

# The 1%'s Doctrine for the 99%

**Exclusive:** Many on the American Right insist federal actions from the Civil War to recent banking regulations were encroachments on states' rights and personal liberties, but underlying these claims in the 1860s and today is the greed of the richest 1 percent treating the 99 percent as chattel, writes Mark Ames.

By Mark Ames

A little over a year ago, while researching the Confederacy's economy, I stumbled across this unnerving graph charting the value of America's "stock of slaves" in the last decades before the Civil War.

This graph tells the real story behind the South's secession: the value of the South's "slave stock", the property of the ruling class, soared as secession approached, reaching an almost 90-degree angle in those final years before Harper's Ferry. The South's ruling class seceded to protect their riches, period:



From afar, if you didn't know that human "slave stock" was the asset being charted, you could easily mistake this graph, and its parabolic trajectory, for one of the many destructive asset bubbles this country has suffered right up through our own time.

Up close, this graph drips greed, mass murder and shame, it strips away the historical revisionism that falsely ascribed the South's "cause" to an almost selfless, tragically romantic attachment to "tradition" and "culture"; it gives lie to the myth that slave owners kept their slaves to the detriment of their own bottom line.

Like the worst wars and the worst of history's villains, the Confederacy's one percenters seceded and fought in order to continue profiting from their most valuable investment properties, their human slave stock.

The graph comes from a grim working paper, "Capitalists Without Capital," written in the late 1980s by a UC Berkeley economist, Richard Sutch, and a UC Riverside historian, Robert Ransom.

As they showed, slavery produced huge profits for southerners who invested in slave capital, to the detriment of all other portfolio investments, as the value of slaves soared in the mid-19<sup>th</sup> century. By that time, by far the largest cotton-growing states' wealth was in slave stock, not in real estate or other investments.

The slave trade was outlawed in 1808; but the slave population quadrupled from 1 million in 1800 to 4 million in 1860, encouraged by slaveowners who "bred" their human stock, thereby multiplying their profits as the value of each slave rose.

Slavery is often portrayed by revisionist historians as somehow antithetical to market capitalism; in reality, slavery was a winning portfolio investment, the very incarnation of just how evil "free-market" capitalism can be. As the authors write:

"If slaves ... were an investment included in the asset portfolio of the planter/entrepreneur, they helped satisfy the owner's demand for wealth. But unlike most other forms of capital, which depreciate with time, the stock of slaves appreciated. Thus, the growth of the slave population continuously increased the stock of wealth."

What makes this graph so disturbing for us in 2012 is what it suggests about today's "1 percent", and how they view the rest of us. It gives form to the brutal crackdown on the Occupy protests, and suggests darker things to come as we try to free ourselves from their vision of civilization, and our place in it.

Contrast that with this McKinsey report put out a few years ago by the director of the consulting group's New York office. Titled "The New Metrics of Corporate Performance: Profit Per Employee," the report argues that the best performing firms in our increasingly financialized era are those companies that have learned to squeeze ever-larger profits out of each employee, and not by the more traditional "return on investment" metric.

The McKinsey report looked at the world's 30 largest companies between 1995 and 2005, and found that their return on human capital more than doubled, from an average of \$35,000 profit per employee to \$83,000, leading to this rather frank and nauseating conclusion:

"If a company's capital intensity doesn't increase, profit per employee is a pretty good proxy for the return on intangibles. The hallmark of financial performance in today's digital age is an expanded ability to earn 'rents' from

intangibles. **Profit per employee is one measure of those rents.** If a company boosts its profit per employee without increasing its capital intensity, **management will increase its rents.**"



Extracting rent from “employees” as a business strategy: This is supposed to be the language of feudalism, not modern advanced capitalism, and yet this is the cutting edge in 21<sup>st</sup> century capitalist thinking, unashamed and unvarnished:

“One way to improve a company’s profit per employee is simply to shed low-profit employees. But if they generate profit greater than the cost of the capital used to support their work, shedding them actually reduces the creation of wealth.”

As with slave stock in a Southern investor’s portfolio, the McKinsey report argues that as a corporation learns to successfully extract rent from its employees, the more employees it extracts rent from, the greater its aggregate profits.

To compare “the 99 percent” to African slaves would be crude; but the mindset of “the 1 percent” then, as now, is eerily consistent. They view the rest of us not as human beings with rights, but as livestock whose meat is “rent” to be extracted.

