

Century of the Self Transcript

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A hundred years ago a new theory about human nature was put forth by Sigmund Freud. He had discovered he said, primitive and sexual and aggressive forces hidden deep inside the minds of all human beings. Forces which if not controlled led individuals and societies to chaos and destruction.

This series is about how those in power have used Freud's theories to try and control the dangerous crowd in an age of mass democracy.

But the heart of the series is not just Sigmund Freud but other members of the Freud family.

This episode is about Freud's American nephew Edward Bernays.

Bernays is almost completely unknown today but his influence on the 20th century was nearly as great as his uncles. Because Bernays was the first person to take Freud's ideas about human beings and use them to manipulate the masses. He showed American corporations for the first time how they could make people want things they didn't need by linking mass produced goods to their unconscious desires.

Out of this would come a new political idea of how to control the masses. By satisfying people's inner selfish desires one made them happy and thus docile. It was the start of the all-consuming self which has come to dominate our world today.

Part One: Happiness Machines

Freud's ideas about how the human mind works have now become an accepted part of society. As have psychoanalysts.

Every year the psychotherapists ball is held in a grand place in Vienna.

"This is the psychotherapy ball. Psychotherapists come, some advanced patients come, former patients come, and many other people - friends as well as people from the Viennese society who like to come to a nice elegant comfortable ball. " - Dr. Alfred Fritz, President World Council for Psychotherapy

But it was not always so. A hundred years ago Freud's ideas were hated by Viennese society. At that time Vienna was the center of a vast empire leading central Europe. And to the powerful nobility of the Hoffman accord Freud's ideas were not only embarrassing, but the very idea of examining and analyzing ones inner feelings was a threat to their absolute control.

Countess Erzie Karolyi - Budapest: You see at that time these people had the power and of course you just weren't allowed to show your bloody feelings, I mean you just couldn't. You know if you were unhappy, can you imagine for instance you see someone in the country in a castle you are deeply unhappy you are a woman; you couldn't go to your mate and cry on her shoulders, you couldn't go into the village and complain about your feelings, it was assailing yourself to someone you just couldn't. You know. Because they had to respect you. Now of course Freud put that very much into question - you see to examine yourself you would have to put other things into question - society, everything that surrounds you and that was not a good thing at that time. Why? Because your self-created empire to a certain extent would have fallen to bits much earlier already.

But what frightened the rulers of the empire even more was Freud's idea hidden inside all human beings were dangerous instinctual drives. Freud had devised a method he called psychoanalysis. By analyzing dreams and free association he had unearthed he said powerful sexual and aggressive forces which were the remnants of our animal past. Feelings we repressed because they were too dangerous.

Dr. Ernest Jones - Colleague of Freud: Freud devised a method for exploring the hidden part of the mind which we nowadays call the unconscious this the part is totally unknown to our consciousness. That there exists a barrier in all our minds which prevents these hidden and welcome impulses from the unconscious from emerging.

In 1914 the Austria Hungarian Empire led Europe into war. As the horror mounted Freud saw it as terrible evidence of the truth of his findings. The saddest thing he wrote, that this is exactly the way we should expect people to behave from our knowledge of psychoanalysis. Governments had unleashed the primitive forces in humans beings and no one seemed to know how to stop them.

At that time, Freud's young nephew Edward Bernays was working as a press agent in America. His main client was the world famous opera singer Caruso who was touring the United States. Bernays' parents had emigrated to America 20 years before, but he kept in touch with his Uncle who joined him for Holidays in the Alps. But Bernays was now about to return to Europe for a very different reason. On the night that Caruso opened in Toledo Ohio America announced that it was entering the war against Germany and Austria. As part of the war effort the US government set up a committee on public information and Bernays was employed to promote America's war aims in the press. The president Woodrow Wilson had announced that the United States would fight not to restore the old empires but to bring democracy to all of Europe. Bernays proved extremely skillful at promoting this idea both at home and abroad and at the end of the war was asked to accompany the President to the Paris Peace Conference.

Edward Bernays - 1991: Then to my surprise they asked me to go with Woodrow Wilson to the peace conference. And at the age of 26 I was in Paris for the entire time of the peace conference that was held in the suburb of Paris and we and worked to make the world safe for democracy. That was the big slogan.

Wilson's reception in Paris astounded Bernays and the other American propagandists. They had portrayed Wilson as a liberator of the people. The man who would create a new world in which the individual would be free. They had made him a hero of the masses. And as he watched the crowd surge around Wilson, Bernays began to wonder if it would be possible to do the same type of mass persuasion but in peace time.

Edward Bernays - 1991: When I came back to the United States I decided that if you could use propaganda for war you could certainly use it for peace. And propaganda got to be a bad word because of the Germans using it. So what I did is try to find some other words so we found the word Council on Public Relations.

Bernays returned to New York and set up as a Public Relations Councilman in small office off Broadway. Which was the first time the term had even been used. Since the end of the 19th century, America had become a mass industrial society with millions clustered together in the cities. Bernays was determined to find a way to manage and alter the way these new crowds thought and felt. To do this he turned to the writings of his Uncle Sigmund. While in Paris Bernays had sent his Uncle a gift of some Havana cigars. In return Freud had sent him a copy of his General Introduction to Psychoanalysis. Bernays read it and the picture of hidden irrational forces inside human beings fascinated him. He wondered whether he might be able to make money manipulating the unconscious.

Pat Jackson - Public Relations Adviser and Colleague of Bernays: What Eddie got from Freud was indeed this idea that there is a lot more going on in human decision making. Not only among individuals but even more importantly among groups that this idea that information drives behavior. So Eddie began to formulate this idea that you had to look at things that will play to people's irrational emotions. You see that immediately moved Eddie into a different category from other people in his field and most government officials and managers of the day who thought if you just hit people with all this factual information they would look at that say go "of course" and Eddie knew that was not the way the world worked.

Bernays set out to experiment with the minds of the popular classes. His most dramatic experiment was to persuade women to smoke. At that time there was a taboo against women smoking and one of his early clients George Hill, the President of the American Tobacco corporation asked Bernays to find a way to break it.

Edward Bernays - 1991: He says we're losing half of our market. Because men have invoked a taboo against women smoking in public. Can you do anything about that. I said let me think about it. If I may have permission to see psychoanalyst to see what cigarettes mean to women. He said what'll cost? So I called up Dr Brille, AA Brille who was the leading psychoanalyst in New York at the time.

AA Brille was one of the first psychoanalysts in America. And for a large fee he told Bernays that cigarettes were a symbol of the penis and of male sexual power. He told Bernays that if he could find a way to connect cigarettes with the idea of challenging male power then women would smoke because then they would have their own penises.

Every year New York held an Easter day parade to which thousands came. Bernays decided to stage an event there . He persuaded a group of rich debutants to hide cigarettes under their clothes. Then they should join the parade and at a given signal from him they were to light up the cigarettes dramatically. Bernays then informed the press that he had heard that a group of suffragettes were preparing to protest by lighting up what they called torches of freedom.

Pat Jackson - Public Relations Adviser and Colleague of Bernays: He knew this would be an outcry, and he knew that all of the photographers would be there to capture this moment so he was ready with a phrase which was torches of freedom. So here you have a symbol, women, young women, debutantes, smoking a cigarette in public with a phrase that means anybody who believes in this kind of equality pretty much has to support them in the ensuing debate about this, because I mean torches of freedom. What's our American point, it's liberty, she's holding up the torch, you see and so all this there together, there's emotion there's memory and there's a rational phrase, all of this is in there together. So the next day this was not just in all the New York papers it was across the United States and around the world. And from that point forward the sale of cigarettes to woman began to rise. He had made them socially acceptable with a single symbolic ad.

What Bernays had created was the idea that if a women smoked it made her more powerful and independent. An idea that still persists today. It made him realize that it was possible to persuade people to behave irrationally if you link products to their emotional desires and feelings. The idea that smoking actually made women freer, was completely irrational. But it made them feel more independent. It meant that irrelevant objects could become powerful emotional symbols of how you want to be seen by others.

Peter Strauss - Employee of Bernays 1948-1952: Eddie Bernays saw a way to sell product was not to sell it to your intellect, that you ought to buy an automobile, but that you will feel better about it if you have this automobile. I think he originated that idea that they weren't just purchasing something that they were engaging themselves emotionally or personally in a product or service. It's not that you think you need a piece of clothing but that you will feel better if you have a piece of clothing. That was his contribution in a very real sense. We see it all over the place today but I think he originated the idea, the emotional connect to a product or service.

What Bernays was doing fascinated America's corporations. They had come out of the war rich and powerful, but they had a growing worry. The system of mass production had flourished during the war and now millions of goods were pouring off production lines. What they were frightened of was the danger of overproduction, that there would come a point when people had enough goods and would simply stop buying. Up until that point the majority of products were still sold to the masses on the basis of need. While the rich had long been used to luxury goods for the millions of working class Americans most products were still advertised as necessities. Goods like shoes stockings even cars were promoted in functional terms for their durability. The aim of the advertisements were simply to show people the products practical virtues, nothing more.

What the corporations realized they had to do was transform the way the majority of Americans thought about products. One leading Wall Street banker, Paul Mazer of Lehman Brothers was

clear about what was necessary. We must shift America, he wrote, from a needs to a desires culture. People must be trained to desire, to want new things even before the old had been entirely consumed. We must shape a new mentality in America. Man's desires must overshadow his needs.

Peter Solomon - Investment Banker - Lehman Brothers: Prior to that time there was no American consumer, there was the American worker. And there was the American owner. And they manufactured, and they saved and they ate what they had to and the people shopped for what they needed. And while the very rich may have bought things they didn't need, most people did not. And Mazer envisioned a break with that where you would have things that you didn't actually need, but you wanted as opposed to needed.

And the man who would be at the center of changing that mentality for the corporations was Edward Bernays.

Stuart Ewen - Historian of Public Relations: Bernays really is the guy within the United States more than anybody else who sort of brings to the table psychological theory as something that is an essential part of how, from the corporate side, of how we are going to appeal to the masses effectively and the whole sort of merchandising establishment and the sales establishment is ready for Sigmund Freud. I mean they are ready for understanding what motivates the human mind. And so there's this real openness to Bernays techniques being used to sell products to the masses.

Beginning in the early 20's the New York banks funded the creation of chains of department stores across America. They were to be the outlets for the mass produced goods. And Bernays' job was to produce the new type of customer. Bernays began to create many of the techniques of mass consumer persuasion that we now live with. He was employed by William Randolph Hurst to promote his new women's magazines, and Bernays glamorized them by placing articles and advertisements that linked products made by others of his clients to famous film stars like Clara Bow, who was also his client. Bernays also began the practice of product placement in movies, and he dressed the stars at the films premieres with clothes and jewelry from other firms he represented.

He was, he claimed, the first person to tell car companies they could sell cars as symbols of male sexuality. He employed psychologists to issue reports that said products were good for you and then pretended they were independent studies. He organized fashion shows in department stores and paid celebrities to repeat the new and essential message, you bought things not just for need but to express your inner sense of yourself to others.

Commercial spot from 1920s featuring Mrs. Stillman, 1920s Celebrity Aviator:

There's a psychology of dress, have you ever thought about it? How it can express your character? You all have interesting characters but some of them are all hidden. I wonder why you all want to dress always the same, with the same hats and the same coats. I'm sure all of you are interesting and have wonderful things about you, but looking at you in the street you all look so much the same. And that's why I'm talking to you about the psychology of dress. Try and express

yourselves better in your dress. Bring out certain things that you think are hidden. I wonder if you've thought about this angle of your personality.

Clip of man interviewing a woman on the street in the 1920s:

Man: I'd like to ask you some questions. Why do you like short skirts?

Woman: Oh because there's more to see. (crowd laughs)

Man: More to see eh? What good does that do you?

Woman: It makes you more attractive.

In 1927 an American journalist wrote: A change has come over our democracy, it is called consumptionism. The American citizen's first importance to his country is now no longer that of citizen, but that of consumer.

The growing wave of consumerism helped in turn to create a stock market boom. And yet again Edward Bernays became involved. Promoting the idea that ordinary people should buy shares borrowing money from banks that he also represented. And yet again, millions followed his advice.

Peter Strauss - Employee of Bernays 1948-1952: He was uniquely knowledgeable about how people in large numbers are going to react to products and ideas, but in political terms if he were to go out I can't imagine he could get three people to stand and listen. He wasn't particularly articulate, he was kind of funny looking, and didn't have any sense of reaching out for people one on one. None at all. He didn't talk about, didn't think about people in groups of one, he thought about people in groups of thousands.

Bernays soon became famous as the man who understood the mind of the crowd, and in 1924 the President contacted him. President Coolidge was a quiet taciturn man and had become a national joke. The press portrayed him as a dull humorless figure. Bernays' solution was to do exactly the same as he had done with products. He persuaded 34 famous film stars to visit the White House, and for the first time politics became involved with public relations.

Bernays speaking in 1991: And I lined up these 34 people and I'd say what's your name, and he'd say Al Jolson, and I'd say Mr. President, Al Jolson. The next day every newspaper in the United States had a front page story President Coolidge Entertains Actors at White House. And the Times had a headline which said President Nearly Laughed, and everybody was happy.

But while Bernays became rich and powerful in America, in Vienna his uncle was facing disaster. Like much of Europe Vienna was suffering an economic crisis and massive inflation which wiped out all of Freud's savings. Facing bankruptcy he wrote to his nephew for help. Bernays responded by arranging for Freud's works to be published for the first time in America, and began to send his uncle precious dollars which Freud kept secretly in a foreign bank account.

Pat Jackson - Public Relations Adviser and Colleague of Bernays: He was Freud's "agent" if you will, to get his books published. Well of course once the books were being published Eddie couldn't help himself but to promote these books; see that everybody read them, make them controversial; emphasize the fact that 'do you know what Freud says about sex and what he thinks cigarettes are a symbol of' and so on and so forth. How do you suppose all those stories got out? Certainly the academics weren't spreading these around the country Eddie Bernays was. Then when Freud became accepted, well then of course to go to a client and go 'well Uncle Siggy' see then that had some cache. But notice there, first Eddie created Uncle Siggy in the US, made him acceptable secondly, and thirdly then capitalized on Uncle Siggy. Typical Bernays performance.

Bernays also suggested Freud promote himself in the United States. He proposed his uncle write an article for Cosmopolitan, the magazine that Bernays represented, entitled 'A Woman's Mental Place in the Home'. Freud was furious. Such an idea he said was unthinkable, it was vulgar and anyway he hated America.

Freud was becoming increasingly pessimistic about human beings. In the mid '20s he retreated in the summers to the Alps, sometimes staying in an old hotel, the Pension Moritz in Berchtesgaden. It is now a ruin. Freud began to write about group behavior; about how easily the unconscious aggressive forces of human beings could be triggered when they were in crowds. Freud believed he had underestimated the aggressive instincts within human beings; they were far more dangerous than he had originally thought.

Dr. Ernst Federn - Viennese Psychoanalyst: After World War I Freud was basically a pessimist. He felt that man is an impossible creature and a very sadistic and bad species and did not believe that man can be improved. Man is a ferocious animal, the most ferocious animal that exists. They enjoy torture and killing and he didn't like man.

The publication of Freud's work in America had an extraordinary effect on journalists and intellectuals in the 1920s. What fascinated and frightened them was the picture Freud painted of submerged dangerous forces lurking just under the surface of modern society. Forces that could erupt easily to produce the frenzied mob which had the power to destroy even governments. It was this they believed had happened in Russia. To many this meant that one of the guiding principles of mass democracy was wrong; the belief that human beings could be trusted to make decisions on a rational basis.

The leading political writer, Walter Lippmann argued that if human beings were in reality driven by unconscious irrational forces then it was necessary to re-think democracy. What was needed was a new elite that could manage what he called the bewildered herd. This would be done through psychological techniques that would control the unconscious feelings of the masses.

