THE DARK SIDE OF CALIFORNIA’S NEW ECONOMY BY DARWIN BOND-GRAHAM

NOSTALGIC FOR NIXON: AN INTERVIEW WITH RALPH NADER BY LAURA FLANDERS

A NEW WHITE FACE ON CHICKEN STREET: TRUTH AND LIES IN AFGHANISTAN BY RUTH FOWLER

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Cover Image: Eye Am the State by Nick Roney, based on a still image from Fritz Lang’s Metropolis.
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Voices of Divided Venezuela ... this is a very good piece, it seems to me. Not only does it give me hope ... but he seems actually to have brought it to me from the Venezuelan people. From the Venezuelan army! Thanks

John Francis Lee Mueang Chiangrai, Thailand

Jeffrey St. Clair, I just read your piece for CounterPunch on the Marc Rich pardon and I was sorry that it came to an end, I enjoyed thoroughly. That one article is well worth the $35 that I send in every year. Thanks again, Karl Klare

Alex is proud of you guys. This CounterPunch site is rockin!

Barbara Shattuck

A few years ago, May 23 2011 to be exact, I stopped reading the New York Times I didn't read any other newspaper in the U.S. – and our family doesn't own a television set so we don't view the infotainment-er corporate news – on television. Our family receives its essential news information from CounterPunch, TruthDig, AntiWar.com, Commondreams et al. We get our news from the above sources that mainstream newspapers, television news, radionews, and so forth refuse to bring to the public domain. Our family will continue to subscribe to alternate news sources such as CounterPunch so that we can, as much as possible, be apprised and informed of what is going on nationally as well as internationally without such information being filtered, diluted, or altered to make it more palatable for consumption.

Your Truly,
Steven Balderi

Mr. Lindorff has outdone himself with this last one! Let's hope the people of Europe now force their leaders to respond like free men and women, the leaders of free peoples. Enough of this “wretched refuse” nonsense! If that was ever true, it was long ago.

Happy Fourth of July!
Bruce Wick
Cleveland, Ohio

Dear Linh Dihn,
Just a note to compliment you on your recent essays in CounterPunch. Also, kudos on your photos of PK’s in Carbondale. Spent many an evening in there - during the Carter administration - still looks about the same!

All the best –
Dave Coulter
Oak Park, IL

I received the new issue today. I can’t put it down.

Solidarity, M

St. Clair and Chris Floyd are so depressing to read. Neither of them seem to have any hope for progressives at all. I wish they’d write some positive stories for a change. It’s like reading barbiturates for the eyeballs. The people need good news. That’s why I like Kristin Kolb’s pieces. She brings a vital, uplifting new voice to CounterPunch. It’s about time. Perhaps the CP boys club can learn something from her columns.

Alana Morris Joplin, Missouri

Robin Kelley’s piece on the Trayvon Martin case was one of the most penetrating essays I’ve read in many years. It was angry, insightful and extremely well-written. I read his book on Thelonious Monk, which may be the best biography ever written on a jazz musician. Glad he has found a home on CounterPunch.

Samuel Eldridge Taos, New Mexico

I’m starting to have a love-hate relationship with CounterPunch. You guys publish so much stuff that no one else will touch. Many of your writers can really write. The prose is so much livelier than the dreary stuff in The Nation or the Progressive. The recent piece by John Eskow on his experience as a left winger in Hollywood is an excellent example. The piece was funny and slightly terrifying. But Jeffrey St. Clair’s recent essay on the Death of the American Left left me feeling deflated. As usual,
Perhaps even the Sun King himself appreciated the irony of his secret tribunals being conducted in a court where daylight was not permitted to penetrate. The sinister proceedings of the Chambre Ardente took place in a room blanketed by thick black curtains in the depths of the old Paris Arsenal a few blocks from the Bastille.

The Burning Chamber, so-named for the flaming torches that lined the walls and its victims who would later be set afire at the stake, originated in 1535 under François I as an inquisitorial court for the prosecution of heretics. But the tribunal really kicked into lethal gear during the reign of François’ demented son, Henry II.

Henry was one of the most depraved figures in an era known for its regal brutality. He was, by all accounts, an insipid man, of limited intellect and charm, a religious bigot, who was driven by sadistic hatred of the French Calvinists known as the Huguenots.

Henry viewed the Huguenots as a “foreign contagion” infecting the homeland, and issued a series of increasingly repressive edicts calling on the Parliament of Paris to enact laws that would extinguish the Protestant threat. When the Parliament refused to act, Henry, enraged, moved on his own authority, using the Chambre Ardente as his covert prosecutorial instrument.

Before the sequestered judges of the secret court, all suspects were presumed guilty, awaiting only sentencing. Thousands were cast into dungeons, their property seized, their bodies subjected to vile tortures: gouged eyes, cropped ears, tongues extracted by glowing pliers – the usual menu of medieval atrocities. The condemned were carted away by the hundreds to the Place Maubert and set ablaze for the edification of the public.

In 1559, Henry’s grim tenure as king came to a fortuitously abrupt end at the point of Gabriel Montgomery’s lance on the jousting field at Place de Vosges. After Henry died in 1559, the Chambre Ardente was shuttered.

For 115 years, the doors of the black-curtained court in the Arensals remained sealed, until the Le Roi du Soleil ordered the doors opened, the terrible tables of judgment dusted off, and his personal prosecutor installed.

Under Louis XIV’s reign, the Chambre Ardente was retooled a kind of private inquisitional court, where scores were settled, detentions ordered, suspects interrogated and tortured, executions decreed. Between 1675 and 1682, more than 210 sessions of the black court were convened. Hundreds of arrest warrants and seizure writs were executed. All in secret, immune from the unpredictable pronouncements of juries and jurists. The Chambre Ardente was a place where all verdicts were pre-ordained.

Confessions, are always desirable, especially by despots, and as a means of encouragement the so-called water-cure (and early predecessor of waterboarding) was often deployed by agents of the dark court. In one notorious case, a certain Madame de Brinvilliers was force-fed sixteen pints of water, until she admitted her guilt. She was subsequently beheaded.

The most infamous proceedings of the dark court during this period involved what is known as the Affair of the Poisons, a sex-and-murder driven scandal involving members of the aristocracy and Parisian elites very close to the King himself. To keep, from implicating Versailles, Louis instructed the Chambre Ardente to institute secret renditions and even summary executions by drone strike.

Obama’s FISA tribunals are a Constitution-free zone. Its proceedings are shielded from public light by executive decree. Here, as in the ancient Chambre Arendte, all suspects are presumed guilty and the agents of the state are considered omniscient and omnipotent. Last year alone, the FISA courts considered 1,800 requests for surveillance on American citizens. Not one request was denied.

The Left remains nearly inert to the steady accretion of executive powers and the stunning abridgement of fundamental civil liberties. The basic structures of our democracy are being occluded by the creeping shadow of a benign autocrat.

The curtains are closing on the Republic, darkness eeping in. CP
DIAMONDS AND RUST

Fireworks

By JoAnn Wypijewski

Failure is practically a trademark of missile defense – its best feature, by any rational calculus, undercutting confidence that the US might get away unscathed with a nuclear first strike, and also revealing the rot at the heart of American power.

Years ago I was researching this weapons system, which at the time lived most boldly as a performance, and an idea to control “the ultimate high ground.” A fellow named Dennis Apel who was running the Catholic Worker house in Guadalupe, California, just north of Vandenberg Air Force Base, described a feature of life at the edge of the testing arc, an intercontinental ballistic missile shot at clear dusk over the Pacific Ocean. “It starts as a glowing diamond and it just spreads out across the sky,” he said, “almost as a halo – blue-green and huge in the sky – but a halo with a diamond shape in it. The missile by that time must be a thousand miles up or so, but the glow takes up maybe a fifth of the sky.”

Apel’s description has stuck with me, the genuine awe at the spectacle, coming from a pacifist who hated everything about it. This past July 4th weekend a US military/contractor combine shot off another of those ICBMs, this time from Kwajalein Atoll, about 4,800 miles away in the Pacific, while Vandenberg launched an interceptor intended to knock out the dummy warhead in space. This was the first test in more than two years. It wasn’t meant to be a spectacle. Conducted without fanfare, the test failed.

“We don’t set these tests up to fail; we set them up to succeed,” I remember Barry King, a Boeing man on Kwajalein in 2000, telling me. The system was in development then. Now that it’s operational, with interceptor silos in Alaska and California and the Obama Administration calling for more, the tests have not appreciably changed.

Nothing is left to chance. Everyone involved listens to the countdown and knows the origin of the target’s launch, its flight path, profile and capabilities. The weather is good. Radar men in California, Hawai’i and Kwajalein who track the refuse that orbits the earth insure that the chosen path for the test is relatively clutter free. A transponder broadcasts the target’s position to the ground, and GPS steers it into the kill zone. Ever since the interceptor’s kill vehicle had trouble distinguishing a warhead from a Mylar balloon, no decoys create the kind of confusion that any self-respecting enemy would sow.

And still they fail. George Lewis and Theodore Postol analyzed the record in Arms Control Today in 2010 and in an online White Paper that demystifies the Missile Defense Agency’s claims for the program. As memorialized by the kill vehicle’s infrared sensor, there was only one direct hit of the warhead (the only hit that would matter on Doomsday) out of ten tests the Pentagon has called successful since 2002.

I have never liked the efficacy argument against missile defense, though. No weapons program that has siphoned off hundreds of billions of dollars and survived in one form or another for over half a century can really be said not to work. It has worked in the only way it needed to, as “a sewer pipe between the Treasury and the contractors,” as Pierre Sprey, a retired weapons designer, put it, “a very low-tech sewer pipe.”

While existing mostly in imagination, it simultaneously built bases, altered the physical world, engaged the labor of thousands, dispossessed communities, determined economies. In Kwajalein, the testing regime created a tropical suburb for US personnel and a treeless shantytown for the Marshallese evicted from their homes, an American apartheid where some of the most sophisticated technology on earth depends on a support workforce exiled to an adjacent island that has fitful electricity and towering banks of toilets, a US-funded public works monument to shit, dominating nearly a quarter of its shoreline.

What best defines missile defense, then, is not failure and the wonkish lack of transparency but money and geography, the currency of empire. Its latter-day architects envisioned it as part of the satellite sky, the constellation of space capabilities allowing the US to kill anyone it wants, keep our own casualties low and believe we can protect ourselves from the consequenc- es. Missile defense might fail at its appointed task, but drones don’t; they’re part of the same package. One just relies more on faith.

In an earlier day’s display of colonialist hubris, Captain Cook lit up the night sky over Hawai’i with fireworks. Mindful of being vastly outnumbered, he had earlier ascertained, so wrote his corporal John Ledyard, that “our only defense was certainly our imaginary greatness, and this would unavoidably decline if not preserved by some studied means.”

