Source of raw transcript: http://dotsub.com/view/2b8d7fd9-7b19-41bf-ac34-159959b78450. Hyperlinks and references by David Ratcliffe.

Alternate sources: Metanoia Films: http://metanoia-films.org/psywar/

Higher quality reproduction: http://vimeo.com/14772678

Remastered copy: http://www.openfilm.com/videos/psywar-remastered

Metanoia Pictures Presents
In association with I Am The Mob
A Film by Scott Noble

Psywar

The Real Battlefield Is In The Mind

Narrator: Mikela Jay Canada, (2010)

Contents

- I. Perception Management
- II. Propagating the Faith
- III. We The People
- **IV. Consumers**
- V. Epilogue

Psyops: 'Psychological Operations'

"[Propaganda is a]ny form of communication in support of...objectives designed to influence the opinions, emotions, attitudes or behavior of any group in order to benefit the sponsor, either directly or indirectly."

-Department of Defense, US Army Field Manual 33-1, p.H-3, 31 Aug 1979

There are but two powers in the world, the sword and the mind. In the long run the sword is always beaten by the mind

-Napoleon Bonaparte

John Stauber (PR Watch): Here in the United States, we're often brought up and told we don't have propaganda. That we have a hard charging, investigative press. We have this educated, skeptical, even cynical citizenry. And that if there were powerful interests trying to manage or manipulate public opinion, they would be exposed.

The reality actually is just the opposite. Academics like Alex Carey [borrow book, radio broadcast about: Part I, Part II] and others, who've spent their lifetimes looking at how propaganda works, finds that it's actually in western democracies and open societies where you need the most sophisticated sorts of propaganda.

And since World War I, thanks to people like Ivy Lee and Eddie Bernays, propaganda has become a business, this business of public relations. Or as one of the firms that has often represented dictators, the Burson-Marsteller firm, puts it: Their business is Perception Management; to manage public perception, public policy on behalf of their clients, whoever they might be.

Mikela Jay: April 9th, 2003: Throngs of Iraqis spontaneously attack a statue of Saddam Hussein the face obscured with Old Glory. Later, the Stars & Stripes are replaced with red, white and black, symbolizing the transference of power from the liberators to the liberated. Defense Secretary Donald Rumsfeld describes the scenes as "breathtaking". To the British Army, they are "historic". BBC Radio calls them "amazing".

And they were. Because the entire event was staged. Years after the operation, a U.S. Army report admitted that the toppling of the Saddam statue had been engineered by a psychological operations group. The document states: "Our TPT [or Tactical Psyop Team]...saw the...statue as a target of opportunity."

A week earlier, another psychological operation laid the groundwork for what followed. The script was for a female Rambo turned damsel-in-distress to be rescued by U.S. Armed Forces.

Voice over, military spokesperson briefing reporters: In the situation that we're talking about here, with Private Lynch as you know, on about the 23rd of March, her 507th Maintenance Company was ambushed. A number of the members of that maintenance company were killed, a number were captured, and a number were unaccounted for, she being one of them.

Professor **Peter Phillips** (Project Censored): They waited 24 hours to get the cameras there, to set up the whole thing to make this a big rescue, and the SWAT team goes in to save her. And then she becomes an instant celebrity overnight.

That story happened the same day that the tanks were rolling into Baghdad. That's the same day that we shelled the Palestine hotel where the independent journalists were. The same day we blew up Al Jazeera's television station and killed one of their journalists. All we're getting on the front pages of the papers and in the news is the rescue of Jessica Lynch.

So, that was a PR substitute story. Toppling the Saddam statue, they got Chalabi's group. The Rendon Group had actually formed them. The CIA paid the Rendon Group to form the Iraqi Congress as a counter-group to Saddam Hussein, and they were based here in the U.S. Then they flew them over there and they shipped them into Iraq. They were the ones that were standing around the statue as a tank was used to pull it over.

The Rendon Group had been around -- he worked for George W.'s father and he worked for Clinton too. His firm ... he used to be a public relations press guy for Carter. And he created a PR firm that specialized in war.

Mikela Jay: The head of the Rendon Group, John Rendon, denies that he is a "national security strategist" or a "military tactician". Rather, he states: "I am a politician and a person who uses communication to meet public policy or corporate policy objectives. In fact, I am an information warrior and a perception manager."

Following the First Gulf War, Rendon was paid \$23 million by the CIA to create anti-Saddam propaganda. Following 9/11, he was charged with public relations for the U.S. bombing of Afghanistan.

Rendon is far from alone. Public relations has mushroomed into a \$200 billion a year industry with PR "flacks" in the United States now outnumbering journalists.

Propaganda has become the primary means by which the wealthy communicate with the rest of society. Whether selling a product, a political candidate, a law, or a war, seldom do the powerful deliver messages to the public before consulting their colleagues in the public relations industry.

Colin Powell presents a now typical case. He didn't choose a seasoned diplomat for the position of Under Secretary of State. Instead, he chose Charlotte Beers known in PR circles as "The Queen of Madison Avenue." Her resumé includes successful advertising campaigns for Head & Shoulders dandruff shampoo, Uncle Ben's rice, and now, Uncle Sam.

John Stauber (PR Watch): You see a news show. You watch 60 Minutes or a Fox program, or whatever it is. You tend to give more credibility to what you're told is journalism. If an advertisement comes on hopefully you tend to be more skeptical of that because obviously, somebody put an awful lot of money into crafting this slick TV ad and airing it.

But what you probably never suspect is that that news story you just watched was also crafted by a company, given to the TV station or network with the understanding that they would put their own logos on it, identify it as real journalism, and air it.

Mikela Jay: Colonel Sam Gardiner would eventually chart 50 false news stories created and leaked by the Bush White House propaganda apparatus prior to and during the assault on Iraq.

Foremost amongst these were the lies that led to the war in the first place. "It was not bad intelligence that led to the invasion", concludes Gardiner. "It was an orchestrated effort that began before the war" and was "meticulously planned" to manipulate the public.

John Stauber: In 2002, when the Bush administration was conducting its massive public relations campaign to sell the war out of Donald Rumsfeld's office in the Pentagon, there was something now referred to as the Pentagon pundits program where literally scores of former high-ranking military generals and admirals and colonels were getting their talking points for their appearances on TV news shows directly from the Pentagon.

They would literally go to the Pentagon, be on phone conferences with the Pentagon, travel with the Pentagon, and then go on TV as supposedly independent sources. Although most of them were actually being paid in the private sector – because these were retired military officials – by defense contractors. And many of them were actually registered lobbyists for military contractors.

So there's a bit of a conflict-of-interest right away when your bread and butter is based on being able to sell armaments and bombs and missiles and you're supposed to be just a patriotic ex-general giving an honest opinion to what's going on.

And even though that's illegal, there's no way to really stop it. And the most powerful medium through which it occurred refuses to even report on the scandal. You've got just a massive problem, and that's where we're at.

Mikela Jay: There were clear warning signs long before the age of the "embed." During the assault on Serbia, under President Clinton, a report emerged by the Dutch journalist, Abe De Vries, revealing the presence of "psywarriors" working at *CNN*.

They derived from the Third Psychological Operations Battalion at Fort Bragg, in North Carolina. De Vries quoted Major Thomas Collins of the U.S. Army Information Service: "Psyops personnel, soldiers and officers have been working in CNN's headquarters in Atlanta through our program, training with industry. They helped in the production of news."

What made the Iraq War different were not so much the tactics or even the scale, but the

high-tech synergy. It was almost impossible to tell where the state ended and the "Fourth Estate" began.

Tom Brokaw: One of the things that we don't want to do is to destroy the infrastructure of Iraq because in a few days we're going to own that country.

(Fox News): Should they have used more? Should they use a 'MOAB,' the mother of all bombs? A few daisy cutters? And let's not just stop at a couple of cruise missiles.