This is the language of plutocratic capitalism, a brutal system totally incompatible with democracy and antithetical to republican government and civilization. It is the language of misery, and misery is what “the 1 percent” is promising “the 99 percent” for years to come, in ever-greater doses.

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## Kony’s Deleted Christian Fanaticism

Joseph Kony, the brutal commander of the Lord’s Resistance Army, has been introduced to millions through a video on YouTube. But that denunciation of his war crimes skirts his claim to be motivated by Christianity, an omission not applied to violent extremists who embrace Islam, notes Mamoon Alabbasi.

By Mamoon Alabbasi

There is no doubt that the 30-minute video "Kony 2012" by the advocacy group Invisible Children has raised much awareness regarding the relatively under-reported atrocities committed by the Ugandan rebel group, the Lord's Resistance Army (LRA).

It is also true that the video, which boasts over 80 million views on YouTube so far, has been subjected to much I think fair scrutiny. Criticism of the motives, accuracy and objectivity of the video's makers has stirred a rather healthy debate on the issue, where alternative ways forward were discussed.

However, I could not help but wonder how Invisible Children whose founders are reported to have evangelical leanings would have fashioned their video had the LRA been a Muslim extremist group (instead of being a Christian one, whose former name was the "Uganda Christian Democratic Army").

I am not suggesting here that the group's professed Christian beliefs are behind their abduction and enslavement of more than 30,000 children over the period of 25 years, where some of the boys become child soldiers, forced or brainwashed into murdering their own parents, and many of the girls end up as sex slaves after being captured.

The LRA fighters would chop off the arms, legs or ears of their victims. Sometimes they would padlock their lips. As a result of their terrorising violence, hundreds of thousands of people have been displaced.

The group does bizarrely claim to be fighting for the establishment of the rule of the Ten Commandments in a theocratic Uganda (although they have been active in three other African countries: South Sudan, the Democratic Republic of Congo and Central African Republic).

But in the video, you hear the claim that the LRA leader is "not fighting for any cause but only to maintain power" (without any mention of the group's own proclaimed reasons). That may very well be true of many fanatics around the world, but how many of those would have their religious views deleted from a critical video (maybe to avoid confusing their extreme interpretation with that of the mainstream understanding of a religion)?

Not many Muslim ones, I would argue. Even the full name of the group the Lord's Resistance Army was not even pronounced once (although it did appear in writing) during the whole video. Instead you only hear the LRA acronym. Perhaps the video makers did not wish to "take the Lord's name in vain."

According Vincent Otti, the now deceased second-in-command of the group, the LRA is "fighting in the name of God. God is the one helping us in the bush. That's why we created this name, Lord's Resistance Army."

“And people always ask us, are we fighting for the [biblical] Ten Commandments of God. That is true because the Ten Commandments of God is the constitution that God has given to the people of the world. All people. If you go to the constitution, nobody will accept people who steal, nobody could accept to go and take somebody’s wife, nobody could accept to innocently kill, or whatever. The Ten Commandments carries all this.”

The above quote suggests that the enemies of the LRA are not “innocent” and therefore killing them is justified. And Joseph Kony, a former Catholic preacher, is himself reported to use biblical references mainly passages from the Pentateuch to justify mutilation and murder.

Elaborating on that logic, one of Kony’s most trusted commanders, named Moses, was quoted as saying: “If someone has done something bad to you, you have to kill them! Go and read in Matthew, chapter what and what, it is stated that if your right hand causes trouble, cut it off! It is there in the Bible!”

Kony is reported to have named one of his sons “George Bush,” and although the former U.S. president certainly does not condone the LRA (which is more than can be said for the American Christian conservative Rush Limbaugh who had defended the group in a radio gaffe), both men Kony and Bush claim to receive direct messages from God.

In addition to the overtly religious rhetoric of LRA leaders, testimonies from boys who have escaped from the grip of the terror group point to religious symbolism, where the child soldiers would make cross signs on their chests, foreheads, shoulders and guns, using special oil that is said to have the power of the Holy Spirit. And they were told that those who die from all sides must have broken religious commands.

Of course the LRA’s mystic brand of Christianity is different from the mainstream understanding of the faith (although that too had long been abused to promote terror). And the reality is that the conflict involving the LRA has never really been of a religious nature. It is much more complicated than that.

But that’s true of many violent groups who use religious rhetoric to make political points. These groups, like the LRA, can be found making strange bedfellows sometimes forging unexpected alliances and fighting unlikely enemies.