The exhibition worked as intended, though only for a time. Hawaiians once gripped with fear and wonder eventually recognized the fireworks as a mere performance of power. In 1779 they killed Cook, cutting him to pieces. It ought to be a cautionary image, that party of Hawaiians rowing out to Cook’s ship to return his hands and brainless skull to a stricken crew.
EMPIRE BURLESQUE
Our Egregious
E Pluribus Unum

BY CHRIS FLOYD

It is a commonplace of the commentariat to say that American society is deeply divided – indeed, perhaps more polarized than it’s ever been before. Of course, this leaves out any number of emblematic events that might possibly undermine their blazing insight – like, say, the Civil War, Haymarket, Selma, Little Rock, Watts, or Kent State, to list but a very few. But then, willful ignorance has always been the coin of our realm, the golden ticket to the circles of power (or for the commentariat, the fearful, bootlicking fringes of power). For these sages, history begins and ends with whatever is gurgling in the unflushed toilet of Beltway politics right here and now.

So it should come as no surprise to find that the truth about American society today is the opposite of what these cud-dripping masticators of conventional wisdom are wont to opine. Far from being a house divided, America is actually in the midst of an era characterized by remarkable unanimity. In fact, I would go so far as to say that American society has never been so united and uniform than it is today.

Yes, “hot button” issues – centered, as always, around genital activity and gender roles – remain heatedly contentious. Yes, the chronic, virulent racism on which our society was (literally) built continues to sicken the body politic. And yes, Tea Party trogs and NetRootsy progs still hurl insults across an ever-widening cultural abyss, each side increasingly regarding the other more as separate species than political opponents. Who can deny that our public discourse grows ever more harsh, frenzied, aggressive and stupid?

And yet, the fact remains that on those issues which truly concern our elites – the issues on which their continued (and expanding) dominance and privilege depend – here we find remarkable (not to say alarming) agreement across a depressingly broad swath of American society.

The Obama years have given us an America that looks something like a bad Kurt Russell movie from the 80s: a weird, garish dystopia, where the president runs a death squad out of the White House, wages robot wars in foreign lands, operates a technopanopticon sucking up every message, musing and secret desire of the populace, and lets tens of millions of citizens sink into poverty and despair in their gutted communities and crumbling infrastructure while he doles out trillions of dollars to rapacious elites gleefully bleeding the country dry. Actually, if you tried to run this scenario past a few coked-up studio execs in those halcyon years, they would have rejected it out of hand as too unrealistic, even for a bad Kurt Russell movie. Yet this is our reality.

Add to this such things as the corporate-backed ALEC movement stifling the ability of the people’s elected representatives to pass measures on matters of vital importance to their communities, like gun violence, pollution, collective bargaining, etc; the return of Jim Crow laws openly designed to rob the dusky races (and poor white trash) of access to the ballot box; the incarceration of a greater percentage of its own population than any regime in human history; the wholesale gutting and flogging of public services, public lands and the environment itself to frackers, venture cap vultures and other corporate profiteers; and the relentless persecution of any government employee who dares to inform the people of even a few of the sickening crimes being done in their name.

This hardly exhausts the litany of abuses, punishments and humiliations to which the American public are subjected daily. They live in a pestilent swelter of authoritarianism and militarism, of fear and insecurity, of ugliness and despair that few if any generations of Americans before them have ever known. And yet ….

Where are our Selmas, our Haymarkets, our marches on Washington? Where is the anger, the outrage, the action? True, the Occupy movement blossomed for a season, and the seeds it sowed may yet bear good fruit. But for the most part, most sectors of American society – including the African-American community, which, as always, has born the greatest brunt of our elites’ depredations – have remained notably quiescent, when they have not been downright supportive. Congressional and media ‘liberals’ take to the airwaves to defend Obama’s Stasi-like spy ops, his death squads, his drone wars, his force-feeding torture of Guantanamo prisoners long cleared for release. They hotly condemn the ‘narcissistic’ Edward Snowden for revealing state crimes – yet happily revel in leaks that depict our noble, thoughtful president consulting Thomas Aquinas before ordering American citizens (and countless, nameless others) to be murdered without charge, trial or defense.

Every day, all across the world – and in the holy-moley Homeland itself – Obama commits and countenances crimes beyond the wildest dreams of LBJ and Richard Nixon. Every day he helps tighten the stranglehold of rampant militarism and corporate power on the lives of the people. Yet there are no riots, no uprisings, no public or institutional dissent that might trouble the complacency of our overlords. Beneath the gaudy spectacle of hot button-pushing and bits of cultural change, a drab, grim conformity to the agenda elite power reigns supreme.
GRASPING AT STRAWS

Red Flags for the Housing Market

By Mike Whitney

For months, we’ve been saying that today’s turbo-charged housing market is built on four very shaky pillars: Artificially low interest rates, inventory suppression, unprecedented investor speculation, and ridiculously-loose government mortgage modification programs. We’ve also said that if any of the four pillars was removed, sales would drop off sharply followed by a slow decline in prices. Now—thanks to the Fed’s announcement that it plans to scale back its asset purchase program (QE3) sometime in the not-too-distant future—mortgage rates have started to move higher, eating away at the foundation upon which the faux housing recovery rests. Improving economic data has only made matters worse, as expectations of the Fed’s exit from QE has lit a fire under mortgage rates leaving the market in turmoil.

In the first week of May 2013, the 30-year “fixed” mortgage rate slumped to a low of 3.35%. As of this writing, it’s soared to 4.64 percent, a gain of more than 1 percent in a little more than a month. Keep in mind, that a one percentage point bump in rates represents a 15 percent jump in monthly payments, which will undoubtedly be a deal-breaker for many first-time buyers who are already stretched to the max. Normally, the Fed could fix this situation by buying more long-term bonds which would force down yields and lower rates. But the Fed has signaled that it wants to end QE, so it probably won’t add to its $85 billion per month purchases of US Treasuries and mortgage-backed securities (MBS).

The more likely scenario is that rates will continue to edge higher triggering a sharp correction in equities that will send stockholders fleeing back into bonds. That will push yields on long-term debt lower once again, but only after the housing market has been pummeled by the rate-tsunami. The reason rates will not continue to rise is because the economy is still in the doldrums, unemployment is high, and credit demand is weak. When the demand for credit is weak, the price of money declines. Current high rates reflect investor jitters about the withdrawal of Central Bank support, but eventually the nervousness will subside and rates will reflect the reality of a hopelessly mismanaged economy.

At present, all the good news on the economy is bad news for housing. The improving economic data sends more bondholders racing for the exits. This phenomenon was on full display on July 5 when a better-than-expected jobs report triggered one of the “worst days in mortgage rate history”. According to Mortgage News Daily, the “catastrophic surge” in mortgage rates was “among the largest ever, and certainly the largest in the past 10 years.”

So, what effect will the higher rates have sales and prices? Housing expert Mark Hanson thinks the impact will be dramatic:

“We have been raising red flags on the spike in rates for weeks now. But today, the back of the market was broken... “The surge” was a significant credit event for housing and mortgage....(By the 4th Quarter) “house prices will be on the decline.”

Of course, the Pollyannas in the media have shrugged off Hanson’s gloomy forecast. They think housing’s vertical moonshot will continue well into 2014 and beyond. Housing permabulls, like Calculated Risk’s Bill McBride, think the higher rates “will have a minimal impact” on prices. Using recent history to support his theory, McBride states:

“Today I looked at several previous periods of sharply rising mortgage rates ...During all of these periods the economy was growing as mortgage rates increased sharply. In all of the periods nominal house prices increased, and only in 1994 did real prices decline ...My view is rising rates might slow price increases but not lead to a decline in prices.”

But rates aren’t going up because the economy is overheating and the Fed is tapping on the brakes. They’re going up because bondholders are bailing out as fast as they can. There’s a difference between optimism and panic.

And what good does it do to point to rising rates and say, “Hey, rates went up before, didn’t they, and prices still rose?” Yes, they did, but was unemployment stuck at 7.6 percent, were wages flatlining, were one out of six people in the country on food stamps, had the homeownership rate dipped to its lowest level in 20 years, had mortgage applications fallen off a cliff, had the number of firsttime home buyers shrunk to its lowest level on record, were the nation’s biggest lenders witholding 5 million distressed from the market, had 6 million homeowners already lost their homes in foreclosure, was the government providing refis for underwater homeowners who hadn’t made a mortgage payment in more than two years, and was the Federal Reserve intentionally suppressing rates by loading up on more-than $1.35 trillion of financial assets (MBS) that no one in their right mind would ever buy on the open market?

Today’s housing market is so hopelessly mangled that historical comparisons have zero predictive value.

The fact is, housing’s umbilical is tied to Bernanke’s bogus low rates. Now that fragile cord has been chopped and rates have rocketed 25 percent higher in a month.

If I was a betting man, I’d say that sales and prices are about to plunge big-time. CP
DAYDREAM NATION

Flesh for Fantasy

By Kristin Kolb

Interstate 70 slices the state of Missouri in half, from Kansas City to St. Louis – a five-hour drive past scores of billboards advertising pawn shops and casinos, factory outlets and fast food. About 90 miles from St. Louis, in the highway median, stands Slave Rock, a prominent outcropping of St. Peter sandstone. Locals say slave traders used the site as an auction block in the days of Little Dixie.

I was making the sweaty summer drive to St. Louis when I saw Slave Rock again. It jogged my memory about a recent essay on the website of the London Review of Books.

A new trend is underway in the education economy: auctioning internships. Westminster School, an elite, private institution in London, made more than $10,000 when parents bought their kids prestigious, unpaid internships at hedge funds, law offices, and hip art studios. The Guardian and the New Statesmen also have auctioned internships.

The website CharityBuzz.com – the virtual version of Slave Rock – is making a profit off the labor auction trend. Listings have included one-week internships at InStyle UK and Halpern Limited, a London PR firm, for $2,000 each. A 12-week stint shadowing Def Jam Records co-founder Russell Simmons and Virgin Group Chairman Sir Richard Branson went for $85,000.

Time magazine contributor Joel Stein got in on the action to the tune of $1,000. He offered one Sunday, either at his home or via Skype, assisting with his column, the subject of which was his brief intern – how glamorous.

Proceeds from the auctions go to various non-profits – companies shamelessly profiting off unpaid labor is still too unseemly. CharityBuzz takes a 20 percent cut. All positions are unpaid and average two weeks long.

A foundation connected to the Aspen, Colorado, school district sells local apprentices. Do you want to be a cop when you grow up? That’ll cost $1,000. A ballerina? Sure, pay $2,500. Do you want to save Gaia? One week with the Roaring Fork Conservancy is a steal at $1,500.

The venerable Rocky Mountain Institute is more than generous. One day goes for $500. You even get a tour of the green abode of Amory Lovins, author of a book I love to hate, Natural Capitalism. Speaking of good writing, an editorial internship at the world-renowned Aspen Sojourner magazine is $2,500 for two whole weeks! Let me get out my checkbook.

Of course, interest in the aptitude of the chosen one is nil. But Mommy and Daddy’s bank account will pass for a résumé. At least the plantation owners examined the bodies of their slaves for strength and fertility.

Just as the auction racket was getting attention, student loan rates doubled to 6.8 percent. What’s more, the average cost of an academic year at a private college is now $43,000, and public schools are roughly $23,000, according to CollegeData.com.

It’s the new slave market, with a psychological twist. Kids graduate overwhelmed by debt, their B.A.’s and M.F.A.’s are increasingly worthless, and the first leap from the Ivory Tower is a stint buying latte’s and maybe, if lucky, writing a 300-word blog post after finishing the photo copying.