Mikela Jay: The invasion of Iraq represents a pinnacle of domestic psywar in the United States. An unparalleled integration between public relations firms, corporate media, and military psyops.

At the time of the assault, large segments of the American public were convinced that a nuclear attack by Saddam Hussein on their nation was not only possible, but imminent.

Soldiers who comprised the invading force were similarly confused with a remarkable 77% believing that Hussein was responsible for the attacks of 9/11. Many earnestly believed that the mission was to destroy a mysterious group known as Al Qaeda, while bringing freedom to the Iraqi people.

Footage of Iraqis and U.S. GI:

"Go home Yankee!"

"We're here for your f***ing freedom, so back up right now!"

Mikela Jay: Yet, what was actually happening was what the Nuremberg Charter describes as the single greatest crime under international law: The "Planning, preparation, initiation, or waging of a war of aggression."

Seven years later, the results of the invasion are clear. According to *The Lancet*, one of Britain's most respected medical journals, approximately 600,000 Iraqis have been killed from the invasion as of 2006. By 2009, a polling agency put the number at over 1 million. Four million Iraqis have been made refugees in their own country. Their entire society is shattered.

How did the land of the free and the home of the brave arrive at a place where citizens could be manipulated with such efficiency and on such a massive scale?

Our story begins in an unlikely place: a coal mine.

Psywar

I. Perception Management

When we think of public relations, this is not an image that springs to mind. Yet it was here, at the turn of the century, in the town of Ludlow, Colorado, that PR as we know it, began to take shape. From the beginning, it was steeped in class warfare.

Sharon Smith (Historian): The conditions that men, women and children worked under in 19th century America were very much like what we think of now as the conditions in the 'global South' in which 13-14 hour days were not uncommon. Living conditions were often in barrack-like housing. Children worked right alongside their parents. Those were the kind of conditions and certainly, if you picture what we see in the global South today, almost slave-like conditions. You can make the comparison pretty easily.

Mikela Jay: Like workers in most other industries at the time, the coal miners in the town of Ludlow were organizing to win basic rights. In 1914, the United Mine Workers Union called for coal companies to grant safe working conditions, tolerable wages, and compliance with state mining laws. In response, a labor organizer at Ludlow was shot to death by gunmen working for the Colorado Fuel & Iron Corporation owned by the Rockefeller family. Then, as now, the Rockefellers were synonymous with wealth and power.

William Avery Rockefeller had made a living as a literal snake oil salesman. But his son, John Davidson had achieved the American Dream. His fortune was built by exploiting oil reserves in Mexico and the United States.

John Davidson Rockefeller was America's first billionaire. But it was his son, John D. Jr., who would define the Rockefeller legacy in the 20th century.

Twenty-four hours after striking workers and their families celebrated Easter, the end came. It became known as the Ludlow Massacre.

Howard Zinn (Historian): The strike went on from the fall of 1913, to the spring of 1914 and they still couldn't break the strike. The strikers were living in tent colonies set up by their union, the United Mine Workers.

And in April of 1914 the National Guard, which was at this time being paid by the Rockefellers, the National Guard attacked the tent colony of men, women, children, killed

many people, set the tents afire.

They found the next day the bodies of 11 children and two women who were burned, suffocated to death in that fire. That was called the Ludlow Massacre.

Mikela Jay: A brief glance at events prior to Ludlow reveals that the brutalization of workers in the United States was not an unusual occurrence.

Sixty years earlier, in 1847, a nation-wide general strike was met with violent oppression by federal troops. Over 30 workers were killed, and 100 wounded at "The Battle of the Viaduct" in Chicago.

In 1894, Federal troops killed 34 American railway union members also in the Chicago area. The troops were attempting to break a strike led by Eugene Debs against the Pullman Company.

In 1897, 19 unarmed coal miners were killed and 36 wounded by a posse organized by a sheriff near Lattimer, Pennsylvania. Most of the workers were shot in the back while attempting to flee.

The worldview of the great capitalists at the turn of the century can be summed up in the words of William Vanderbilt. In response to a suggestion that the New York Central Railroad should adjust its train schedules to accommodate the public he replied: "The public be damned!"

But the relationship between the public and corporations was changing. Decades of organizing and rebellion had given rise to a vast network of labor groups with increasing political power. Over time, these included the Grange movement, the Socialist Party, the Greenbackers, the Populists, and Progressives. And perhaps most significantly, the anarchist union known as the Industrial Workers of the World, or the "Wobblies."

Following the massacre at Ludlow, soldiers in Denver refused to participate in further attacks against the miners, declaring that they would not engage in the shooting of women and children. Demonstrations erupted across the country. A march occurred in front of the Rockefeller offices in New York City. A clergyman protested outside a church where Rockefeller liked to give sermons, only to be beaten by police. In modern parlance, it was a PR nightmare.

John Stauber (PR Watch): Ivy Lee went to work for, among other clients, the Rockefellers.

The Rockefeller family, after the Ludlow massacre, hired, used Ivy Lee to manage the public perception around that event and other events.

Ivy Lee's specialty was crisis management. Among other things, he is credited with inventing the press release which all of us just sort of think of as something helpful. You want to publicize an event? A church picnic? Call a news conference? You put out a press release.

But at the time, the idea was very radical because what Ivy Lee was saying is: "Well, we're going to manage this crisis by calling attention to it. We're going to actually assist and help the news media and journalists in covering it."

What he knew was that the degree to which journalists became used to and dependent on his services was the degree to which he could actually cultivate and manage coverage.

Mikela Jay: Lee began by waging a disinformation campaign. He put out news bulletins claiming that the 2 women and 11 children at Ludlow had not been killed by militia, but by an overturned stove. He circulated stories suggesting that Mother Jones in addition to being a labor organizer, was a madame who ran a bordello. He ghostwrote letters to the Governor, and even to President Wilson.

Lee's techniques achieved little success in part because he himself had become a highly visible figure. In the future, PR experts would learn that their techniques are rarely effective unless practiced in the dark.

Yet, one of Lee's innovations was epoch-making. Upon learning that the Rockefeller Foundation had \$100 million set aside for promotional purposes he convinced Rockefeller to donate large sums to colleges, hospitals, churches, and charitable organizations in order to generate positive publicity. He also suggested that Rockefeller Sr. begin handing out money in public and that Jr. appear in staged photo ops at work sites.

What Ivy Lee understood was that the corporation needed a makeover. Widely perceived as greedy, tyrannical institutions, corporations needed to manufacture an image of warmth and caring.

Howard Zinn: This was the beginning of the public relations industry. Rockefeller didn't set up the Rockefeller Foundation until Rockefeller became very unpopular because of his labor policies. And suddenly, Rockefeller needed to create a good impression.

Richard Conniff (Author: A Natural History of the Rich): Well, it's an interesting

phenomenon that the poor actually give a larger percentage of their income than the rich. I think the rich feel they're doing more because giving a \$100,000 seems like a substantial kind of donation and it doesn't matter that they have a \$100 million. They still think, well, they've done quite a lot.

So, it's partly a result of this distortion of economic values and it's partly the result of being cheap. People don't want to give away their wealth, Ted Turner said, because they're afraid their status in the *Forbes 400* is going to go down that little bit.

So they give it away when it's prudent or when it's beneficial, when they can get some displayed benefit out of it or when it can give them access to a different sort of social class or a different group that they want to be a part of. But, they have a more functional view of their wealth rather than a strictly charitable view.

Howard Zinn: Charity, and private charity, and you might say government charity – any kind of action that relieves people's distress a little bit without changing the system, maintains the system.

In fact that is the way that the American system which is very exploitative and very unfair – that's the way the American system is being maintained for all these centuries, really. By giving people a little bit. And giving enough people just enough to prevent them from breaking out in open rebellion.