However, if any group professed to have committed some of the aforementioned atrocities in the name of Islam regardless of how far such actions are from the mainstream of that religion it is quite common that the faith (and by extension everyone who believes in it) would take the blame.

It would not be about one man or his army gone mad or on a quest for power, as

the video suggests about the Lord's Resistance Army.

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## Is IAEA Greasing Skids to Iran War?

The U.S. press corps has embraced the integrity of the International Atomic Energy Agency as central to the case for bombing Iran. But WikiLeaks [documents revealed](#) how the IAEA's new leader is a pawn of the West, and Gareth Porter explains at Inter Press Service how the IAEA has escalated the confrontation with Iran.

By Gareth Porter

The first detailed account of negotiations between the International Atomic Energy Agency and Iran last month belies earlier statements by unnamed Western officials portraying Iran as refusing to cooperate with the IAEA in allaying concerns about alleged nuclear weaponization work.

The detailed account given by Iran's permanent representative to the IAEA, Ali Asghar Soltanieh, shows that the talks in February came close to a final agreement, but were hung up primarily over the IAEA insistence on being able to reopen issues even after Iran had answered questions about them to the organization's satisfaction.

It also indicates that the IAEA demand to visit Parchin military base during that trip to Tehran reversed a previous agreement that the visit would come later in the process, and that IAEA Director General Yukia Amano ordered his negotiators to break off the talks and return to Vienna rather than accept Iran's invitation to stay for a third day. [For more on Amano's bias, see Consortiumnews.com's ["Slanting the Case on Iran's Nukes."](#)]

Soltanieh took the unprecedented step of revealing the details of the incomplete negotiations with the IAEA in an interview with IPS in Vienna last week and in a presentation to a closed session of the IAEA's Board of Governors March 8, which the Iranian mission has now made public.

The Iranian envoy went public with his account of the talks after a series of anonymous statements to the press by the IAEA Secretariat and member states had portrayed Iran as being uncooperative on Parchin as well as in the negotiations

on an agreement on cooperation with the agency.

Those statements now appear to have been aimed at building a case for a resolution by the Board condemning Iran's intransigence in order to increase diplomatic pressure on Iran in advance of talks between the P5+1 and Iran.

Soltanieh's account suggests that Amano may have switched signals to the IAEA delegation after consultations with the United States and other powerful member states which wanted to be able to cite the Parchin access issue to condemn Iran for its alleged failure to cooperate with the IAEA.

Parchin had been cited in the November 2011 IAEA report as the location of an alleged explosive containment cylinder, said by one or more IAEA member states to have been used for hydrodynamic testing of nuclear weapons designs.

The detailed Iranian account shows that the IAEA delegation requested a visit to Parchin in the first round of the negotiations in Tehran Jan. 29-31 and that it asked again at the beginning of the three "intercessional" meetings in Vienna for such a visit to take place at a second negotiating round in Tehran Feb. 20-21.

Soltanieh recalled, however, that during three "intercessional" meetings in February with IAEA Deputy Director General for Safeguards Herman Nackaerts, and Assistant Director General for Political Affairs Rafael Grossi, the two sides had reached agreement that the IAEA request for access to Parchin would be postponed until after the Board of Governors meeting in March.

But when the IAEA delegation arrived Feb. 20, it renewed the demand to visit Parchin, according to Soltanieh's account. "At the beginning of the meeting the first day, they said the director general had instructed them to give a message to us that they wanted to go to Parchin today or tomorrow, despite what we had clearly agreed two weeks earlier," Soltanieh told IPS.

Soltanieh told the Board of Governors that the negotiating text on which the two sides were working at the Feb. 20-21 meeting provided specifically for a visit to Parchin as well as other sites in conjunction with Iran's actions to clear up the issue of "hydrodynamic experiments" the allegation by an unnamed member government published in the November 2011 IAEA report.

In response to the renewed request for a visit to Parchin, Soltanieh offered to let the delegation visit the Marivan site, where the same November report said the agency had "credible" evidence Iranian engineers worked on high-explosives testing for a nuclear device.

"We offered Marivan because it was the next priority," Soltanieh told IPS,

referring to the list of priority issues on which Iran was expected to take actions to be specified by the IAEA under the provision of the negotiating text. But the IAEA delegation rejected the offer, claiming that it had been given too little time.