In an act of insurrection, some unpaid interns are now paying lawyers to fight for a wage. This summer, lawsuits have hit corporations such as NBC Universal (for MSNBC and “Saturday Night Live”), Condé Nast (on behalf of The New Yorker and W magazine), Hearst, Warner Music Group, and the endearing Charlie Rose, among others. In Canada, Bell Mobility is under attack. The hip gossip site, Gawker, was slapped in early July.

The wave broke on June 11, when a federal judge in New York ruled that Fox Searchlight should have compensated two interns who worked on the film Black Swan. Kindly, good ol’ Charlie Rose has agreed to pay his former servants $110,000.

Expect appeals and more appeals if others pass the test.

Still, who can honestly work for free at media giants or otherwise? Privileged kids with no family responsibilities or survival needs. Will the lawsuits actually affect working class students entering the starved job market? Unlikely. Good intentions pave the road to hell.

The corporate Shylock’s have us beat.

My trip home included a stop at the Missouri State Capitol to view Thomas Hart Benton’s grand mural, The Social History of Missouri. In it, we see the slave at the auction block, the ripples of his peps under inspection.

In another panel, there sits Tom Pendergast, the infamous political boss of Prohibition Kansas City, who mentored Truman, traded jobs for favors and used thugs to intimidate voters.

(Full disclosure: He’s a distant relative – but don’t hold that against me.) Still, Pendergast was a man of charity, hosting beloved holiday dinners for the poor.

Slave and boss and president connect in a vivid depiction of culture and economy. The painting is almost 80 years old, but still striking and relevant.
The Dark Side of California’s New Economy
More Brutal and Unequal Than Ever
By Darwin Bond-Graham

In parts of the the San Francisco Bay Area it’s as if the global financial crisis never happened. Construction cranes crowd San Francisco’s downtown marking where towers of luxury apartments and million-dollar condos will soon stripe the skyline. Construction is booming. Well over a million square feet of office space is being built on top of the already massive 73 million square feet of corporate environs the city hosts. Thousands of affluent newcomers are streaming into San Francisco and Silicon Valley. Many of them are recent college graduates coming to write computer code or design electronics gadgets. It’s not unusual for some of these kids to make six figures right off the bat.

They have to live somewhere. Prices of residential homes in the Bay Area have surged over the past year, regaining and even surpassing their values at the height of the 2000s real estate bubble. Last month the median home price in San Francisco topped $1 million. Perhaps only in the maniacal decade of 1850 did San Francisco ever seem so literally coated with gold. The De Beers diamond monopoly opened a store one block off Union Square in 2008, just as thousands of working class San Franciscans were getting foreclosure notices in the mail. For some reason the diamond business decided it was time to expand. Ferrari opened a store a few blocks away. All the names in haute couture have a retail presence in San Francisco now: Bulgari, Gucci, Burberry, etc.

But in the Bay Area it’s also as though the economic crash is still happening. Jagged pieces of the structure of debt are still toppling over and smashing into entire communities. Rates of home foreclosures remain epidemic in San Francisco’s hinterlands, and just this month the big banks with the largest shadow inventories of foreclosed homes, Wells Fargo, Bank of America, and JP Morgan Chase, began to ramp up the pace of evictions again. Unemployment remains vexingly high, especially for Black and Latino communities living in the shadows the Bay Area’s affluence. Average wages remain below historical norms for those on the bottom half of the income distribution. These are the workers who remain stuck in the region’s manufacturing and services sectors, those who clean and cook for the software developers and the growing ranks of lawyers and financiers. Across a comprehensive range of socioeconomic indicators, the bottom half of the Bay Area’s population is still rapidly losing ground and suffering from a violent dislocation in place, identity, and security.

These two seemingly contradictory images of the Bay Area are in fact part of a unitary process. Welcome to the new economy, more brutal and unequal than it has been in a hundred years, divided between an elite of owners and their privileged engineers and managers who operate global corporations, banks, hedge funds, and law firms, and a mass of human poverty toiling in unorganized shops, restaurants, and institutions. The new economy’s emergence in the San Francisco Bay is clearer than anywhere else.

What “Tech” Does

In California the global financial crisis – or more specifically the rising debt and inequality that caused the crisis – is not the most important macroeconomic transformation to take place in recent years. A deeper-seated change is the reconfiguration of California’s economy around a few dozen massive corporations that now operate the backbone of a global information and communications infrastructure that is transforming the conditions of labor for billions around the world. The “tech sector,” as its called, has now consolidated itself as the shiny golden face of California’s new robust economy.

Google, Apple, Oracle, IBM, Hewlett Packard, Facebook, Yahoo, Cisco, and dozens of less -known but similar Bay Area companies are building powerful monopolies around communications, data storage, processing, and analysis. These corporations have become absolutely integral to the global economy. They now build the logistical and analytical systems upon which the rest of the economy bases its decisions and organizes production and consumption. They control the demand-side technologies used to advertise and peddle products. The tech sector has obtained a strategic power over the rest of the economy. While much attention is focused on the guiding and distorting role that the financial sector has played over the past decade, tech companies have at the same time quietly transformed the conditions of labor and reward for billions around the world. Flows of income and distributions of wealth have been equally transformed by the rise of the tech-centric economy, as by the rise of finance.

For example, Wal-Mart’s globe straddling retail empire is impossible without the infrastructure and tools that allow the company to obsessively manage the flow of goods, dictate prices and conditions to producers, and manipulate its impoverished workforce of “associates.” WalMart’s tech tools are mostly designed and built by Silicon Valley firms, most notably Cisco Systems. The network and data center infrastructure Cisco built for Wal-Mart, “connecting more than 2,400 stores and 100 distribution centers worldwide, helps Wal-Mart maintain low prices and inventory on the shelves,” reads a bit of Cisco advertising directed at other corporate customers. “Just as important, the network helps 950,000 Wal-Mart associates work more efficiently to keep their customers satisfied.” Translation: Cisco’s information technology intensifies Wal-Mart’s quest to squeeze profits from workers, consumers, governments, and the environment.
Dotcom 2.0’s domination of producers allows the company to amass record profits and to accumulate this cash into the hands of tiny elite of owners. This entire business model, however, is impossible without the technological tools to build a global corporate machine like Wal-Mart.

The massive profits of corporate giants in other economic sectors, from health care to fossil fuels, now depend on the computer and communications technologies controlled by a few dozen companies located mostly in the Bay Area. When we say “tech” what we really mean, when you get to the essence of what these companies actually do, is the intensification of capital’s extraction of value from human labor across time and space, and on levels never before imagined. That’s what the tech sector is putting its brain-power toward.

Their strategic position at the center of the new economy has made California’s tech giants the most valuable corporations in the world. By extension it has made their employees the most highly paid workers in the world. Over the last decade the tech titans have engaged in a race to the top for engineering and managerial talent, showering even their entry-level geeks and administrators with six figure salaries and all manner of perks.

More Brutal and Unequal Than Ever
The Dark Side of California’s New Economy

Darwin Bond-Graham
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Dotcom 2.0

Dotcom 2.0, it’s now being called. The first Tech boom of the late 1990s burst around 2000. Already this new boom centered on software and networking technologies has surpassed the first tech boom in terms of the market capitalization of the companies involved, and also in terms of sheer employment. It’s more durable too. Some companies certainly are over-valued and make speculative crap, their assets will eventually be sold off for pennies on the dollar. The core companies that employee most of the new technorati, however, are in fact building a new revolution in industrial organization and social relations.

Total employment in computer systems design stands at 50,000 workers in San Francisco and San Mateo Counties.

San Jose, the “capital” of Silicon Valley, now employs at least 55,000 computer systems designers, and Oakland and smaller East Bay cities host another 23,000. California’s Economic Development Department projects that within seven years another 74,000 computer systems designers will be added to California’s workforce, most of them in the San Francisco Bay Area, amounting to a 37 percent increase. Only a few occupations in the healthcare and financial sectors have been growing as quickly. And while the healthcare sector is growing in nearly every major metropolitan region, and finance is expanding in Chicago, LA, Houston, in addition to New York, only in San Francisco and Silicon Valley is “tech” booming at such a break-neck pace.

Disruption

The Bay Area’s manufacturing sector, by comparison, is stagnating. Employment in the durable goods sector has declined over the past three decades. The East Bay’s waterfront north and south of Oakland is littered with empty industrial lots and rusted buildings that once housed factories that churned out immense stocks of cars and parts, fleets of ships, and huge inventories of textiles, furniture, machinery, and other goods. Whereas once the Bay Area shipped goods to the world, now the one largest exports from the Port of Oakland on a yearly basis are scrap metals, the detritus of the region’s defunct manufacturing plants.

Tech 2.0’s mantra is “disruption.” The computer industry’s new managers and investors speak in near religious tones about the power and profits to be had by “disrupting” the status quo of existing industry and the government. They claim this disruption represents the little guy, the entrepreneur breaking the mold of the stodgy big companies to create newer and better products and services. Everyone wins under disruption except the old dinosaurs who no one likes anyways. It sounds like a good thing.

Disruption of course is nothing new to capitalism, and it certainly has never produced new industrial models that distribute wealth and income more evenly. Creative destruction is built into the logic of capitalist accumulation. Like Detroit
or Cincinnati, the East Bay’s hollowed out industrial zones were “disrupted” in the 1960s and 1970s by new financial and telecommunications technologies that facilitated the offshoring of production to Asia, leaving millions of American workers unemployed in the process. This phase of disruption was heralded by new infrastructure, transportation, and computing powers peddled by small and medium-sized corporations that either grew into, or themselves became the industrial, shipping, and communications giants of today.

Disruption now is a code word for forms of sabotage that benefit a few monopolizing corporations often at the expense of more democratic and egalitarian forms of economic production and consumption. Eager young entrepreneurs stalk Silicon Valley with plans to disrupt healthcare, manufacturing, government services, energy, and agriculture. In nearly every instance, disruption entails a clever means of circumventing the social contract in order to extract bigger streams of income from the economy. Most people are familiar with the example of Amazon, a quintessential disruptor.

Amazon, today a $126 billion dollar global corporate titan, a company that did not exist until 1994. Amazon disrupted retail, especially book and music sales, with their Internet-based platform and global warehouse network that operates largely with the help of robot laborers. Some analysts have likened Amazon to a giant vending machine. You pop coins in through a web terminal, and out spits the product from UPS or FedEx days later. Bookstores and music stores, as a result, are disappearing. Between 2000 and 2011 approximately 660 bookstores went out of business in California, and were not replaced by new establishments, according to data from California’s Economic Development Department.

Hidden beneath the obvious loss of America’s bookstores and news stands is the even more damaging loss of billions in tax revenue. Amazon’s real disruption is its massive tax avoidance strategy that until last year allowed the corporation to completely circumvent state taxes, and which still allows the tech giant to minimize its global effective tax rate.