Mikela Jay: Today, one of the largest PR firms in the world specializes in the art of crisis management. Burson-Marsteller holds offices in 35 countries and has served clients as varied as cigarette maker Phillip Morris, chemical giant, Union Carbide, and the Monsanto Corporation, a company specializing in genetic engineering and other life sciences.

Like the Rendon Group, Burson-Marsteller is bipartisan to the core. Its worldwide president and chief executive, Mark Penn, served as Hillary Clinton's key political adviser during the 2008 election.

The most disturbing facet of Burson-Marsteller is its willingness to work with the world's worst human rights violators. They ran PR for the Indonesian government as it committed genocide in East Timor. They worked closely with the Nigerian government and Royal Dutch Shell during and after the Biafran War in Nigeria. And they helped to improve the image of a U.S. backed Argentine military junta, led by General Jorge Videla.

John Stauber (PR Watch): One of their clients in the 1970's was the brutal Argentine junta

which had taken control of the government there and was rounding up dissidents, systematically torturing, beating, killing people and flying out over the ocean and dumping bodies. Not a really good public image.

So, the Burson-Marsteller firm was used by Argentina, hired by Argentina, and went to work for them quite happily under a fat contract to improve the image of Argentina in the international financial community and in the Western press.

Mikela Jay: In some ways, it should not be surprising that public relations has evolved into companies like Burson-Marsteller and the Rendon Group. Looking back at the career of its first guru we find a remarkably similar pattern.

John Stauber: Ivy Lee went to work for the IG Farben company, a big German industrial company, and we know now that IG Farben was actually part of the Nazi propaganda inner circle.

One of the most effective and, of course, horrifying government propaganda campaigns ever organized was the Nazi campaign that continued for years and years under the direction of Nazi propaganda minister Joseph Goebbels.

And IG Farben paid Ivy Lee, and also paid Ivy Lee's son, to represent not just their interests, but the interests of Nazi Germany in an effort to paint the Nazi regime as being a friendly regime.

Mikela Jay: But before lending his expertise to the Third Reich, Mr. Lee would do so for the American government. Along with other experts in the burgeoning field of mind science and public relations, he would engineer propaganda for World War I, not just against the enemy, the Germans, but against the American people themselves.

II. Propagating the Faith

Graeme MacQueen (Co-Founder, Center for Peace Studies): We often talk about the propaganda being relatively recent but of course, it isn't. Even in ancient societies that weren't democratic, especially large states, it was understood by elites that if you don't have the support of the people, you could be in trouble. And so, a fair bit of attention was actually given to legitimizing military adventures.

I'm remembering here a passage from an old Chinese text, I think it's Han Fei Tzu, so it

would be about 2300 years ago, where the author of the book says: "In general," – and I'm quoting now – "In general, war is a thing that the people despise. Therefore, when a young man is to be sent off to war, his wife his parents, his family, should gather around him and say to him 'Conquer, or let me never see you again'."

And this is a very powerful sense of—Well, first of all, the violence done to that young man. But also of the sense that war is disgusting to most people and it is often not in their best interest and therefore, one needs all kinds of songs and dances and in this case threatening the young man, essentially, with dispossession. You can't return to your family. You can't return home. You'll be disgraced. Honor, security everything has been played upon here.

And it continues. So yeah, national security is one of the most powerful notions in modern times, to swindle, I think, people to do things that are not in their best interest and to support massive military complexes that are not in anybody's interest but that are like cancers feeding on society frequently.

Christopher Simpson (Author, *The Science of Coercion* [PDF copy, hypertext excerpts]): Propaganda and persuasion have been around for centuries, eons. But propaganda, in its modern sense, can be traced to the 15th and 16th century when the Catholic Church was in a tough competition with the Protestants over how to articulate a religious vision for the world. And the reason that I mention this is that it shows that propaganda is about mindset. It's about ideology. It's about worldview: how people see things as distinct from an individual policy or whether you happen to like this candidate or that candidate.

So, that's where the word came from: for "propagating the faith". And that's the way the word was used up until the early 20th century. And then, what emerged, particularly with World War I, was the application of this 'propagating the faith' to refer to international affairs, to refer to what a national government would do, a national security policy.

In the run-up to World War I, and during World War I, what one saw in the geopolitical stage was a crisis of empires. Empires were disintegrating; they were falling apart. The British Empire seemed extremely strong at that time and yet nevertheless was in a downward phase. It couldn't afford to support its own army, for example. Same with the French. Same with the Austro-Hungarians. Same with the Russians, the Tsarist Empire. Same with Ottoman Turkish Empire, and so on around the world.

When that war was underway, most particularly the United Kingdom, came up with an office whose specific purpose was promoting the war aims of the United Kingdom, the English,

through publicity, through covert operations, through what would today be called dirty tricks, through telling the truth, through a whole number of different applications of information, using information as an instrument of war.

And from the get-go, from the very beginning it was both aimed at the enemy, *and* aimed at the home population.

Noam Chomsky (Philosopher): The Creel Commission was the American variant of it. Woodrow Wilson came into office in 1916 with the slogan 'Peace Without Victory'. He said that what we want is an end to World War I. Neither side deserves our support. And the population didn't want to enter the war.

Newscast voice over: In America, 1916 was an election year. The war was the dominant issue. The election campaigns of the parties crystallized the sway of opinion. Neutralism, the profound wish to stay out of the war, still possessed a doughty champion in the President. Support for Wilson's policy was strong in the Middle-West and Pacific states. Europe's war seemed more remote there than on the Atlantic seaboard.

At the Democratic Convention, Wilson was renominated presidential candidate. The chairman opened his speech with a text from the Sermon on the Mount:

Chairman voice over: "Blessed are the peace-makers: for they shall be called the children of God."

Noam Chomsky (Philosopher): Within a couple of months, Wilson was talking about 'Victory Without Peace' and he had to somehow drive the population into accepting this sharp change of policy; the opposite of what they voted for. And that's where the Creel Commission came in.

Mikela Jay: George Creel described his work with unabashed enthusiasm. It was a plain publicity proposition. A vast enterprise in salesmanship. The world's greatest adventure in advertising. 75,000 civil leaders, known as "Four Minute Men" were assembled to deliver pro-war messages to people in churches, theaters, and civic groups. Periodicals were sent to 600,000 teachers. Boy Scouts delivered copies of President Wilson's addresses to households across America.

It was, in short, the largest wartime propaganda campaign in the history of the United States. Central to the committee's propaganda were two basic ideas:

1: the American homeland was in imminent danger from a savage, bloodthirsty foe.

And 2: it was the fate of the American nation, in President Wilson's words, to "make the world safe for democracy".

The first thing was a time-honored tactic, long used in the United States and other countries, to vilify foreign enemies, indigenous peoples, and slaves.

During the Great War, the savage Indian, and the sub-human Negro, were transformed into the barbaric Hun. The caricature of the bloodthirsty Hun was bolstered by a series of fake news reports leaked by the new propaganda industry and disseminated to the public.

Among them, that babies in Belgium had had their hands cut off, were being impaled on bayonets and, in one case, nailed to a door.

That a Canadian had been crucified by German soldiers and that dead bodies were being boiled down in so-called "corpse factories", to be used for ammunitions and pig food.

In a foreshadowing of the "Freedom Fries" incident, sauerkraut was renamed "Liberty cabbage".

False atrocity stories would become a staple for nations in wartime throughout the 20th century. A recent example occurred prior to the First Gulf War.

Member of Kuwaiti royal family: While I was there I saw Iraqi soldiers come into the hospital with guns. They took the babies out of the incubators... ...took the incubators, and left the children to die on the cold floor.

Mikela Jay: As it turns out, the massacre of babes never occurred. The young girl was actually a member of the Kuwaiti royal family, and had been coached by the public relations firm, Hill & Knowlton, to give persuasive false testimony.