Stewart Ewen - Historian of Public Relations: And so here you have Walter Lippmann, probably the most influential political thinker in the United States, who is essentially saying the basic mechanism of the mass mind is unreason, is irrationality, is animality. He believes that the mob in the street which is how he sees ordinary people, are people driven not by their minds but by their spinal chords. The notion of animal drives, unconscious and instinctual drives, lurking

beneath the surface of civilization; and so they started looking towards psychological science as a way of understanding the mechanisms by which the popular mind works specifically with the goal of figuring out how to understand how to apply those mechanisms to strategy for social control.

Edward Bernays was fascinated by Lippmann's arguments and also saw a way to promote himself by using them. In the 1920s he started to write a series of books which argued that he had developed the very techniques that Lippmann was calling for. By stimulating people's inner desires and then sating them with consumer products he was creating a new way to manage the irrational force of the masses. He called it the engineering of consent.

Ann Bernays, Daughter of Edward Bernays: Democracy to my father was a wonderful concept, but I don't think he felt that all those publics out there had reliable judgment, and that they very easily might vote for the wrong man or want the wrong thing; so that they had to be guided from above. It's enlightened despotism in a sense. You appeal to their desires and unrecognized longings, that sort of thing. That you can tap into their deepest desires or their deepest fears and use that to your own purposes.

And then in 1928 a President came to power who agreed with Bernays. President Hoover was the first politician to articulate the idea that consumerism would become the central motor of American life. After his election he told a group of advertisers and public relations men "You Have taken over the job of creating desire and have transformed people into constantly moving happiness machines. Machines which have become the key to economic progress."

What was beginning to emerge in the 1920s was a new idea of how to run mass democracy. At its heart was the consuming self which not only made the economy work but was also happy and docile and so created a stable society.

Stewart Ewen - Historian of Public Relations: Both Bernays and Lippmann's concept of managing the masses takes the idea of democracy and turns it a palliative, turns it into giving people some kind of feel good medication that will respond to an immediate pain or immediate yearning but will not alter the objective circumstances one iota. The idea of democracy at its heart was about changing the relations of power that had governed the world for so long; and Bernays' concept of democracy was one of maintaining the relations of power, even if it meant one needed to stimulate the psychological lives of the public. And in fact in his mind that is what was necessary. That if you can keep stimulating the irrational self then leadership can go on doing what it wants to do.

Bernays now became one of the central figures in a business elite that dominated American society and politics in the 1920s. He also became extremely rich and lived in a suite of rooms in one of New York's most expensive hotels where he gave frequent parties.

Peter Strauss - Employee of Bernays 1948-1952: Oh my goodness he had a home in the corner suite of the Sherry Netherland hotel and here's this wonderful suite with all these windows looking out on central park and across at the plaza, and on the square, and he would use this place to hold a soiree. The mayor would come, all the media leaders would come, the political

leaders, the business leaders, the people in the arts; it was a who's who. People wanted to know Eddie Bernays because he himself became a sort of a famous man a sort of magician that could make things happen.

Ann Bernays, Daughter of Edward Bernays: He knows everybody he knows the mayor, and he knows the senator, and he calls politicians on the telephone as if he did get literally a high or bang out of doing what he did, and that's fine, but it can be a little hard on the people around you. Especially when you make other people feel stupid. The people who worked for him were stupid, the children were stupid, and if people did things in a way that he wouldn't have done them, they were stupid. It was a word that he used over and over - don't be stupid. And the masses - They were stupid.

But Bernays' power was about to be destroyed dramatically, and by a type of human rationality that he could do nothing to control. At the end of October 1929 Bernays organized a huge national event to celebrate the 50th anniversary of the light bulb. President Hoover, leaders of major corporations and bankers like John D Rockefeller were all summoned by Bernays to celebrate the power of American business. But even as they gathered news came through that shares on the New York stock exchange were beginning to fall catastrophically.

Throughout the 1920s speculators had borrowed billions of dollars. The banks had promoted the idea that this was a new era where market crashes were a thing of the past. But they were wrong. What was about to happen was the biggest stock market crash in history. Investors had panicked and begun to sell in a blind relentless fury that no reassurance by bankers or politicians could halt. And on the 29th of October 1929 the market collapsed.

The effect of the crash on the American economy was disastrous. Faced with recession and unemployment millions of American workers stopped buying goods they didn't need. The consumer boom that Bernays had done so much to engineer had disappeared. And he and the profession of public relations fell from favor. Bernays' brief moment of power seemed to be over.

The effect of the Wall Street crash on Europe was also catastrophic. It intensified the growing economic and political crisis in the new democracies. In both Germany and Austria there were violent street battles between the armed wings of different political parties.

Against this backdrop Freud who was suffering from cancer of the jaw retreated yet again to the Alps. He wrote a book called Civilization and its Discontents. It was a powerful attack on the idea that civilization was an expression of human progress. Instead Freud argued civilization had been constructed to control the dangerous animal forces inside human beings. What was implicit in Freud's argument was that the ideal of individual freedom which was at the heart of democracy was impossible. Human beings could never be allowed to truly express themselves because it was too dangerous. They must always be controlled and thus always be discontent.

Dr. Ernst Federn - Viennese Psychoanalyst: Man doesn't want to be civilized and civilization brings discontent but is necessarily to survival so he must be discontent because this would be

the only way to keep you within your limits. What did Freud think about the idea of the equality of man? He didn't believe in it.

We had 32 parties and Hitler said "before those parties don't vanish there is no Germany". That's true you can't have 32 parties so they said this one person will put an end to this comedy.

Freud was not alone in his pessimism. Politicians like Adolf Hitler emerged from a growing despair in the 1920s about democracy. The Nazis were convinced that democracy was dangerous because it unleashed a selfish individualism but didn't have the means to control it. Hitler's party the National Socialists stood in elections promising in their propaganda they would abandon democracy because of the chaos and unemployment it led to.

In March 1933 the National Socialists were elected to power in Germany and they set out to create a society that would control human beings in a different way. One of their first acts was to take control of business. The planning of production would in the future be done by the state. The free market was too unstable as the crash in America had proven. Workers leisure time was also planned by the state through a new organization called strength through joy. One of its mottos was service not self.

But the Nazi's did not see this as return to an old form autocratic control. It was a new alternative to democracy in which the feelings and desires of the masses would still be central but they would be channeled in such a way as to bind the nation together. The chief exponent of this was Joseph Goebbels the Minister of Propaganda.

Goebbels organized huge rallies whose function he said was to forge the mind of the nation into a unity of thinking feeling and desire. One of his inspirations he told an American journalist was the writings of Freud's nephew, Edward Bernays. In his work on crowd psychology Freud had described how the frightening irrationality inside human beings could emerge in such groups. The deep what he called 'libidinal' forces of desire were given up to the leader while the aggressive instincts are unleashed on those outside the group. Freud wrote this as a warning but the Nazis were deliberately encouraging these forces because they believed they could master and control them.

Dr Leopold Lowenthal - Freudian Psychoanalyst at a rally in Vienna in 2000: Freud was saying that masses are bound by libidinal forces. They love each other and delegate their ideas and feelings through the jack on top. What are libidinal forces? Forces of love. Not hate? No, is delegated on the others outside the mob.

Clip of man speaking "I could see from afar how there were hundreds of thousands of people when they passed Hitler they were completely delirious and shouted Zeig Heil and here I got confirmation how those irrational forces, uncontrollable forces in Germany, in the Germans, had erupted, were brought out running wild where the party was marching, marching onward."

And in America too democracy was under threat from the force of the angry mob. The effect of the stock market crash had been disastrous. There was growing violence as an angry population took out their frustration on the corporations who were seen to have caused this disaster. Then in

1932 a new President was elected who was also going to use the power of the state to control the free market. But his aim was not to destroy democracy but to strengthen it. And to do this he was going to develop a new way of dealing with the masses.

President Roosevelt's in his inauguration speech: "I am prepared under my constitutional duty to recommend the measures that a stricken nation in the midst of stricken world may require. But in the event that the national emergency is still critical I shall not evade the clear course of duty that will then confront me. I shall ask the congress for the one remaining instrument to meet the crisis - broad executive power."

It was the start of what would become known as The New Deal. Roosevelt assembled a group of young technocrats and planners in Washington. He told them that their job was to plan and run giant new industrial projects for the good of the nation. Roosevelt was convinced the stock market crash had shown that laissez faire capitalism could no longer run modern industrial economies. This had become the job of government. Big business was horrified but The New Deal had attracted the admiration of the Nazis, especially Joseph Goebbels.

Joseph Goebbels speaking in a news interview: "I am very interested in social developments in America. I believe that President Roosevelt has chosen the right path. We are dealing with the greatest social problems ever known. Millions of unemployed must get their jobs back and this cannot be left to private initiative. It's the government that must tackle the problem."

But although Roosevelt like the Nazis was trying to organize society in a different way, unlike the Nazis he believed that human beings were rational and could be trusted to take an active part in government. Roosevelt believed it was possible to explain his policies to ordinary Americans and to take into account their opinions. To do this he was helped by the new ideas of an American social scientist called George Gallup.

New clip voiceover: "Favorite reading of new deal Washington - the survey of public opinion. From offices at Princeton New Jersey a famed statistician George Gallup tells Washington from week to week what the nation is thinking. And in New York Fortune Magazines analyst Elmo Roper compiles for publication a continuous record of the nation's approval or disapproval of how the country is being run."

Gallup and Roper rejected Bernays' view that human beings were at the mercy of unconscious forces and so needed to be controlled. Their system of opinion polling was based on the idea that people could be trusted to know what they wanted. They argued that one could measure and predict the opinions and behavior of the public if one asked strictly factual questions and avoided manipulating their emotions.

George Gallup Jr - Son of George Gallup: Prior to scientific polling the view of many people was that you couldn't trust public opinion, that it was irrational; that it was ill-informed, that it was chaotic, unruly and so forth; and so that it should be dismissed. But with scientific polling I think it established very clearly that people are rational, that they do make good decisions, and this offers democracy a chance to be truly informed by the public giving everybody a voice in the way the country is run. I know my father wouldn't necessarily say that the voice of the public

is the voice of God, but he did feel very much that the voice of the people is a rational voice and should be heard.

What Roosevelt was doing was forging a new connection between the masses and politicians. No longer were they irrational consumers who managed by sating their desires, instead they were sensible citizens who could take part in the governing of the country. In 1936 Roosevelt stood for re-election. He promised further control over big business. To the corporations it was the beginning of a dictatorship.

Big business leader speaking in an interview: "Roosevelt interferes with private enterprise and he's running the country into debt for generations to come. The way to get recovery is to let business alone."

But Roosevelt was triumphantly re-elected. Faced with this, business now decided to fight back, to regain power in America. At the heart of the battle would be Edward Bernays and the profession he had invented, public relations.

Stewart Ewen - Historian of Public Relations: Following that lecture business people start to get together and start to carry on discussions, primarily in private and they start talking to each other about the need to sort of carry on ideological warfare against the New Deal. And to sort of reassert the sort of connectedness between the idea of democracy on the one hand and the idea of privately owned business on the other. And so under the umbrella of an organization that still exists which is called The National Association of Manufacturers and whose membership included all of the major corporations of the United States a campaign is launched explicitly designed to create emotional attachments between the public and big business; it's Bernays' techniques being used on a grand scale. I mean totally.

The campaign set out to show dramatically that it was business not politicians that created modern America. Bernays was an advisor to General Motors but he was no longer alone. The industry he had founded now flourished as hundreds of public relations advisors organized a vast campaign. They not only used advertisements and billboards but managed to insinuate their message into the editorial pages of the newspapers.

It became a bitter fight. In response to the campaign the government made films about the unscrupulous manipulation of the press by big business and the central villain was the new figure of the public relations man.

Voiceover from one such film: "They try to achieve their ends by working entirely behind the scenes corrupting and deceiving the public. The aims of such groups may be either good or bad so far as the public interest is concerned, but their methods are a grave danger to democratic institutions."

The films also showed how the responsible citizens could monitor the press themselves. They could create a chart that analyzed the press for signs of hidden bias. But such earnest instruction was to be no match for the powerful imagination of Edward Bernays. He was about to help

create a vision of the utopia that free market capitalism would build in America if it was unleashed.

In 1939 New York hosted the World's Fair. Edward Bernays was a central adviser. He insisted that the theme be the link between democracy and American business. At the heart of the fair was a giant white dome that Bernays named 'Democracy', and the central exhibit was a vast working model of America's future constructed by the General Motors corporation.

Ann Bernays - Daughter of Edward Bernays: To my father the World's Fair wan an opportunity to keep the status quo. That is, capitalism in a democracy, democracy and capitalism and that marriage. He did that by manipulating people and getting them to think that you couldn't have real democracy in anything but a capitalist society which was capable of doing anything; of creating these wonderful highways, of making moving pictures inside everybody's house, of telephones that didn't need chords, of sleek roadsters. It was consumerist but at the same time you inferred that in a funny way that democracy and capitalism went together.

The World's Fair was an extraordinary success and captured America's imagination. The vision it portrayed was of a new form of democracy in which business responded to people's innermost desires in a way politicians could never do. But it was a form of democracy that depended on treating people not as active citizens like Roosevelt did but as passive consumers. Because this Bernays believed, was the key to control in a mass democracy.

Stewart Ewen - Historian of Public Relations: It's not that the people are in charge but that the people's desires are in charge. The people are not in charge the people exercise no decision making power within this environment. So democracy is reduced from something which assumes an active citizenry to the idea of the public as passive consumers driven primarily by instinctual or unconscious desires and if you can in fact trigger those needs and desires you can get what you want from them.

But this struggle between the two views of human beings as to whether they were rational or irrational was about to be dramatically affected by events in Europe. Events that would also change the fortunes of the Freud family. In March 1938 the Nazis annexed Austria. It was called the Anschluss. Hitler arrived in Vienna to an extraordinary outpouring of mass adulation but even as he drove through the city behind the scenes the Nazis were systematically whipping up and unleashing the hatred of the crowd against the enemies of the new greater Germany.

Marcel Faust - Resident of Vienna 1930's - The Anschluss was a kind of an explosion of terrible hatred of so called enemies or whatever they considered as enemies, against the Jews totally and also against a lot of Austrians who opposed the Nazis in Austria. They said it's legitimate now you can do what you want so they did it. Stealing and robbing and killing, I can't stay there a while; human depravity was always near to normal behavior it can change very quickly.

As the violence and assassinations raged in Vienna Freud decided he had to leave. His aim was to go to Britain, but he knew Britain like many countries was refusing entrance to most Jewish refugees. But help came from the leading psychoanalyst in Britain, Ernest Jones. He was in the same ice skating club as the Home Secretary Sir Samuel Hall, and Jones persuaded Hall to issue

Freud a British work permit and in May 1938 Freud, his daughter Anna and other members of his family set off for London.

Freud arrived in London as Britain was preparing for war and he settled with his daughter Anna in a house in Hampstead. But Freud's cancer was now far advanced and in September 1939 just three weeks after the outbreak of war he died.

The Second World War would utterly transform the way government saw democracy and the people they governed. Next week's program will show how the American government as a result of the war became convinced there were savage dangerous forces inside all human beings. Forces that needed to be controlled. The terrible evidence from the death camps seemed to show what happened when these forces were unleashed. And politicians and planners in post war America would come to believe that hidden under the surface of their own population were the same dangerous forces. And they would turn to the Freud family to help control this enemy within. And ever adaptable Edward Bernays would work not just for the American government but the CIA and Sigmund Freud's daughter Anna would also become powerful in the United States because she believed that people could be taught to control the irrational forces within them. Out of this would come vast government programs to manage the inner psychological life of the masses.