Amazon’s disruptive model is articulated in an almost placeless form of retail business, and an offshore tax avoidance strategy enabled by foreign corporate sham entities and financial accounting techniques that mirror the phantom presence of company’s robotic warehouses and data centers – they are at once everywhere and always available when a sale is to be made, but nowhere and untraceable when it comes to contributing to society through taxes and employment. Silicon Valley’s elite corporations are all masterful tax avoiders. Major global law firms and accounting firms in San Francisco’s financial district work closely with Silicon Valley tech firms to devise tax shams using Irish, Dutch, Luxembourgian, and Caymanian subsidiaries, Nevada and Delaware LLCs, and transfer pricing techniques.

Apple, Inc’s business model is less obviously about disruption in the sense that the modern tech elite use the word. When disruption is appropriately understood to be an attack against regulations, labor laws, tax regimes, and social conventions, all in a quest to extract maximum value from society, Apple too can be understood as a master of Tech 2.0’s disruptive strategies. Like Google and Facebook, Apple has embarked on an increasingly aggressive lobbying campaign to maintain and extend tax laws that allow the company to shelter enormous pools of money offshore, and to maintain tax and regulatory laws that keep wealth within the corporation and within the bank accounts of its highly paid employees, all at the expense of the public.

The outcome of the tech industry’s business model is worsening inequality, both at the global level where these companies operate, and at the local level, here in the San Francisco Bay, where these companies have headquartered themselves in droves. On the global level they’re making a world in which a handful of engineers in California will extract wealth from billions of workers and consumers across the planet. On the local level they’re building a hyper-unequal megapolis divided between the 20 percent who work for the tech industry, and the bottom half who find themselves on the outside.

**Housing 2.0**

The most obvious and immediate effects of the new economy’s widening inequality are visible in the housing market.

For the fortunate few to find employment in the disruptive tech industry, the times are better than they have ever been. In fact times are so good it’s causing them a bit of headache. First world problems, they’re jokingly called, when an annoyance is due to too much wealth and privilege. Tech workers flush with earnings aplenty are bidding up housing prices in San Francisco to astronomical levels, thwarting even one another as they run from listing to listing in search of apartments in the Bay Area’s hip neighborhoods. Although they’ve completely priced out most of the population, there are enough of them competing over studios and two bedrooms in San Francisco neighborhoods like the Mission and SOMA, that they too find it impossible to actually rent today.

San Francisco’s median rental prices are now the highest in the United States excepting only Honolulu. According to various real estate tracking services, San Francisco’s median rental price has broken above $2,700 for a one bedroom apartment, and is $4,000 for a two bedroom. Half of all condos are now priced above $850,000, with some fetching well above a million. Under the widely shared definition of affordable housing, that rent should consume no more than one-third of income, San Francisco’s current median rental price assumes a yearly average income of about $97,000 for an individual, and $144,000 for anyone seeking a two bedroom apartment.
Predictably the techies have designed numerous apps and a few full-scale startups have emerged peddling technological “solutions” for house hunters. The only things that really greases the wheels though is money, so these tens of thousands of Twitter and Facebook employees chase an already small supply of housing with wads of cash. Those who have put in a few years of work and saved instead of spending on the gourmet coffee and boutique food truck fare that now crowds San Francisco’s streets, tend to seek out property for sale.

As previously mentioned, the median home price in San Francisco today is above $1 million, a level not seen since the height of the housing bubble in 2008. Half of all homes in San Francisco sell for above this amount, and many houses across the city now hit the market with price tags in the range of five to ten million or more. Housing price increases over the past two years are a national phenomenon, but the entire San Francisco Bay Area far outpaces the rest of the nation in absolute terms.

Those with cash can have pretty much anything they want. A few of the new tech elite have poached trophy homes in San Francisco’s billionaire’s row - the stretch of mansions west of Van Ness Avenue in Pacific Heights and Presidio Heights with sweeping views of the Golden Gate. Last year an Apple executive bought a 7,000 square food home for $17 million along this gold coast. Larry Ellison, the world’s 5th wealthiest man, owns several Pacific Heights houses from which he’ll probably watch the America’s Cup yacht race, a high-society sporting even he personally recruited to the Bay this year. Ellison’s neighbors are mostly the city’s old money elites whose inheritances stem from banking, agribusiness, and shipping fortunes. Increasingly though the neighborhood is home to software and Internet moguls, as well as hedge fund managers and private equity bosses.

Like most other U.S. regions, the jump in housing prices in California is due in a major way to the intervention of the Federal Reserve Bank. The Fed’s mortgage bond buying program of about $40 billion every month has sopped up housing debt, lowered mortgage rates, and thereby propped up real estate prices. The Fed’s program of price inflation for housing has been so effective that it is probably responsible for the emergence of private equity speculators who have become major residential home buyers in a dozen markets, especially in Phoenix, Los Angeles, Chicago, Atlanta, Florida, and the East Bay cities of Antioch, Pittsburg, Brentwood, Vallejo, Richmond, and Oakland. These private equity landlords have been blamed for further driving up home prices to incredible new heights in these regions, with a spillover effect on home prices nationally.

But again here the San Francisco Bay Area is different, due not just to financial ebbs and flows caused by policymakers in Washington D.C., but caused also by a more fundamental transformation of the region’s economy and workforce. The expansion of a few massive corporate sectors centered on the Internet and computing are responsible in large part for boosting home prices above and beyond what would otherwise result from Fed intervention and speculation by financiers. The estimated 20 percent of the Bay Area’s workforce that is now employed directly by the tech sector constitutes a large population of consumers with enormously inordinate buying power. Their search for homes and apartments has made the Bay Area a particularly hot real estate market, explaining why it is one of the few regions not just to “recover” some of the pre-financial crisis value in real estate, but to actually surpass 2008 levels of valuation.

The current housing bubble may in fact not be another “bubble” for the Bay Area. While there are certainly unsustainable and irrational macroeconomic and behavioral forces driving up real estate values, in San Francisco and its environs there also appears to be the consolidation of a more fundamental transformation taking place. It’s a transformation that is characterized by brutal new levels of inequality in which a few gleaming zones become bastions of a global managerial and techno-engineering elite. The spillover today is affecting even the historically working class communities of color.

**Planetary Inequalities**

The limousin-esque Google bus – Google’s private bus line – now stops in Oakland’s Fruitvale neighborhood in the early morning to transport employees to the tech giant’s Menlo Park “Googleplex.” To those unfamiliar with the Bay Area the significance of this is probably lost, but imagine if Goldman Sachs operated its own private fleet of buses to transport its bankers and traders to work from the tony suburbs and trendy boroughs of New York. The Goldman line would probably be an expected sight running up and down Manhattan, or to Williamsburg in Brooklyn to pick up thirty-something vice presidents, and zipping far out to Connecticut to grab more senior staff. Imagine watching it stop in Brownsville though.

Fruitvale, part of East Oakland’s vast patchwork of neighborhoods, is typical of the Bay Area’s communities that have been left behind in the tech boom. As recently as the 1970s Fruitvale was just minutes away from waterfront factories and port facilities where thousands of blue collar workers were employed. The deindustrialization and resulting job losses, combined with racist real estate and banking practices devastated Fruitvale, a majority Latino and Black neighborhood, and by the 1980s it had become one of the poorest communities in California. Fruitvale gained national notoriety in 2009; the BART train station there was the site of the murder of Oscar Grant by transit cops on New Years Eve. “Just for Oscar Grant” became a rallying cry for the city’s youth, sparking nights of rebellion against the police, and against gentrification.
Because of its proximity to downtown Oakland and San Francisco Fruitvale has undergone some gentrification, especially at the upper reaches of Fruitvale Avenue where the neighborhood transitions into the Dimond district, a middle class section of Oakland’s hills. Whereas during the first tech boom most of Oakland remained a backwater, today Oakland is the hottest real estate market in the nation, thanks largely to the absurd competition in San Francisco that has priced out half the tech industry’s hipsters. Many of the tech companies with private bus lines (Apple, Facebook, Genentech) are, or are considering, extending their reaches out to the East Bay. North Oakland, a Black community affectionately called “Ice City,” or the “North Pole” by longtime residents, is fast becoming a bedroom community for young tech workers. Realtors have begun marketing foreclosed homes as being located in “South Berkeley,” or in “NOBE,” an acronym for North Oakland, Berkeley, Emeryville. “Oakland,” in some circles, remains a verboten word and place to reside, so gentrifiers beauty it up with new names.

Housing prices are about the only thing being lifted up in working class cities like Oakland, however. The East Bay, including Richmond, San Leandro, and Hayward, remains a majority non-white, and largely working class metropolis excluding from the glittering wealth that flows through Silicon Valley’s nodes of Palo Alto, Menlo Park, Sunnyvale, all swirling about the vortexes of San Francisco and San Jose.

Unemployment in California has a decidedly racial tinge to it. Through the financial crisis Black and Latino men experienced higher rates of job losses and longer terms without work than any other groups. One in ten Black men was already unemployed before the Financial Crisis. In 2010 more than one in five black men was without work. At last measure Black unemployment stood at 17 percent. White and Asian men, the core of the tech industry’s labor force, posted unemployment rates half of this.

The median family income in Palo Alto, the epicenter of Silicon Valley and home of Stanford University and Facebook, is nearly three times that of Oakland. Unemployment in Palo Alto hovers around 2.4%. In Some neighborhoods of Oakland unemployment hovers above 30%. In Bay Area towns like Woodside, Los Altos Hills, and Atherton unemployment is a meaningless economic metric. Average home prices in these three places today are $2.5, $3.2, and $4.5 million, respectively. In these tony communities live the multi-millionaire and billionaire families where income is received in dividends and capital gains, not wages.

If measured by the same metrics that are used to gauge income inequality within nation states, the Bay Area’s internal divide between its rich and its poor — between the few who live in Atherton and the many who dwell in Oakland — would place the region between China and the Dominican Republic. Measured in these terms, the Bay Area is roughly the 30th most unequal place in the world. China is now the estimated home to 317 billionaires. California counts at least 90 billionaires, half of who live in San Francisco and Silicon Valley. The Census counted 4.2 million persons slipping below their definition of poverty last year in California, many of them concentrated in Black and Latino ghettos in East and West Oakland, or adjacent to toxic oil refineries in the city of Richmond.

In the distribution of income and wealth, California more resembles the neocolonial territories of rapacious resource extraction and maquiladora capitalism than it does Western Europe. Oakland is more El Salvador than it is EU. The Bay Area metropolis is more Bangladesh than Belgium. It is except for its role as host of the global tech industry. But for the dotcom companies, the Bay Area would just be a backward mega-city through which agricultural goods are shipped, and a few bankers and lawyers huddle in their citadel San Francisco. With the tech industry the Bay Area is the global brain center of engineering prowess to extract greater value from anything and everything external to the Googleplex or One Infinite Loop.