President George H.W. Bush: Kids in incubators, and they were thrown out of the incubators, so that Kuwait could be systematically dismantled.

Mikela Jay: The attempt to engender hatred against Germans, in support of the war effort, was highly successful. (Scene from The Heart of Humanity, 1918)

But there was another equally important aspect to the domestic propaganda campaign. If every adventure story needs a villain, it also needs a hero.

Silent film footage:

Erich von Stroheim: "You should use your influence to keep your peaceful people from fighting the battles of a distant France or Belgium."

Other actor: "It is God who calls my sons—to save humanity."

Voice over of a singer: Now this is a song I made about when they were drafting the men.

Uncle Sam says he travel East and he travel the West.

Uncle Sam says he believe he know the best.

☐ Uncle Sam says, Uncle Sam says, Uncle Sam says you gotta bottle up and go.

I'll travel East, I'll travel the West...

\$\int\$

Mikela Jay: Creel estimated that 72 million copies of 30 different booklets about American ideals were sent across the United States, with millions more sent abroad.

In addition to influencing the minds of Europeans, the goal was to redefine for the home population, the very concept of what it meant to be American. The new American would not interpret events, from what Creel called a class or sectional standpoint, but rather as a unified collective.

In this manner, the people could be herded into "One white hot mass instinct" (—George Creel). Previously, military action by the United States had been justified under the pretense of maintaining order protecting American interests, and bringing civilization to the savages. Now, the word "civilization" would transmute into "democracy".

Voice over of singer: \square ... Uncle Sam say you don't have to hesitate.

Uncle Sam says you gotta bottle up and go.

Morris Berman (Author, *Dark Ages America*): Marshall McLuhan, the Canadian communications theorist, once said that: 'If a fish could talk, and you could ask a fish, "What's the most obvious element of your environment?", the last thing that the fish would say would be "water". That's the last thing the fish would notice and it's true about any culture.

Those things that are most powerful and most obvious to an outsider don't get seen by the people swimming in that water.

"America is God's chosen people." This goes back, as far back as 1630, where John Winthrop on the Arabella, coming from England to the United States, said "We're a city on a hill."

It's not an accident that in the campaign debates and stumps of the recent candidates, you had Barack Obama actually saying that: "we are a city on a hill" – as well as Sarah Palin. Ronald Reagan said it in his inaugural address.

President Ronald Reagan: "I've spoken of a shining city all my political life. But I don't know if I ever quite communicated what I saw when I said it. But in my mind, it was a tall, proud city, built on rocks stronger than oceans, wind-swept, God-blessed, and teeming with people of all kinds, living in harmony and peace."

Morris Berman We're a city on a hill. And so our mission is to democratize the rest of the world. We've got the best system possible, and basically people ought to pay attention to us, 'cause we know.

Mikela Jay: The idea of a particular state cast as savior of the world would be taken to new heights in the United States. But it wasn't an American invention.

The "savior" motif was used as a justification for virtually every imperial intervention during the Colonial Era. French leaders spoke of a "civilizing mission" in their new colonies. British leaders spoke of bringing progress and civilized government to India. Imperial Japan spoke of unleashing an earthly paradise in Asia. While the Third Reich dreamt of a worldwide utopia.

A decade before World War I, Mark Twain stated that: "My kind of loyalty was loyalty to one's country. Not to its institutions or its office-holders."

Decades later, George Orwell came to a similar conclusion. That "Patriotism is a devotion to a certain place and people contrary to nationalism, which is inseparable from lust for power."

This concept of patriotism remains elusive.

Bill O'Reilly: Once the war against Saddam begins, we expect every American to support our military, and if they can't do that, to shut up.

Michael Parenti (Historian): Equating super-patriotism with militarism: military endeavor, military achievements, military struggles, and victories; that's all supposedly a special manifestation of super-patriotism.

And I argue that a real patriot wants something different for his country. He wants social justice. He wants peace and stability. He wants fairness. He wants an end to racism and sexism. He takes pride in his country's ability at social betterment rather than his country's

ability to invade and knock around other countries.

A real patriot feels an attachment to his country, but not at the expense of other countries. He or she may feel a special attachment to the history of his own country.

He values the accomplishments of his country, like the abolition of slavery, the emergence of collective bargaining and the rights of working people for a better life, the gains made by women in terms of being able to get into public life. These are the kind of things that the real patriot would value.

Mikela Jay: In October 2001, George W. Bush signed into law what civil libertarians characterize as an all-out assault against the Bill of Rights. It was called the Patriot Act.

During the Great War, similar bills were passed. The Espionage Act of 1917, and the Sedition Act, passed a year later, authorized huge fines and lengthy prison terms for anyone who obstructed the military draft, or encouraged what was termed "disloyalty to the state".

The sweeping legislation was quickly put into effect. And first on the list, were the "Wobblies".

Silent film footage:

SHALL WE HAVE THIS –

PROSPERITY

– OR SHALL IT BE THIS –

ANARCHY, SEDITION, LAWLESSNESS.

Sharon Smith: In many ways, the Wobblies were the most impressive example of a union movement in the history of the U.S. working class.

'Wobblies' was the nickname for an organization called the Industrial Workers of the World (IWW), which flourished in the first decade and a half of the 20th century.

The American Federation of Labor, which was the main craft union at the time, refused to organize African-Americans, immigrants and women workers. So, that meant excluding the vast majority of the working class from the union movement.

Along come the Wobblies, and they set out from the beginning, specifically to organize immigrants, women, African-Americans, alongside white workers in what they called 'one big union'. They led some of the most successful strikes.

One of their strikes was the first sit-down strike at the time. Women workers played leadership roles—something that was absolutely unheard of at the time.

Their philosophy was a revolutionary philosophy. It's known as anarcho-syndicalism.

Noam Chomsky – debate with Michel Foucault, 1971: A federated, decentralized system of free associations incorporating economic as well as social institutions would be what I refer to as anarcho-syndicalism. And it seems to me that it is the appropriate form of social organization for an advanced technological society, in which human beings do not have to be forced into positions of tools; of cogs in a machine.

Mikela Jay: On September 5th, 1917, Federal agents raided offices of the Wobblies across the nation, leading to arrests for the offense of causing insubordination, disloyalty, and refusal of duty in the military and naval forces. 101 of the defendants were found guilty and received prison sentences up to 20 years.

Noam Chomsky: Wilson carried out a brutal internal repression called the Red Scare which was the worst in American history; far worse than McCarthy and far worse than anything that's going on now. They arrested thousands of people and smashed the labor movement. Heavy constraints on free expression, threw lots of people in jail, expelled all sorts of people from the country.

Mikela Jay: Yet, what had started as a hunt against radicals, soon spread to every corner of American society. Patriots were encouraged to inform on friends and neighbors who spoke out against the war, while surveillance increased dramatically, not only by the military, but by seemingly benign institutions, like the Postal system.

Howard Zinn: The state flourishes in time of war. The state grows stronger in time of war. The state accumulates power. The military is enhanced. The forces of repression are enhanced. War is an opportunity for the government to grow in power.

Mikela Jay: By the time the war ended, the total number of deaths had reached approximately 9.7 million soldiers with millions more suffering life-changing injuries and severe post-traumatic stress.

To what end was not clear. The massive bloodshed had not made the world safe for freedom and democracy. What it had done, was produce enormous fortunes for a handful of corporations and banks while leaving the worldwide labor movement in disarray.

If the Great War had been a test of the Constitution and the concept of balancing the powers by each other, it failed. The United States Supreme Court established in *Schenck vs. United States* and *Abrams vs. United States*, that the Federal Government could suspend constitutional rights when the nation faced: "a clear and present danger".

Randolph Bourne, speaking of the Great War as a whole, responded preemptively with a now-famous dictum. "War", he said, "is the health of the state."

