

The Disasters of Disaster Capitalism

Don LaCoss

In an airport recently, I idly watched the 24-hour cable TV news that they pipe into the waiting lounges. A big report on the current financial market smashup noted that the US stock market had tumbled 40% in less than 365 days; this, the telegenic blonde woman on the screen told me in her “No, I’m really serious, now” voice.

The report was illustrated with the usual montage of anxious and distraught anonymous floor-traders reacting in horror to the market’s convulsions. The report broke off for a commercial, which was for a promotion being run by McDonald’s where fast-food customers could try their hand at playing a game of “Monopoly” at participating local restaurants.

I found the juxtaposition of these themes to be darkly amusing. And there is a lot of gallows humor in all that’s been happening lately. Let’s admit it—it’s hard not to savor the schadenfreude when we learn that the chief executive of Lehman Brothers was coldcocked in the gym by a disgruntled employee that he encountered on the day his firm caved in, or that local county sheriffs are categorically refusing to evict families from foreclosed homes and telling the Feds to do it themselves. When gasoline exceeded \$4 a gallon earlier this summer, it wasn’t uncommon to hear Joe Sixpack fantasize at the pumps about tarring and feathering petro-capitalists; to be sure, a hard rain of suicidal financial traders pulling a Brodie out of Wall Street skyscraper windows would undoubtedly put an “I told you so” sneer on the faces of many of us.

But let’s not forget that this is the age of “disaster capitalism,” an era that Canadian anti-globalization activist Naomi Klein famously identified as a time of a particularly nasty Friedmanite counter-revolution. The neo-liberal bubble burst on September 11 and created a new economic complex of corporatized national security-state apparatuses, bureaucracies that can profitably exploit social breakdowns, and privatized no-bid war and disaster reconstruction industries whose executive officers are culled from the political elite; radical Irish social historian of science Iain Boal of the Retort collective pushes Klein’s model of disaster capitalism even further to take into account the erection of hyper-Malthusian systems of scarcity and enforced poverty.

So chalk up this current financial, credit, and economic horror show, then, to one more catastrophe that contemporary crisis capitalism will write into future business plans. Capitalism today not only survives calamity and disaster, it actually thrives on it, cultivates it, and precipitates it; invariably, capitalism will profit from it.

In short, most of the panic surrounding us right now is surface noise—capitalism being forced into cataclysmic and painful structural shifts that will ruin and wreck untold millions of lives. But it will mutate, survive, and chug along just as if nothing happened—thanks in no small part to the corporate-welfare state’s policies of “Goldman Sachs socialism” which privatizes profit and collectivizes the risk.

It is the poor, the workers, and the racial minorities who will, as always, taste the bitter, metallic, brute violence of free market capitalism firsthand rather than those bourgeois reptiles who incessantly yap about its glories and virtues.

The odious ideological work needed to rehabilitate capitalism as the only logical, natural, and available solution is already underway—the unchallenged assertion that the under-classes alone are responsible for the subprime mortgage debacle is already getting a lot of play in public discourse even as a recent poll in the Midwest indicates that

87% of the respondents felt that the economy was “heading in the wrong direction.” Before long, folks will forget that capitalism was the source of—and not the solution to—their biggest problems.

Rather than gloat from the cheap seats as capitalism seems to gasp and reel in its death-throes, I think that we should all redouble and intensify our attacks upon it. Capitalism is not dying—it is re-energizing. Let’s do the same.



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