Century of the Self

Part 2: Engineering of Consent

Anna Freud speaking: Let's say a word about dreams. We all have thoughts which we never knew we had. They are too uncomfortable or too incompatible with our adult self to be remembered. Yet they are often disturbing rumbling under the surface like lava in a volcano. The dream is the royal road to these thoughts. The royal road to the unconscious.

This is the story about how Sigmund Freud's ideas about the unconscious mind were used by those in power in post war America to try and control the masses. Politicians and planners came to believe That Freud was to suggest that hidden deep within all human beings were dangerous and irrational desires and fears. They were convinced that it was the unleashing of these instincts that had led to barbarism of Nazi Germany. To stop it ever happening again, they set out to find ways to control this hidden enemy within the human mind.

At the heart of the story are Sigmund Freud's daughter Anna and his nephew Edward Bernays who had invented the profession of public relations. Their ideas were used by the US government, big business and the CIA to develop techniques to manage and control the minds of the American people. Those in power believed that the only way to make democracy work and create a stable society was to repress the savage barbarism that lurked just under the surface of normal American life.

The story begins in the middle of the fierce fighting of the Second World War. As the fighting intensified the American army was faced by an extraordinary number of mental breakdowns among its troops. Forty-nine percent of all soldiers evacuated from combat were sent back because they suffered from mental problems. In desperation the army turned to the new ideas of psychoanalysis. They made a film record of the experiment using hidden cameras.

Doctor interviewing solider: "It says here on your record that you had headaches and that you had crying spells."

Soldier: "Yes sir, I believe that your profession is calling it nostalgia."

Doctor: "In other words, homesickness."

Soldier: "Yes sir. It was induced when shortly before the war I received a picture of my sweetheart. (begins to cry) I'm sorry I can't continue. (leaves)"

It was the first time that anyone had paid such attention to the feelings and anxieties of ordinary people. AT the heart of the experiment were a number of refugee psychoanalysts from central Europe. They worked with American psychiatrists to guide and shape the project.

Professor Martin Bergmann - Psychoanalyst, US Army 1943-45: When I first came to America I worked in the psychiatric service with soldiers trying to rehabilitate them. And I travelled in the train from the east coast to the west coast I was enormously curious what goes on in all of those little towns that the train is passing. After my years in the army I knew exactly what everyone was doing in the little towns. Because I saw so many people who came from there and I understood their aspirations, their disappointments and so forth. So it was as if somebody had invited me to a privileged tour into the inner soul of America.

Doctor interviewing crying soldier again:

Soldier: "(crying) I'm not doing this deliberately please believe me."

Doctor: "This display of emotion is sometimes very helpful."

Soldier: "I hope so, sir."

Doctor: "Sure, it gets it off your chest"

Soldier: "Well sir, to be perfectly honest with you I'm very much in love with my sweetheart. She has been the one person that gave me a sense of importance in that through her cooperation with me we were able to surmount so many obstacles."

The psychoanalysts used techniques developed by Freud to take the men back into their pasts. They became convinced that the breakdowns were not the direct result of the fighting. The stress of combat had merely triggered old childhood memories. These were memories of the men's own violent feelings and desires which they had repressed because they were too frightening. To the psychoanalyst it was overwhelming proof of Freud's theory that underneath human beings were driven by primitive irrational forces.

Professor Martin Bergmann - Psychoanalyst, US Army 1943-45: World War II was a major shattering experience because I discovered the enormous role of the irrational in the life of most people. Now that I can say that I learned that the ratio between the irrational and the rational in America is very much in favor of the irrational. That there's much greater unhappiness, much more suffering, it's much more a sad country than one would imagine from the advertisements that you made, a much more problematic country.

Victory in the Second World War was celebrated as a triumph of democracy, but in private many policy makers were worried about the implications of the analysis of the soldiers. It seemed to show that underneath every American were irrational violent drives. What had happened in Germany seemed to bear this out. The complicity of so many ordinary Germans in mass killings during the war showed just how easily these forces could break through and overwhelm democracy.

Ellen Herman - Historian of American Psychology: Planners and policy makers had been convinced by their experiences during World War II that human beings could act very irrationally because of this sort of teeming and raw and unpredictable emotionality. The kind of

chaos that lived at the base of human personality could in fact infect the society social institutions to such a point that the society itself would become sick. That's what they believe happened in Germany in which the irrational, the anti-democratic went wild. It is a vision of human nature as incredibly destructive and they were terrified Americans would in fact behave that way or were capable of behaving that way and they wanted to avoid a rerun of that.

Professor Martin Bergmann - Psychoanalyst, US Army 1943-45: So what is needed is a human being that can internalize democratic values so they are not shaken with the storm and psychoanalysis carried in it the promise that it can be done. It opened up new vistas as to how the inner structures of the human being can be changed so that he becomes a more vital free supporter and maintainer of democracy.

Psychoanalysts were convinced they not only understood these dangerous forces but they knew how to control them too. They would use their techniques to create democratic individuals because democracy left to itself failed to do this. The source of this idea is not only Sigmund Freud but his youngest daughter Anna. She had fled with her father to London before the outbreak of war, and after he died Anna Freud became the acknowledged leader of the world psychoanalytic movement. She saw her job as to fulfill her father's dream of making his ideas accepted through the world.

Anton Freud - Anna Freud's Nephew: At the center of the Freud movement stood only Anna because she managed to work herself into that position. She was recognized as that and not just because she was the daughter, she worked on that. She was rather forbidding and was not to me a warm person, not an Aunt that we could kiss and put your arms around; not at all; and her whole life rotated around the spreading of psychoanalysis.

Freud himself had seen the role of psychoanalysis as allowing people to understand their unconscious drives. But Anna Freud believed it was possible to teach individuals how to control these inner forces. She had come to believe this through analyzing children, above all the children of her close friend Dorothy Burlingham. Dorothy Burlingham was an American millionairess who in the 1920s fled a failed marriage and brought her children to Anna Freud in Vienna. They were suffering terrible anxieties and aggression, but Anna Freud was convinced she could free them from this by changing the world around them.

Michael Burlingham - Dorothy Burlingham's grandson: She thought that she could come in and enter their environment essentially, because they were children you see and didn't have independent lives of their own, she could go talk to the parents or the mother, she could go to the schools she could influence their real world, the actual external world to change their lives to help them. And to change them as people? I think that was part of what her idea was, she felt that she could change them.

From her analysis of the Burlingham children Anna Freud developed a theory of how to control the inner drives. It was simple - you taught the children to conform to the rules of society. But this more than just moral guidance. Anna Freud believed if children like the Burlinghams strictly followed the rules of accepted social conduct then as they grew up the conscious part of their mind, what was called the ego, would be greatly strengthened in its struggle to control the

unconscious. But if children did not conform their ego would be weak and they would be prey to the dangerous forces of the unconscious.

Michael Burlingham - Dorothy Burlingham's grandson: In my father's case they were concerned that he would be a homosexual and so a lot of their efforts went into preventing or trying to stop my father from becoming a homosexual. Whether or not he would have or did you know is unknown to me. Why would they want to stop that? Because they felt it was abnormal, it wasn't a normal way to develop. They wanted to have him develop along lines that society recognized as normal because if you didn't then you would be under control of forces that you don't understand, that you are not even aware of.

The analysis seemed to be a great success and in the thirties the Burlingham children returned to America. Hey settled down to happy married lives in the suburbs. What they didn't realize was that their experience was about to become a template for a giant social experiment to control the inner mental life of the American population.

In 1946 President Truman signed The National Mental Health Act. It had been born directly out of the wartime discoveries by psychoanalysts that millions of Americans who had been drafted suffered hidden anxieties and fears. The aim of the act was to deal with this invisible threat to society.

Newsreel voiceover: Shocked by the appalling percentage of the emotionally unstable revealed by the World War II draft figures, Congress in 1946 passed The National Mental Health Act which recognized for the first time that mental illness was a national problem. Keenly aware of the tremendous problems ahead is Dr. Robert H Felix, director of the vast new project. Dr Felix: A primary objective of The National Mental Health program is to increase our fund of scientific knowledge about mental health and about mental illness. We're not doing this. Why? Because there are all too few skilled mental health workers.

Two of the principal architects of the act were the Menninger brothers Carl and Will. Will had run the wartime psychotherapy experiments and now he and his brother began to train hundreds of new psychiatrists. The Menningers were convinced that it would be possible to apply Anna Freud's ideas on a wide scale and to adults as well as children. The psychiatrist's job would be to teach ordinary Americans how to control their unconscious drives. Psychoanalysis could be used to make a better society.

Dr. Robert Wallerstein - Psychoanalyst, Menninger Clinic 1949-1966: They said psychoanalytic thinking could make for the betterment of society. Because you could change the way the mind functioned; and you could take the ways in which people did hurtful things to themselves and others and alter them by enlarging their understanding. And this was the vision psychoanalysis brought. That you could really change people. And you could change them almost in limitless ways.

In the late forties a vast project began in America to apply the ideas of psychoanalysis to the masses. Psychological guidance centers were set up in hundreds of towns. They were staffed by psychiatrists who believed it was their job to control the hidden forces inside the minds of

millions of ordinary Americans. At the same time thousands of counselors were trained to apply psychoanalysis to marriage guidance, and social workers were sent out to visit people's homes and advise them on the psychological structure of family life. Behind all this was the fundamental idea of Anna Freud's - that if people were encouraged to conform to the accepted patterns of family and social life then their ego would be strengthened. They would be able to control the dangerous forces within them.

Clip from 'Control Your Emotions' an instructional film: When your emotions control your actions it affects not only yourself but the people around you. And if this sort of flair up is repeated often it might lead to a permanently warped personality. You can control the fire of your emotions so that your personality becomes more pleasant.

Dr. Harold Blum - Psychoanalyst: So we expected someone who had been through that experience to more insightful, much more understanding, and a much better regulated person. And regulation includes being able to let go as it were, to enjoy a football game or a soccer game. A more understanding, yes rational, but also appropriately emotional person. The regulatory aspects of the human mind would really be in charge, instead of being overwhelmed by our passions and our darker impulses. That one would be master or mistress over one's own passions.

Dr. Neil Smelser - Political Theorist and Psychoanalyst: They just felt that the road to happiness was in adapting to the external world in which they lived. That people could be uncrippled from their own neurotic conflicts and impulses; that they would not engage in self-destructive behavior, that they would in fact adapt to the reality about them. They never questioned the reality. They never questioned that it might itself be a source of evil or something to which you could not adapt without compromise or without suffering or without exploiting yourself in some way. So there was this fit with the politics of the day.

But it was only the beginning of the rise to power of psychoanalysis in America. Psychoanalysts were about to move into big business and use their techniques not just to create model citizens but model consumers. Last week's episode showed how Freud's American nephew Edward Bernays had been the first to convince American corporations that they could sell products by connecting them with people's unconscious feelings. But now a group of psychoanalysts were going to take what Bernays had begun and invent a whole range of techniques to get inside and manage the unconscious mind of the consumer. They were led by Ernest Dichter. Dichter had practiced next door to Freud in Vienna, but he had come to America and set up The Institute for Motivational Research in an old mansion north of New York.

Promotional Clip: This is The Institute for Motivational Research, a place devoted to the intriguing business of finding out why people behave as they do. Why they buy as they do. Why they respond to advertising as they do. And this is Dr. Ernest Dichter. "We don't go out and ask directly why do you buy and why don't you, what we try to do instead is try to understand the total personality, the self-image of the customer; we use all the resources of modern social sciences. It opens up some stimulating psychological techniques for selling any new product.

Like the other psychoanalysts Dichter believed that American citizens were fundamentally irrational beings; they could not be trusted. Their real reasons for buying products were rooted in unconscious desires and feelings. And Dichter wanted to find ways to uncover what he called 'the secret self' of the American consumer.

Fritz Gehagen - Psychologist and employee of Ernest Dichter: He was trying to get out of people's mind the unconscious motivations that they had for purchasing. These could be sexual, they could be psychological, they could be sociological, they could be a demand for status a demand for recognition. There were things that people couldn't verbalize or wouldn't verbalize because they were too secret to them, they were a part of their nature, and they would be embarrassed if they came out and said things like this.

Hedy Dichter - Ernest Dichter's wife: He would interview people but not ask them direct questions but let them talk freely like you do in psychoanalysis, and that was his background.

Fritz Gehagen - Psychologist and employee of Ernest Dichter: And he said why can't we have a group therapy session about products? And so Dichter built this room up above his garage and he said we can have psychoanalysis of products, they can actually act out and verbalize their wants and needs. And they could be observed and watched and other people could comment and they could talk about it and everybody could join in. He was the first to do this, this was absolutely the first time this was ever done. And he had a movie projector up there where you could show advertisements and people could react to them and he invented the whole technique for mining the unconscious about the hidden psychological wants that people had about products. This became the focus group.

Dichter's breakthrough came with a focus group study he did for Betty Crocker foods. Like many food manufacturers in the early fifties they had invented a new range of instant convenience foods. But although consumers had told market researchers they would welcome the idea in fact they were refusing to buy them. The worst problem was the Betty Crocker cake mix. Dichter did a series of focus groups where housewives free associated about the cake mix. He concluded they felt unconscious guilt about the new image created of ease and convenience.

Bill Schlackman - Psychologist and employee of Ernest Dichter: In other words he had understood that the barrier to the consumption of the product was housewives' feeling of guilt about using it. They basically on one hand wanted to make it easier for themselves but they felt guilty about it. So what you've got to do in those circumstances is remove the barrier, the barrier being guilt. And the way you do that is you give the housewife a greater sense of participation. And how do you do that? By adding an egg. As simple as that.

Dichter told Betty Crocker to put an instruction on the packet that the housewife should add an egg. It would be an unconscious symbol he said, of the housewife mixing in her own eggs as a gift to her husband and so would lessen the guilt. Betty Crocker did it, and the sales soared.

Bill Schlackman - Psychologist and employee of Ernest Dichter: The consumer may have basic needs that the consumer himself or herself doesn't fully understand. You have to know what

those needs are in order to fully exploit the consumer. Is it wrong to give people what they want by taking away their defenses, helping remove their defenses?

Dichter's success led to a rush by corporations and advertising agencies to employ psychoanalysts. They became known as the depth boys and they promised to show companies how to make millions by connecting their products with people's hidden desires. Dichter himself became a millionaire, famous for inventing slogans like 'A Tiger in Your Tank'. Even the marketing of the Barbie doll came from a children's focus group.

But Dichter was convinced this was far more than just selling. Like Anna Freud he believed that the environment could be used to strengthen the human personality, and products had the power both to sate inner desires and give people a feeling of common identity with those around them. It was a strategy for creating a stable society. Dichter called it the strategy of desire.

Ernest Dichter speaking in a promotional clip: To understand a stable citizen you have to know that modern man quite often tries to work off his frustrations by spending on self-gratification. Modern man is eternally ready to fill out his self-image by purchasing products which compliment it.

Hedy Dichter - Ernest Dichter's wife: If you identify yourself with a product it can have a therapeutic value. It improves your self-image and you become a more secure person and have suddenly this kind of confidence of going out in the world and doing what you want successfully. And it's believed that would then improve the whole of our society and become the best society on this planet.

By the early fifties the ideas of psychoanalysis had penetrated deep into American life. The psychoanalysts themselves became rich and powerful. Many had consulting rooms overlooking Central Park in New York. Politicians and famous writers like Arthur Miller and Tennessee Williams became their patients. They were seeking not just help, but to understand the hidden roots of human behavior.

Professor Martin Bergmann - New York Psychoanalyst: We were sought after. Washington was interested in what we think. The important writers, important politicians were undergoing psychoanalysis. We had waiting lists because there were so many patients that wanted to be analyzed. So it gave us a little bit of a swelled head.

And as the psychoanalyst's ideas took hold in America, a new elite began to emerge in politics, in social planning, and in business. What linked this elite was the assumption that the masses were fundamentally irrational. To make a free market democracy like America work one had to use psychological techniques to control mass irrationality.