III. We The People

William I. Robinson (Editor, "Critical Globalization Studies"): The definition of polyarchy that we have in the social sciences is a system where the participation of masses of people is limited to voting among one or another representatives of the elite in periodic elections. And in between elections, the masses are now expected to keep quiet, to go back to life as usual while the elite make the decisions and run the world until they can choose between one or another elite another four years later.

So really, polyarchy is a system of elite rule and a system of elite rule which is a little more soft-core than the type of elite rule that we would see under a military dictatorship, for instance. But, what we see is that under a polyarchy the basic socioeconomic system does not change; it does not become democratized. Wealth is not redistributed downward. You don't see a more equitable redistribution of wealth and resources.

So that's the key: socioeconomic dictatorship and free elections; that's the prescription for polyarchy.

Participatory democracy would see not only more participation of people in the running of their daily affairs, but it would see a democratization of the economy; democratization of social relations.

Noam Chomsky: In the 20th century you can't really talk openly about rule by the rich. That doesn't sound nice. The devices that have been developed, propaganda devices, are rule by the more competent, the technocratic elite, the responsible people, the educated sectors.

There's a huge literature on this. But maybe the primary source for the 20th century is the leading public intellectual of the 20th century, in the United States, Walter Lippmann. Highly respected commentator on public affairs, also a theorist of democracy.

Christopher Simpson (Author, *The Science of Coercion* [PDF copy, hypertext excerpts]): During World War I, people who later emerged as sort of the "Founding Fathers" of modern communication research, modern communication applications, mass media applications – quite a number of them had worked as propagandists during World War I, often as relatively young people who were shaping their own ideas at the time.

And one of them was Walter Lippmann. And Lippmann has emerged, really to this day, as a leading intellectual light of a particular way of looking at society.

Mikela Jay: Today, Walter Lippmann is known as the "Dean of American journalism." Yet during the Great War, he had been chief leaflet writer and editor of a U.S. propaganda unit. He also served as Secretary of "The Inquiry," a quasi-intelligence agency.

Before dealing with Lippmann's contributions to political theory, we first have to understand the forms of democracy that have characterized the United States, and other Western nations, since the age of the great Revolutions. A leap forward from the age of monarchy, the new nation-states would nevertheless preserve the concept that wealthy elites had the right to rule over the mass of the population.

Television show: Well, it's done me a sight of good, coming forward in time like this to see how wonderful things have turned out. But, I wish I could take you back with me back in time, back those 200 years when we were starting as a nation. I wish you could have seen this country then.

John Manley (Historian): George Washington was a slave owner. James Madison was a slave owner. Thomas Jefferson was a slave owner. Importantly, Jefferson, who was the most democratic of the lot, wasn't at the Philadelphia Convention. He was Ambassador to France, and he picked up a lot of radical ideas from the French Revolution which didn't exactly endear him to people like Alexander Hamilton.

The initial divide in American politics then goes back to those roots. It's Jeffersonian Democrats against Federalists the leader of whom, until he was killed by Burr, was Alexander Hamilton. Essentially a class struggle, a class conflict.

Thomas Jefferson was, in fact a fairly radical Democratic thinker in his time. And clearly, the Declaration's statement that 'We hold these truths to be self-evident that all men are created equal and endowed by their Creator with certain inalienable rights,' was a powerful Democratic statement.

And, although Jefferson would not have applied it to women, or the Indians, or to Blacks, nonetheless, in all of those cases those words would come back to be very serviceable for those groups in pushing civil rights and civil liberties forward in the United States from where Jefferson's statement left them.

The problem with the Declaration of Independence was that once independence was [inaudible, at 53:54] from Britain, then the question became one of governance: how would these former colonies of Britain be governed? Well, it led immediately to the Constitutional Convention in 1787, where a series of uprisings by debtors, essentially, not just in Massachusetts, the most famous is, of course the Shays' Rebellion in 1786.

Peter Linebaugh (Historian): The American state was founded, largely to get the Ohio Valley, largely to cross the Appalachians – the American, that is the Constitution to organize an army and money in order to conquer further lands more to the West.

That's the origin of the U.S.A. But to do that, the slave-masters are not going to do the fighting. What they will do is hire poor people to do it. But when they don't pay the poor people, as they didn't pay Daniel Shays – Daniel Shays takes matters into his own hands in 1787 and goes to the courts and shuts down the courts because the courts were beginning to foreclose on the grounds that Daniel Shays and the other veterans from the American War of Independence did not have the money to pay back.

John Manley (Historian): Debtor riots were happening throughout the 1780's. And they were sufficiently scary, from the point of view of people with property, that they had to do something about it. And what they did about it was, essentially, overthrow the Articles of Confederation and instill a much stronger, much more able government to protect the property interests that were in dire threat from the 'people'.

This was an elitist, you could almost say, coup d'état, except there wasn't any strong central government to launch a coup against. They were really trying to set one up and protect it against a majoritarian interest, especially economic interest, especially property interest, especially threats from people who didn't have much.

First thing they did when they got to Philadelphia in 1787 was they locked the doors. And the only reason we know what happened, behind those closed doors, were that people like James Madison kept extensive notes.

Noam Chomsky: The American Constitution was formulated primarily by James Madison. He's the major framer of the Constitution and he wanted to overcome what he called the

tyranny of the majority. He said the primary goal of government is to ensure that the opulent are protected from the majority. So therefore, he designed the Constitution in such a way that as he put it, the 'wealth of the nation' will be in charge. The more responsible set of men; those who sympathize with property owners and their rights. And the system was designed that way.

That power was in the Senate which was the least representative body and it was the 'wealth of the nation' and in fact, it still is.

The House of Representatives, which is more democratic in theory, was given much less power. And the powerful executive is also supposed to represent the 'wealth of the nation'.

In Madison's defense, one should say that he was really pre-capitalist in his mentality. He assumed that the wealthy would be what he called benevolent gentlemen who would not be concerned with their own interests but with the benefit of the people.

Adam Smith, who preceded him, was much more realistic. He pointed out that the principal architects of policy, namely the merchants and manufacturers in his day, they ensure that policies are designed so that their own interests are protected, no matter how grievous the effect on others, including the people of England.

It's rather interesting to compare Madison's thinking, which founded this country, with the first major book on politics, namely Aristotle's *Politics*. Aristotle surveyed many kinds of systems and decided that, of all of them – he didn't like any of them – but he said of all of them, democracy is probably the best.

But he said that democracy has a problem. And it was the same problem that Madison noticed centuries later. He said, if, in Athens, everyone had a right to vote, the poor majority would attack the property of the rich, insist that it would be divided, and he also felt that was unfair.

But Madison and Aristotle had opposite solutions. Madison's solution was to restrict democracy. Aristotle's solution was to restrict inequality.

Mikela Jay: Opponents of the new government were called Anti-Federalists, though the term is inaccurate. The majority favored some form of federation, but insisted on more localized control, with a more participatory democratic system.

John Manley (Historian): The Bill of Rights, the first 10 amendments to the Constitution, they were the price the Federalists had to pay in the ratifying conventions, to pass the document.

So, *the* democratic element of the Constitution which, of course, is the Bill of Rights, was forced down their throats. It didn't come out of Philadelphia at all. It was appended in 1791 and forced down the Constitution by the more democratic elements in the society.

Even with the Bill of Rights, we have a system which is hardly perfect from the point of view of civil rights and civil liberties, let's put it mildly. It trampled all over with the rights of citizens.

So, the Bill of Rights is hardly an ironclad set of guarantees for civil rights and civil liberties in the United States. I hate to think of the United States *without* it.

The Anti-Federalists were significantly more partial to democratic elements in the society, and to the rights of ordinary people, than were the significantly more elitist Federalists.

