1. Klein’s Disaster Capitalism Theory

A. “free market” capitalism spreads globally by through man-made and/or natural disasters (shock).

i. shock destabilizes political, economic and social institutions

ii. shock disorients the people

iii. during this period of disaster/shock neoliberal economic policies (“shock therapy”) are introduced that would be rejected in normal times.

Privatization of the economy and services (water)

Deregulation of economy, work, environment

Cutback and elimination of social services

v. examples

B. neoliberal economic policies are based on Milton Friedman’s theory of the free market. Explain/summary

2. U.S. leaders use shock of 9-11

a. to create a privatized disaster capitalism complex

i. privatization of military (Rumsfeld, Nike and Microsoft models, private contractors, services, health care etc)

ii. privatization of intelligence (Homeland Security as a hollow shell that doles out contracts to private companies)

iii. privatization of education

b. undermine democracy

i. corporatism: corporate dominance in American society

ii. no line between corporations and political system. (Rumsfeld, Cheney)

iii. shapes policy: entire complex depends on and benefits from disasters

iv. elimination of privacy (surveillance society)