Ellen Herman - Historian of American Psychology: They actually believed that this elite was necessary because individual citizens were not capable, if left alone, of being democratic citizens. The elite was necessary in order to create the conditions that would produce individuals capable of behaving as a good consumer and also behaving as a democratic citizen. They didn't see their activities as anti-democratic; as undermining the capacity of individual citizens for

democracy; quite the opposite. They understood that they were creating the conditions for democracy's survival in the future.

The rise of psychoanalysis to power in America was an extraordinary triumph for Anna Freud and her tireless promotion of her ideas. She remained in England living with Dorothy Burlingham. On the surface it was an idyllic life. She and Dorothy had bought a weekend cottage on the Suffolk coast. But in the summers Dorothy's children came from America to visit with the grandchildren. And underneath things were going badly wrong. Both Bob and Mabbie Burlingham whom Anna Freud had analyzed in the early 1930s had suffered personal breakdowns and their marriages were collapsing. Bob was drinking heavily and Mabbie suffered terrible anxieties. The real reasons for the visits to England were yet more analysis with Anna Freud.

Michael Burlingham - Bob Burlingham's son: The problem was that it didn't look very good did it? Because here you somebody who's having nervous breakdowns and is having alcoholic binges and this doesn't really sit well. From a humane standpoint obviously this is not desirable, you know you want to help these people, but it also had the wider ramifications of everybody in analysis, in analytic circles knew that Bob and Mabbie were guinea pigs they were the living proof that this is a wonderful process. It was very much swept under the rug, it really didn't get out. I mean these people had such, their power and influence was such that you were very careful. Anna Freud was a very powerful person and you were the grandchildren and she knew a great deal more about what went on in your parents' lives and so forth and it's not something you were going to tangle with, and you were a product of the whole situation. But at the same time we knew that something was really out of whack.

Anton Freud - Anna Freud's nephew: As he grew older she became more and more important politically and scientifically but she didn't know when to stop. She was a bit too righteous that what she did was always the thing and she would never to my knowledge acknowledge that she could make a mistake or be wrong. That was my feeling.

But the power and influence of the Freud family in America was about to grow even more. Politicians were about to turn to Anna Freud's cousin Edward Bernays for help in a time of crisis. He was going to manipulate the inner feelings and fears of the masses to help America's politicians fight the cold war.

In 1953 the Soviet Union exploded its first hydrogen bomb and the fear of nuclear war and communism gripped the United States. Those in power became concerned with how to reassure the population. Committees were set up and public information films made appealing for calm in the face of new threats like nuclear fallout.

At this point Edward Bernays was living in New York. In the 1920s he had invented the profession of Public Relations and was now one of the most powerful PR men in America. He worked for most of the major corporations and advised politicians, including President Eisenhower. Like his uncle Sigmund, Bernays was convinced that human beings were driven by irrational forces. The only way to deal with the public was to connect with their unconscious desires and fears. Bernays argued that instead of trying to reduce people's fears of communism,

one should actually encourage and manipulate the fear. And in such a way that it became a weapon in the cold war. Rational argument was fruitless.

Ann Bernays - Daughter of Edward Bernays: What my father understood about groups is that they are malleable. And that you can tap into their deepest desires or their deepest fears and use that to your own purposes. I don't think he felt that all those publics out there had reliable judgment; that they may very easily might vote for the wrong man or want the wrong thing, so that they had to be guided from above.

One of Bernays' main clients was the giant United Fruit Company. They owned vast banana plantations in Guatemala and Central America. For decades United Fruit had controlled the company through pliable dictators. It was known as a 'banana republic'. But in 1950 a young officer, Colonel Arbenz was elected president. He promised to remove United Fruits' control over the country and in 1953 he announced the government would take over much of their land. It was a massively popular move but a disaster for United Fruit and they turned to Bernays to help get rid of Arbenz.

Larry Tye - Journalist, Boston Globe: United Fruit brings in Bernays and he basically understood that what United Fruit Company had to do was change this from being a popularly elected government that was doing some things that were good for the people there into this being, very close to the American shore, a threat to American democracy. This being at time in the cold war when Americans responded to issues of 'the red scare' and what communism might do, he was trying to transform this and brilliantly did transform it into an issue of a communist threat very close to our shores; taking United Fruit again, as a commercial client out of the picture and making it look like a question of American democracy, American values being threatened.

In reality Arbenz was a democratic socialist with no links to Moscow, but Bernays set out to turn him into a communist threat to America. He organized a trip to Guatemala for influential American journalists. Few of them knew anything about the country or its politics. Bernays arranged for them to be entertained and to meet selected Guatemalan politicians who told them Arbenz was a communist controlled by Moscow.

During the trip there was also a violent anti-American demonstration in the capital. Many of those who worked for United Fruit were convinced it had been organized by Bernays himself. He also created a fake independent news agency in America called the Middle America Information Bureau. It bombarded the American media with press releases saying that Moscow was planning to use Guatemala as a beachhead to attack America. All of this had the desired effect.

Newsreel clip: In Guatemala the Jacob Arbenz regime became increasingly communistic after his inauguration in 1951. Communists in the congress and high governmental positions controlled major committees, labor and farm groups, and propaganda facilities. They agitated and led in demonstrations against neighboring countries and the United States.

Larry Tye - Journalist, Boston Globe: What was profoundly new in terms of what Bernays did was he took this menace to our backyard in Guatemala. For the first time we saw reds a couple

hundred miles from New Orleans, who Eddie Bernays had us believing were a true threat to us. There was going to be a Soviet outpost in our backyard.

But what Bernays was doing was not just trying to blacken the Arbenz regime, he was part of a secret plot. President Eisenhower had agreed that America should topple the Arbenz government, but secretly. The CIA were instructed to organize a coup. Working with the United Fruit Company the CIA trained and armed a rebel army and found a new leader for the country called Colonel Armas. The CIA agent in charge was Howard Hunt, later one of the Watergate burglars.

Howard Hunt - Head of CIA Operation, Guatemala, 1954: What we wanted to do is have a terror campaign; to terrify Arbenz particularly, terrify his troops, much as the German Stuka bombers terrified the population of Holland, Belgium and Poland at the onset of World War II and just rendered everybody paralyzed.

As planes flown by CIA pilots dropped bombs on Guatemala City, Edward Bernays carried on his propaganda campaign in the American press. He was preparing the American population to see this as the liberation of Guatemala by freedom fighters for democracy.

Larry Tye - Journalist, Boston Globe: He totally understood that the coup would happen when conditions in the public and the press allowed for a coup to happen and he created those conditions. He was totally savvy in terms of just what he was helping create there in terms of the overthrow. But ultimately he was reshaping reality, and reshaping public opinion in a way that's undemocratic and manipulative.

On June 27th 1954 Colonel Arbenz fled the country and Armas arrived as the new leader. Within months Vice President Nixon visited Guatemala. In an event staged by United Fruit's PR department he was shown piles of Marxist literature that had been found it was said in the presidential palace.

News clip showing Nixon speaking in front of piles with Armas: This is the first time in the history of the world that the communist government has been overthrown by the people. And for that we congratulate you and the people of Guatemala for the support they have given. And we are sure that under your leadership supported by the people whom I have met by the hundreds on my visit to Guatemala that Guatemala is going to enter a new era in which there will be prosperity for the people together with liberty for the people. Thank you very much for allowing us to see this exhibit of communism in Guatemala.

Bernays had manipulated the American people but he had done so because he, like many others at the time believed that the interests of business and the interests of America were indivisible. Especially when faced with the threat of communism. But Bernays was convinced that to explain this rationally to the American people was impossible. Because they were not rational. Instead one had to touch on their inner fears and manipulate them in the interest of a higher truth. He called it the engineering of consent.

Ann Bernays - Daughter of Edward Bernays: He was doing it for the American way of life to which he was devoted, sincerely devoted. And yet he felt the people were really pretty stupid.

And that's the paradox. If you don't leave it up to the people themselves but force them to choose what you want them to choose, however subtly, then it's not democracy anymore. It's something else, it's being told what to do, its that old authoritarian thing.

But the idea that it was necessary to manipulate the feelings of the American population in the interest of fighting the cold war now began to take root in Washington. Above all in the CIA who were going to take it much further. They were concerned that the Soviets were experimenting with psychological methods to actually alter the memories and feelings of people. The aim, being to produce more controllable citizens. It was known as brainwashing. Psychologists in the CIA were convinced that this really might be possible and that they should try do it themselves.

Dr. John Gittinger - CIA Chief Psychologist 1950-74: The image of the human being that was being built up at that time was that there was a great deal of vulnerability in every human being and that vulnerability could be manipulated to program somebody to be something they I wanted them to be and they didn't want to be. That you could manipulate people in such a way that they could be automatons if you will for whatever your purposes were, this is the image that people thought was possible.

In the late fifties the CIA poured millions of dollars into the psychology departments at universities across America. They were secretly funding experiments in how to alter and control the inner drives of human beings. The most notorious of these experiments was run by the head of the American Psychiatric Association, Dr. Ewen Cameron. Like many psychiatrists at that time Cameron was convinced that inside human beings were dangerous forces which threatened society. But he believed it was possible to not just control these forces but actually remove them.

Dr. Heinz Lehmann - Psychiatrist and colleague of Dr Cameron: He thought that psychiatry should not just concentrate on sick people and the mentally ill, but should actually go into government, that politicians should listen to psychiatrists; psychiatrists should be in every parliament and should direct and monitor political activities because they knew in a rational and scientific way what was good for people.

Cameron had set up a clinic in a hospital in Montreal called the Allen Memorial. It has now long since closed down. Cameron took patients who suffered a wide range of mental problems. His theory was that these resulted from forgotten or repressed memories. But he was impatient with the theory of using psychotherapy to uncover them. Instead, he would simply wipe them. Cameron used drugs including LSD and the technique of ECT, electro-convulsive therapy. It was conventionally used at that time to relieve depression. But Cameron was going to use it in a new way - to produce new people.

Laughlin Taylor - Assistant to Dr Cameron 1958-60: He was really using it to try and change the fundamental function of the individual. To alter their past memories, their past ways of behaving, and as I think he said at one point, to just sort of erase everything from their past so that you then had a slate in which you could record new ways of behavior. And so he used massive doses of shock, people receiving several shocks a day and over a course over time hundreds of ECT treatments so that they were just reduced to sort of a primitive vegetable state.

Linda MacDonald - Patient of Dr. Ewen Cameron: I don't remember what happened to me. I was introduced to Dr. Cameron and I don't remember Dr. Cameron at all. I don't remember any of that. They shipped me up to what they call 'the sleep room' and they gave me all of these electro-convulsive shock treatments and mega doses of drugs and LSD and all of that and I have no memory of any of that. Nothing of that time at the Allen Memorial or any of my life previous to that. All gone. Wiped.

Laughlin Taylor - Assistant to Dr Cameron 1958-60: And then after having depatterned somebody or brought them down to where basically nothing but the essential functions of the body were going on in terms of breathing and things of this nature, then he would begin to feed material into these individuals; positive material such that the brain would be programmed in a positive way so that the individual would be completely altered.

Linda MacDonald - Patient of Dr. Ewen Cameron: Then he put these tapes under our pillows called psychic driving. He would then put back into this empty brain a program of whatever sort he decided upon. And the people like myself would wake up another person I guess.

In fact Cameron's experiments were a complete disaster. All he managed to produce were dozens of people with memory loss and the ability to repeat the phrase 'I am at ease with myself'. And it was not an isolated case, almost all the experiments the CIA funded were equally unsuccessful. Despite their ambitions American psychologists were beginning to find out how difficult it was to understand and control the inner workings of the human mind.

Dr. John Gittinger - CIA Chief Psychologist 1950-74: We had really been chasing a phantom, if you will, an illusion - that the human mind was more capable of manipulation from the outside, by outside factors than it is. We found out that the human being is an extremely complex thing. There were no simple solutions. But you've just got to bear in mind that these were strange times.

The psychoanalysts had come to power in America because of their theory that they knew how to control the dangerous forces inside human beings. But now the psychoanalysts were about to face a high profile failure that would lead people to begin questioning the very basis of their ideas. It began in Hollywood.

The film industry had become fascinated with psychoanalysis, and Anna Freud was a powerful influence on dozens of analysts in Los Angeles. They treated film stars, directors, and studio bosses. Anna Freud's closest friend was the most sought after of all, Ralph Greenson. And in 1960 the most famous star in the world turned to Greenson for help. Marilyn Monroe was suffering from despair and had become addicted to alcohol and drugs.

Celeste Holm - Actress and former patient of Dr. Ralph Greenson: When I walked in to dinner here was Marilyn Monroe. And I made a picture with her called *All About Eve*. This was dinner at Ralph Greenson's? Yes. And the only thing was that Ralph was trying to show her the way a family life ought really to be. So we were walking the dog after and I said 'what the hell are you doing here?' I said, 'You never invited me to dinner!' And he said, 'you weren't that sick.' And I said 'oh.' He said 'this child has no, NO frame of reference.' In other words she has no idea what the goal is.

What Greenson did is follow Anna Freud's theory If Marilyn Monroe could be thought to conform to what society considered a normal pattern of life. That would help her ego control her inner destructive urges. But Greenson pushed it to an extreme. He persuaded Monroe to move into a house nearby that was decorated like his own. He then took her into his own family life, and he, his wife and his daughter played at being Monroe's own family. Greenson himself would become the model of conformity.

Dr. Leo Rangell - Los Angeles psychoanalyst: And so this someone she regarded as important and she idealized, if he turned out to be a very gratifying father figure her ego would benefit from it, that was the theory. His wife and children, everyone was involved in it. They were strengthening the person, they were strengthening the mind, they were strengthening the agent that controls inner life; against adversity, against insufficiency, against too much frustration, so that Marilyn Monroe would no longer be a helpless person looking for love, she'd have enough love.

But despite all his efforts, Greenson was unable to help Marilyn Monroe. On August 5th 1962 she committed suicide in her house. The suicide shocked many in the analytic community, including Anna Freud. And high profile figures in American life who had previously been enthusiasts for psychoanalysis now began to question why psychoanalysis had become so powerful in America. Was it really because it benefitted individuals or had it in fact become a form of constraint in the interests of social order. The critics included Monroe's ex-husband, Arthur Miller.

Arthur Miller - Interview 1963: My argument with so much psychoanalysis these days is the preconception that suffering is a mistake, or a sign of weakness, or a sign even of illness. When in fact, possibly the greatest truths we know will have come out of people's suffering. That the problem is not to undo suffering or to wipe it off the face of the earth but to make it inform our lives, instead of trying to cure ourselves of it constantly and avoid it. And avoid anything but that lobotomized sense of what they call happiness. There's too much of an attempt it seems to me at controlling man rather than freeing him; of defining him rather than letting him go. And it's part of the whole ideology of this age which is power mad.

At the same time an onslaught was launched on the way psychoanalysis was being used by business to control people. The first blow came with a bestseller, *The Hidden Persuaders* written by Vance Packard. It accused psychoanalysts of reducing the American people to emotional puppets whose only function is to keep mass production lines running. They did this by manipulating people's unconscious desires, to create longings forever new brands and models. They had turned the population into unwilling participants in the system of planned obsolescence. The second blow came from an influential philosopher and social critic, Herbert Marcuse. He had been trained in psychoanalysis.

Herbert Marcuse - Interviewed 1967: This is a childish application of psychoanalysis which does not take at all into consideration the very real political systematic waste of resources of technology and of the productive process. For example this planned obsolescence; for example the production of innumerable brands and gadgets who are in the last analysis always the same; the production of innumerable different models of automobiles; and this prosperity at the same

time, consciously or unconsciously leads to a kind of schizophrenic existence. I believe that in this society an incredible quantity of aggressiveness and destructiveness is accumulated precisely because of the empty prosperity which then simply erupts.

