quite a bit of time in Latin America and when we were making *The Take* we would always ask people "what can we do in North America to support you?" and we thought they would say "buy our products" and they never said that. They said "do this at home", the best way to fight neoliberalism is for more people to do what we're doing. I think maybe I'll end there.

NS I think that's a tremendous note to end on. Let me say one more quick thing. Apologies to those of you who didn't get to ask questions. But Naomi in your *No Logo* book there was a review that once said it was a touchstone of sanity and I have to say that from reading *The Shock Doctrine* it's an intensified sanity that comes over. Naomi Klein, thank you very much.

References

- Grandin G. 2006 *Empire's Workshop: Latin America, the United States, and the Rise of the New Imperialism* (Metropolitan Books, New York)
- Klein N. 2000 *No Logo: Taking Aim at the Brand Bullies* (Knopf Canada, Toronto)
- Klein N. 2007 *The Shock Doctrine: The Rise of Disaster Capitalism* (Metropolitan Books, New York)
- Klein N. 2007, "Rapture rescue 911: disaster response for the chosen" *The Nation* 1 November
- Klein N. 2007, "Latin America's shock resistance" *The Nation* 26 November
- Lewis A. (Dir.) 2005 *The Take* (Klein Lewis Productions)
- Rothschild M. 2006, "Enough of the 9/11 conspiracies, already" *The Progressive* 11 September
- Smith N. 2006, "There's no such thing as a natural disaster", <http://understandingkatrina.ssrc.org/Smith/>
- The Economist* 2007, "The making of a neo-KGB state", 23 August
- Valdes J G. 1995 *Pinochet's Economists: The Chicago School of Economics in Chile* (Cambridge University Press, Cambridge)

Conditions of use. This article may be downloaded from the E&P website for personal research by members of subscribing organisations. This PDF may not be placed on any website (or other online distribution system) without permission of the publisher.