

The Shock Doctrine: Naomi Klein on the Rise of Disaster Capitalism

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Pinochet's coup in Chile. The massacre in Tiananmen Square. The collapse of the Soviet Union. September 11th, 2001. The war on Iraq. The Asian tsunami and Hurricane Katrina. Award-winning investigative journalist Naomi Klein brings together all of these world-changing events in her new book, "The Shock Doctrine: The Rise of Disaster Capitalism." In her first national broadcast interview since the publication of "The Shock Doctrine," Klein joins us in our firehouse studio for the hour. Klein writes, "The history of the contemporary free market was written in shocks." She argues that "Some of the most infamous human rights violations of the past thirty-five years, which have tended to be viewed as sadistic acts carried out by anti-democratic regimes, were in fact either committed with the deliberate intent of terrorizing the public or actively harnessed to prepare the ground for the introduction of radical free-market reforms."

Economist Milton Friedman once said, "Only a crisis produces real change. When that crisis occurs, the actions that are taken depend on the ideas that are lying around." Naomi Klein examines some of what she considers the most dangerous ideas -- Friedmanite economics -- and exposes how catastrophic events are both extremely profitable to corporations and have also allowed governments to push through what she calls "disaster capitalism."

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- **The Shock Doctrine Short Film**, a film by Alfonso Cuarón and Naomi Klein, directed by Jonás Cuarón.
[- Click to watch the entire film](#)

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AMY GOODMAN: Pinochet's coup in Chile, the massacre in Tiananmen Square, the collapse of the Soviet Union, September 11th, the war on Iraq, the Asian tsunami and Hurricane Katrina. Award-winning investigative journalist Naomi Klein brings together all these world-changing events in her new book. It's called *The Shock Doctrine: The Rise of Disaster Capitalism*.

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NEWSREEL: The 1940s have been a decade of breakthroughs and developments in medicine and psychiatry. Scientists have developed a new technology to cure mentally ill adults. With the use of electroshocks, the minds of sick patients are being wiped clean, giving them a fresh start. On this blank slate, physicians then imprint a new healthy personality.

NAOMI KLEIN: Remaking people, shocking them into obedience. This is a story about that powerful idea. In the 1950s, it caught the attention of the CIA. The agency funded a series of experiments. Out of them was produced a secret handbook on how to break down prisoners. The key was using shock to reduce adults to a childlike state.

TEXT: The following narration is excerpted from the CIA's 1963 and 1983 interrogation manuals.

NARRATION: It's a fundamental hypothesis of this handbook that these techniques are, in essence, methods of inducing regression of the personality. There is an interval, which may be extremely brief, of suspended animation, a kind of psychological shock or paralysis. Experienced interrogators recognize this effect when it appears and know that at this moment the source is far more open to suggestion, far likelier to comply, than he was just before he experienced the shock.

NAOMI KLEIN: But these techniques don't only work on individuals; they can work on whole societies: a collective trauma, a war, a coup, a natural disaster, a terrorist attack puts us all into a state of shock. And in the aftermath, like the prisoner in the interrogation chamber, we, too, become childlike, more inclined to follow leaders who claim to protect us.

One person who understood this phenomenon early on was the famous economist of our era, Milton Friedman. Friedman believed in a radical vision of society in which profit and the market drive every aspect of life, from schools to healthcare, even the army. He called for abolishing all trade protections, deregulating all prices and eviscerating government services.

These ideas have always been tremendously unpopular, and understandably so. They cause waves of unemployment, send prices soaring, and make life more precarious for millions. Unable to advance their agenda democratically, Friedman and his disciples were drawn to the power of shock.

NARRATION: The subject should be rudely awakened and immediately blindfolded and handcuffed. When arrested at this time, most subjects experience intense feelings of shock, insecurity and psychological stress. The idea is to prevent the subject from relaxing and recovering from shock.

NAOMI KLEIN: Friedman understood that just as prisoners are softened up for interrogation by the shock of their capture, massive disasters could serve to soften us up for his radical free-market crusade. He advised politicians that immediately after a crisis, they should push through all the painful policies at once, before people could regain their footing. He called this method "economic shock treatment." I call it "the shock doctrine."

Take a second look at the iconic events of our era, and behind many you will find its logic at work. This is the secret history of the free market. It wasn't born in freedom and democracy; it was born in shock.

