

# At the Cliff's Edge: World Problems and US Power

Review of Doug Dowd's book (Part I)

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At age 89, Doug Dowd is a wonder. He's still active, vibrant and thankfully so. He calls himself a "radical economist" in the best sense of the term, and for more than 50 years through the late 1990s, he was a distinguished interdisciplinary professor of economic history and more at Cornell, UC Berkeley and elsewhere. It went along with his activism, progressive thinking, honest concern for the least advantaged, and love of teaching young people. He's no different today, except that he's semi-retired, living full-time in Bolonga, Italy, nearing his 60th year teaching at nearby Modena University, and approaching his 10th decade.

Dowd also authored many scholarly writings, numerous articles, and many books on cutting-edge economic, political and social issues. Included are *Capitalism and Its Economics*, the two-volume *Broken Promises of America*, and his newest and subject of this review, *At the Cliff's Edge: World Problems and US Power*.

Dowd dedicates his book to his students in America and Italy. "More than a few of (them) have become dear friends." They've thanked him for his teaching, and this book is his "opportunity to thank them."

He's witnessed history longer than most others and cites his concerns. "The world now stands on 'a cliff's edge' " below which he sees "four related groups of horrors: existing and likely wars, a fragile world economy, pervasive and deepening corruption, and the earth dangerously near the 'tipping point' of environmental disaster." Add one more for good measure - a disdainful administration heading the world for potential disaster, uncaring about what it's doing, and leaving its mess for a successor.

For Dowd, it's ominous and disturbing. We may be at "the last stop" of a centuries-long voyage. It produced 15th to 18th century colonialism and nationalism. They, in turn, spawned capitalism and industrialism, and then combined "transformed colonialism into imperialism."

Dowd wrote his book for a purpose. He learned as a student and teacher that what's in it isn't taught or publicly discussed. His classes were never that way. It's why they were and are still so popular, and why one of his former students asked him to write a needed classroom text. As a high school social studies teacher he found none that were "readable, pertinent, and accessible." Dowd's book fills the vacuum. It's broad in scope, clearly written, easily understood, and a wonderful primer for students. Adults also, and it covers 500 years to the present. In it, he's critically unsparing in his assessment - of the modern era and what preceded it.

The book is panoramic in scope. It's long and detailed, and this review covers its highlights in hopes readers will get the volume for it all. Plus the character of the man who wrote it and now working on a new so far unfinished book with likely more offerings ahead. Approaching age 90, Dowd is resilient, dedicated and continues to write and teach. We're all the better off for it. Read on.

In a moment of reflection, he imagines what America could and should be, not what it is. Therein lies the problem. We have an "unconscious way...of seeing ourselves...as something special (or) better" than others. Hardly so about a country one observer describes as being "a marriage of all that's admirable with all that's appalling" with an emphasis on the latter now and worsening. Instead of being virtuous, "we have evolved toward something like its opposite." Dowd equates the gap between "our realities and our ideals" to "the Grand Canyon."

And sitting in its "dirty center....are three unacknowledged ways of life, attitudes, (and) values that have been mutually supportive:

- racism and other forms of prejudice;
- ....violence and militarism; (and)
- ....insatiable and socially sanctioned greed for money, things, and power."

In his forward, Dowd gives examples but laments that they're not taught in classrooms. One was the Compromise of 1877 unknown to most readers. It was after the Civil War during Reconstruction when northern troops occupied the South. Blacks were nominally free, and southern whites were furious to see them hold office, be policemen, eat in public places, and so forth. The so-called Compromise ended the occupation and "freed whites to do as they wished to black men, women and children." It took almost a century to end Jim Crow laws, savage lynchings, and a federal government committed to stopping them.

Before it happened, here's what the North got in return. The right to exploit southern resources, its mines, railroads, factories, cheap labor, and keep blacks de facto slaves as sharecroppers with no schools, voting rights, safety or any legal recourse from the state. For them, everything changed, yet everything remained the same.

Another example is notable with memories of two stolen elections still vivid. In the 1876 (US) presidential election, Samuel Tilden got "today's equivalent of 2 million more popular votes than (Rutherford B.) Hayes." In all elections, electoral college votes are decisive. Hayes was awarded one more than Tilden, but 20 votes were disputed, so a congressional committee got to decide. In secret session, a deal was struck to make Hayes president. In hindsight, there's no doubt that the election was stolen in similar fashion to the Supreme Court giving it to George Bush in 2000.