Soltanieh's account reveals that the IAEA also turned down a request to stay one additional day to complete the negotiations of the new action plan. "At lunch hour the second day, we wanted them to stay another day," he told IPS, and the delegation told them it might be possible. But after consulting with Amano, the IAEA delegation said it could not stay.

Amano's change of signals on Parchin and refusal to stay for a third day of negotiations were followed by condemnation of Iran as uncooperative by a "senior Western official" shortly before the IAEA Board of Governors meeting. The official was quoted by Reuters on March 2 as saying, "We think there needs to be a resolution that makes clear that Iran needs to do more, a lot more, to comply with the agency's requests." The official called Iran's stance during the talks a "gigantic slap in the face of the IAEA."

In the end, no resolution was passed by the Board. Instead the P5+1 the U.S., Britain, France, Russia and China plus Germany – issued a joint statement urging Iran to allow access to Parchin but not blaming Iran for the failure to reach agreement. The negotiating text as it stood at the end of the February round of talks, which Soltanieh showed IPS, had relatively few handwritten deletions and additions.

A key provision in the draft text, which IPS was allowed to quote, says, "Iran agrees to cooperate with the Agency to facilitate a conclusive technical assessment of all issues of concern to the Agency. This cooperation will include inspections by the Agency, additional meetings, including technical meetings and visits, and access to relevant information, documentation and sites, material and personnel."

The primary issue standing in the way of final agreement, according to Soltanieh, was whether the IAEA could reopen issues once they had been resolved. The text shown to IPS includes a provision that IAEA "may adjust the order" in which issues were to be resolved and "return" to issues even after they had been resolved.

The Iranians accepted the right of the IAEA to adjust the order but did not agree that it could reopen issues once they were completed satisfactorily, Soltanieh recalled, because Iran feared that giving the IAEA that power would lead to "an endless process."



The other major issue, according to Soltanieh, was Iran's demand that the IAEA "deliver" all the intelligence documents alleging that it had carried out covert weaponization activities to Iran before asking it for definitive answers to the allegation. The IAEA delegation said they couldn't produce all the documents at once, he told IPS.

Iran then agreed that the agency could provide only those documents relevant to each issue when it comes up, the Iranian diplomat recalled. It is not clear, however, whether the IAEA has agreed to that compromise.

The United States has refused in the past to agree to turn over the "alleged studies" documents to Iran a policy that Amano's predecessor, Mohamed ElBaradei had argued made it impossible to demand that Iran be held accountable for explaining those documents.

After Soltanieh's presentation to the Board of Governors, Amano told reporters that some of Soltanieh's statements had been inaccurate but appeared to confirm the main points of his presentation. "In fact, the February talks initially took place in a constructive spirit," he said. "Differences between Iran and the Agency appeared to have narrowed."

On the second day, Amano said, Iran had "sought to re-impose restrictions on our work," which he said "included obliging the Agency to present a definitive list of questions and denying us the right to revisit issues, or to deal with certain issues in parallel, to name just a few."

Amano's spokesperson Gill Tudor declined to comment on the accuracy of Soltanieh's account for this story, saying "(W)e would prefer to let the director general's words speak for themselves."

In response to a request for comment on this story, the U.S. State Department deferred to Amano's account on the talks but said, "(D)espite the IAEA's best efforts, Iran was unwilling to reach such an agreement" and had "failed an initial test of its good faith and willingness to cooperate by refusing an IAEA request to visit Parchin."

**Gareth Porter is an investigative historian and journalist specialising in U.S. national security policy. The paperback edition of his latest book, *Perils of Dominance: Imbalance of Power and the Road to War in Vietnam*, was published in 2006. [This story appeared previously at Inter Press Service.]**

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# Is 'Going Left' Right for OWS?

The Occupy Wall Street movement has resisted making specific proposals for reform, focusing instead on its trademark occupation of parks and its protests on behalf of the 99 percent. Some longtime activists now urge OWS to "go left," but Danny Schechter says it also much broaden its reach to that 99 percent.

By Danny Schechter

For years, in the last century, when I was in school and learning about the early days of journalism, we were taught that author Horace Greeley who founded the New York Herald Tribune, was famous for saying, "Go West Young Man And Grow Up With The Country."

One problem, as we learned recently, he didn't coin the phrase but only popularized it. (Another media mistake involving a top dog in the media!) Indiana newspaper writer John Soule actually gave the advice in 1851, and it would serve as the mantra for 19th century "action" in the form of Westward migration.