NARRATION: Isolation, both physical and psychological, must be maintained from the moment of apprehension. The capacity for resistance is diminished by

disorientation. Prisoners should maintain silence at all times. They should never be allowed to speak to each other.

NAOMI KLEIN: There's one other thing I've learned from my study of states of shock: shock wears off. It is, by definition, a temporary state. And the best way to stay oriented, to resist shock, is to know what is happening to you and why.

AMY GOODMAN: An excerpt of *The Shock Doctrine*, directed by Jonas Cuaron, co-written by *Children of Men* director Alfonso Cuaron with Naomi Klein. You can watch the entire film online. We'll link to it at democracynow.org. This is *Democracy Now!*, democracynow.org.

Naomi Klein is an award-winning journalist, the bestselling author of *No Logo* and the co-director of the film *The Take*. Her latest book is called *The Shock Doctrine: The Rise of Disaster Capitalism*. Naomi Klein joins me for the hour in our firehouse studio. Welcome to *Democracy Now!*

NAOMI KLEIN: Thank you, Amy.

AMY GOODMAN: It's very good to have you with us. Why don't you start off by talking about exactly what you consider to be the shock doctrine?

NAOMI KLEIN: Well, the shock doctrine, like all doctrines, is a philosophy of power. It's a philosophy about how to achieve your political and economic goals. And this is a philosophy that holds that the best way, the best time, to push through radical free-market ideas is in the aftermath of a major shock. Now, that shock could be an economic meltdown. It could be a natural disaster. It could be a terrorist attack. It could be a war. But the idea, as you just saw in the film, is that these crises, these disasters, these shocks soften up whole societies. They discombobulate them. People lose their bearings. And a window opens up, just like the window in the interrogation chamber. And in that window, you can push through what economists call "economic shock therapy." That's sort of extreme country makeovers. It's everything all at once. It's not, you know, one reform here, one reform there, but the kind of radical change that we saw in Russia in the 1990s, that Paul Bremer tried to push through in Iraq after the invasion. So that's the shock doctrine.

And it's not claiming that right-wingers in a contemporary age are the only people who have ever exploited crisis, because this idea of exploiting a crisis is not unique to this particular ideology. Fascists have done it. State communists have done it. But this is an attempt to better understand the ideology that we live with, the dominant ideology of our time, which is unfettered market economics.

AMY GOODMAN: Explain who Milton Friedman is, who you take on in a big way in this book.

NAOMI KLEIN: Well, I take on Milton Friedman because he is the symbol of the history that I am trying to challenge. Milton Friedman died last year. He died in 2006. And when he died, we heard him described in very lavish tributes as probably the most important intellectual of the post-war period, not just the most important economist, but the most important intellectual. And I think that a strong argument can be made for that. This was an adviser to Thatcher, to Nixon, to Reagan, to the current Bush administration. He tutored Donald Rumsfeld in the early days of his career. He advised Pinochet in the 1970s. He also advised the Communist Party of China in the key reform period in the late 1980s. So he had enormous influence. And I was talking to somebody the other day who described him as the Karl Marx for capitalism. And I think that's not a bad description, although I'm sure Marx wouldn't have liked it very much. But he was really a popularizer of these ideas.

He had a vision of society, in which the only acceptable role for the state was to enforce contracts and to protect borders. Everything else should be completely left to the market, whether education, national parks, the post office; everything that could be performed at a profit should be. And he really saw, I guess, shopping -- buying and selling -- as the highest form of democracy, as the highest form of freedom. And his best-known book was *Capitalism and Freedom*.

So, you know, when he died last year, we were all treated to a retelling of the official version of how these radical free-market ideas came to dominate the globe, how they swept through the former Soviet Union, Latin America, Africa, you know, how these ideas triumphed over the past thirty-five years. And I was so struck, because I was in the middle of writing this book, that we never heard about violence, and we never heard about crises, and we never heard about shocks. I mean, the official story is that these ideas triumphed because we wanted them to, that the Berlin Wall fell and people demanded their Big Macs along with their democracy. And, you know, the official story of the rise of this ideology goes through Margaret Thatcher saying, "There is no alternative," to Francis Fukuyama saying, "History has ended. Capitalism and freedom go hand in hand."