Mikela Jay: If the greatest legacy of the Anti-Federalists was the Bill of Rights, their dream of direct democracy was not to be. At the time, many dissidents made predictions for what they believed would come to pass, as the new nation grew and flourished.

"The natural course of power is to make the many slaves to the few" one Anti-Federalist wrote. Another objected to the new government because, "The bulk of the people can have nothing to say to it; the government is not a government of the people." [Samuel Chase to John Lamb]

"The men of fortune would not feel for the common people."

"An aristocratical tyranny would arise in which the great will struggle for power, honor and wealth..."

"The poor become a prey to avarice, insolence and oppression."

"In short, my fellow citizens, it can be said to be nothing less than a nasty stride to universal empire."

A significant model for both the Federalists and Anti-Federalists were the Iroquois, who had created a highly sophisticated and democratic federation of self-governing units. In stark contrast to European forms of government, the Iroquois people had the ability to immediately remove corrupt leaders. Women played a significant role in decision-making. Everyone was permitted to participate in debate and policy formulation.

Stephen M. Sachs (Author, Remembering the Circle): Native Americans were exceedingly

democratic in the way they operated. No society is perfect, but when you make comparisons you see that they were sometimes small but sometimes 30-40 thousand people and more in a large confederacy that operated on a basis of mutual respect.

Mutual respect that developed out of experience because if you didn't treat people equally then they were going to give you trouble. Societies were exceedingly collaborative but they were also exceedingly individualist. The individual was honored, but the values were collaborative because you had to get along.

Everybody was included in every decision that affected them. Elders, obviously, were honored. They knew more. You listen to your elders. But, everybody had a say. You had an extremely participatory society and as it moved up to larger – there was a great deal of decentralization.

So if you had a large number of people and they would be in a federation, the village would decide for itself, the tribe would then decide. But the individual villages would have to decide. Then the tribes in the federation, their representatives would meet. But they wouldn't decide *for* everyone – they'd have to have the consensus of all the people.

So if there wasn't consensus already, they would have to go back and discuss it. So that, to the extent that there was representation, these were representatives who were *truly representative*. They would have to go back, they wouldn't keep their positions unless they consulted people. And they knew that.

Even if they had the authority to make a decision, people would go elsewhere and not keep them as leaders if they didn't listen to them and they didn't treat them well.

By and large you had a much more participatory society and even on the larger more representative level, the representatives really had to listen to their constituents.

Mikela Jay: Ironically referred to as primitive and savage, Native Americans had actually created a far more democratic system of self-governance than *any* civilized nation in history. But their anarchic models, as well as the more limited democratic systems proposed by the Anti-Federalists, were incompatible with Madison's elitist vision.

In republic and parliamentary democracy alike, citizens would be reduced to passive observers. They would be allowed to pick and choose which individual made decisions on their behalf, but they would not be able to make those decisions themselves.

Returning to the period after the first World War, we find widespread support amongst intellectuals for Madison's elitist interpretation of democracy.

According to Walter Lippmann, the public's function in politics was to be interested spectators of action, but not participants.

Yet Lippmann perceived a problem. New technologies in communication and transportation had awakened millions of disenfranchised people to a new world outside their towns and cities while traditional economic, political, and social structures remained in place.

Something had to change. But rather than advocate structural changes in society's institutions, Lippmann suggested that propaganda re-adjust the public mind.

Noam Chomsky: In his essays on democracy in the 1920s, which are incidentally called 'progressive' essays on democracy, he was a Wilson-Roosevelt-Kennedy liberal in the American sense. He says that the majority are simply incompetent; they are ignorant and meddlesome outsiders in his view – that's the majority of the population – and to allow them to participate in the decision making would be a complete disaster.

So therefore we have to design means to insure that what he called the responsible men, of whom he was of course one, are protected from the roar and the trampling of the beasts, the ignorant majority. [film clip of an elephant inside a house trumpeting with a woman looking more and more horrified and eventually screaming] And he devised a number of methods; Lippmann called it the 'manufacture of consent'.

We have to manufacture the consent of the ignorant and meddlesome outsiders, [the] mass of the population.

And the huge public relations industry was developed at the same time. They are the people who manage and control the marketing exercises that are called elections in the United States. They are marketing exercises, and they're well aware of it.

Jay Leno: Apparently we have all been wrong it is pronounced "Kal - ee - forn - ya." Ladies and Gentlemen! The governor of the great state of California Arnold Schwarzenegger!

Noam Chomsky: So for example, for the last election, 2008, the advertising industry gives a prize every year for the best marketing campaign of the year. [In] 2008 they gave it to the Obama campaign who beat out commercial competitors.

The idea is: We market candidates the same way we market toothpaste or lifestyle drugs or automobiles. Of course it helps to have a lot of money. And in fact Obama greatly outspent McCain. And not because of popular contributions. They came mostly from financial industries. He was their candidate. And his policies will presumably respond to his constituents.

Mikela Jay: Prominent intellectuals continue to argue that the world's complexity makes democracy impossible. A recent cover story in *Time Magazine* claimed that, "Democracy is in the worst interest of national goals. The modern world is too complex to allow the man or woman in the street to interfere in its management."

A man who surely would have agreed was Edward Bernays. Like Lippmann, Bernays served as a propagandist on the Creel Committee. And like Lippmann, he went on to re-fashion wartime propaganda for peacetime aims.

In his classic text *Propaganda* [formats: hypertext and PDF, EPUB, etc] Bernays suggested that elites "regiment the public mind every bit as much as an army regiments their bodies."

Bernays considered mass mind control so crucial that it constituted, in his words "the very essence of the democratic process."

Bernays' opportunity to shine arose when a crisis threatened not only the profits of major corporations but the entire capitalist system.

The solution, as theorized by business leaders, would lead to social breakdown, environmental catastrophe, and further alienation between the American people and their government.

It would also lead to wealth, on a scale never before imagined.

IV. Consumers

Sut Jhally (Media Education Foundation): The major story that advertising tells us about human happiness is that, the way through happiness is through the consumption of things. That in fact buying something in the marketplace will make you happy.

In fact that's the message of almost every single ad. And that's not often you can say that there's one message that is in the literally millions of ads that are produced every year.

I think that is the message – the message of advertising as a whole is that it's better to buy than not to buy. That in fact the way to become – and that you will be happier as a result of buying than not buying. And I think that idea in fact is the major force for global social change, over the last 50 years.

Mikela Jay: In the 1920s, business leaders were faced with a dilemma. Over-production of goods had exceeded demand. Production between 1860 and 1920 had increased by 12 to 14 times, while the population only increased by a factor of 3.

There were several ways of solving the problem. One was to reduce working hours and raise wages so that production and consumption reach an equilibrium. This would have lead to more leisure time for workers and a higher standard of living.

The problem with this solution is that it could have entailed a slight decrease in profits. Corporations are mandated by law to maximize profits on behalf of their shareholders regardless of social or environmental costs.

According to business leaders, there was another problem. John Edgerton, president of the National Association of Manufacturers warned that a shorter work week would undermine the work ethic and potentially ferment radicalism.

If people had time to stop and think, they might also take the time to re-think their position in life.

"The emphasis should be put on work," Edgerton stated. "More work and better work, instead of upon leisure." It seems a harmless enough statement.

But what businessmen were advocating was revolutionary. Production would no longer be about satisfying human needs. It would be an end, in and of itself.

Rather than a democracy of ideas, or a democracy of mass participation, the United States would become a democracy of material goods. The citizen would be replaced by the consumer.

Television clip, two business men:

<u>Man A</u>: Look at those goods piled up over there. I'm worried. Here we are, we've got the new machines and they're doing even better than we expected. They've not only cut production costs but they've increased output over 50%! But we're not selling this additional product. Inventories are piling up. Now what are we going to do about it?"

<u>Man B</u>: It seems to me we've got to change our plan completely. Now that we're increasing production, we've got to put on more pressure work the territory more intensively.