Scalable is buzz word of the tech industry. Scalable serves as a punctuation mark in many conversation. “Is this model scalable?” asks the venture capitalist of the startup’s business plan. “Is this algorithm scalable?” asks the programmer to other code scribes. What the Bay Area’s tech companies are building today is a local society beset by growing inequalities, cleaved between a mostly white and Asian upper class, and masses of poor Black and Latino workers, and the tech industry is fast scaling this social order up to global levels. With every new success in disrupting industry and government to facilitate the accumulation of even grander fortunes in fewer hands, the tech industry builds upon an already violent and unequal megapolis encompassing 7 million people, half of who live under crushing debt, and around a quarter who live in silicon bubbles. Silicon Valley technorati like to tell themselves that they’re building the future, that it will be better, but they’ve already rebuilt an entire society California. To paraphrase an Internet giant: it’s not not evil. CP

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Nostalgic for Nixon
An Interview With Ralph Nader
By Laura Flanders

It is easy for the civic-minded citizen to become despondent. From aerial drones to drilling for gas, corporate power trumps people power on every front. Ralph Nader, consumer advocate, lawyer and regular CounterPunch contributor has been on a mission against despair his entire life. As evidence, here’s his latest book Told You So; The Big Book of Weekly
Columns (Seven Stories Press), which spans forty years of urging citizens to take control of their government. After forty years of victories and defeats, Nader's not giving up. He is, however, waxing nostalgic for Richard Nixon. Why? “Because it’s been downhill ever since…”

Laura Flanders: When you go back to 1972 do you remember the spirit of that moment? The mood that you were in, what you thought was going to come next?

Ralph Nader: It was amazing. It was well into the Nixon administration but Richard Nixon was signing all of these great bills that we were getting through Congress, establishing OSHA (Occupational Safety and Health Administration), EPA (Environmental Protection Agency), setting up the Consumer Product Safety Commission. He would sign these with a flourish, even though he didn’t believe them, why? Because he still heard the rumble from the people out of the 60’s. [Nixon] was the last Republican president to be afraid of liberals, and he went beyond that – only Congress didn’t go with him. He had a better health insurance plan than Clinton proposed; he wanted voting rights for the people in the District of Columbia, his drug policy was rehabilitation not incarceration, and he had an abolish poverty first step, a minimum income plan. This is Richard Nixon. So, why am I waxing nostalgic over Richard Nixon? Because it’s been downhill ever since.

LF: What was your life like back then, Ralph?

RN: Well, I didn’t have much access to Richard Nixon’s White House but we had a modestly liberal democratic congress and all these bills would pass that I mentioned, and some others in the consumer, worker’s safety and environmental areas [including] the great Freedom of Information Act of 1974 that Ford vetoed, but we overrode him in the Congress. Now move forward to today, look what we have: a cautious, cowardly, Democratic Party that doesn’t know who it is against the cruelest, most vicious Republican Party in history. Who is dominating the House of Representatives? It's House Speaker Boehner and second in command Eric Cantor,
We think. "American history shows: look at the great movement. The amazing thing is - I would have subtitled this book - "it's easier than against the bucks, against the dollars. And the amazingness that we have left.

RN: People have millions of laws, and politicians don't stay in office without the votes. So you have to organize the votes against the bucks, against the dollars. And the amazing thing is - I would have subtitled this book - “it’s easier than you think.” American history shows: look at the great movements, they were all started by a handful of people, and they never had more than a few thousand really strong activists. The women’s suffrage movement, the populist progressive movement, the abolition movement before the Civil War for example, all the way to social security and medicare, and all the way to recent efforts, LGBT and other efforts that are going on, it’s only a handful of people. Even the drive that beat back the tobacco industry and its carcinogenic greed, which was taking four hundred thousand American lives a year, I would say at its peak, was no more than five thousand advocates. Why did they prevail? They had the arguments, they had the facts, and they had what Abraham Lincoln called “the public sentiment” building behind them.

LF: We have the public sentiment against war, against drones, against intervention certainly in Syria, and yet you have this feeling that it’s not going to count.

RN: Because the one percent, the other one percent, not the plutocratic, the three million people who have the time, have the energy, have the values are not organized. If they organize in congressional districts, focusing on Congress, that’s the fulcrum, that’s the big bloc or the big enhancer under our constitution, there would be a great difference. Look at Occupy Wall Street. At its peak you never had more than two hundred and fifty thousand people; that’s the encampments, the marches and the rallies. What if I had two and half million people? I mean I always say, there are fifteen million bird watchers, Laura, there aren’t even fifteen thousand Congress watchers. Congress – which takes twenty-two percent of our money and could make things miserable on behalf of the people vis-a-vis their corporate paymasters!

LF: Where does your optimism and drive come from? You wrote a little bit about it in the book 17 Solutions. You go back to your New England roots?

RN: Yes, I could see what the town meeting did, the town meeting is the legislature, you couldn’t have better democracy than that, and a lot of people today don’t even bother to show up. It’s the people withdrawing, they’ve been beaten down, they’ve been distracted by the screen, they got screens everywhere. They have been living in a virtual reality, especially the youngsters, and that is really a detriment to any kind of democratic society. You got to do person to person. That’s how the whole farmers populist movement started. They didn’t have any telephone, no electricity, they changed the country.

LF: You go person to person and you have done it now for decades. We found a clip of your appearance on The Mike Douglas Show in 1972 with John Lennon and Yoko Ono. Looking at that Ralph, there isn’t one argument about student debt, about corporate power, none of it that you couldn't be making today. Does that make you feel excited that you had such great insight, or discouraged that we're still fighting the same fight?

RN: Obviously, it’s not an optimistic venue, however, I have a deeper complaint which is the people who were wrong and have been the wrong: the neocons, the warmongers, the Larry Summers, the Robert Rubins – all the people that told us this, this is good, we should do it, and it completely blew back on us, crushed the economy, blew apart Iraq, killed and injured thousands of American soldier and drained the Treasury -- they get the op-eds at the New York Times.

LF: They fail upwards.

RN: They get the promotions, they get the hundred thousand dollar speeches. Now that is inverted political cultural decay. That’s why I called the book Told You So because a lot of people in the progressive movement warned about these things in great detail. We warned about NAFTA and WTO depleting industry and jobs. We were right. We warned about the consequences of invading Iraq, other than it’s illegality. We were right. We warned about the so-called oil crisis by saying, why don't you go to renewable conservation years and years ago. We were right, again and again. Instead of the culture saying, “hey you know we ought to build around the people who were right,” they’re being pushed to support (because of the oligarchy and the plutocracy) more new cons against Iran, more new cons in terms of derivatives and speculation on Wall Street.

LF: I’d say it’s not the culture it’s the corporations.

RN: It’s the corporate culture.

LF: Jeffrey St. Clair writing in CounterPunch recently said well, talk is what we got. We’ve got a Left that can talk. We can say “Told You So”, but what power do we have to make anything actually stop?

RN: Every movement starts with one person. Let’s say we want a minimum wage that goes to $10.50 that’s great for thirty million workers, Wal Mart workers and others employed. Where do we start? It’s so simple. It’s so simple. It isn’t even the effort of a round of Bridge. What you do is you say all of these members of Congress coming back in the August
recess. They are going to have Town Meetings. If they don't have Town Meetings we can have a summons with several hundred names saying “you better come because we want to talk about thirty million workers catching up with 1968” (something even Rick Santorum supported and Mitt Romney until last year.) Is that beyond our ability?

In other words, small starts that get into big movements are within our ability. No one can stop us from doing that, but you know what? We have wonderful excuses of ourselves. The first excuse is we don't have the time. You don't have the time for democracy then be prepared to pay and pay.

The second excuse is, well, we don't quite know how to do it. You've got parliamentary rules at town meetings; it's very easy to learn. The third excuse is, if you have the time and you know the rules, well, I'm afraid of retaliation. I might not get the promotion, I might be abused verbally at public meetings. Let's say you get through all three, here's the final excuse, the withdrawal excuse, the consummate cynic, even if we have the time, even if we know what to do, even if we are not afraid of retaliation we won't make a difference. This is a plutocratic dream! This is exactly what the one percent wants the people to do; to strip themselves of their sovereign power and their ability now to freely communicate with one another. That's why I say it's easier than we think, with American history showing it in example after example.

Look, I took on the auto industry. I was hitchhiking from Connecticut down to Washington and a truck driver picks me up (this is in the early '60s). He says, what are you doing? I say I'm going down to Congress. He said, what for? “I am going to get General Motors regulated for safer vehicles.” He gave me this strange look. I thought he was going to stop and let me off at the corner (laughs). That's what American history is all about. Somehow we have been hugely depowered and distracted. It is true, it's harder to get in the courts, it's harder to have a lot of things, a vote, money - we still have huge residual power, huge.

**LF:** What's your take on what's happening with whistleblowers under this administration, more prosecutions than ever? You call them the hidden patriots. All of these unpatriotic corporations, what about these patriots? People like Bradley Manning right now in court?

**RN:** I agree with Ron Paul who said there should be more WikiLeaks. Just imagine, they talk about disclosure of wrongdoing and misbehavior by the U.S. government on the internet, and they are prosecuting this guy, and they want a life sentence on Bradley Manning, but the other side, which lied covered up and engaged in secrecy that blew apart Iraq and killed thousands of U.S. soldiers and injured and sickened hundreds of thousands and put us in a terrific blowback, they are getting promoted! They are getting in the mass media, you see. We've got to wake up to fair play.

Why does seventy percent of the people want an inflation adjustment minimum wage? That includes a lot of conservatives. A lot of conservative workers in Wal-Mart, right? Because it's fair play. Because they say this is outrageous. We're twice as productive than 1968 and we're making less while the boss, Mr. Duke, do you know what he's making the head of Wal-Mart? $11,000/hr. Before he goes to lunch on January two, he's made more than any one of his million workers.

**LF:** When you look out there, I don't know whether to frame this as a positive or a negative, but unions that took a hundred years to build, huge ones, like the United Mine Workers – one of the most powerful union entities in this country – just saw in Appalachia, the Patriot Coal Company, a kind of shell created to dump pensions in, be given the okay to declare bankruptcy and walk away from those pensions, and the miners' healthcare plan – by federal judge in St. Louis. Barely a murmur. If you can treat the UMWA like that, what chance do the fast food workers have? What chance do the Wal-Mart organizers have - that one person who is saying “I can make a difference?”

**RN:** Let's face it, part of the decline of the Democratic Party is due to the decline of the labor movement. It has become too bureaucratized and makes excuses for itself. It didn't really fight hard for enough against NAFTA and the WTO. The industrial unions did, but not the public employee unions who are now under attack. So that is part of it, the other part is this: we've got a society dominated by fewer and fewer global corporations. Most of them were born in the USA, they went to profits on the backs of American workers, they’re bailed out by American taxpayers, and sometimes saved by American marines overseas. What's their response? Do we judge them patriotically, Laura? They want to be known as people, right, under the Constitution? No. They're response is to the American people, after what we have done for them, including subsidies and free technologies to Silicon Valley to government R&D. Their response is, Americans, we're out of here with your jobs and your industries.

**LF:** Goldman Sachs invested in the Chinese company that bought Smithfield Pork. You may have never have thought they were such a great company, but many were shocked to see a Wall Street firm help the Chinese buy it up.

**RN:** They have no allegiance to country or community. When you have that kind of power you're a real menace. They're abandoning our country, until our country goes down to the level that China is at in terms of wages and so forth. Here's the basic solution: One, we have to subordinate the corporate entity constitutionally to the sovereignty of the people. That means we play a double standard, we strip the corporation of any right to lobby, to engage in politics, to give money to
politicians, any employee can do all of that, but not the corporate entity...