And so, what I'm trying to do with this book is tell that same story, the key junctures where this ideology has leapt forward, but I'm reinserting the violence, I'm reinserting the shocks, and I'm saying that there is a relationship between massacres, between crises, between major shocks and body blows to countries and the ability to impose policies that are actually rejected by the vast majority of the people on this planet.

AMY GOODMAN: We're talking to Naomi Klein. Her new book is called *The Shock Doctrine: The Rise of Disaster Capitalism*. We'll be back with her in a minute.

[break]

AMY GOODMAN: Our guest today is Naomi Klein. She took the world by storm with her first book, *No Logo*. Now she is back with *The Shock Doctrine: The Rise of Disaster Capitalism*.

Naomi, you're talking about Milton Friedman. Expand it to the "Chicago School."

NAOMI KLEIN: Right. So the influence of Milton Friedman comes from his role in really being the popularizer of what's known as the "Chicago School of Economics." He taught at the University of Chicago. He studied, actually, at the University of Chicago, and then he went on to be a professor there. He was mentored by one of the most radical free-market economists of our time, Friedrich von Hayek, who also taught for a time at the University of Chicago.

And the Chicago School of Economics really stands for this counterrevolution against the welfare state. In the 1950s, Harvard and Yale and the Ivy League schools tended to be dominated by Keynesian economists, people like the late John Kenneth Galbraith, who believe strongly that after the Great Depression, it was crucial that economics serve as a moderating force of the market, that it soften its edges. And this was really the birth of the New Deal, the welfare state, all of those things that actually make the market less brutal, whether it's some kind of public healthcare system, unemployment insurance, welfare and so on. This was actually -- the post-war period was a period of tremendous economic growth and prosperity in this country and around the world, but it really did eat into the profit margins of the wealthiest people in the United States, because this was the period where the middle class really grew and exploded.

So the importance of the University of Chicago Economics Department is that it really was a tool for Wall Street, who funded the University of Chicago very, very heavily. Walter Wriston, the head of Citibank, was very close friends with Milton Friedman, and the University of Chicago became kind of ground zero for this counterrevolution against Keynesianism and the New Deal to dismantle the New Deal. So in the '50s and '60s, it was seen as very, very marginal in the United States, because big government and the welfare state and all of these things that have become sort of dirty words in our lexicon thanks to the Chicago School -- they didn't have access to the halls of power.

But that began to change. It began to change when Nixon was elected, because Nixon was very close with Milton Friedman, although Nixon decided not to embrace these policies domestically, because he realized he would lose the next election. And this is where I think you first see the incompatibility of these free-market policies with a democracy, with peace, because when Nixon was elected, Friedman was brought in as an adviser -- he hired a whole bunch of Chicago School economists. And Milton Friedman writes in his memoirs that he thought, you know, finally their time had come. They were being brought in from the margins, and this sort of revolutionary group of these counterrevolutionaries were finally going to dismantle the welfare state in the USA. And what actually happened is that Nixon, you know, looked around, looked at the polls and realized that if he did what Milton Friedman was advising, he would absolutely lose the next election. And so, he did the worst thing possible, according to the Chicago School, which is impose wage and price controls.

And the irony is that two key Chicago School figures, Donald Rumsfeld, who had studied with Friedman as a sort of -- I guess he kind of audited his courses; he wasn't enrolled as

a student, but he describes this time as studying at the feet of geniuses, and he describes himself as the “young pup” at the University of Chicago -- and George Shultz were the two people who imposed wage and price controls under Nixon and when Nixon declared, “We’re all Keynesians now.” So for Friedman this was a terrible betrayal, and it also made him think that maybe you couldn't impose these policies in a democracy. And, you know, Nixon famously said, “We’re all Keynesians now,” but the catch was he wouldn’t impose these policies at home, because it would have cost him the next election, and Nixon was reelected with a 60% margin after he imposed wage and price controls. But he unleashed the school on Latin America and turned Chile, under Augusto Pinochet, into a laboratory for these radical ideas, which were not compatible with democracy in the United States but were infinitely possible under a dictatorship in Latin America.

AMY GOODMAN: Explain what happened in Chile.

