D. Late 1970s to Present: State Subsidized Monopoly Capitalism

1. Concentration of ownership: large multi-national corporations

2. Shared monopolies dominate every sector of the economy

3. Power elite

a. military-industrial-surveillance complex

b. financial complex

c. hi-tec

d. corporate media

4. Political system, judicial/legal system, and the regulatory system aresubordinate to corporate power

5. Social Construction of Corporatism

a. eternal war: cold war to global war on terror

arms race: permanent war economy

surveillance/intelligence complex

military-industrial intelligence complex

b. globalization

i. competition

ii. freetrade agreements

iii. offshoring (government subsidized costs)

c. global economic crisis

i. oil embargo

ii. stagflation

d. consequences

i. competition from Europe and Japan

i. deindustrialization of the economy

ii. loss of middle class jobs

iii. stagnant and declining wages for middle class and working class especially unskilled or semiskilled blue collar jobs

iv. longer hours, debt, home loans, women in the workforce

v. Shock

e. economic elite develop strategies in reaction to 60s, threat of the people

i. Lewis Powell: ‘Attack on the Free Enterprise System”

a. threat from many places: religion, colleges, media, arts and sciences and politicians

b. but biggest threat is . . .

c. business needs to “organize, engage in long range planning, and coordinated action”

d. Business Roundtable, think tanks, foundations, advocacy organizations, ALEC.

e. legislation, public relations, front groups, astroturf, lawsuits, control ideological institutions, PACs

ii. Samuel Huntington: “Crisis of Democracy in Americna

a. crisis: too much democracy, too much popular participation

b. threat to elite

c. reestablish power: “passify” the population

d. main group: students

e. ix. transform education: marginalize the humanities, marginalize professor who teach critical thinking, underfund education, redefine “knowledge, education, learning” as instruments to success in capitalist economy, adopt business model

iii. control media: eliminate Fairness Doctrine, FCC and public interest and vacate regulation of monopolistic practices, Telecommunications Act of 1996

iii. right wing populist movement: segment of population hurt most economic problem

create scapegoats: poor, women, students, people of color

War on Drugs

x. consumerism

xi. use economic shock and 911 to impose shock therapy

deregulation

privatization

cutback in social services