LF: We do this through a Constitutional amendment?

RN: Yes, and the second thing we have to do besides subordination is displacement. So, you have in this country now community businesses that are growing, farmer’s markets, credit unions, community banks, renewable energy that’s local. All kinds of community energy, community health clinics. It’s a multi-billion dollar strata that every dollar we spend in it, displaces a dollar we spend for Bank of America or Exxon Mobil, and that’s what we’ve got to do. Yes! Magazine is really the chronicle of what is going on in community enterprises and it includes cooperatives, as well. It’s subordination of the corporate entity to the sovereignty of the people and displacement of their sales with an alternative economy, which has been under way in quiet ways for over a century.

LF: I’m glad to hear you say that. When it comes to what you call community economies, what makes for a strong, local, community economy, what are the indices, what are the indicators, do you think?

RN: Using local resources like local savings for people instead of filtering them off to Wall Street to be derivatized and speculated. The second is local, renewable resources: wind power for example or legitimate biomass, not corn ethanol etc. The third is the community health clinic, focusing on prevention and being your buffer to expose the drug companies that are now being exposed in the media as producing the very ailments that the drugs are supposed to be preventing.

That’s what you need. You need an intellectual development of this so people say, you know nobody can stop me from moving my money. I can spend it locally. I can go to the local community bank. I don’t have to be a slave of Bank of America or Citigroup.

LF: What does government need to do, to make those kinds of “community economies” more possible because it’s not just a matter of us voting with our dollar.

RN: Well, actually, this is where you don’t need much government because they are already on the ground. That’s the important thing; like farmer’s markets, there are eight thousand of them and they’re growing. That’s what I mean, there’s a certain category that you don’t need to beg Congress. On the other hand, when it comes to war and peace, the tax code, Wall Street, the environment, global warming, labor unions, you have to control Congress and I keep on saying five hundred and thirty-five men and women who put their shoes on like you and I every morning, and we are millions. Let me tell you, there’s a lot more consensus on basic justice issues in this country, including libertarian, progressives on war, on Wall Street, on the Patriot Act, a lot more, but the oligarchy is very clever accentuating the socio-cultural differences as if this is a polarized country.

LF: One of the things that people always say when they hear you talk is “I didn’t know that he had so much enthusiasm? How can he have so much enthusiasm after everything that has been thrown at him?” After all of the negativity, particularly after your valiant runs for the presidency, how were you able to brush that off and start again because that’s another thing that discourages people – look what happened to Ralph.

RN: Well, I developed a civic personality, which means you’re resilient, you don’t like the alternative of the white hand of surrender and you’re into enough issues that some of them win along with the ones that don’t and they keep you going. That’s why this book is so important it isn’t a one-issue book, it’s a multiple-issues book. It opens people’s minds it motivates them because there are a lot of profiles under short articles like columns on the real heroes in our country.

LF: It’s a powerful book and the topics that you raise today as are apt now as the day that you raised them. I’ll just close by just asking you to talk about this moment in the grand scheme of economics. You talk about moments of readjustment and transition in American history: the Revolution, throwing off the East India Company and the Crown; the Civil War, obviously, maybe the New Deal. How do you think this moment will go down in history?

RN: This is a very deteriorating situation for our country. Half of the country literally is poor. We are an Advanced Third World country; advanced in military technology and science technology, but the rest of it we’re going down. We are at the bottom of the heap of western countries. We don’t have universal healthcare, the lowest minimum wage.

LF: Politically?

RN: Politically, I think we are going to have to break open the two-party tyranny (I hate to have to say this), with enlightened billionaires making three and four-way races in 2016, running on popular agendas. I think there are quite a few billionaires who are starting to wonder -

LF: You are not talking about Michael Bloomberg!

RN: No, no. There are enlightened billionaires now in their 40s and 50s who are going to see that they can write their own check and not have to dial for dollars, and they can move the agenda even if they can’t win up against a two-party
lockout.

**LF:** That's really what we have come to? People power dependent on billionaires?

**RN:** Well, that's one. You have to fight fire with fire. The second is starting Congress watchdogs in every congressional district. If I could only persuade people that just 100, 200, up to 500 in a district that has 650,000 people can make a difference as long as they push an agenda like I pushed in my campaign. The website is open still, votenader.org. You can see the eighteen agendas, most of them are majority supported, say like full Medicare with a free choice of doctor in a hospital.

**LF:** Is there one campaign right now that you think of as a model?

**RN:** It's the minimum wage. We are trying during the August recess, when people are back home, summoned with large numbers of signatures, the member of every district to have to come to a Town Meeting exclusively on raising the minimum wage for thirty million workers to $10.50/hour. It's supported by seventy percent of the people in this country. If people want this book autographed they just go to nader.org [and sign up to organize a Town Meeting.] If they want my weekly coming columns just sign up they get them free. If this doesn't motivate you, then I don't know what motivates you. **CP**

**LF:** Ralph you motivate me every time.

**LaurA FlAnDers** is the host and founder of GRITtv.org.

**A New White Face on Chicken Street**

**Truth and Lies in Afghanistan**

By Ruth Fowler

You feel closer to death in Kabul. As a white face with an unfurrowed brow, a face that no one's seen on Chicken Street, or in the Flower Street cafe, or at the USAID guesthouse, in the UN compound, the first questions they'll ask you are “First time here? Who's your driver? Do you have a phone? Do you know where you're going? Do you know what to do if there's an emergency?” We're in a warzone winding down, when the bombs and the violence and the attacks are so intermittent that you're never as prepared for them as you were when it was a daily occurrence and you lived life in one constant rush of adrenalin, a heart like a tweaker. You feel it in the tension held in thin, tight-lipped smiles exchanged between cliquish expats who rarely look an Afghan in the eye, in the sharp inhale of the driver when he turns onto a street and it's empty during rush hour. You feel it when the toothless ancient chowkidor looks at you in concern, pats your arm and says, before you ask, “Security is very good here. Very very good. You sleep well. No worry.” You feel it when you close your eyes and an ugly image scorches onto your brain, and you imagine the sharp tang of sour fear, you imagine looking down and seeing your flesh melting off, you imagine the slow, rising moans of the injured, you imagine the dirty sputter of glass and twisted metal and blood, you imagine praying for a quick death, you imagine the thick black hot smoke and taste of chemicals and bile rising like a tsunami in your crushed accordion chest.

I came to Afghanistan to research drones. I'd tried to get a visa to Pakistan, and after four consulate visits, three months of bank statements, a letter from my father, enrollment in the local community college, a forged student ID, an itinerary from a Pakistan-based tour company, three Pakistani ID cards, a Pakistani business registration, a letter of introduction from a Pakistani, my marriage certificate, my green card, four pictures, two phone interviews and my passport, they'd informed me that they needed four more months to send my documents to Islamabad for approval. By this time, the elections were bearing down, I had work in London rapidly approaching, and the suicide bombings in Peshawar, my destination, had increased in frequency to two or three a week.

I managed, instead, to make it to Kabul, a hastily thrown together trip made possible only by the assistance of remote reporters and foreign correspondents and aid workers, nebulous connections, friends of friends, blurry pictures on facebook. Afghanistan was not, however, ideal for researching drones. Despite the fact the numbers of ‘targeted killings’, or as their detractors call them, ‘remote assassinations’, rose sharply from 294 in 2011, to 506 in 2012, and is set to be even higher in 2013, with 44 such strikes in January alone, drones are not big news in Afghanistan nor are they closely monitored. Unlike the CIA-run operations in Pakistan and Yemen, Afghanistan's drone program is run by the Pentagon, and most drones are used as surveillance in support of ground troops, rather than in the infamous assassination program which has proved so controversial. President Hamid Karzai has failed to identify drones as an issue in his campaign against air-strikes - possibly because the actual drone strikes in Afghanistan go largely unreported, taking place in remote, rural areas, areas wrecked by warfare and seething with insurgents, in Helmand and Kandahar and Nangahar, in small villages that people in Kabul have never heard of, in obscure locations which no one can get to without risking the Taliban, the US army, or unfriendly locals who think nothing of putting a bullet in the back of a dangerous-looking stranger on territory which is so tenuously theirs.

* * *
The plane to Kabul is two hours late. When we arrive at a dingy arrivals hall which looks like it was last upgraded in the 50’s, the bags take an hour to unload. After the bags have unloaded, it takes another half hour to get through customs. I’m walking over muddy puddles with the rest of the plane passengers, snow-capped mountains fringing a brown and gray drab airport. Buses and taxis hover expectantly outside security and a chain link fence. Money changers working from dirty wooden desks, grubby, crumpled currency beneath glass cases, fringe a group of men in salwar, lungee and pako. Amongst them, I have a fixer waiting for me - DJ, dark-skinned, chubby cheeked, Tibetan eyes - the features of the Hazara, Twelver Shia Muslims who comprise the Pashto Taliban’s most hated minority ethnic group. He’s wearing an uncomfortable looking brown suit, the self-conscious Americanized drawl of the modern Afghan, a curious half-breed made foreign translating for troops. DJ approaches me, hands outstretched. “Ruth! I am DJ! Here is your driver and translator, Sohrab.”

A fixer, driver and translator? This seemed like an expensive deal. Sohrab, a tall, silent man wearing desert fatigues, comes forward and smiles awkwardly, nodding his head. Inauspiciously for a driver, he seems to have hired a driver, and bobs his head in incomprehension everytime I talk, smiling vaguely without reaction or response. I ask DJ if he needs the address of my location. He brushes me off. “I know the house you speak of.” Just off Shahr-e-Naw? Denise’s house? You’re sure? “Of course!” he says.

After an hour, DJ looks at me with barely concealed anger, decides to admit defeat, and with dignity asks for the address. After several frantic phone calls and a fifteen minute wait, he navigates us two blocks to the house. We pass a security guard, slide into a dusty, pitted side street, stop. An old toothless man waits outside - Mr S, the chowkidor.

DJ gets into a deep conversation with Mr S, leaving Sohrab with me. “What time you want I come tomorrow?” he asks abruptly. “I’m not sure yet,” I say, feeling pregnant and nauseated. “I’ll call you.” Plaintively: “Will you call tomorrow?” “I think we need to reassess this arrangement” I say. “What time?” he asks uncomprehendingly, and in quiet, firm desperation, I say goodbye, and close the door. DJ slinks off in shame. He knows I’m not happy. Denise, the American journalist who rents the whole compound, comes by to say hello, and then quickly disappears to an expat party. Mr S quietly lights the fire and fetches me a kebab. The muezzin sounds. As the sun drops rapidly behind mountains, the parched, dusty basin of Kabul cools. I’m glad for the wood fire. I sit alone on the step of my tiny new apartment. I have seen nothing of Kabul but dusty streets and faded signs in Dari, infrequent women in sky-blue burqa, the flash of curious dark eyes under a hijab, more frequent men, in shirts and pants and salwar and lungee and little turbans of varying shapes, staring into the car as I drive past, naked even with a scarf.