NAOMI KLEIN: Well, I think *Democracy Now!* viewers and listeners know this chapter in history, which was that after Salvador Allende was elected, a democratic socialist was elected, in 1970, there was a plot to overthrow him. Nixon famously said, “Make the economy scream.” And the plot had many elements, an embargo and so on, and finally the support for Pinochet’s coup on September 11, 1973. And we often hear about the Chicago Boys in Chile, but we don’t hear that many details about who they actually were.

And so, what I do in the book is I retell this chapter of history, but, for me, the economic agenda of the Pinochet government is much more front and center, because I think we do know the human rights abuses, we know about Pinochet rounding up people, taking them to stadiums, the summary executions, the torture. We know a little bit less about the economic program that he pushed in in the window of opportunity that opened up after the shock of that coup. And this is where it fits into the shock doctrine thesis.

I think if you look at Chile -- and this is why I spend some time in the book looking at it and examining it -- we see Iraq. We see Iraq today. We see so many similarities between the intersection of a manufactured crisis and the imposition of radical economic shock therapy right afterward. So I’m thinking about the sort of parallels between Paul Bremer's period in Iraq, when he went into Baghdad with the city still burning and just -- you know, I came on the show at the time talking about how he had torn up the whole economic architecture of the country and turned it into this laboratory for the most radical free-market policies possible.

Well, in Chile, on September 11, 1973, while the tanks were rolling in the streets of Santiago, while the presidential palace was burning and Salvador Allende lay dead, there was a group of so-called “Chicago Boys,” who were Chilean economists who had been brought to the University of Chicago to study on full scholarship by the US government as part of a deliberate strategy to try to move Latin America to the right, after it had moved so far to the left. So this was a very ideological government-funded program, part of what Chile’s former foreign minister calls “a project of deliberate ideological transfer,” i.e. bringing these students to this very extreme school at the University of

Chicago and indoctrinating them in a brand of economics that was marginal in the United States at the time and then sending them home as ideological warriors.

So this group of economists, who had failed to sway Chileans to their point of view when it was just part of, you know, an open debate, stayed up all night that night, on September 11, 1973, and they were photocopying a document called “the brick.” It’s known as “the brick.” And what it was was the economic program for Pinochet’s government. And it has these striking similarities, Amy, with George Bush’s 2000 election strategy -- election platform. It talks about an ownership society, privatizing Social Security, charter schools, a flat tax. This is all straight out of Milton Friedman’s playbook. This document was on the desk of the generals on September the 12th, when they reported for work the day after the coup, and it was the program for Pinochet’s government.

So what I’m doing in the book is saying, you know, these two things are not coincidental. You know, when Pinochet died -- he died the same -- shortly before Milton Friedman -- we heard -- or, actually, he died shortly after Milton Friedman -- we heard this narrative, you know, in places like the *Washington Post* and the *Wall Street Journal*, of, “Of course, we disapprove of his human rights violations,” and this sort of, you know, shaking of fingers at the atrocities that we know about in Chile, “but on the economy he was terrific,” as if there was no connection between the free-market revolution that he was able to push through and the extraordinary human rights violations that took place at the same time. And what I’m doing in the book and what many Latin Americans do in their work is obviously connect the two and say it would have been impossible to push through this economic program without the extraordinary repression and the demolition of democracy.

AMY GOODMAN: Let’s talk about shock in the sense of torture. It’s where you begin: “Blank is Beautiful.” Talk about that.

NAOMI KLEIN: Well, I start the book looking at the two laboratories for the shock doctrine. As I said, I look at different forms of shock. One is the economic shock, and another is body shock, shocks to people. And they aren’t always there, but they have been there at key junctures. This is the shock of torture.

So one of the laboratories for this doctrine was the University of Chicago in the 1950s, when all of these Latin American economists were trained to become economic shock therapists. Another one -- and, you know, this isn’t some sort of grand conspiracy that it was all planned, but there was another school, which served as a different kind of shock laboratory, which was McGill University in the 1950s. McGill University was ground zero for the experiments that the CIA funded in order to understand how to -- basically how to torture.

I mean, it was called “mind control” at the time or “brainwashing” at the time, but now we understand, thanks to the work of people like Alfred McCoy, who has been a guest on your program, that actually what was being researched in the 1950s under the MK-ULTRA program, when there were these experiments in extreme electroshock, LSD,

PCP, extreme sensory deprivation, sensory overload, that actually what was being developed was the manual that we can now see at use in Guantanamo and Abu Ghraib. This is a manual for unmaking personalities, for total regression of personalities, and creating that window of opportunity where people are very suggestible, as we saw in the film. So McGill, in part because I think it was seen by the CIA as easier to perform these experiments outside the US --

AMY GOODMAN: McGill in Montreal.