Marcuse's argument is not simply that psychoanalysis had been used for corrupt purposes, it was more fundamental. Marcuse said that the very idea that you needed to control people was wrong. Human beings did have inner emotional drives, but they were not inherently violent or evil. It was society that made these drives dangerous by repressing and distorting them. Anna Freud and her followers had increased that repression by trying to make people conform to society. In so doing, they made people more dangerous not less.

Dr, Neil Smelser - Political theorist and psychoanalyst: Marcuse challenged that social world and he said that's a world that should not be adapted to. And in fact what the individual was adapting to was corrupt and evil and corrupting. In other words he switched the source of evil from inward conflict to the society itself. That the sickness in society lay at the society level not at the sickness of human beings in it. And if people did not challenge that then they were in fact submitting to evil.

Martin Luther King 1967: Modern psychology has a word that is used probably more than any other word in psychology, it is the word maladjusted. It is the ringing cry of modern child psychology, maladjusted. Now of course we all want to live the well-adjusted life in order to avoid neurotic and schizophrenic personalities. But as I move toward my conclusion I would like to say to you today in a very honest manner that there are some things in our society and some things in our world to which I am proud to be maladjusted and I call upon all men of good will to be maladjusted to these things until the good society is realized. I must honestly say to you that I never intend to adjust myself to racial segregation and discrimination. I never intend to adjust myself to religious bigotry. I never intend to adjust myself to economic conditions to take necessities from the many to give luxuries to the few. Never leave millions of God's children smothering in an airtight cage of poverty in the midst of an affluent society.

The political influence of the Freudian psychoanalysts was over. Instead they were now accused of having helped to create a repressive form of social control. Anna Freud and Dorothy Burlingham lived on in Sigmund Freud's old house in London. In 1970 Dorothy's son Bob died of alcoholism, and in 1973 his sister Mabbie returned for yet more analysis with Anna Freud.

Michael Burlingham - Bob Burlingham's son: She went back for more analysis; she was living at 20 Maresfield Gardens in the Freud house, as I guess she did when she wasn't with her husband, and she committed suicide. She took an overdose of sleeping pills. In Freud's own house, right. So obviously there are a lot of implications one can draw from that and I just happened to think she reached the end of the rope there. Although it would seem to be a very pointed act. Obviously suicide is a very politicized act and to do it in Sigmund Freud's own house is certainly different from doing it Riverdale back in New York.

Nest Week's episode will tell the story of the rise to power of the enemies of the Freud family. They believed the way to build a better society was to let the self free. But what they didn't

realize was that this idea of liberation would provide business and politics yet another way to control the self, by feeding its infinite desires.

The Century of the Self

Part Three: There Is A Policeman Inside Our Heads He Must Be Destroyed

This is a series about how Sigmund Freud's ideas about the unconscious mind have been used by those in power to control the masses in age of democracy. Last week's episode showed how Freud's ideas spread throughout America in the 1950s. They were promoted by his daughter Anna, and by Freud's nephew Edward Bernays who invented public relations. He brought Freud's theories into the heart of advertising and marketing.

What they both believed is that underneath all human beings was a hidden irrational self which needed to be controlled both for the good of the individuals and the stability of society. But the Freuds were about to be toppled from power by opponents who said they were wrong about human nature. The inner self did not need to be repressed and controlled, it should be encouraged to express itself.

Out of this would come a new strong type of human being and a better society. But what in fact emerged from this revolution was the very opposite. An isolated, vulnerable and above all greedy self. Far more open to manipulation by both business and politics than anything that had gone on before. Those in power would now control the self not by repressing it by feeding its infinite desires.

In the 1950s a small group of renegade psychoanalysts began a new form of therapy. They worked in small rooms in New York City and encouraged their patients to express their feelings openly. It was a direct attack on the theories of the Freudian psychoanalysts who had become rich and powerful teaching Americans how to control their feelings.

Dr. Alexander Lowen - Experimental Psychotherapist 1950s: In Freud's work you see they were afraid of the feelings. What they wanted was contained people very proper doing the right thing and living the proper life. That's what they wanted. And not an intense emotional life. Freud wasn't emotional himself, I mean he's an intellect Freud. I was an intellect too, I know, but I'm also more than that now.

The leader of this group was a man hated by Freud and his family. He was called Wilhelm Reich. Reich lived an isolated life in a house he had built for himself in the remote mountains near the Canadian border. Reich had originally been a disciple of Freud's in Vienna in the 1920s but he had challenged Freud over the fundamental basis of psychoanalysis.

Freud argued that at heart that human beings were still driven by primitive animal instincts. The job of society was to repress and control these dangerous impulses. Reich believed the complete opposite. The unconscious forces within the human mind he said were good. It was their repression by society that distorted them. That was what made people dangerous.

Morton Herskowitz - Student of Wilhelm Reich 1949-52: Reich and Freud had two fundamentally differing views about what was essential human nature. At its core Freud saw an uncontrolled violent war-like raging inferno of emotions. Reich said these things are not the way human beings are originally destined to be, they're the result of not permitting the original impulse to express itself.

The underlying natural impulse Reich argued was the libido, sexual energy. If this were released than human beings would flourish. But this idea brought him into direct conflict not only with Sigmund Freud, but with Freud's daughter Anna who believed that the sexual forces in humans were dangerous if not controlled.

Lore Reich Rubin - Daughter of Wilhelm Reich: My father thought that you should liberate the libido and have freedom. He developed a theory rather early that neuroses were due to lack of good orgasm or any orgasm. And Anna Freud you know was a virgin, and this was very important because she never had a sexual relation with a man, and here was this man preaching that the way to health was through orgasm, and here was this woman who had been analyzed by her father because she was masturbating. So here's this woman who's opposed to sexuality really and here's this man who's preaching sexual freedom and there was bound to be a clash, wasn't there?

The conflict came to a head at a conference in 1934 in Switzerland. Anna Freud who had by now become the acknowledged leader of the psychoanalytic movement forced Wilhelm Reich out. She had destroyed his career.

Lore Reich Rubin - Daughter of Wilhelm Reich: She got rid of him, very definitely. And I guess part of what I am doing is getting rid of her. I think that Anna Freud shouldn't get away with what she did, that it should be known. Maneuvering to get him kicked out of the International Psychoanalytic Association. So you're taking revenge? You might say so, or wronging a right - No, righting a wrong. You better cut that one out. Isn't that called a Freudian slip? Yes it is (laughing).

Reich fled to the United States and built his home and a laboratory. His ideas became grandiose to the point of madness. He was convinced that he had discovered the source of libidinal energy. He called it 'orgone energy' and Reich built a giant gun which he said could capture this energy from the atmosphere and concentrate it onto clouds to produce rain. He also said that the gun could be used to destroy UFOs which threatened the future of the world.

In 1956 Reich was arrested by the federal authorities for selling a device that he said used orgonic energy to cure cancer. Reich was treated as a madman. He was imprisoned and all his books and papers were burned at the order of the court. A year later Reich died in prison. To the Freudians it had seemed that their main threat had been removed forever.

But they were wrong. What the Freudians didn't realize was that their influence in American society was also about to be challenged. And in a way that would lead not only to their decline but to the dramatic resurgence of Reich's ideas in America and throughout the capitalist world.

By the late 1950s psychoanalysis had become deeply involved in driving consumers in America. Most advertising companies employed psychoanalysts. And as last week's episode showed they had created new ways to understand consumers' motives, above all with the focus group in which consumers free associated their feelings about products. Out of this came new ways to market products by appealing to the hidden unconscious desires of the consumer.

But in the early sixties a new generation emerged who attacked this. They accused American business of using psychological techniques to manipulate people's feelings and turn them into ideal consumers.

Robert Pardun - Student Activist early 1960's: Advertising was manipulation it was a way to get you to do something that didn't come out of you, it came out of somebody else. Somebody else said 'this year you should be wearing powdered pink shirts with matching powdered pink buck shoes' and I said Why? That's not who I am, that's who somebody else is. They wanted you to be somebody who would buy their stuff. This whole feeling of being somebody else's tool, I don't want to be that. I don't want to be somebody else's man. I want to be me.

In the mid sixties a protest movement began on America's campuses. One of the student's main targets was corporate America. They accused the corporations of brainwashing the American public. Consumerism is not just a way of making money it had become a means of keeping the masses docile while allowing the government to pursue a violent illegal war in Vietnam.

The students' mentor was a famous writer and philosopher called Herbert Marcuse. Marcuse had studied psychoanalysis and was a fierce critic of the Freudians. They had he said helped to create a world in which people were reduced to expressing their feelings and identities through mass produced objects. It resulted in what he called one-dimensional man - conformist and repressed. The psychoanalysts had become the corrupt agents of those who ruled America.

Herbert Marcuse - Interviewed 1978: It was one of the most striking phenomena to see to what extent the ruling power structure could manipulate manage and control not only the consciousness but also the subconscious and unconscious of the individuals. And this took place on a psychological basis by the control and the manipulation of the unconscious primal drives which Freud stipulated.

Following the logic of Marcuse's argument the new student left set out to attack this system of social control. It was summed by the slogan 'There's a policeman inside all our heads - he must be destroyed'. And that policeman was going to be destroyed by overthrowing the state and the corporations that had put him there.

One group, the Weathermen had begun a series of attacks on companies that they said both controlled people's minds through consumer products and made the weapons being used in Vietnam.

Bernadine Dohrn - Founder of Weatherman Revolutionary Group: There's no way to be committed to non-violence in the middle of the most violent society that history has ever created. I'm not committed to non-violence in any way.

Linda Evans - Member of Weatherman Revolutionary Group: We want to live a life that isn't based on materialistic values, and yet the whole system of government and the economy of America is based on profit; on personal greed and selfishness. So that in order to be human, in order to love each other and be equal with each other and not place each other in roles we have to destroy the kind of government that keeps us from asserting our positive values of life.

The American state fought back violently. At the democratic convention in Chicago in 1968 the police and the National Guard were unleashed to attack thousands of demonstrators. It was the start of a phase of repression of the new left in America. It culminated in the killing of four students at Kent University 18 months later. In the face of this the left began to fall apart.

Robert Pardun - Student Activist early 1960's: We had met the force of the state. It was much bigger and stronger and more powerful than we realized. And at that point what seemed to happen was that there was a change in tactics.

Confronted by this violent repression, many in the left began to turn to a new idea. If it was impossible to get the policeman out of one's head by overthrowing the state instead one should find a way of getting inside one's own mind and remove the controls implanted there by the state and the corporations. Out of this would come a new self, and thus a new society.

Stew Albert - Founding member of Yippie Party: People who had been politically active were persuaded that if they could change themselves and be healthy individuals and if a movement grew up just aimed at people changing themselves then at some point all that positive change going on - well you could say quantity would become quality - and there would be sort of a spontaneous transformation of society. But political activism was not required.

Robert Pardun - Student Activist early 1960's: It's about making a new you. That if enough people changed the way they were that the society would change. So the personal would become political. Without changing the personal you didn't stand a chance of changing the political. Coming up against the state power of the United States was not an option. They outgunned us.

And to produce the new self they turned to the ideas and techniques of Wilhelm Reich. Since his death a small group of psychotherapists had been developing techniques based on Reich's ideas. Their aim was to invent ways that would allow individuals to free themselves from the controls implanted in their minds by society.

Their center was a tiny old motel on a remote coast of California. It was called the Esalen Institute. The dominant figure at Esalen was a psychoanalyst called Fritz Perls. Perls had been trained by Reich and had developed a form of group encounter in which he pushed individuals to publicly express the feelings inside them society had said were dangerous and should be repressed.

Michael Murphy - Founder of Esalen Institute: Perls used to call this getting on the hot seat in front of a group. If this were the hot seat and you were Perls you would guide me into this process of self-enactment, self-revelation, of staying present to all the parts of yourself and

noticing it then taking ownership of this. In other words taking ownership of who you are and how you feel and how you act and giving you autonomy. Owning your freedom.

What Perls and others who were at Esalen believed was that they were creating ways that allowed individuals to express their true inner selves. Out of this they believed would come new autonomous beings free of social conditioning. To the left, defeated in the wake of Chicago, it was an enormously attractive idea. These techniques could be used to unleash a new powerful self strong enough to overthrow the old order.

In the late sixties and early seventies thousands flocked to Esalen. Only a few years before it had been an obscure fringe institute. Now it became the center of a national movement for personal transformation. The human potential movement.

Michael Murphy - Founder of Esalen Institute: So it became magnetic. People wanted to join this stream of exploration. Within about seven years there were 200 hundred of these centers in America looking mainly to Esalen for leadership. And it took on a big political agenda. You could not separate personal transformation from social transformation. The two go together.

As the movement grew the leaders of Esalen tried to use their techniques to solve social problems. They began with racism. They organized an encounter group for white and black radicals. Both groups would be encouraged to express their inner racist feelings which had been instilled in them by society. By doing this they would transcend those feelings and encounter each other as individuals.

George Leonard - Encounter Group Leader Esalen Institute 1960s: I started a series of encounters called 'racial confrontation as transcendental experience'. We thought that we wanted to get that kind of black/white confrontation so you could really get down to see what was between the two races not by backing off and trying to be polite but by going right into the belly of the beast, this beast of racial prejudice. And these were extremely dramatic, these were the toughest workshops ever convened at Esalen Institute. Then the blacks got together and attacked the whites. And they just let us have it. What they called it was peeping somebody. Peeping somebody means peeping into their secrets. Into their phoniness and so forth. Like the white liberal, oh they really got onto the white liberal.

The black/white encounter groups were a disaster. The black radicals saw it as an insidious attempt to destroy their power. By trying to turn them into liberated individuals, Esalen was removing the one thing that gave them power and confidence in their struggle against racism; their collective identity as blacks.

So the human potential movement turned to another social group they believed would benefit from personal transformation. Nuns. And this time they were more successful. The Convent of the Immaculate Heart in Los Angeles was one of the largest seminaries in America. A group of radical psychotherapists approached the convent. They wanted to try out their techniques for personal liberation on individuals whose identities were defined by a series of external rules which they had deeply internalized. The convent, anxious to appear modern, agreed to the experiment.

Dr. William Coulson - Nuns' Encounter Group Leader: And we did weekend encounter workshops for several hundred Immaculate Heart nuns. Nuns who were reserved, and they tended to be more reserved than regular people were told don't be so reserved, let it all out, you are a good person you can afford to be who you really are, you don't need to play the role of a nun, you don't need to keep downcast eyes. Prudence is an oversold virtue.

Immaculate Heart novice nun - Interviewed during psychotherapy experiment: You are trying to assert yourself, trying to find out who you are, who you are becoming, at the same time you are trying to live a life of dedication of service and you are trying to make all of these things fit into who you are, and it's such a turmoil at times that you just blow a gasket and do silly crazy things. Running around the orchard and stealing oranges and taking Cokes out of the refrigerator, crazy things.

Another nun: I felt like I was being a hypocrite and I wanted people to respect me for what I was not for what I was wearing and so I'm glad for the change. You feel frightened but you go on. Oh yeah I'm scared to death but it's worth it.

The experiment began to transform the convent. The nuns voted to discard their habits in favor of ordinary clothes. The psychotherapists had found they had awoken other forces.

Dr. William Coulson - Nuns' Encounter Group Leader: One of the things we unleashed was sexual energy, the kind of thing the church had been very good at restraining was no longer to be restrained. One sister who was a member of the community she got the idea that she could be freer than she had been before and she seduced one of her classmates and then seduced the mistresses of novices who was an older woman very reserved and her program of freeing this older woman was sexual. She drove her to the store and when they drove back and when they drove into the garage she leaned over and gave her a big kiss on the lips and thereafter the sister who had perhaps never been kissed before was ready for more.

The effect of the experiment on the convent was cataclysmic. Within a year 300 nuns, more than half the convent petitioned the Vatican to be released from their vows and six months later the convent closed its doors. All that was left was a small group of nuns, but they had become radical lesbian nuns who thus gave up the religious life. They became persons.