These days, the men and women who won their struggle stripes in the civil rights and anti-Vietnam war movements have a new mantra for action. Some who recently appeared at New York's annual Left Forum, were sharing it with younger people, "Go Left."

They would probably agree with Mitt Romney who said recently he can't think of any reason for any young person to support a Democrat – but for different reasons. Those who are going Left have left the Democrats behind.

Even Bruce Springsteen, who campaigned for President Obama and played at his Inauguration, is setting his sights beyond modest reforms. He recently told a music festival in Texas about the first songs he loved, playing a bit of "We Gotta Get Out of This Place": "They were a revelation the first records of full-blown class consciousness I ever heard."

After reaching the line, "there's a better life for me and you," he added, "That's every song I've ever written. That's all of them. I'm not kidding, either. 'Born to Run,' 'Born in the USA,' everything I've done for the past 40 years, including all the new ones. That was the first time I felt I heard something cross the radio that mirrored my home life, my childhood."

Many of today's more conscious young people seem to be gravitating not into traditional radical class consciousness but into the ranks of the Occupy Movement, even as the movement's main tactic seems stuck on liberating public

space, not organizing youth or other communities.

Their philosophy of “horizontalism” has been effective in inspiring young activists because of its small-d democratic and participatory ethic. Yet, this process to many seems more important than the product or result. Propelling an “action faction” or camping as a community is not the same thing as challenging power or remaking it.

Clashes with the police play right into their hands when the story becomes one of confrontation, not pursuing a clear political agenda. The media’s love of “when it bleeds, it leads” is well known.

The Occupy Wall Street website reports: “After the brutal attack on the attempted re-occupation of Liberty Square by NYPD on the 6-month anniversary of #OWS, a number of Occupiers have relocated their base of occupation to Union Square in midtown Manhattan, a point of convergence for several #OWS protests over the past 6 months.

“According to reports on the ground, several dozen people slept in the park after the illegal and violent raid on Liberty Square. Over 70 people remain, now on Day 3. Although tents and tables are still banned, Occupiers have brought blankets and sleeping gear. Many are calling it ‘The New Occupation.’

“In addition to holding General Assemblies, Union Square Occupiers are providing vital jail support for those arrested on #M17 as they are released from NYPD custody. So far, the NYPD has made no attempt to remove Occupiers or prevent them from sleeping in the park.

“Our ability to occupy the commons in order to voice dissent is a vital political right. We do not need a permit to exist in public space. We call on all those who would stand for equality, justice, and liberation – and against the banks, corporations, wealthy elites, and corrupt politicians who have stolen our democracy and ruined our economy – to join us now.”

Yes, but why the continuing focus on a return to the parks? The problem seems obvious. When a movement becomes focused on itself, when it seems to have only one tactic, it loses contact with the people it is fighting with and for. Building community is critical but so is building alliances and encouraging organization as a means for fighting back.

Saying “We Are The 99%” doesn’t make it so unless there is a way for new people to get engaged. Not everyone has the time or the disposition to stand through hours of General Assembly meetings that can be unproductive.

Some of the movement’s sympathizers are working or have family responsibilities.

The OWS work groups are important but there needs to be more coordination with other direct action and community groups, not just more inward facilitation.

Not everyone believes in leaderlessness. Cultural styles and generational choices can be divisive as well as unifying. Not everyone is on Facebook or tweets. We can't be fetishistic about one way being the only way!

How about a broader campaign to place stories in community papers, even "shoppers," write letters to the editors and challenge media outlets that distort the movement's outlook? How about speaker's committees to book an OWS presence at churches, union meetings and conventions?

Can't we find ways to broaden/diversify the tent and also make it bigger so others are more comfortable being involved? Can't we more effectively occupy the mainstream so that 99 percent we say we speak for can speak for themselves?

And why can't Occupy also borrow a page from digital activists like the people behind the Kony 2012 campaign. Whatever you think of its politics, it reached tens of millions of people. We can do the same and come up with our own media for better outreach.

The Occupy Newspaper and related journals offer one direction. The new OWS radio show is another way to make media, not just respond to questions from mainstream press. Why aren't we holding screenings of the many documentaries made about OWS and the issues it is raising?

Spring is here. but we don't have to fall back to what was done in the fall. It's a time to move forward, experiment with more configurations of action and make the OWS presence felt in more arenas of public life.

**News Dissector Danny Schechter was a civil rights and community organizer. His new book is Occupy: Dissecting Occupy Wall Street (Cosimo) while his recent film Plunder and companion book investigates financial crime.**

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