NAOMI KLEIN: McGill in Montreal. At the time, the head of psychiatry was a man named Ewen Cameron. He was actually an American citizen. He was formerly head of the American Psychiatric Association, which I think is quite relevant to the debates going on right now about complicity in the psychiatric profession with current interrogation techniques. Ewen Cameron was head of the American Psychiatric Association. He moved to McGill to be head of psychiatry and to head up a hospital called the Allan Memorial Hospital, which was a psychiatric hospital.

He got funding from the CIA, and he turned the Allan Memorial Hospital into this extraordinary laboratory for what we now understand as alternative interrogation techniques. He dosed his patients with these odd cocktails of drugs, like LSD and PCP. He put them to sleep, sort of into a comatose state for up to a month. He put some of his patients into extreme sensory deprivation, and the point was to make them lose track of time and space.

And what Ewen Cameron believed, or at least what he said he believed, was that all mental illness was taught later in life, that these were patterns that set in later in life. He was a behavioral psychologist. And so, rather than getting at the root of those problems and trying to understand them, he believed that the way to treat mental illness was to take adult patients and reduce them to a childlike state. And it's been well known -- it was well known at the time -- that one of the side effects of electroshock therapy was memory loss. And this was something that was seen, actually, by most doctors as a problem, because patients were treated, they may have reported some positive results, but they forgot all kinds of things about their life. Ewen Cameron looked at this research and thought, "Aha, this is good," because he believed that it was the patterns that -- because he believed that it was the patterns that were set in later in life, that if he could take his patients back to an infantile state, before they even had language, before they knew who they were, then he could essentially re-mother them, and he could turn them into healthy people. So this is the idea that caught the attention of the CIA, this idea of deliberately inducing extreme regression.

AMY GOODMAN: Talk about the woman you visited in the nursing home who had gone through this.

NAOMI KLEIN: Yeah. I start the book with a profile of a woman name Gail Kastner. Gail Kastner was one of Ewen Cameron's patients. And I read about her because she successfully sued the Canadian government, which was also funding Ewen Cameron. I

read about her lawsuit, that she had just won an important victory: she had gotten a settlement, because she had been used as a guinea pig in these experiments without her knowledge.

So I called her, actually just got her number from the phone book. And she was very, very reticent to talk at first. She said she hated journalists, and it was very difficult for her to talk about it, because she would relive all these experiences. And I said, well -- she said, "What do you want to talk to me about?" And I said, "Well, I just got back from Iraq" -- and this was 2004 -- "and I feel like something that was done to you, the philosophy of what was done to you, has something to do with what I saw in Iraq, which was this desire to wipe clean a country and to start over from scratch. And I even think that some of what we're seeing at Guantanamo with this attempt to regress prisoners through sensory deprivation and remake them is also related to what happened to you." And there was this long pause. And she said, "OK, come and see me."

So I flew to Montreal, and we spent the day talking, and she shared her story with me. She talks about her electric dreams, which is, she doesn't have very many memories of what happened to her in this period, because she underwent such extraordinary shock and it did wipe out her memory. She regressed to the point where she sucked her thumb, urinated on the floor, didn't know who she was, and she didn't have any memory of this, any memory at all that she had ever been hospitalized. She only realized it, I think, twenty years later, when she read an article about a group of fellow patients who had successfully sued the CIA. And she picked out a few lines in the newspaper articles -- regression, loss of language -- and she thought, "Wait a minute, this sounds like me. This sounds like what I've heard about myself." And so, she went and she asked her family, "Was I ever at the Allan Memorial Hospital?" And at first they denied it, and then they admitted it. She requested her file, and she read that, yes, she had been admitted by Dr. Ewen Cameron, and she saw all of these extraordinary treatments that had been done to her.

AMY GOODMAN: We're going to go to break, but when we come back, we're going to move from shocking the individual, shocking the body, to shocking the body politic, whether in Chile or in Iraq. We're talking to Naomi Klein. Her book is being released today. It's called *The Shock Doctrine: The Rise of Disaster Capitalism*. Stay with us.