Marc Crispin Miller's book then documented the encore in 2004 - electoral fraud writ large in a process even more one-sided than in 2000. Miller's account makes persuasive reading. "Fooled Again: The Real Case for Electoral Reform" shows what we're up against and what to look forward to going forward unless sweeping electoral reform is undertaken.

## **Part I - The Beginnings and Growth of the Modern World**

Dowd observes how terribly wrong things are today - too much poverty, hunger, war, anger,

privilege and too little of what's essential to make life tolerable. His book explains how it evolved - "but need not stay this way."

He cites what he calls the "Big Four" - colonialism (now imperialism), capitalism, nationalism, and industrialism. They're "processes," not "things," and each "fed the others."

Colonialism began in the late 1400s, and "explorer-heros" like Columbus advanced it. It was brutal, ugly, racist, and violent. Over three centuries it spanned the world and made way for what followed. Thomas Hobbes described life then as "nasty, brutish and short." With today's scientific advances, it should be better but isn't. It's "worse than ever....because of a maldistribution of power" - too much at the top and mass misery at the bottom and worsening. Add the nuclear threat and potential ecological disaster, and you get the point.

As the world's leading superpower and richest nation, America bears most responsibility - what's wrong and how to fix it. We're not alone, but "the USA is largely responsible for bringing the world to the cliff's edge."

### **Colonialism: The Earliest of the Big Four**

It began in the Mediterranean region, then spread everywhere through trade, financial activities and more. Dominant countries were Spain, Portugal, but by 18th century's end the Dutch, then overtaken by the British in the 19th century. Centralized control became important, the national state common, and a social system called mercantilism emerged to serve it. It then evolved into industrial capitalism but in a much more primitive form than today.

Mercantilism was based on national economic protection. International trade developed, and the idea was to maximize exports, minimize imports, and use revenues to finance government, wars, and greater expansion. It, in turn, led to capitalism, nationalism, and industrialism and all the ills they produce.

Colonialism benefitted elitists who exploited cheap labor on stolen and occupied lands. Millions were enslaved, and Dowd calls slavery "the worst crime of all." It existed much earlier, but by the 17th and 18th centuries burgeoned with trade to the Americas, especially the US colonies. Rich agriculture was their strength, and slave labor maintained it. Africa supplied it in the many millions.

### **Capitalism: The Most Important of The Big Four**

Capitalism is a social as well as economic system, much like slavery was. First and foremost, capitalists are a money-chasing "class" who've found ways to rule the "entire social process." Not just our work but what we think, and that's crucial. Witness the power of Big Media in an age of mass communication with giant corporations and their advertisers benefitting. They "shape our feelings, thoughts, and behavior as both consumers and voters."

Dowd defines capital and its components - the means of production, accumulation, technological advance, a powerless working class, and finance to pay for it. In the modern era, add another element - more than ever, government partnered with business, and providing a legislative and subsidized open field for profits at the expense of working people. The deck is stacked in a zero sum game - business wins; people lose.

Consider the “heart, brain and muscle of capitalism:”

- its heart - limitless exploitation of workers and the land;
- its brain - continued economic and geographic expansion; and
- its muscle - capitalist power and ability to rule society’s economic, political and social life.

Marx described it as the exploitation of human beings and Mother Nature and the resulting destruction of our humanity and fertility of the land. It goes back to medieval England, the feudal era, a world of lords and serfs, the emergent enclosure movement, and a powerless working class today called “wage-slaves.”

With technological advances like the steam engine and textile machinery, industrialism emerged in the early 19th century. Capitalism flourished, but for workers life was “nasty, brutish and short.” It still is for 80% of people the way economist Paul Baran explained it in his Political Economy of Growth. He observed what’s just as true today: “the rich become richer by causing the poor to become poorer.” Even worse, the poor get blamed for their own misfortune.

There are plenty of them, including millions in America - far more than official Census Bureau numbers that deliberately understate the problem at about one-fifth of the population. Today, 68% of US workers earn less than the Economic Policy Institute’s living wage estimate for a family of four - \$14 an hour or about \$30,000 a year. Even with two family wage-earners, US poverty is likely double the Census Bureau number - in the richest country in the world Dowd calls “the Unequal Society of America.”

Corporate capitalism requires inequality - economic, political and social. Racism is one of its defining features. It pits workers against each other for a dwindling number of good jobs, weakens them, and strengthens those with power. It shaped today’s America, and consider a few of our “firsts:”

- the number of mentally ill,
- incarcerated,
- without health coverage or too little of it,
- with inadequate savings or none at all,
- indebtedness,
- homelessness,
- ill-educated,
- illiterate,
- impoverished,
- abused children,
- waste,

- environmental degradation,
- nuclear weapons stockpile,
- a stated intention to use them preemptively,
- militarism and the multi-trillions it costs,
- the amount of public fraud, and
- much more. Nowhere else are excesses and inequalities greater, and no country is more able to avoid them, won't, and inflicts so much harm on so many people everywhere.