I wake to find text messages from DJ “I have fired Sohrab and Farid will now be your driver. You owe Sohrab fifty US dollars.”
Islamabad for a month, covering the Pakistan elections, but subject to numerous attacks by insurgents. Kathy had been in a road in which led over a rocky dry riverbed, and had been the years previously, leaving the students nothing but a UNICEF whose school had been destroyed by a drone attack about two US. She'd also visited a small village in Nangahar - Budyali - Saheeb, near the Pakistan border, a/fter it was droned by the Afghans who had been displaced from their homes in Meya spondent for AP, had written a short feature on a group of Afghanistan I'd been able to find. Kathy Gannon, a corresponendent for AP, had written a short feature piece which had appeared in the AP a few weeks earlier. What can you expect? We're at war. That's the justification for everything. What can you expect? We're at war. Most of the journalists in Kabul are currently focusing on US withdrawal. Drones aren't a big deal here. Drones in Pakistan, a country to all intents and purposes, is not at war - now that will sell. That will interest more than the Glenn Greenwalds and the Jeremy Scahills and the small but fierce anti-war activists doggedly standing outside Creech or Waddington.

The next day, I manage to locate the author of a small feature piece which had appeared in the AP a few weeks previously, one of the very few recent pieces on drones in Afghanistan I'd been able to find. Kathy Gannon, a correspondent for AP, had written a short feature on a group of Afghans who had been displaced from their homes in Meya Saheeb, near the Pakistan border, after it was droned by the US. She'd also visited a small village in Nangahar - Budyali - whose school had been destroyed by a drone attack about two years previously, leaving the students nothing but a UNICEF tarp to study beneath. The village ominously had only one road in which led over a rocky dry riverbed, and had been the subject of numerous attacks by insurgents. Kathy had been in Islamabad for a month, covering the Pakistan elections, but had just arrived back in Kabul, and was willing to give me all the contacts I could wish for - including her guide to the droned village, Ali, a man she'd known for twenty years.

I meet Ali at The Flower Street Cafe. When Ali arrives, it's clear that he and Farid have some undeclared issues. They eye each other warily, like fighting dogs restrained from worrying each other only by my presence. Ali sips his water politely, eyes Farid with resentment, and launches into a complicated story about the kidnapping of his brother in Peshawar by the Taliban, and their demand for a million dollars for his release. Budyali, Ali's village, is safe now. "The Afghan police have secured it. From 8am to 4pm it is Afghan police, from 4pm onwards it is ruled by The Taliban. But by then you will be gone." He says the village is an easy, 45 minute drive from Jalalabad. And then he asks to speak to me alone.

Farid sniffs at this and seems annoyed. Ali smiles at him in smug victory as we move to a separate table. "How well you know this driver?" Ali asks as he waves the waiter over and orders more coffee. "He is Hazara. I am worried about his Pashto. Translation is very important to tell the best, most accurate story possible. Is he trustworthy? I do not want my identity to be known."

I try and placate Ali. It's obvious he's taken a dislike to Farid based on sectarian and ethnic prejudices - anathema to me - but then Farid, like many westernized Afghans who consider tribal people backward and ignorant, also has a military swagger, an air of condescending arrogance, a provocative attitude, which without justifying Ali's racism, makes it apparent that relying on Farid in a volatile, Taliban-sympathizing, rural area where he's seen as the enemy and the American collaborator, could be extremely dangerous for both of us. I tell Ali I will find an ethnic Pashtun as a translator. Placated, Ali drinks his coffee and calls his cousin to figure out the specifics. We will leave Kabul at 5am on Wednesday, arriving into Jalalabad around 8am. We'll meet the cousin - Hashmat - at the Spingmar Hotel. He'll guide us to the village, which is 45 minutes east of Jalalabad. We return to Farid, who stands up, and announces he is quitting. He does not trust Ali, all this talk of Taliban, this Pashtun prejudice. This trip is madness, and we will all be killed. He pauses dramatically, and the waiter arrives to punctuate this statement with Farid's take-out bacon burger in a styrofoam box.

On the ride home, Farid and Ali chat together comfortably, almost like old friends.

Atal is a 28 year-old fixer for the bureau of a US newspaper. On his first vacation in years (he avoids them as he gets bored), Atal is freelancing to fill up time and supplement his wages. Atal believes the US invasion is more of a threat to Afghan independence than the Taliban ("At least we weren't getting blown up everyday"), and speaks humorously about the paradox of earning his income and an impressive scholarship to a US college by working for western journalists who
often treat him as if he were stupid and patronize him for his “naive” anti-Imperialist views. But unemployment in Kabul is high - exact figures remain elusive and even the term is impossible to define, given individual employment doesn't exist, and families usually have one, maximum two sole earners - and jobs are scarce, and as the sole breadwinner for his parents and five siblings, Atal would be a fool to turn down the opportunity to work for a major newspaper.

The next day, at 6am, we're on the road to Jalalabad, me wearing the thick, black, hot cotton salwar kameez of traditional Afghan women, my burqa tucked under the seat, rolling around on the backseat as Atal's uncle swerves round the hairpin bends of the Kab-e-Paghman mountains, following the Kabul river. Even at six the air is warm, dry and abrasive with dust and altitude. The road to Jalalabad is relatively safe in the day, though the tarmac is scorched from the combustion of Soviet tanks, trucks and fighting. Occasionally the Afghan National Army (ANA) rolls past slowly, and Atal shivers imperceptibly. “It is very dangerous, when they are so close to you on the roads. They are the Taliban's target.” The roads are empty until we reach Surobi and its busy market street, Hezbi Islami's former stronghold, and a kidnapping hub. Atal warns me to keep my headscarf tight and avoid eye contact with anyone. He never stops here, he says. Say the wrong thing, and the next time you pass through they'll be watching for you. When it gets dark the Taliban will come down and stop each car, demanding money and looking for foreigners to kidnap. I lie down and sleep the rest of the way, and wake up just as we meet Hashmat, Ali's cousin, outside the Spingmar Hotel. We stop in at the hotel so I can use the bathroom. As I walk into the stall, I hear a sudden boom in the bathroom. As I walk into the stall, I hear a sudden boom in

A half-hearted attempt to rebuild from the old foundations lies abandoned in the corner. “The Americans came and promised us they would build us a new school. They were here one week, when some rebels shot at them. They left, furious, telling us we were Taliban sympathizers, and they never came back. We never got our school.”

It's stark and heartbreaking. The elders watch me in silence, and sit, waiting for me to talk. Overhead, an imperceptible drone buzzes quietly past and everyone's eyes flick upwards. The men laugh bitterly as the noise retreats. “There are less than there used to be, but still, at least once a day we hear them.” I ask them what happened that night, in December 2011, when the dronestrike hit the school. They said that the Taliban carried out an attack on the town center. Taliban fighters fled to the empty school to hide. It was winter break, so no children were likely to be there. One of the elders - Hayat Gul - was working as a security guard that evening with 63 year-old Ghulam Ahad. They were asleep, and were woken by an ensuing gunfight as the Americans arrived. Ahad was shot and Gul wounded, while thirteen Taliban fighters were killed. And then the drone came, and the missile hit the school, leveling it completely.

In the morning the elders came and collected the body parts and remnants of the dead, and buried them in a small shrine. They take me to the shrine, about 3 feet away from the site of the old school. "There are less than there used to be, but still, at least once a day we hear them.” I ask them what happened that night, in December 2011, when the dronestrike hit the school. They said that the Taliban carried out an attack on the town center. Taliban fighters fled to the empty school to hide. It was winter break, so no children were likely to be there. One of the elders - Hayat Gul - was working as a security guard that evening with 63 year-old Ghulam Ahad. They were asleep, and were woken by an ensuing gunfight as the Americans arrived. Ahad was shot and Gul wounded, while thirteen Taliban fighters were killed. And then the drone came, and the missile hit the school, leveling it completely.

In the morning the elders came and collected the body parts and remnants of the dead, and buried them in a small shrine. They take me to the shrine, about 30 feet away from the school, and show me the brown, torn bloodied clothes they collected from that night, faded from the elements, lying on a rock.

We drive back, sombre, to the village, and drink green tea with Sayed Habib, the principal, and about ten other elders who asked not to be named, in the shade of the girls' school, which was burned down three years before by the Taliban. They give me a plate of freshly picked mulberries, and take me to the temporary boys school under ragged tarp.

Like Atal, the war has made the villagers look upon the Taliban’s rule almost fondly. Sharia law may have been dra-
conian and brutal, but it provided a period of unprecedented domestic stability for Afghans habituated to occupation and war. The villagers express, simply, a desire for life without the threat of drone attacks, IED’s or clashes between troops. They have little need for the ‘freedom’ America has said it will bring, a freedom which to them means death, destruction, and disrespecting their religion and culture. “We respect your culture in the West, but here it is different. It is different for women. We ask simply that you westerners respect that difference.” Do they support the Taliban? There is a low chuckle. They don’t mind me asking. They answer all at once, ten or so voices mingling, so Atal has a hard job translating. Of course they don’t support the Taliban! The Taliban never come to this village! Always, the Americans use the Taliban as an excuse for depriving the villagers of compensation for bombing their schools!

I suspect the truth is more complex.

After we’ve talked for several hours, it’s time to leave. I leave gifts for the villagers, a small amount of money for Ghulam Ahad’s son. Journalists never pay their sources, but I’m here in the capacity of a screenwriter, and I don’t feel like disrespecting local customs for ego or integrity. As we drive away, one of the Afghan National Police (ANP) posted to the village during the day, waves me down frantically.

“I heard those elders. Don’t believe anything they say. I go home at night, and the Taliban come down from the mountains and the villagers feed them and look after them.”

I imagine there’s not really much of a choice. It’s a bit like telling Tony Soprano to go fuck himself. As we drive away, I turn to Atal. “D’you think he’s telling the truth?”

“Always in Afghanistan, you have to realize there may be some truth, and there may be some lies. Is there Taliban here? Yes. We’re in Nangahar Province. They’re everywhere. The villagers probably told them you were coming and got permission from them. The mujahideen want more press. Everybody does.”

On the way back to Kabul, we drive past the drone base in Jalalabad. The thick gray walls are high and barbed with chickenwire, and there’s no stopping anywhere near the periphery. On the long, hot drive home, this time made tortuous by traffic, heat, fumes and warm bottled water, I sleep.

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I came to Afghanistan to find drone victims, but what I found instead was a country so churning and boiling with turmoil, seething with daily violence, a country where things which kill you fall out of the sky every day, that distinguishing whether it was a Hellfire missile, a Taliban rocket, a Blackhawk, an IED or something else seems like the least of their problems. Clashes with Pakistan over the Durand Line, squabbles between Taliban and Pakistan on the Khyber Pass, the constant threat of a Taliban who had just launched their spring offensive, rising tensions between Afghan forces and US forces... in a country where death and warfare is simply a fact of life, a country which has rarely known peace, the drones - those pesky benghai buzzing like flies over head - rarely get a look in.

RUTH FOWLER is a journalist and screenwriter living in Los Angeles. She’s the author of Girl Undressed.
CULTURE & REVIEWS

The Films of Harmony Korine
Waste Culture

By Kim Nicolini

“Even well-meaning educated liberals have a difficult time with white poverty and semipoverty. If they recognize it, they usually fail to grasp its scale. If they do acknowledge the scale of it, they are often mocked by minority antipoverty groups . . . Liberals currently view working whites as angry, warmongering bigots, happy pawns of the American empire . . .”