[break]

AMY GOODMAN: Our guest for the hour, Naomi Klein, author of *The Shock Doctrine* -- it's coming out today -- *The Rise of Disaster Capitalism*. I want to move from the individual body being shocked to the body politic. You talked about Chile, let's talk about Iraq, the privatization of war in Iraq.

We have this breaking news out of Iraq today: The Iraqi government says it's pulling the license of the US security company Blackwater over its involvement in a fatal shooting in Baghdad on Sunday. Interior Ministry spokesperson Abdul-Karim Khalaf said eight civilians were killed and thirteen wounded, when security contractors believed to be

working for Blackwater USA opened fire in a predominantly Sunni neighborhood of western Baghdad. Khalaf said, "We have canceled the license of Blackwater and prevented them from working all over Iraqi territory. We will also refer those involved to Iraqi judicial authorities." It was not immediately clear if the measure against Blackwater is intended to be temporary or permanent. Naomi Klein, take it from there.

NAOMI KLEIN: Well, that's an extraordinary piece of news. I mean, this is really the first time that one of these mercenary firms may actually be held accountable. You know, as Jeremy Scahill has written in his incredible book *Blackwater: The Rise of the [World's] Most Powerful Mercenary Army*, the real problem is, there haven't been prosecutions. These companies work in this absolute gray zone, and, you know, they're either boy scouts and nothing has going wrong, which completely doesn't mesh with what we know about the way they're behaving in Iraq and all of the sort of videos that we've seen online of just target practice on Iraqi civilians, or the lawlessness and the immunity in which they work has protected them. So, you know, if this is -- if the Iraqi government is actually going to kick Blackwater out of Iraq, it could really be a turning point in terms of pulling these companies into the law and questioning the whole premise of why this level of privatization and lawlessness has been allowed to take place.

But, you know, I mentioned how Donald Rumsfeld was a student of Milton Friedman's in the '60s, actually, and the thing about Donald Rumsfeld is he really went beyond his mentor, because Milton Friedman, as I said earlier, he believed that the only acceptable role for government was policing, was the military. That was the only thing he really thought the government should do; every thing else should be privatized. Donald Rumsfeld studied with Friedman, saw him as a mentor, celebrated his birthday every year with him, but he really took this one step further, because Rumsfeld believed that, actually, the work of policing and of war fighting could also be privatized and outsourced. And he made this very clear.

This was really his mission of a transformation, which I think is really not understood, how radical it was. You know, we hear this phrase, and we hear Bush praising Rumsfeld for his radical vision of transformation of the military, and it's all these sort of buzzwords that are hard to understand, but if we look at what Rumsfeld's record was, it was that -- you know, I write in the book that really what he did is -- this is somebody who, after he left the Ford administration, spent a couple of decades working in business and really saw himself as a man of the new economy.

And, you know, this is somewhere where I think that the research I did for *No Logo* really intersects with this disaster capitalism stage that we're in right now, because Rumsfeld took the 1990s revolution in branding, in corporate branding, where -- and this is what I wrote about in *No Logo*, where you had all of these companies that used to produce products announcing with great fanfare that they don't produce products anymore, they produce brands, they produce images, and they can let other people, sort of lesser contractors, do the dirty work of actually making stuff. And that was the sort of revolution in outsourcing, and that was the paradigm of the hollow corporation.

Rumsfeld very much comes out of that tradition. And when he came on board as Defense Secretary, he rode in like a new economy CEO that was going to do one of these radical restructurings. But what he was doing is he was taking this philosophy of this revolution in the corporate world and applying it to the military. And what he oversaw was the hollowing out of the American military, where essentially the role of the Army is branding, is marketing, is projecting the image of strength and dominance on the globe, and then -- but outsourcing every function, from healthcare -- providing healthcare to soldiers to the building of military bases, which was already happening under the Clinton administration, to the extraordinary role that Blackwater has played and companies like DynCorp, where we -- you know, as Jeremy has reported, they're actually engaged in combat.

AMY GOODMAN: And, in fact, Blackwater working with Pinochet's soldiers, but in Iraq.