### **Nationalism: Your Country Can Do No Wrong**

“Nations and nationalism came into existence and strengthened as the needs for their strength arose.” It has nothing to do with patriotism or love of country. It’s a “blood brother of racism, militarism, hate and fear” and belief one’s country is superior and “can do no wrong.” It spawns imperialism that, in turn, feeds capitalism, industrialism and nationalism. It spurs competition between nations and is a frequent cause of war. It’s key to understanding WWs I and II, what’s ongoing in the Middle East and Central Asia, and what may lie ahead as nations vie for power, resources, markets, and cheap labor.

### **Industrialism: Invention Is the Mother of Necessity**

It goes beyond nonagricultural production. It’s about large cities, a class society, enough educated people, strong government, technological advances, and a modern infrastructure. Dowd distinguishes between the (first) industrial revolution with its steam and simple machinery. It led to a second technological one because of chemistry and physics advances. We’re now in a third, it’s global, and it’s based on electronics, biotechnology, information and plenty of high-octane finance. Decades back, a high-school education sufficed. Today, one or more college degrees are vital and in the right fields. Even then, good jobs are disappearing - to low-wage countries, in growing numbers, so what’s left are fewer opportunities as the nation eats its seed corn.

That would have been unimaginable when modern corporations emerged around 1855. Necessity was the reason. Large-scale production needs capital and more than individuals can raise. Corporations get it (like today) by selling shares to investors. By the 1870s, an earlier version of today’s America emerged. One author called it the age of “Robber Barons” with names still familiar to most. They were predators very skilled at their trade - monopolizing markets, skimming millions from corruption, speculating wildly, exploiting workers brutishly, and getting away with it with friendly government help. It’s no different today except the stakes are greater and risks unimaginable.

Earlier, mergers became common. Before WW I, they combined businesses producing like things like steel and oil. By the 1920s, vertically conglomerates emerged of the type so common today - like a GE owning appliance, media, finance and other dissimilar companies.

They became multinationals (MNCs) in the 1960s, then transnationals (TNCs) in the 1980s operating everywhere. They’re huge, powerful and in many cases larger in GDP equivalent than their host countries. The buzzword is globalization. Protests are for global justice. Little so far is in sight. Hopefully it will come. The need is overwhelming, but challenges against it

are daunting:

- hugely powerful TNCs;
- governments in their pocket;
- extremes of wealth concentration and power increasing;
- destructive militarism for more; capitalism requires it;
- people exploitation enhances it;
- consumerism keeps it profitable;
- efficiency also as well collateral ecological fallout.

It's horrific - enormous waste; destructive wars; and little relief in times of peace: conglomerated production and agriculture; exploited labor; extreme wealth disparities; commodifying everything; planned obsolescence; productive overcapacity; unemployment and underemployment; racism; people as production inputs to be used and discarded like waste; and deep-seated levels of corruption.

As companies grow, things worsen in our war-addicted economy profiting business and government together - a mutually destructive alliance. Their gain is civil society's loss, and the stakes keep getting greater. It's what Dowd means by a world "at the cliff's edge."

## **Part II - The Global Spread, Functioning, and Breakdown of Industrial Capitalism, 1815 - 1945 - From Imperialism to WW I**

Dowd gives a sweeping review of 130 years through WW II's end. Of necessity, this account is briefer. Britain was dominant in the 19th and early 20th century through WW I. Inevitably it was challenged by Germany's science and educational superiority and America's incomparable strengths. These three nations and other European ones "unleashed the 19th century version of colonialism. It was called imperialism (and it) made colonialism look tame." By the late 19th century, resource needs "were raging," and competition intense to secure them.

Consider Africa - resource rich and "doomed to endure one set of disasters after another." Slavery gave way to endless civil wars to ruthless imperial exploitation. The Congo was typical and most important as the continent's greatest prize - an abundance of ivory, cobalt, copper, rubber, diamonds, gold, zinc, manganese and more in a country the size of western Europe.

Belgium's King Leopold took it as his private fiefdom, sucked out its riches at the cost of millions of lives, and the country remained a colony until post-WW II. Popular protests won liberation as in other African states. Patrice Lumumba became its first Prime Minister. He wanted Africa freed from European dominance, and he paid with his life for his efforts. The continent is no better off today. America exploits it most. Oil and its other resources are coveted, and no independent leaders are tolerated.