By the late sixties the idea of self-exploration was spreading rapidly in America. Encounter groups became the center of what was seen as a radical alternative culture based on the development of the self free of a corrupt capitalist culture. And it was beginning to have a serious effect on corporate America because these new selves were not behaving as predictable consumers.

The life insurance industry in particular was concerned that fewer and fewer college students were buying life insurance when they left university. They asked Daniel Yankelovich, America's leading market researcher to investigate. He had studied psychoanalysis.

Daniel Yankelovich - Yankelovich Partners Market Research Inc: The life insurance business more than any other business at the time was built on the protestant ethic. You only bought life

insurance if you were a person who sacrificed for the future. If you lived in the present you had no need for life insurance. So they had some sense that maybe the core values of the protestant ethic were being challenged by some of these new values that were beginning to appear. And I was really astonished at what I found. The conventional interpretation was that it had to do with political radicalism. But what was clear to us was that that was a mask, a cover. The core of it had to do with self-expressiveness. This preoccupation with the self and the inner self, that was what was so important to people, the ability to be self-expressive.

Yankelovich began to track the growth and behavior of these new expressive selves. What he told the corporations was that these new beings WERE consumers but they no longer wanted anything that would place them in the narrow strata of American society. Instead what they wanted were products that would express their individuality, their difference in a conformist world. They very things that US corporations did not make.

Daniel Yankelovich - Yankelovich Partners Market Research Inc: Products have always had an emotional meaning. What was new was individuality. The idea that this product expresses me and whether it was a small European car, the particular music system, your presentation of self, your clothing, these become ways in which people can spend their money in order to say to the world who they are. But the manufacturers they had no idea what was going on with consumers and in the market of life.

Major advertising companies set up what they called operating groups to try and work out how to appeal to these new individuals. The head of one agency sent a memo to all staff. We must conform he told them to the new non-conformists. We must listen to the music of Bobby Dylan and go to the theater more. But the problem was fewer of the self-expressive individuals would take part in focus groups. The advertisers were left to their own devices.

And there was an even more serious problem. To make more products for people who wanted to express themselves would mean creating variety. But the systems of mass production that had been developed in America were only profitable if they made large numbers of the same objects. This had fitted perfectly with the limited range of desires of a conformist society. The expressive self threatened this whole system of manufacturing. And the threat was about to grow rapidly because an entrepreneur had invented a way of mass producing this new independent self. He was called Werner Erhard.

Erhard had invented a system called EST - Erhard Seminar Training. Hundreds of people came for weekend sessions to be taught how to be themselves, and EST was soon copied by other groups like Exegesis in Britain. Many of Erhard's techniques came from the human potential movement. He criticized the movement for not having gone far enough. Their idea that there was a central core inside all human beings was he said just another limitation on human freedom. In reality there was no fixed self which meant that you could be anything that you wanted to be.

Werner Erhard - Founder of EST - The thesis of the human potential movement was that there was something really good down in there and if you took these layers off what you were going to wind up with was a kernel, a something that was innately self-expressive that was the true self

that was going to be a wonderful thing. In actuality we found people who had gone to the last layer and took off the last layer and found what was left was nothing.

The EST sessions were intense and often brutal. The participants signed contracts agreeing not to leave and to allow the trainers to do anything they thought was necessary to break down their socially constructed identities.

Werner Erhard - Founder of EST - The real point to the EST training was to go down through layer after layer after layer until you got to the last layer and peeled it off where the recognition was that it's really all meaningless and empty. Now, that's existentialism's end point. EST went a step further in that people began to recognize that it was not only meaningless and empty, but that it was empty and meaningless that it was meaningless and empty, and in that there's an enormous freedom. All of the constrictions, all of the rules that you placed on yourself, are gone. And what you are left with is nothing, and nothing is an extraordinarily powerful place to stand because it is only from nothing that you can create and from this nothing people were able to invent a life, allowing them to create themselves. To invent themselves. You could be what you wanted to be.

Jesse Kornbluth - Journalist, New Times 1970s - What Erhard did was to say that only the individual matters, that there is no societal concern, that you living a fulfilled life is all you need to be concerned about. EST people came out of those training sessions thinking that it wasn't selfish to only be thinking about yourself, it was your highest duty.

John Denver - EST Graduate (being interviewed on television) - The training is two weekends and it was quite an incredible experience in my life, and I'll forever be grateful for it. I got a great deal out of it. We really want to know who we are, there are things going on where we learn a great deal about ourselves all the time, and to really find out what it is about us that makes us tick and how we are discovering ourselves.

EST became hugely successful. Singers, film stars, and hundreds of thousands of ordinary Americans underwent the training in the 1970s. But in the process the political idea that had begun the movement of personal transformation began to disappear. The original vision, that being through discovering and expressing yourself a new culture would be born, one that would challenge the power of the state. What was emerging was the idea that people could be happy simply within themselves and that changing society was irrelevant. One of the proponents of this was Jerry Rubin. In 1968 Rubin, as leader of the Yippies had led the march on Chicago. But now he had undergone EST training.

Jerry Rubin - Founder of Yippie Party - Interviewed 1978 - I was willing to die and I had a martyr complex in a sense, I think we all did, and I've given up that ideal - sacrifice. I'm not as overwhelmingly moved by injustice as I was. And now we've reincarnated ourselves from within.

Stew Albert - Founder member of Yippie Party - Basically the politics were lost and totally replaced by this lifestyle and then the desire to become deeper and deeper into the self. By now a grandiose sense of the self. And my good friend and one of the original Yippie founders Jerry

Rubin definitely moved in that direction and I think he was beginning to buy into the notion that he could be happy and fully self-developed on his own. Socialism in one person. Although that of course is capitalism.

Werner Erhard - Founder of EST - That's the whole joke. I think it's funny because people spend so much of their life being bedeviled by their past and being locked into their past, and being limited by their past, and there's an enormous freedom from that, letting people create themselves.

EST was only the most vivid intense expression of a movement that was moving rapidly through all strata of American society. Books and television programs promoted the idea that one's first duty was to be one's self. And those monitoring this shift were astonished at the speed with which the idea was spreading.

Daniel Yankelovich - Yankelovich Partners Market Research Inc. - In 1970 it was a small percentage of the total population, maybe 3 to 5 percent. By 1980 it had spread to the vast majority of the public up to 80 percent. That this pre-occupation with the self and the inner self, traveled and spread throughout the society in the 1970s. But then the problem becomes how do you be self-expressive.

And it was at this point that American capitalism decided it was going to step in and help these individuals to express themselves and in the process make a lot of money. The first thing they were going to do was to find a way of getting inside their heads to discover what these new beings wanted in order to be themselves. This came not from Madison Avenue but from one of the most powerful scientific research institutes in America. Stanford Research Institute (SRI) in California worked for corporations and government. It had done much of the early work on computers and was also working for the department of defense and what would become the Star Wars project. In 1978 a group of economists and psychologists at SRI decided to find a way to read, measure, and fulfill the desires of these new unpredictable consumers.

Jay Ogilvy - Director of Psychological Values Research, SRI 1979-88 - The idea was to create a rigorous tool for measuring a whole range of desires, wishes, values, that prior to that time had been overlooked. They say in business, you know, 'What gets measured, gets done'. We were basically telling manufacturers if you are really going to satisfy not just the basic needs but individuated wants, whims and desires of more highly developed human beings you are going to have to segment, you are going to have to individuate.

To do this SRI turned for help to those who had begun the liberation of the self. In particular one of the leaders of the human potential movement, a psychologist called Abraham Maslow. Through the observing the work of places like Esalen, Maslow had invented a new system of psychological types. He called it the hierarchy of needs, and it described the different emotional stages that people had gone through as they liberated their feelings. At the top was self-actualization. This was the point at which individuals became completely self-directed and free of society.

The team at SRI thought that Maslow's hierarchy might form a basis for a new way to categorize society. Not by social class, but by different psychological desires and drives. To test this, they designed a huge questionnaire with hundreds of questions about how people saw themselves - their inner values. The questions were designed to see whether people fitted into Maslow's categories.

Amina Marie Spengler - Director Psychological Values Research Program 1978-86 - We were trying to find out what people really felt like. So we asked these really penetrating questions and we hired a company that administers surveys to do them and they said they had never seen anything like it. Usually you have to send out a postcard and then in six weeks another postcard and then you have to call the people up, you know to get the return rates up, we had an 86 percent return and they only sent out a postcard. People loved filling out this questionnaire. We got several questionnaires back with a note attached saying do you have any other questionnaires I can fill out? Because we were asking people to think about things that they had never thought about before and they liked thinking them. Like what they felt inside, what motivated them, what was their life about, what was important to them. It was sort of like, wow.

The answers were then analyzed by computer. It revealed there were underlying patterns in the way people felt about themselves which fitted Maslow's categories. And at the top of the hierarchy were a large and growing group which cut across all social classes. The SRI called them the inner directives. These were people who felt they were not defined by their place in society but by the choices they made themselves. But what SRI discovered was that these people could be defined by the different patterns of behavior through which they chose to express themselves. Self-expression was not infinite, it fell into identifiable types. The SRI team invented a new term for it - lifestyles. They had managed to categorize the new individualism. They called their system Values and Lifestyles, VALs for short.

SRI Values and Lifestyles promotional video 1983 - At the forefront of this change are three new VALs groups, groups we call inner directed. These are people for whom personal satisfaction is more important than status or money. They tend to be self-expressive, complex, and individualistic. Rob is an I-am-me. I am me's are searching for new values, breaking away from traditions and inventing their own standards. Rob even invented his own name - Rob Noxious. Jody is an Experiential. This is a group seeking inner growth through direct experience. Experiencing are in one place much, this is the try-anything-once crowd, and all that activity takes goods and services. Their hobbies are hands-on and their possessions are simple but not always simply priced. Societally Conscious - (man speaking) I'm a bookseller, I'm a businessman but that doesn't necessarily mean that I believe in capitalism, it just happens to be what I am doing now.

SRI created a simplified questionnaire with just 30 key questions. Anyone who answered them could immediately be fitted into a dozen or so of these groups. It allowed businesses to identify which groups were buying their products and from that how the goods could be marketed so they became powerful emblems of those groups' inner values and lifestyles. It was the beginning of lifestyle marketing.

Amina Marie Spengler - Director Psychological Values Research Program 1978-86 - So it allowed people not just to look at people as demographics of age and income or whatever, but to really understand the underlying motivations. I mean most of marketing was looking at people's actions and trying to figure out what to do, but what we were doing was we were trying to look at people's underlying values so that we could predict what is their lifestyle, what kind of house did they live in, what kind of car did they drive. So the corporations were then able to sell things to them by understanding them by having labels, by knowing what people looked like, by where they lived, by what their lifestyles are.

If a new product expressed a particular group's values it would be bought them. This is what made the Values and Lifestyles system so powerful. Its ability to predict what new products self-actualizers would choose. This power was about to be demonstrated dramatically. VALs was about to show not just what products they would buy, but the politicians they were going to elect. In 1980 Ronald Reagan ran for president. He and his advisors were convinced they could win on a program of new individualism. It would be an attack on 50 years of government interference in people's lives.

Jeffery Bell - Speech writer for Ronald Reagan 1976-81 - I wrote a speech about let the people make the basic decisions, get judges out of the way, get bureaucrats out of the way, get centralized government out of the way. I gave Reagan a choice of several titles for the speech, and the one he picked was Let the People Rule, Let the People Regain Rule, regain control over their own destiny away from a remote elite in Washington. It was radical. Modern Republicans thought it was suicide, Jimmy Carter called it ridiculous, the press was extremely negative, but the odd thing was that it polled it very well in New Hampshire, the first primary state that we had to win.

What was odd was there seemed to be a strange mosaic of support for Reagan's policies. The traditional pollsters could see no coherent pattern across class age or gender. But those who had developed the Values and Lifestyles system believed that they knew why. They were testing their system in both America and Britain and they were convinced that both Reagan's and Thatcher's message about individual freedom would appeal to the group at the top of their hierarchy, the inner directed, because it fitted with the way they saw themselves.

Christine MacNulty - Program Manager - SRI Values and Lifestyles Team 1978-81 - They were really concerned about being individuals, about being individualistic, and so in the early stages when we were looking at the messages that both Thatcher and Reagan were putting across we said they are using words that will really appeal to a lot of younger people and particularly the people who are moving towards self-actualization. We called them the inner directed people. A lot of our colleagues said that's absolutely ridiculous because inner directeds are very socially aware, very socially concerned, they'll never vote conservative, or they'll never vote for the Republicans, but we said if Thatcher and Reagan continue to appeal to them in this way they really will.

The idea that the new self-actualizing individuals would choose a politician from the right not the left seemed extraordinary. To test their prediction the values and lifestyles team did a survey of voting intentions and they correlated it with their new psychological categories.

Christine MacNulty - Program Manager - SRI Values and Lifestyles Team 1978-81 - When we said in our surveys who are you going to vote for, sure enough it was the inner directeds that said they were going to vote for Thatcher and for Reagan. And they made the difference in those elections. And it really surprised my colleagues even within my own organization. It really showed the power of this approach because it's very difficult to identify inner directed on the street. These people who voted for Thatcher and Reagan, these inner directeds, came from any walk of life. It's really hardly correlated in social class at all. I mean if you just go along and look at age, sex, and social class, you would never pick them up. But if you really go along with a questionnaire that gets at their values then you can identify them very easily, and that was completely new.

At the beginning of 1981 Ronald Reagan was inaugurated as president. But he took charge of a country that was facing economic disaster. The terrible inflation of the 1970s destroyed much of America's heavy industries. Millions were unemployed. But true to his campaign promises Reagan told the country he would not step in to help as all previous governments had since the war. But America's ailing economy was about to be rescued not by government, but by the new groups' market researchers had identified, the self-actualizing individuals. They were about to become the motor for what would be called the new economy.

Renee M. Love Chairman and CEO Omega Group Inc. - One technique is that we ask people the same question over and over again. We say what do you want, what do you really want, what do you want that for and they start to talk about it and they kind of get intimate with what's going on. What we're doing with that technique is unpeeling the onion. If you want to think of a person as having layers and layers and layers of protection, thoughts and belief, we want to get to the center core.

In the wake of the invention of Values and Lifestyles a vast industry of psychological market research grew out. And the old technique of the focus group invented by the Freudian psychoanalysts of the fifties was used in a new and powerful way. The original aim of the focus group had been to find ways to entice people to buy a limited range of mass-produced goods. But now focus groups were used in a different way, to explore the inner feelings of lifestyle groups and out of that invent whole new ranges of products which would allow those groups to express what they felt was their individuality. And the generation who had once rebelled against the conformity imposed by consumerism now embraced it because it helped them to be themselves.

Stew Albert - Founder member of Yippie Party - What capitalism managed to do that was brilliant was to actually create products that people like me would be interested in. That people like Jerry Rubin would be interested in. Capitalism developed a whole industry at developing products that evoke a larger sense of self, that seemed to agree with us that the self was infinite, that you could be anything that you wanted to be. That took our philosophy and agreed with it. And that created products that supposedly helped you be this limitless self. The product sells you a way of life, a way of being. The products sell you values. You dress this way, you live in a house like this, you have furniture like this, you use this computer, you eat in these restaurants, there are values there. Hipness, coolness, so the notion that you could buy an identity would place the original movement notion that you were perfectly free to create an identity. And you were perfectly free to change the world and make the world anything that you wanted it to be.

And this vast range of new desires fitted perfectly with changes in industrial production. Computers now allowed manufacturers to economically produce short runs of consumer goods. The old restrictions of mass production disappeared, as did the worry that bedeviled corporate America ever since mass production had been invented. That they would produce too many goods. With the new self, consumer desire seemed to have no limit.