NAOMI KLEIN: Yeah, and, I mean, this is -- we see these layers of continuity. I mean, Paul Bremer was the assistant to Kissinger during the Nixon administration when the support for Pinochet was so strong. So you have all of these layers of historical continuity. And, you know, that's why, I guess, my motivation for writing the book was -- there has been no accountability for these crimes. And in Latin America, there have been truth commissions, there have been trials. The people who were at the heart of this very violent transformation, many of them have actually been held accountable. Not all of them, but many of them have actually been held accountable, if not in the courts, then certainly in a deep and important public discussion of truth and reconciliation. But this country, that has never happened, despite the fact that there has been a great deal of wonderful investigative reporting. And because there has never been any accountability, the same players are really at it again.

AMY GOODMAN: Talk about, Naomi Klein, the destruction of Iraq. Talk about "Shock and Awe," the shock economic therapy of Paul Bremer, the shock of torture, as well, putting them all together in Iraq.

NAOMI KLEIN: Yeah, well, as I said, you know, in Chile we see this triple-shock formula and torture as an enforcement of these policies. And I think we see the same triple-shock formula in Iraq. The first was the invasion, the shock-and-awe military invasion of Iraq. And if you read the manual, the military manual that explained the theory of shock and awe -- a lot of people think of it as just like a lot of bombs, a lot of missiles, but it's really a psychological doctrine, which in itself is a war crime, because it says very bluntly that during the first Gulf War the goal was to attack Saddam's military infrastructure, but under a shock-and-awe campaign, the target is the society writ large. That's a quote from the shock-and-awe doctrine.

Now, targeting societies writ large is collective punishment, which is a war crime. Militaries are not allowed to target societies writ large; they're only allowed to target military. So this was -- the doctrine is actually quite amazing, because it talks about -- it talks about sensory deprivation on a mass scale. It talks about a blinding, cutting off the

senses, of a whole population. And we saw that during the invasion, the lights going out, cutting off of all communication, and the phones going out, and then the looting, which I don't actually believe was part of the strategy, but I think doing nothing in some ways was part of the strategy, because, of course, we know that there were all kinds of warnings that the museums and libraries needed to be protected and no action was taken. And then you had the famous statement from Donald Rumsfeld when he was confronted with this: "Stuff happens."

So, it was, I think -- it was this idea that because the goal was, in *New York Times* columnist Thomas Friedman's famous phrase, not nation-building, but "nation-creating," you know, which is an extraordinarily violent idea, if you stop and think about what it means to create a nation in a nation that already exists, something has to happen to the nation that was already there, and we're talking about a culture as old as civilization. So I think that because there was this idea that we were starting from scratch and this idea that is often portrayed, you know, in the US media as idealistic, of wanting to build a model nation in the heart of the Arab world that would spread to neighboring countries and lead to an opening up, this idea of building a model nation is -- you know, it has all kinds of colonial echoes. It really can't be done without some kind of a cleansing. And so, I think that the ease, the comfort level with the looting, with the erasing of Iraq's history, has to be seen within that vision of, OK, well, we're starting over from scratch. So anything that's already there is really just getting in the way. So if it's loaded onto trucks and it's sold in Syria and Jordan, that sort of just makes the job easier. And so, I think we saw that on many, many levels.

AMY GOODMAN: Naomi Klein, how does Abu Ghraib fit into this picture?

NAOMI KLEIN: Well, I quote Richard Armitage in the book, saying that the theory -- that the working theory in Iraq was that Iraqis would be so disoriented by the war and by the fall of Saddam that they would be easily marshaled from point A to point B. Now, as we know, that was not the case. And as Paul Bremer -- when Paul Bremer rode in and did his radical country makeover, fired the entire Iraqi -- much of the Iraqi civil service, as well as the army, declared Iraq open for business, cheap imports flooded the country. Iraqi businesses couldn't compete. That first summer, there was a huge amount of peaceful protest outside the Green Zone, and it became clear that it was just simply not going to be possible to marshal Iraqis from point A to point B.

And it was after that, when the first armed resistance emerged in Iraq, that the war was brought to the prisons. And this also comes back to Donald Rumsfeld's vision of being this sort of CEO Defense Secretary, because, of course, like any CEO, he understaffed the war. And he was not in a position, or the US occupying force was not in a position, to deal with this drastic miscalculation and this sort of fantasy that Iraqis would just behave and accept this economic shock therapy and this -- really this looting of their country. So when Iraqis began to resist, the suppression of that resistance couldn't take place in the streets, because there simply wasn't the person power.