The war in Somalia and challenging Zimbabwe's Robert Mugabe highlight the continent's crisis (and nations everywhere). By 19th century's end, European powers controlled all of it.

Today America is preeminent and intends to remain so.

Asian history is similar and a lot more than about China and Japan. There's the subcontinent, Central, and Southeast Asia for a vitally important world region. Add the Middle East and its vast oil riches that were discovered early in the last century.

The US was least aggressive but not quiescent. In the 19th century, it took America and half of Mexico, then added Hawaii, Guam, the Philippines, Puerto Rico, the Dominican Republic, Samoa, assorted other territories, the Canal Zone and control of Cuba with in perpetuity Guantanamo Bay rights so long as rent is paid or unless both countries back out by mutual consent. Looking back, it was mere prelude to far greater 20th century aims, especially post-WW II when they extended everywhere and now include space.

### **1914-1945: The Most Disastrous Years in History**

Dowd is blunt, and who can disagree. He calls the period between WWs I and II "the most turbulent and disastrous in all of recorded history." Economically the global economy suffered. Many countries endured depressions that were only exceeded by the "most severe conflicts in their history." Britain was one, and its economic troubles emerged in the late 19th century. Brits created "the first world economy." It was strongest militarily, the envy of all Europe, and it became a recipe for rivalries. Who'd be able to create an empire first and be strong enough to keep it. It led to WW I, a flawed peace, years of chaos, conflict and convulsions leading to another great war that the first one was supposed to prevent.

Except for the Great Depression, America was spared, and is now the world's only superpower. Post-WW I, the US emerged strengthened. For its part, Britain was effectively bankrupt. The war took its toll as it did against the continent's other combatants. It turned the 1920s into years of "serious recession, economic slack, withdrawal from international trade," and the rise of fascism as an antidote to hard times. WW II was a war to end it. Instead, it merely slowed it, then relocated it to America - first in "friendly" form, but post-9/11 in increasingly new millennium despotism. What Peter Dale Scott calls the "deep state" - unaccountable, lawless, below the radar, self-serving against the public interest and operative for decades but near omnipotent today. Its classic elements are mostly evident and worrisome:

- severe repression;
- de facto one-party rule;
- despotic laws backing it;
- courts supporting it;
- iron-fisted militarism and "homeland security" enforcement;
- a permanent state of war;
- institutionalized illegal spying;
- stifling dissent;
- stealing elections;

— a claimed messianic mission;

— outlandish racism and targeting racial and ethnic groups on the pretext of fighting “terrorism;” and

— corporatism writ large with strong elements of patriotism, nationalism, yet calling it democracy.

Post-WW I, Dowd traced its rise in Italy, Germany, and Japan with a fundamental lesson for today – democracy and freedom are fragile. Given the right circumstances, they’re easily manipulated and corrupted. Earlier the world paid dearly. Today it still does. The dangers are overwhelming.

### **1945 - 1950: From the Ashes Arising**

WW II left most of Europe and large parts of Asia in ruins. America remained untouched and triumphant. Rebuilding began but for a purpose – to solidify US dominance, create foreign markets for business, and fabricate a Soviet threat for an emergent military-industrial complex. Enter the Marshall Plan, IMF, World Bank, GATT, the Cold War, NATO, and stationing US forces everywhere in ways unimaginable for another country to do here.

Japan became “an immense aircraft carrier (and US) naval base....” West Germany was much the same on the continent. The Depression was over, the great war won, America was triumphant, so on to the next great quest – advancing “capitalist development: monopoly capitalism and the Cold War.”

### **The Wars in Korea and Vietnam**

Liberation helped neither country at a time of Cold War strategy. Things got worse and then some – division; horrific wars; and millions killed, wounded, displaced and immiserated. Wounds are still healing, South Korea still occupied, the North isolated, tensions still high, and Vietnam is chemically contaminated and a US offshore sweatshop.

Dowd reviews the histories and concludes: “To those who cheer our ‘victory’ in the Cold War, our fist-shaking against the ‘axis of evil,’ and our ‘mission accomplished’ in Iraq, here is a request – Dear Uncle Sam: Spare us your victories.” They reveal deceit, betrayal and conquest for world dominance.

More on Dowd’s book follows in Part II. Watch for it soon on this web site.

[\*\*ordering information regarding Doug Dowd’s book\*\*](#)

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