Daniel Yankelovich - Yankelovich Partners Market Research Inc. - In the United States the concern of companies was always that supply would outstrip demand. That we were producing too much and that there was not a market for it. You don't hear that kind of talk anymore because you've gone from a conception of a market of limited needs, and if you've filled them their filled, to a market of unlimited ever changing needs dominated by self-expressiveness, that products and services can satisfy in an endless variety of ways and ways that change all the time. And consequently economies have unlimited horizons.

Out of this explosion of desire came what seemed a never ending consumer being that regenerated the American economy. The original idea had been the liberation of the self would create new kinds of people free of social constraint. That radical change had happened. But while the new beings felt liberated they had become increasingly dependent in their identity on business. The corporations had realized that it was in their interest to encourage people to feel that they were individuals and offer them ways to express their individuality. The world in which people felt they were rebelling against conformity was not a threat to business but it's greatest opportunity.

Robert Reich - Economist and member of Clinton Cabinet 1993-1997 - It was in a sense the triumph of the self, it was the triumph of a certain self-indulgence, a view that everything in the world and all moral judgment was appropriately viewed through the lens of personal satisfaction. Indeed the ultimate ending point of that logic is that there is no society, there is only a bunch of individual people making individual choices about their own individual wellbeing.

Next week's episodes tells the story of how politicians on the left in both Britain and America turned to the techniques developed by business in order to regain power. But what they didn't realize was what had worked for business would undermine the very basis of their political beliefs. They would find themselves trapped by the greedy desires of the new self.

Century of the Self

Part 4 - Eight People Sipping Wine in Kettering

This is the story of the rise of an idea that has come to dominate our society. It is the belief that satisfaction of individual feelings and desires is our highest priority. Previous episodes have shown that this rise of the self was fostered and promoted by business. They had used the ideas of Sigmund Freud to develop techniques to read the inner desires of individuals and then fulfill them with products. This final episode is about how that idea took over politics. It tells the story of how politicians on the left in both America and Britain turned to these techniques to regain power. They believed that they were creating a new and better form of democracy, one that truly responded to the inner feelings of individuals. But what the politicians didn't realize was that the aim of those who had originally created these techniques had not been to liberate the people but to develop a new way of controlling them in a new age of mass democracy.

The roots of the story lie way back in the America of the 1920s with one man. He was called Edward Bernays, the nephew of Sigmund Freud. Bernays had been one of the inventors of the profession of public relations and he was fascinated by his uncle's theory that human behavior was driven by unconscious sexual and aggressive drives. Many of Bernays' clients were large American corporations and he was the first person to show them how they could sell many more products if they link them through images and symbols to those unconscious desires that Freud had identified.

Stuart Ewen - Historian of Public Relations - The strategy he offered them was that people could now look at goods that emerging within the society and not merely view those goods as things that they needed in order to deal with some specific material want but also as goods which will stroke and respond to deep emotional yearnings. You know, how this bar of soap or this bag of flour will make me a happier more successful more sexually appealing less fearful person. Somebody to be admired rather than reviled. The powerful people in that world are those people who are capable of reading the public mind and giving the public what it wants in those terms. Bernays was the guy who was the foremost articulator of the theories which were driving this new system.

By the 1980s Bernays' ideas had come of age. A vast industry had grown up in America devoted to reading the inner desires of consumers. At its heart was the technique of the focus group. Previous episodes have shown how the focus group was invented by psychoanalysts employed by US corporations. The aim was to allow consumers to express their inner feelings and needs just as patients did in psychoanalysis. The information was then used to promote and design new products which would fulfill those desires. And Edward Bernays who was now nearly a hundred years old was celebrated as the founding father of this marketing world.

And Bernays' ideas and techniques were also about to conquer Britain in the 1980s. Unlike America the ruling elites in Britain had always distrusted the idea of pandering to the masses. It was epitomized by the patrician elite who ran the BBC. Even as late as the 60s the popular programs were referred to as 'ground bait'. Their real job was to lure the viewers into watching

more serious programs the elite knew was good for them. And market research reflected this attitude. Individuals were observed and classified by market researchers according to their social class from A through C2, D and E. When people were asked their opinion about both products and politics they were selected by social class and asked only strictly factual questions about what they thought. The idea that one might ask people what they themselves felt and desired and then give it to them was seen as alien to the ruling elites and to challenge their belief that they knew was best for the public.

But then in the economic crisis of the mid-70s British industries were forced to begin to pay attention to the inner feelings of consumers. As the recession deepened consumer spending fell dramatically and the advertisers insisted that the only way for companies to survive was to make their advertising more effective. And to do this they would have to delve into people's underlying psychological motives for purchasing. The advertising industry started to bring in Americans to run focus groups with British housewives.

The consumers were encouraged to play at being products from household cleaners to car seatbelts. The aim was not to talk rational, but to act out and reveal the inner emotional relationship to products. And then a politician emerged who also believed that people should be allowed to express themselves. Instead of being controlled by the state the individual should become the central focus of society.

Margaret Thatcher - Conservative Party Conference 1975 - Some socialists seem to believe that people should be numbers in a state computer. We believe they should be individuals. We're all unequal. No one thank heavens is quite like anyone else however much the socialists may pretend otherwise and we believe that everyone has the right to be unequal. But to us every human being is equally important. A man's right to work as he will, to spend what he earns, to own property, to have the state as servant and not as master, they are the essence of a free economy. On that freedom all our other freedoms depend.

Mrs. Thatcher's vision was of a society in which the wants and desires of millions of individuals would be satisfied through the free market. This, she believed, would be the engine to regenerate Britain. And with her ascent to power the advertising and marketing industries flourished. Their task was to find out what the British people really wanted and then sell it to them. In this new climate, the focus group flourished, and those who ran them borrowed from the techniques of psychotherapy to delve ever deeper into people's feelings about products.

Out of this research the marketers began to detect a new individualism. In particular among those who had voted conservative for the first time in 1979. They no longer wanted to be seen as part of social classes but to express themselves. And crucial to this were the products they chose to buy.

Stephen Wells - Co-founder, Consumer Connection - We found that there was this trend towards what we called individualism where people still wanted to be part of a crowd but to express themselves as individuals within it. To have their own personalities, to be, I suppose, their own man.

Business responded eagerly to this new individualism and it soon became one of the main forces driving the consumer boom growing in Britain. Using the data from the focus groups, manufacturers created new ranges of products that allow people to express their individuality. Business also recategorized people. They were no longer divided by social class but by their inner psychological needs.

John Banks - Chairman, Young and Rubicam - If the primary need is security and belonging we call the groups Mainstreamers, if it's status and the esteem of others then it's Aspirers, if it's control it's Succeeders, and if it's self-esteem it's Reformers.

And this new marketing culture began to take over the institutions previously dominated by attrition elite, particularly the world of journalism. The assault was led by the profession of public relations. In the past PR had been seen as seedy and corrupt, but now it became a glamorous business promoting products and celebrities. And one of the rising stars was another member of the Freud family, Matthew Freud, the son of the liberal MP (Member of Parliament) Clement. What Freud and other PRs realized was that they could use their celebrities as levers to infiltrate their advertising into the editorial content of newspapers. The newspapers were offered exclusive interviews with celebrities but only if they also agreed to mention products made by Freud's corporate clients in terms dictated by the company.

Matthew Wright - Tabloid Journalist 1993-2000 - What happened with Freuds was you effectively got some kind of product placement or even product-- the manufacturers of products got some degree of control over how their products would appear in print. So if for example you wanted to write about Caprice's passion for stuffed crust pizza you would sign a contract which guaranteed that you would mention the firm Pizza Hut at least twice in certain positions in the introductory portion of the article and you would agree to run the Pizza Hut logo at such and such a size and such and such a place and of course that you would agree to run the enclosed pictures of Caprice eating her stuffed crust pizza. There was no choice about you would run this article as you were effectively told how to run the article in the press by Freuds. It's a rise of the corporate culture and the rise of business.

To traditional journalists this infiltration of advertising into the editorial pages was a corruption of their profession. But to Mrs. Thatcher's allies like Rupert Murdoch who owned The Sun and The Times, it was part of a democratic revolution against an arrogant elite who had for too long ignored the feelings of the masses.

Rupert Murdoch - Owner, Times Newspapers (interview from that period) - They hate to see someone communicating with the masses. They feel that newspapers, the written word is not for the masses. That should be left to television or perhaps to nobody. I'm very proud of The Sun and The Sun was not represented tonight in your film you just took page three which everyone seems so fascinated with, what about page one, or page two, every other page of the paper. That was typical piece of slanting and elitism by the BBC who after all in order to get viewers for this program put on a very sexy episode of Star Trek which I was just watching out in the room there. Interviewer: I don't think they put it on to get us viewers I think we are just lucky to follow them. Murdoch: They try to carry viewers into these programs, I know how it's done.

By the late 80s Mrs. Thatcher and her allies in advertising and the media had brought the desires of the individual to the center of society. As last week's episode showed it was the same transformation that President Reagan had brought about in America. Both politicians had encouraged business to take over from government the role of fulfilling the needs of the people. In the process consumers were encouraged to see the satisfaction of their desires as the overriding priority. To Thatcher and Reagan this was a new and better form of democracy. But to their opponents in the parties of the left they had summoned up the most selfish and greedy aspects of human nature.

Robert Reich - Member of Clinton Cabinet 1993-1997 - Ronald Reagan and Margaret Thatcher both embraced an economic philosophy that says the unit of judgment was not only the individual but it was the individual's personal satisfaction, the individual's own unique happiness and wellbeing. It was in a sense the triumph of regarding individuals as purely emotional beings who have needs and wants and desires that need to be satisfied and can be satisfied unconsciously. It goes way back to the early part of the 20th century to Freud, to notions of the unconscious, the assumptions that in terms of our rational minds we are little corks bobbing around on this great sea of hopes and fears and desires of which we are only thinly aware and that the world of a marketer, the role of somebody selling something, including a politician is to appeal to this great swamp of desire, of unconscious desire.

The left believed the opposite. That the way to create a better society was not to treat people as emotional isolated individuals, but to persuade them to realize that they had common interests with others. To help them rise above their individual feelings and fears.

President Roosevelt - 1933 - Let me assert my firm belief that the only thing we have to fear is fear itself. Nameless, unreasoning, unjustified terror which paralyzes needed efforts to convert retreat into advance.

This idea had flourished in America in the depression of the 1930s. President Roosevelt faced with the chaos caused by the Wall Street crash encouraged Americans to join together in trade unions, to set up consumer groups, and to pay for a welfare system for those trapped in poverty. His aim was to create a collective awareness which would become a powerful weapon against the unfettered power of capitalism which had caused the crisis. That idea had driven the Democratic Party for fifty years. But now, Roosevelt's inheritors railed vainly against the effects of the self-interest encouraged by President Reagan.

Mario Cuomo - Democratic Party Convention 1984 - (speech) There is despair Mr. President in the faces that you don't see. Maybe Mr. President if you stop in at a shelter in Chicago and spoke to the homeless there, Maybe Mr. President if you asked the woman who had been denied the help she needed to feed her children because you said you needed the money for a tax break for a millionaire or for a missile we couldn't afford to use.

Mario Cuomo - Governor, New York 1982-95 - The worst thing Ronald Reagan did was to make the denial of compassion respectable. He said you've worked hard, you've made your money, you shouldn't have to feel guilty about refusing to throw it away on people who choose to be

homeless and who choose not to work. That's what he said. He said it with an elegance and kind of a benign aspect that disguised its harshness.

That same idea - marshalling the collective force of the masses to challenge the entrenched power of wealth and business had also led the labor party to power in Britain after the war. But in the 80s labor like the democrats in America lost election after election as millions who had once voted for them switched their allegiance to the conservatives. In the face of this a growing number in the labor party became convinced that if they were ever going to regain power labor would have to come to terms with the new individualism. One of them was an advertising executive called Phillip Gould who had been a lifelong labor supporter. Gould believed that labor's leadership had become corrupted by the same patrician arrogance that dominated all of Britain's institutions. They denigrated and disapproved the new aspirations of working class voters.

Philip Gould - Strategy Advisor to the Labor Party 1985-present day - Labor stopped listening to these people. And I remember the best example of this was after the election of 1983 which was the election above all where the people's voices were just not heard. And I had dinner with a leading labor party figure who had been heavily involved in the defeat and his wife said 'God these working class people we give them an education and give them chances in life and what do they do they read The Sun and they just don't vote for us.' And there was such a gap between these people just trying to make better lives for themselves and the kind of elitism of the labor party there was just this chasm that had to be filled.

Gould became part of a small group of modernizers centered around Peter Mandelson. Their aim was to reconnect labor with the lost voters. To do this Gould turned to the technique that he knew well from his work in advertising - the focus group. Gould commissioned focus groups in suburban areas across the country with small groups of voters who had switched to Mrs. Thatcher. People were encouraged not to talk rationally about policies but to express their underlying feelings. And what Gould discovered was a fundamental shift in people's relationship to politics. They no longer saw themselves as part of any group but as individuals who could demand things from politicians in return for paying taxes. Just as business had taught them to do as consumers.

Philip Gould - Strategy Advisor to the Labor Party 1985-present day - And I found that people had become consumers, you know people wanted to have politics and life on their own terms. I mean not just in politics but in all aspects of life too. People see themselves as they are, as autonomous powerful individuals who are entitled to be respected, who are entitled to have the best not just in (goods) but the best in health and in education too. All this was about getting the labor party to understand that people really really really had changed and unless the labor party changed it would not win.

Philip Gould now set out to try and persuade the labor party they would have to make concessions to what he called the new aspirational classes. He was going to face implacable opposition. In the run up to the 1992 election Gould argued that the only way to win was for labor not to put up (raise) taxes. But the Shadow Chancellor John Smith angrily refused. Labor would stick to its fundamental policies. They would fight the election with the promise of tax

increases to create a fairer society. And as the campaign began it seemed as if Philip Gould was wrong. The traditional polls consistently showed labor ahead despite the conservative campaign message that labor government would put up (raise) taxes. Even the conservative's oldest allies in the press became convinced that by harping on about tax the conservatives were cutting their own throats. And labor party too was convinced it would win and finally return to power.

Those running labor's campaign believed that by modern presentation they would attract back the voters yet keep the old policies. But Philip Gould was convinced that labor was going to lose. Through his focus groups he knew that the very people that were telling the traditional pollsters they would vote labor were in reality preparing to vote conservative out of self-interest but they were too embarrassed to admit it. And John Major also knew this because his focus groups were telling him the same thing.

John Major's victory in 1992 was a disaster for the labor party. The small group of reformers centered around Peter Mandelson and Philip Gould were convinced that the only way for the party to survive was to change its basic policies. But their ideas were rejected by John Smith who had now become leader. Philip Gould left Britain to go work for the campaign to elect Bill Clinton President in America.

Philip Gould - Strategy Advisor to the Labor Party 1985-present day - The 1992 election, during and afterward people felt under great strain and really did feel demoralized and dejected and to from this to the Clinton campaign was an extraordinary experience because here suddenly I found articulated many of the ideas I had but I myself had fully been able to encapsulate or articulate.

What Gould discovered was that like the labor party the democrats had also been doing focus groups with swing voters. The difference was that Bill Clinton had decided to tailor his policies to fit with these voters' desires. Above all with their ferocious belief that they should only pay tax for things that benefitted them, not for the welfare of others. The Clinton team decided that to win they had to promise tax cuts for these suburban voters. And they also used the focus groups throughout the campaign to check every appearance, speech and policy with them for their approval. What Clinton called the forgotten middle class became central figures in a new type of reactive politics.

Robert Reich - Member of Clinton Cabinet 1993-1997 - Candidates for the presidency of the United States has been pre-packaged and designed for many many years. What was new was an attempt to use very sophisticated or pseudo-sophisticated techniques to plum the public psychology to find out precisely what the desires of the individuals were and then to come up with a candidate and a platform and images and words that exactly responded to those deep desires. This was packaging at a new level. This was polling at an extreme.