— Joe Bageant, Deer Hunting With Jesus: Dispatches From America’s Class War (2007)

Reflecting on his roots in the lower class white South, CounterPunch contributor Joe Bageant drew our attention to the often forgotten and ridiculed people of the United States and gave them voice and humanity. Though they constitute a majority in much of the country, Southern poor whites only seem to get noticed through the lens of stereotype. These culturally marginalized people are often central in the films of Harmony Korine, a filmmaker with a reputation for turning outcasts into the subjects of experiential independent films that remind us where the United States has come from and where it’s going.

Korine is from Nashville, Tennessee, and his films play on the legacy of the American South. They are infused with the nightmarish, excessive and comic sense of the Southern Gothic. The presence of the South is all over his films, from his debut feature Gummo (1997) to his latest film Spring Breakers (2012). His characters often embody stereotypes Northern liberals associate with white trash. They wear rebel flags, sing Christian hymns while shooting their guns, and fuck what they shouldn’t. But the more intensely Korine focuses on them, the more those stereotypes get turned inside out.

Gummo is set in Xenia, Ohio in the aftermath of the devastating 1974 tornado. The film is a mash-up of Southern freaks surviving in a world of chaos, heavy metal, and wrecked houses. It seems like an ugly film. The two main characters kill cats for drugs. Characters drink and break furniture for kicks and tape duct tape to their nipples. One boy wears bunny ears and plays dead while two younger boys shoot at him with rifles for fun. The combination of voiceover, archival footage, still photographs, and different film stock are like Dante’s circles of hell restaged in the American South Red State America.

The characters are depicted as unlikable stereotypes, yet we end up caring about them, even as they stick their heads in bags of glue and dream of a better life. There are two reasons for this. First, Korine’s approach to filmmaking, with his disorienting mash-up technique, gives his characters the aura of dreams. Second, the people he depicts aren’t as stereotypical as they first appear to be.

Underneath the glue-sniffing and nipple taping is a kind of Utopian Dystopia where tolerance prevails over prejudice. A black gay midget and a cross-dressing neighbor kid are as much a part of the community as a brute white man just released from prison. Gummo never crosses the line into mockery.

When interviewed by director Werner Herzog for Whammo magazine in 1999, Korine spoke of his commitment to realist aesthetics:

I’m obsessed with realism. The only thing that matters to me in film and artwork is realism or the presentation of realism.

But, at the same time, I realize that film can never be real and that movies are never real, even documentary falls short. Cinema verite is a fallacy. There is still a kind of manipulation involved. What I do is a kind of trickery. It’s a presentation of realism, an organic mode of action. But I’m totally manipulating everything.

Korine’s manipulation of the reality of trash culture makes his films captivating, even while sometimes seeming repulsive. He takes the material of the real and turns it into a hallucination of the hyper-real. His films feel as though they have been spun through a tornado and spit back out into a beautiful storm.

On first glance, Korine’s most recent film Spring Breakers (2012) seems to have little in common with Gummo or Korine’s other films. With its March release timed for American college students’ Spring Break and its marketing to that demographic, it could have been taken for another case of Indie Sellout. But Spring Breakers is a far cry from National Lampoon-style comedy or exercises in soft core superficiality. Korine’s picture of the hordes of young people who descend on the Florida coast is another hallucinatory, kaleidoscopic vision of hell, so beautiful we can’t stop watching even while we feel like puking.

Spring Breakers explores Waste Culture as densely and effectively as Gummo. The young people in SB are like a human tornado of waste. But Korine isn’t simply comparing another demographic of Southern youth to those in Gummo. Rather, Spring Breakers represents a fluid evolution of Korine’s approach to film (which he refers to as “liquid cinema”). Spring Breakers takes another part of American culture that most of us would rather ignore, deride or parody, and turns it into an emotionally sincere, apocalyptically beautiful vision. The
characters and situations in which they find themselves seem extreme, but their humanity is authentic.

In *Spring Breakers*, four young college girls (notably three teen pop idols and Korine’s wife Rachel) are economic outcasts at their unnamed Southern college. The girls are too poor to join the madness of Spring Break in St. Petersburg, so the three “bad” girls take up squirt guns, hammers and ski masks, rob a Chicken Shack and head to St. Pete where they immerse themselves in a hallucinatory orgy of drugs, alcohol, sex, cash and violence. They hook up with local white rapper Alien (James Franco) and go on a love-and-crime spree which gives them exactly what they’re looking for: a chance to break free of their financial, cultural, and sexual bonds. Faith (Disney’s Selena Gomez) says over and over, “I don’t want to be like everyone else.” Yet, she goes to Spring Break to be like everyone else. She’s trapped in a dream cyclone.

Alien is a local and an outcast. The only white in a black neighborhood, he is a race hybrid, an “alien” who bought the American Dream with guns and drugs. He is further “alienated” by the invasion of the Waste Culture Whites who descend on his territory. With his gold teeth, tattoos and all his “shit,” Alien is the film’s tragic anti-hero. We want to laugh at him, but we feel like crying.

Korine makes outsider films about outsiders and pushes the envelope so successfully that audiences end up “liking” people they are culturally conditioned not to like. The purest expression of this strategy is *Trash Humpers* (2009), a film as low-res and desaturated as *Spring Breakers* is visually slick. Released on the heels of the 2008 Economic Collapse, when American wastefulness left millions of people in the trash heap, the film features a nightmarish family who spend their time wandering the suburban South literally humping garbage cans. The film is a distorted lousy 1980s-style digital production (a visual ode to Reaganomics) that depicts a hellish orgy of anarchistic fornicating freedom.

*Trash Humpers* and other Korine films are ultimately about America’s disposable culture, but the people who struggle within it are not vilified. Korine recognizes this is the reality we live in, and he makes transcendent art from it. Sure the Trash Humpers are hideous and nihilistically wasteful, but they are also a kind of antidote for an entire culture that is hideous and nihilistically wasteful. In one scene, as they are cruising through the homogenous suburban streets, one of the Humpers says, “I can smell the pain coming from the houses, the pain of people trapped in their everyday lives.” As nightmarish as they appear to be, the Trash Humpers are closer to achieving the American Dream than the citizens who would look away from them in disgust and fear.

Like the girls in *Spring Breakers*, all of the characters in Korine’s films – the economically, physically, emotionally and culturally crippled – want one thing: a pathway to the dream shimmering on the horizon. In *Mister Lonely* (2007), characters impersonate pop culture celebrities and historical figures to try to find their way out, only to find their dream turned into a night-
mare. Korine’s films are emotionally sincere because when dreams fail, it is as real as the trash they fall into. When Marilyn Monroe hangs from a tree; *Julien Donkey Boy* (1999) carries his dead baby; Bunny Boy holds a dead cat by its tail; or Alien lies dead on a dock, the tragedy is hugely real. In *Mister Lonely*, Samantha Morton’s Marilyn Monroe says, “Dying is so short. Living takes so long.”

Life is both short and long in Korine’s films. He creates sensory cinema. Every component – sound, film stock, music – is manipulated to create a dreamlike experience. He fragments and fractures the characters and their stories and disintegrates the stereotypes from which they are derived. Korine turns the artless into art, and we are sucked into the eye of his storm where we find the unexpected inside the unexpected. CP

**Kim Nicolini** is an artist, poet and cultural critic living in Tucson, Arizona. Her writing has appeared in *Bad Subjects, Punk Planet, Souciant, La Furia Umana, and The Berkeley Poetry Review*. She recently published her first book, *Mapping Life is both short and long in Korine’s films. He creates sensory cinema. Every component – sound, film stock, music – is manipulated to create a dreamlike experience. He fragments and fractures the characters and their stories and disintegrates the stereotypes from which they are derived. Korine turns the artless into art, and we are sucked into the eye of his storm where we find the unexpected inside the unexpected. CP

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**Let’s Play Two**

**By Lee Ballinger**

“The I’m not much of a soccer fan, but the other day I happened to turn on the Mexican channel and saw this guy Pele score a goal upside down. Then he took off his jersey and ran around the field while the crowd went wild. You can say it’s just a soccer game but man, he lifted up the entire human race just a little bit.”

– fry cook in the film *Vision Quest*

No one would argue that children don’t ever need to go to school because they were born with a brain which can develop on its own. But when it comes to the body that contains that brain, we act as if it can somehow just take care of itself.

We allow sports programs to be eliminated from our schools at all levels. We force parents and athletes to pay for the athletic programs which remain even though many cannot afford it. We also allow millions of children to go hungry and millions more to become obese. (In the fall of 2010, the high school football coach in the Los Angeles suburb of Temecula said that his biggest problem was that many of his players lived in homes where there wasn’t enough to eat.)

We put up with the elimination of sports programs because we believe that America, the richest country on earth, can’t afford everything. Sports is treated as a luxury we can do without. Music and art programs get the ax with similar justification. Meanwhile, our entire educational system is in rapid decline. Let’s not argue over what to cut. Let’s keep it all.

**Sports is not a luxury.**

We need to see athletes at the peak of their powers because it brings beauty and wonder into our lives. And inspiration. Michael Jordan was cut from his high school varsity team yet went on to become the greatest basketball player of all time. Roberto Clemente, perhaps the most graceful baseball player ever, lost his life in a plane crash while attempting to deliver relief supplies to earthquake victims in Nicaragua. Constantina Dita won the women’s marathon at the 2008 Olympics at age 38, a feat never before accomplished by a woman or man that old. The message most of us receive today is “You can’t.” Sports says “You can.” That message filters down to us from the icons we see on television until ultimately it reaches boys and girls just learning how to use their gifts in an organized way.

Sports helps us to overcome the divisions created by history. Athletes of every color and creed have helped to bring down barriers, going back well before Jackie Robinson integrated baseball in 1948. New generations continue to chip away at the legacy of discrimination as they compete as teams and individuals. They compete against each other but their competition is also for something – the stirring of America’s still imperfect melting pot. And the entry of millions of girls and women into organized sports over the past forty years has kept the push toward equality in front of us, challenging old assumptions and lingering prejudices.

Sports pushes us to be more open to those around us. When you go out for a team in high school, you play with whoever signs up, not just with the circle of friends you know from games in the backyard. They may be strangers, they may be kids you don’t like, but you’ve got to put that aside and find a way to come together.

Ironically, the erosion of access to sports comes at a time when participation should be exploding. The March 4, 2011 *Los Angeles Times* had a front page story that described how computers and robots will ultimately replace all retail employees (ten per cent of the US workforce). A similar article could be written about assembly line workers, middle management, or even software engineers.

We are moving rapidly toward a world without jobs, an era of almost unlimited free time. Will those hours be spent in physical or mental prisons or in the joyful development of our bodies, our minds, our spirits?

Work as we’ve known it is becoming obsolete. We can’t change that fact so let’s embrace it. Our vision should be a school on every block and a gym on every corner. Let’s learn. Let’s play. Let’s get healthy. As legendary Chicago Cubs shortstop Ernie Banks put it at his induction into the Baseball Hall of Fame: “We’ve got the setting – sunshine, fresh air; we’ve got the team behind us so… let’s play two!”

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