Man A: You mean more advertising?

Man B: Yes.

Sut Jhally (Media Education Foundation): The problem of capitalism is the problem of consumption. And the problem is that after your basic needs have been met there is no real need for consumption. And so you have to convince people that in fact their identities are based upon the consumption of objects for which there is no material need. That's the problem that comes from the expansion of the market.

If you look at advertising it's a very interesting history. In the first period of advertising, we can say right up until about the 1920s, advertising talked about goods themselves. They talked about how they were made, what they did, how well they lasted, etc. It really is, a discourse, about objects. About what goods did.

Now starting around 1920, that changes. And from that period on advertising doesn't really talk about goods themselves. They talk about the relationship of goods to our needs.

Mikela Jay: At the center of the new strategy was Edward Bernays. If Walter Lippmann had concerned himself with an overarching analysis of mass media in democracy, Bernays would devote most of his energies to propaganda on behalf of the corporation.

His uncle, Sigmund Freud, would serve as his muse. Rather than focus on the intrinsic worth of a particular product, Bernays suggested a strategy where products became linked with the unconscious desires of the public.

In this manner there would be virtually no limits to either production or consumption.

Christopher Simpson (Author, *The Science of Coercion* [PDF copy, hypertext excerpts]): Freud's nephew was a man by the name of Bernays. And he's regarded as the father of modern public relations, particularly in the United States. [The book, *The Father of Spin - Edward L. Bernays & the birth of public relations* by Larry Tye (1998), is displayed] His contribution, if you want to call it that, was to take propaganda techniques that had been developed for military, psychological warfare, national security -type issues, during World War I, and apply them in a systematic way to commercial issues.

One of his best known efforts had to do with encouraging females, women, to smoke. He would stage beauty pageants. He would stage what would today be called photo-ops and that sort of thing, in which smoking, by women was portrayed as women's liberation, was portrayed as a way to be free and empowered, is getting addicted to nicotine.

The audience, the market, in Bernays' mind, had a clear desire to be free, to be stronger, to be more self-empowered. So women clearly wanted these things. Along comes Bernays and the tobacco industry and says, "Here is how to have it."

Sut Jhally (Media Education Foundation): Goods don't make us very happy. Goods are not central to satisfaction. What actually really makes people happy are non-material things. What makes people happy, seems to be, things connected with sociability.

I don't mean to say by that material things have nothing to do with happiness. Poor people are not happy. They don't have access to clean drinking water, they don't have access to food, they don't have access to shelter.

So it's not that material things are not connected to happiness. They are to some degree. But, once you get past a certain level of comfort, material things simply don't provide us happiness.

At the same time there is this giant propaganda system of advertising that is again perpetually telling us that the way to happiness is through objects, the way to happiness is through consumption. What makes people happy are things to do with society, with connection, with personal connection, with autonomy, with relaxation. In fact when you ask people what it is that makes them happy, goods very rarely come into it.

However the problem is that capitalism has to sell goods, the market place provides goods. And therefore, what it did was it took the images of the life that people *really* want, which is a life of meaning, of connection, of sociability, of friendship, of family, of intimacy, of sexuality – those are the images that it took, and it linked them to objects.

And so advertising is both true and false at the same time. If you're simply false, you know it wouldn't work. But advertising is true to the extent that it reflects our real desires.

Mikela Jay: As bizarre at it may sound for people who dream of fantastic wealth as a cure for unhappiness, the same holds for the wealthy. Beyond a certain level of material comfort, deprivation is relative.

Richard Conniff (Author, *A Natural History of the Rich*): At the bottom level, sure it's 5 million to 10 million dollars a year. But once you've got 5 or 10 million, that doesn't seem like enough. Because you're associated with people that have 15 or 20. And when you get to 15 or 20, then it's 50 and 100. And you wind up never feeling as if you have enough.

And in fact people really never even thought of themselves as rich even when they were colossally rich because of this phenomenon that psychologists call <u>relative deprivation</u>. They were comparing themselves, not to you and me, but with each other in this little world that they come to inhabit.

Mikela Jay: In his book *The Status Seekers*, Vance Packard uses the phrase "Merchants of Discontent" to describe a deliberate strategy by advertisers of targeting the less affluent with status symbol messages.

For someone with little chance of changing their social conditions in life, consumerism offers a quick fix, that allows people to feel as though they are climbing the social hierarchy, when in fact they are standing still.

The strategy was particularly evident in mid-century automobile advertising. Studies found that people who lived in housing developments were more likely to park their cars outside of the garage than those who could afford more expensive homes.

A typical example is this advertisement for Plymouth. It reads, "We're not wealthy, we just look it."

The American way of life would be characterized by a myth which would seem to make political activism unnecessary. In the new democracy of material goods there were an infinite number of possessions to be purchased by rich and poor alike. There was no need to change institutions because the system was already perfect. It was called "The American Dream." And happiness was just one possession away.

Fifties television clip: Our young adults. And the shopping centers are built in their image. Selling to young adults demands a new kind of marketing. For these young adults, the shopping centers have built fountains commissioned statues, put in restaurants and free standing stairways. It included banks, loan offices, rental plants, plant nurseries and places to buy building materials.

The shopping centers see these young adults as people whose homes are always in need of expansion. People who buy in large quantities and truck it away in their cars. [Car honk] It's a

big market."

Contemporary television clip: In the tinsel and glitter world of Beverly Hills superstars reign supreme in million dollar mansions that hold a weird fascination for everyone else. Visitors rubber-neck for hours just for a glimpse through the guarded gates. But for one man, already on the ladder to super-stardom, just a look wasn't enough. For him it was love at first sight.

Morris Berman (Author, *Dark Ages America*): We just had, at the time of *this* filming, it was just a few days ago, there was an incident at a Walmart in Long Island the day after Thanksgiving, where basically people were lining up for a sale, 5 in the morning. And one of the workers there was crushed to death! He was actually trampled to death by these shoppers. And when the ambulance arrived, or whatever it was, to take the poor guy to the morgue or the hospital, or wherever they were going to take [him], they didn't want to get out of the way. They said "I've been waiting here since 5 in the morning! I'm not leaving!" So there would be the consumer society at its finest.

And oddly enough, exactly to the day 5 years ago, on that day, the day after Thanksgiving, the same thing happened at a Walmart in Orlando. It was not a worker, it was a woman who was shopping there. And she wasn't killed, but she was trampled unconscious and people wouldn't get out of the way for the medics to take her away.

So when you get finally to that point, this is what Marcuse was talking about and the whole idea of One-Dimensional Man, was this tremendous emptiness again. And so I'm gonna buy things to fill that emptiness up.

And then we see the religious power of it. Because if the medics arrive, basically to take the corpse away, or the body to the hospital, and you're not gonna get out of the way because you're gonna save \$50 on a DVD player, that suggests something has gone fundamentally wrong! [shouting, screaming, commotion] I think there's not much difference between assuaging your anxiety by buying things and investing in the American Dream. They seem to go hand in hand.

Sut Jhally: The American Dream is a story about how society works. The American Dream says that if you work hard, you will succeed.

Barack Obama: The bedrock of our economic success is the American Dream. It's a dream shared in big cities and small towns across races, regions and religions. That – if you work

hard, you can support a family. That if you get sick, there will be health care that you can afford. That you can retire [applause] with the dignity, and security, and respect that you've earned. That your children can get a good education and young people can go to college even if they don't come from a wealthy family.

Sut Jhally: And so he says we may start off in different positions. There are people who are rich and there are people who are poor and they're born into different kinds of contexts. But the playing field is level, and that's the dream of, you know, pulling yourself up by your own bootstraps.

The problem with that is, that it's actually at odds with how social mobility works. Social mobility actually is much more based upon class and upon the resources that you have available to you, into which you are born.