But Clinton's campaign team led by James Carvell and George Stephanopoulos did not believe that they were capitulating to the selfish desires of the middle classes. Tax cuts were the price they had to pay to regain power. But once in power they would still fulfill traditional democratic policies and help the poor who had been neglected under Reagan, above all with the reform of health care. They would pay for the tax cuts by cutting defense spending and increasing taxes on

the very rich. In this way they believed they were forging a coalition of the new and the old voters both of whom could be satisfied.

But the democrats' optimism was to be short-lived. In November 1992 Clinton was triumphantly elected President. But within weeks his administration discovered that the budgets deficit was far greater than they had anticipated. At a meeting in the White House in January 1993 the head of the Federal Reserve told them that the deficit was nearly 300 Billion dollars. There was no way they could borrow more without panicking the markets and causing a crisis. The only way to pay for the proposed tax cuts would be to cut government spending not just in defense but on welfare. Clinton was faced with a choice between the old politics and the new and he chose the old. The tax cuts were dropped and he tried to inspire the country with the old democratic ideal of government spending to help the poor and disadvantaged.

Robert Reich - Member of Clinton Cabinet 1993-1997 - At the start of the Clinton administration many of us including I believe President Clinton himself reverted back to an older tradition, tried to lift the public to talk about genuine ideals beyond the individual. And that reformed agenda being not only universal health care, and child care, and dealing with the widening inequalities in our society, and homelessness, many things that many citizens - particularly middle income citizens just didn't want to deal with.

But the suburban voters who had been promised tax cuts were not inspired by Bill Clinton's vision. They felt betrayed and wanted revenge. Their opportunity came in 1994 with the congressional elections. The Republicans led by Newt Gingrich promised huge tax cuts and to dismantle the welfare system. The voters who had defected to Clinton switched sides yet again and the Republicans won both houses of Congress in a landslide. For Clinton it was a disaster. Faced with a hostile congress there was no way for him to get his reforms through. His personal popularity plummeted and it seemed certain he would not be re-elected in two years' time. In desperation and without telling his cabinet Clinton turned for help to one of America's most ruthless political strategists, Dick Morris.

Dick Morris - Strategy Advisor to President Clinton 1994-1996 - Clinton was in serious trouble he had lost the 94 election, he had lost control of Congress, and he hired me to come back and save him. So he was basically asking me to perform roughly the same role as a life preserver would if you are drowning.

What Morris told Clinton was that to win re-election he would have to transform the very nature of politics. The crucial swing voters in the suburbs now thought and behaved like consumers. The only way to win them back was to forget all ideology and instead turn politics into a form of consumer business. Clinton must try to identify their personal desires and whims and then promise to fulfill them. If he followed those consumer rules they would follow him.

Dick Morris - Strategy Advisor to President Clinton 1994-1996 - I said that I felt the most important thing for him to do was to bring to the political system the same consumer rules philosophy that the business community has. Because I think politics needs to be as responsive to the whims and desires of the marketplace as business is. And it needs to be sensitive to the bottom line - profits or votes - as a business is. I think all of this involves a changed view of the

voters so that instead of treating them as targets you treat them as owners. Instead of treating them as something that you can manipulate you treat them as something you need to learn from. And instead of feeling that you can stay in one place and you can manipulate the voters you need to learn what they want and move yourself to accommodate them.

To get inside the minds of the swing voters Morris brought lifestyle marketing into politics for the first time. He went to one of America's most prominent market research firms called Penn and Schoen and commissioned what they called a neuro-personality poll. It was a massive survey of hundreds of thousands of voters but the only political questions it asked were to find out if someone was a swing voter or not. All the other questions were intimate psychological ones designed to see whether swing voters fell into identifiable psychological types.

Mark Penn - Market Researcher for President Clinton - 1995-2000 - Well we were asking people questions like do you think you're the life of the party? Do you think when you see things you like to have a list and organize them? Do you like to plan things ahead or be more spontaneous? Where do you like to go? What sports do you like to play? What would you do with your spouse on a romantic weekend? So we were asking people some very personal questions about their own lives to see were the kinds of people that were likely to change their vote also possessing a certain kind of personality traits and in fact they were.

The neuro-personality poll allowed the Clinton team to segment swing voters into different lifestyle types. They were given names like Pools and Patios, or Caps and Gowns who were urban intellectuals living in university towns. From this, the team could identify ways in which they could make individuals feel more secure in their chosen lifestyles. Just as business had learned to do with products. Dick Morris called it small-bore politics. Tiny details of people's personal lives and personal anxieties which politics never even thought about or noticed before but which now had become the key to winning power.

Doug Schoen - Market Researcher for President Clinton - 1995-2000 - It was an America that focused on day to day practical concerns - should I wear seatbelts, should I stop smoking, should I wear a school uniform, is my neighborhood being protected. It was not so much a new individualism as the social order as we had known it had broken down so we got into people's heads, understood their psychology about lifestyle, about values, what they thought was important, what issues they wanted politicians and the president to address. And these issues proved to be very very different from what the conventional wisdom had suggested.

As the election campaign began, Clinton revealed Morris's new approach to a shocked White House. All traditional policies were to be dropped. Instead he would concentrate exclusively on policies that targeted the worries of swing voters. V-Chips would be fitted into televisions to prevent children from watching pornography and mobile phones would be fitted into school buses to make parents feel more secure. Dick Morris also persuaded the president to spend his leisure time in the same way as particular swing voters. He sent Clinton on a hunting holiday dressed in exactly the Gortex outfits the group called Big Sky Families liked. The aim was to reflect swing voters lifestyles back to them. The liberals in Clinton's cabinet hated this approach.

Robert Reich - Member of Clinton Cabinet 1993-1997 - I would say Dick why have a campaign if all the president is going to do is offer up all these little bite-sized miniature initiatives that appealed to people desires like consumers buying soap. V-Chips that you could put in your televisions so children could not have pornography and school uniforms. Why talk about them, they're so mundane and they're so tiny, and he would say if we don't do this we may not get re-elected. And I would say what's the point of getting re-elected if you have no mandate to do anything when you're re-elected and he'd say what's the point of having a mandate if you can't get re-elected? Isn't the ultimate goal getting re-elected?

But Morris's new politics were an extraordinary success. Clinton's ratings among the swing voters began to soar and Dick Morris along with the marketeer Mark Penn took effective charge of making White House policy. Mark Penn set up a huge call center in an office block in Denver and every night hundreds of telephone operators called swing voters in suburbs across the country to check with them every detail of policies Clinton was proposing.

James Bennet - Washington correspondent, New York Times - The policy was made by a group of people manning telephones in Denver Colorado placing calls to voters in places like Westchester and Pasadena and asking them what they wanted from their government, and asking them very specifically about specific policies that Bill Clinton was considering. Would you be more likely to support him if he offered this particular government service or if he offered that one. Those people told them what they thought, Mark Penn transmitted that to Bill Clinton and it came out of his mouth. So essentially it was suburbanite voters, suburban voters in the 90s were creating American domestic policy and some of its foreign policy as well. Mark Penn was polling on questions like whether we should bomb in Bosnia, things like that.

Morris also insisted that Clinton make a symbolic sacrifice of the old politics to convince the swing voters to trust him. In August 1996 Clinton signed a bill which ended the system of guaranteed help to poor and unemployed. Welfare would be cut back after two years in order to force people into work. The new system was called Welfare to Work and would be said be a hand up not a hand out. It was the effective end of the guaranteed welfare system created by President Roosevelt 60 years before. For many in Clinton's cabinet it was also the end of the progressive political ideal that Roosevelt had represented. The belief that one used a position of leadership to persuade the voters to think and behave as social beings, not as self-interested individuals.

Robert Reich - Member of Clinton Cabinet 1993-1997 - Dick Morris and the pollsters had won. And by that I mean the people who ultimately got to the president shared the president's mind were those who viewed the voters as just a collection of individual desires that had to be catered to and pandered to. It suggests that democracy is nothing more and should be nothing more than pandering to these un-thought about very primitive desires. Primitive in the sense that they are not even necessarily conscious, just what people want in terms of satisfying themselves.

And the same triumph of the politics of the self was about to happen in Britain too. In 1994 Tony Blair had become the leader of the labor party and the reforming group centered around Peter Mandelson became all powerful. Almost every night Philip Gould ran focus groups with swing

voters in the suburbs, but this time he was listened to. The desires and fears of the new aspirational classes became the force shaping labor party policies.

Philip Gould - New Labor Strategy Advisor Election Campaign 1997 - In that period I was talking to people who used to vote conservative and were considering voting labor and they want it understood they are financially pressed and there are limits to the extent to which taxation can be improved, and they think crime is an issue that matters to them, they want welfare to go to people who deserve welfare not to people who do not. This was seen by many in the labor party as selfish. I never saw that it was selfish I believed that Dad or Mom doing the best for their families was not selfish they're just doing the best for their families, that's what people do.

Derek Draper - Assistant to Peter Mandelson 1992-1995 - The philosophy of the campaign is let's concentrate on swing voters let's focus group them to find out what they want and what will appeal to them and let's just relentlessly push those things in the election. Philip Gould was crucial because he gave the 'raw material' if you like for these politicians to do this kind of politics, in that when he came up with stuff they'd follow it, pretty much without exception. Blair himself would pour over these sort of twelve page memos and say well this is what we must do. Groups of eight people you know drinking wine and eating Cheerios what they thought determined effectively everything that the labor party did.

And although those running the campaign would like to portray the new approach as their invention it was in fact copied from the Americans even down to the phrases that the American marketeers had tested on their swing voters.

Doug Schoen - Market Researcher for President Clinton - 1995-2000 - Peter Mandelson and their team were in the United States watching what we did and copied almost verbatim our approach in their 1997 campaign. Mandelson is not a fool and if anything he saw something that worked and said why not do it. And I can remember reading their manifesto and thinking they just took it lock stock and barrel. You know on the one hand you're proud and on the other hand you're cursing.

And as in America labor was forced to drop policies that would not directly benefit the swing voters even if it meant sacrificing its fundamental principles. The commitment to public control of industry which was enshrined as Clause Four of the party constitution was dropped. The aim of Clause Four had been to use the collective power of the people to challenge the unfettered greed of business. But now Tony Blair was faced with crucial voters who no longer saw themselves as exploited by the free market. They saw themselves as individual consumers who were fulfilled and given identity by what business delivered them. The new Clause Four promised not to control the free market but to let it flourish.

Derek Draper - Assistant to Peter Mandelson 1992-1995 - What new labor did was suit people who exert power in society not through the political system or not through the democratic political system, so it's big business, and it suits interest in the status quo and just off the top of my head you know those three things are what the labor party is supposed to be a counter-force to. What that means is big business get to carry on exerting their power behind the scenes getting

their way because their no count of adding pressure because you know count of adding pressure is not going to come from eight people sipping wine in Kettering.

But those who masterminded labor's victory in 1997 saw it as a triumphant vindication of a new form of democracy. By understanding and fulfilling people's inner desires through the focus group they were giving power to individuals not treating them as faceless groups who were told by politicians what was good for them.

Philip Gould - New Labor Strategy Advisor Election Campaign 1997 - I don't see the focus group as some marketing tool I see the focus group as a way of hearing what the people have to say. And I see the focus group as a way to a new form of politics. 1997 was I think fundamentally important in that I think it is the end of elitist politics that has dominated Britain for so much of the last hundred years.

In 1939 Edward Bernays, Sigmund Freud's nephew created a vision of a future world in which the consumer was king. It was at the World's Fair in New York and Bernays called it Democracy. It was one of the earliest and most dramatic portrayals of a consumerist democracy. A society in which the needs and desires of individuals were read and fulfilled by business in the free market.

Stewart Ewen - Historian of Public Relations - The World's Fair created a spectacle in which all of these concerns were met and they met by Westinghouse and General Motors and the American Cash Register Company and company after company presented itself as the sort of centerpiece of a society in which human desire and human want and human anxiety would all be responded to and it would all be met purely through the free enterprise system. There was this sort of notion that the free market was something not guided by ideologies or by political power, it was something that was simply guided by the people's will.

This was the model of democracy both new labor and the American democrats had bought into in order to regain power. They had used techniques developed by business to read the desires of consumers and they had accepted Bernays' claim that this was a better form of democracy. But in reality the World's Fair had been an elaborate piece of propaganda designed by Bernays for his clients, the giant American corporations. Privately Bernays did not believe that true democracy could ever work. He had been profoundly influenced in this by his uncle's theories of human nature. Freud believed that individuals were not driven by rational thought but by primitive unconscious desires and feelings. And Bernays believed that this meant it was too dangerous to let the masses ever have control over their own lives and consumerism was a way of giving people the illusion of control while allowing a responsible elite to continue managing society.

Stewart Ewen - Historian of Public Relations - It's not that the people are in charge but that the people's desires are in charge. The people are not in charge the people exercise no decision-making power within this environment. So democracy is reduced from something which assumes an active citizenry to something which now increasingly is predicated on the idea of the public as passive consumers, the public as people who essentially what you are delivering them is doggy treats.

The problem for new labor was that it believed the propaganda. They took at face value the idea promoted by business that the systems used to read the consumers mind could form the basis for a new type of democracy. Once in power new labor tried to govern through a new system that Philip Gould called 'continuous democracy'. But what worked for business in designing products led the labor government into a bewildering maze of contradictory whims and desires. For much of labor's first term the focus groups said the railways were not a high priority and labors policies faithfully reflected this. But now those same groups are now blaming the government for not having invested more money sooner in the railways.

Derek Draper - Assistant to Peter Mandelson 1992-1995 - The point about focus group politics is that there isn't one because people are contradictory and irrational and so you have a problem in terms of deciding what you are going to do if all you do is listen to a mass of individual opinions that are forever fluctuating and don't really have any coherence and crucially are not set in contact. So that's why people can say you know I want lower taxes and better public services. Well of course they do. You know you say do you want to pay more taxes to get better public services and people are less sure. They then don't believe that if they pay more taxes they will be spent on better public services. So you end up in this quagmire and the truth is the politicians have to say look this is what I believe, I believe you should pay slightly more taxes to make better public services and I pledge that I am competent enough to use that money wisely do you want now to vote for me yes or no. And that's what Blair has failed to do. Tony Blair turned around and tries to feed back to them what they already believe and give them what they believe is sort of an individual incoherent contradictory nonsense and that's all he has to offer. And then he wonders why people don't get him. It isn't that they don't get him it's that they're looking for someone to do something that they can't do themselves which is actually come up with a coherent political opinion that they might have faith in.

New labor are faced with a dilemma. The system of consumer democracy they have embraced has trapped them into a series of short term and often contradictory policies. There are now growing demands that they fulfill a grander vision. That they use the power of government to deal with the problems of growing inequality and the decaying social fabric of the country. But to do this they will have to appeal to the electorate to think outside their own self-interest. And this would mean challenging the now dominant Freudian view of human beings as selfish instinct driven individuals which is a concept of human beings that has been fostered and encouraged by business because it produces ideal consumers. Although we feel we are free, in reality we like the politicians have become the slaves of our own desires. We have forgotten that we can be more than that, that there are other sides to human nature.

Robert Reich - Member of Clinton Cabinet 1993-1997 - Fundamentally here we have two different views of human nature and of democracy. You have the view that people are irrational that they are bundles of unconscious emotion that comes directly out of Freud. And businesses are very able to respond to that, that's what they have honed their skills to and that's what marketing really is all about - what are the symbols the images the music, the words that will appeal to these unconscious feelings. Politics must be more than that. Politics and leadership are about engaging the public in a rational discussion and deliberation about what is best and treating people with respect in terms of their rational abilities to debate what is best. If it's not that, if it is Freudian if it is basically a matter of appealing to the same basic unconscious feelings that

business appeals to then why not let business do it? Business can do it better, business knows how to do it. Business after all is in the business of responding to those feelings.

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