So people were rounded up and brought to the jails, and torture was used, as it was in Latin America, to send a message to the entire country. And torture is always -- it's both private and public at the same time. And this is true no matter who is using it, that for torture to work as a tool of state terror, it's not just about what happens between an interrogator and a prisoner; it's also about sending a message to the broader society: this is what happens if you step out of line. And I believe torture was used by the US occupation in that way, not just to get information, but also as a warning to the country.

AMY GOODMAN: Naomi, I want to end this part of our conversation by taking a reverse trip. President Bush just went from the Bayou, from New Orleans to Baghdad. Let's go back. Both you and I were just in New Orleans. I saw you last two years ago in New Orleans, as well, just after the hurricane. Fit Katrina and the US response to the drowning of the American city into this picture.

NAOMI KLEIN: Well, New Orleans is a classic example of what I'm calling the shock doctrine or disaster capitalism, because you had that first shock, which was the drowning of the city. And as you know, having just returning from New Orleans, it was not -- this was not a natural disaster. And the great irony here is that it really was a disaster of this very ideology that we're talking about, the systematic neglect of the public sphere.

And I think, increasingly, we're going to see this, where you have twenty-five years of steady neglect of the public infrastructure, and the bones of the state -- the transportation system, the roads, the levees -- are weak and frail. And the American Society of Civil Engineers has estimated that it would take \$1.5 trillion to bring the bones of the state up to standard, because they're so weakened, the bridges and the roads and the levees.

And so, what we have is a kind of a perfect storm, where the weakened frail state is intersecting with increasingly heavy weather, which I would argue is also part of this same ideological frenzy for short-term profit and short-term growth. And when these two collide, you have a disaster. And that's what happened in New Orleans. The frail levees intersected with heavy weather, although not even that heavy weather. The Category Five hurricane didn't actually hit.

And I think, you know, just as an aside, since we're in New York, that another really powerful example of exactly that happened this summer when the subways flooded, that it was -- everyone was shocked, because it didn't rain that hard. But the infrastructure was so weakened because of the steady neglect. And what was the headline in the *New York Sun*? "Sell the Subways."

So you -- first the ideology weakens, creates the disaster, and then it's used as an excuse to finish the job, to privatize everything, and that is what happened in New Orleans. Immediately after the city flooded, you had this ideological campaign, ground zero of which was the Heritage Foundation in Washington, which has always been, I guess, the most powerful engine for this radical free-market vision, announcing that, you know, this is a tragedy, but it's also an opportunity to completely remake the state, i.e. eliminate it, so an explosion of charter schools -- the public schools were not reopened. They were

converted to charter schools. The public hospital, like Charity Hospital, remains boarded up. The public housing --and this is the most dramatic example -- that horrible quote from a Republican congressperson: "We couldn't clean out the housing projects, but God did it ten days after the levees broke." This is what I mean by the shock doctrine, this idea of harnessing a disaster to push through radical privatization.

AMY GOODMAN: Naomi, as we wrap up this hour, what were you most shocked by in researching the shock doctrine?

NAOMI KLEIN: I was shocked that there is this cache of literature out there, which I didn't know existed, where the economists admit it. You know, and this is what I guess I'm most excited about in the book is how many quotes I have from very high-level advocates of free-market economics, everyone from Milton Friedman to John Williamson, who's the man who coined the phrase "the Washington Consensus," admitting amongst themselves, not publicly, but amongst themselves, in sort of technocratic documents, that they have never been able to push through a radical free-market makeover in the absence of a large-scale crisis, i.e. the central myth of our time that democracy and capitalism go hand in hand is known to be a lie by the very people who are advancing it, and they will admit it on the record.

AMY GOODMAN: Well, folks, there is more to come. We'll continue this conversation afterwards and bring it to you on a later broadcast. Naomi Klein, our guest, in her first national broadcast interview on the release of her book today, *The Shock Doctrine: The Rise of Disaster Capitalism*. Tonight, we'll be at the Ethical Culture Society at 2 West 64th Street in New York. Naomi will be launching her book, and you can look at her book tour at shockdoctrine.com to see where she will be in the coming months, a very extensive tour around this country. Thank you, Naomi.

NAOMI KLEIN: Thank you so much, Amy.