Paris Hilton: "Hi, I'm Paris Hilton and you're here for The FIT on MySpace. Let's go check out my shoe closet first. So welcome to my shoe closet. As you can tell, I really love shoes."

Sut Jhally: Part of those are material resources, and part of those are also cultural resources as well. There are class structures that keep people mostly in their places. There are some slight exceptions to this where there's movement between one rung or another. But the level of social mobility is remarkably low in the society.

And then the American Dream is punctuated by these very visible examples in the media that show us people who were poor who are now rich. And now the question is: If those people are rich, if those people have made it and the vast majority of the people have not and the major thing that separates them is their own hard work, then the reason that the vast majority of people are where they are is because that is where they deserve to be. You didn't work hard enough, you're not intelligent enough.

Fifties television clip: The right to life, liberty and the pursuit of happiness. Some are smart, some not. Some are successful, some not.

Michael Parenti (Historian): The United States never had mass prosperity throughout its history. It was just the period from 1946 to 1980, where the prosperity was really – it looked like it was just going better and better and better, for everybody. And that came after World War II. With the backlog of tremendous earnings from war industry and such, the G.I. Bill that came in that developed a whole new big professional class, and the like.

And that lasted to about 1980. Since then there have been cutbacks to human services,

cutbacks in educational opportunities, and greater and greater inequality.

Since 2000 to 2008 the inequality between the very rich and the rest of us, that inequality is greater than it's been throughout the 20th century. So we're back to like 1900 in terms of inequality. Everybody just can't make it.

Throughout history, the rich have always argued that the poor are the authors of their own poverty. They're poor because they're stupid, they're disreputable, they're hopeless. People are poor because they are paid less than the value that they produce.

You *need* poverty. Poverty is needed if you're gonna have wealth. The only way a rich slaveholder, a Roman senator, or antebellum plantation owner in the south, the only way they could live in this fabulously luxurious mode is by having slaves who work from the crack of dawn down into the night.

That's expropriation. That's creating the poverty of the slave, or the serf, or the worker, so that the slaveholder or the lord, the feudal lord, or the plutocrat, the capitalist, can really accumulate wealth.

Sut Jhally: The idea that human happiness is connected to the immense accumulation of commodities, I think that idea is what is driving development in what we used to call the developed world, it is driving development in China, it is driving development in India. I think it will increasingly drive development in Africa as well.

I think we're starting to see the results of what that means for the planet. When not only the 5 percent American population strives for that but when increasingly the rest of the world also is pulled into that. And you then have to provide the goods and the energy that those goods take to produce. We're arriving at the kind of exhaustion of the physical planet.

The ancient philosopher Confucius, he was asked what he would do if he was ever to rule the state. Someone said "OK you're in charge of the state, what would you do?" And he said a very interesting thing, he said he would "rectify the language." And I think if he was asked that in modern day he would say "Let me control the media."

If you can control the stories, you don't need to have soldiers on the street corners to control them. You can control people in their own heads and their own imaginations.

On one hand it's really depressing because it's like: How do you then get out of it? Because there's no way you can have control of the media, there's no way you can compete with these

stories that are told thousands of times a day. Through advertising, through programming, through newspapers. Through the Internet now, through video games, through all kinds of ways.

But at the same time, the reason I'm hopeful, the reason that actually gives me some optimism is, that capitalism *has* to do that. That unless it does that, they *know* that things will fall apart.

So capitalism in that sense is like a house of cards. A house of cards that has to be constantly held together. We have to be told every single day what this story is.

And they have to do it every day because it's unnatural. If it was natural they wouldn't have to do it. And if they stop, they know that in fact it would fall apart.

That actually is the great hope for me: is in fact, the amount of time they have to spend convincing us about [the] value of the society, is in fact what gives me hope – that there's an alternative, just actually – just below the surface.

And that alternative is much more human, much more compassionate, it's much more connected to concern for other people, it's much more connected to concern for the planet. And that it's being held down by this incredible and relentless propaganda system.

V. Epilogue

Noam Chomsky: If a decision is made by a centralized authority, it's going to represent the interests of the particular group in power. If power is actually rooted in large parts of the population, if people can actually participate in social planning, then they will presumably do so in terms of their own interests.

So that's why Madison, for example, and Lippmann, and Bernays, and a whole host of others, have argued that we cannot permit the population to participate. Because if they do they will pursue their own interests. *Not* the interests of the wealth of the nation.

If you have centralized power, they'll use it for their own interests. You don't have to read that in a complicated textbook. It's understandable by any 10 year old child. Not by educated people that have had it driven out of their heads; various illusions replacing self-serving illusions.

If the population are participants, they'll serve their own interests. Public opinion is very well

studied. So we have a *wealth* of information about what the public wants. And there's a *huge* disconnect between public opinion and public policy.

The public and policymakers differ enormously on crucial issues. It's all very natural. It's not, [there is] nothing surprising about it and people understand it.

So about 80 percent of the population of the United States says that the government is run by a few big interests looking out for themselves.

John Manley (Historian): What do you mean by democracy? If you mean by democracy a system that accepts that the relative distribution of power and influence and wealth and income in the society is sacrosanct, if the social system we call and know as capitalism is inviolable, and you can't in fact erode or undercut the primacy of that class's power and property, politically, then you've just ruled out democracy.

The founders had a very clear idea that in order for political power to be democratic and to be equal, economic power also had to be democratic and equal. And that was the last thing they wanted.

So they saw clearly, that behind political democracy was economic democracy. Behind political equality was economic equality. And they did everything they could to block it.

Christopher Simpson (Author, *The Science of Coercion* [PDF copy, hypertext excerpts]): The claims of mind control are based on the belief that human beings are powerless, or relatively powerless, when they become targets of psychological operations and propaganda.

Media control, yeah, it has an impact on public opinion without a doubt. It has an impact on the assumptions that people bring, to trying to figure out what to do with their lives. It's powerful. But it's not the same as mind control.

I think the best way to stop propaganda is for people to understand what it is and how it works. I don't think we're going to stop propaganda so long as we have freedom of speech. And frankly I think that's a good thing for us.

But there will always be people who exploit freedom of speech for their own ends. *But*, propaganda loses its effectiveness if people understand what is going on.

A very important thing that can be done to reduce the power of propaganda is to force the players to the surface. So that, where you have campaigns – political campaigns, product

campaigns, cultural campaigns – that are organized by big propaganda agencies, public relations agencies, then, part of the task for people who are observing this going on, is to make this public. Make it understood that what's appearing on the front page of the *Washington Post* for example, really is a propaganda or public relations campaign. It's coming from a particular faction of society who are paying for it. And, that they have names.

John Stauber (PR Watch): It depends on what people believe, what people perceive, what people know. And for a democracy to really function and thrive, unlike Eddie Bernays, I would say what we need is more information, more freedom, more transparency, and more information about who's manipulating public opinion and the public mind.

Eddie Bernays believed that fundamentally people were unable to govern themselves in a democracy because most of us were just too dumb to figure it out. And so he used that to justify his practice that he exalted, of managing and manipulating public opinion.

I think actually what we need is a lot more exposure and education about how public opinion *is* managed and manipulated, so that we have a citizenry that can actually function and be critical thinkers and decision makers and govern themselves in a democracy.

Clearly, individual and public opinion is crucial to everything. As long as you can manage and manipulate public opinion – or as Burson-Marsteller likes to put it, 'public perception' – you can control public behavior and policy.

That's what Eddie Bernays knew. That's what he was saying when he talked about engineering consent.

And, so yeah, I believe that the ultimate battlefield really is in the mind.

Psywar - The Real Battlefield Is In The Mind, Metanoia Films, Canada, 2010.

Psywar is part of a series. Please visit Metanoia-Films.org for other entries.

Written and Directed by Scott Noble. Narrated by Mikela Jay.