

# Exporting the American Model: Markets and Democracy

By [Chalmers Johnson](#)

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There is something absurd and inherently false about one country trying to impose its system of government or its economic institutions on another. Such an enterprise amounts to a dictionary definition of imperialism. When what's at issue is "democracy," you have the fallacy of using the end to justify the means (making war on those to be democratized), and in the process the leaders of the missionary country are invariably infected with the sins of hubris, racism, and arrogance.

We Americans have long been guilty of these crimes. On the eve of our entry into World War I, William Jennings Bryan, President Woodrow Wilson's first secretary of state, described the United States as "the supreme moral factor in the world's progress and the accepted arbiter of the world's disputes." If there is one historical generalization that the passage of time has validated, it is that the world could not help being better off if the American president had not believed such nonsense and if the United States had minded its own business in the war between the British and German empires. We might well have avoided Nazism, the Bolshevik Revolution, and another thirty to forty years of the exploitation of India, Indonesia, Indochina, Algeria, Korea, the Philippines, Malaya, and virtually all of Africa by European, American, and Japanese imperialists.

We Americans have never outgrown the narcissistic notion that the rest of the world wants (or should want) to emulate us. In Iraq, bringing democracy became the default excuse for our warmongers — it would be perfectly plausible to call them "crusaders," if Osama bin Laden had not already appropriated the term — once the Bush lies about Iraq's alleged nuclear, chemical, and biological threats and its support for al Qaeda melted away. Bush and his neocon supporters have prattled on endlessly about how "the world is hearing the voice of freedom from the center of the Middle East," but the reality is much closer to what Noam Chomsky dubbed "deterring democracy" in a notable 1992 book of that name. We have done everything in our power to see that the Iraqis did not get a "free and fair election," one in which the Shia majority could come to power and ally Iraq with Iran. As Noah Feldman, the Coalition Provisional Authority's law advisor, put it in November 2003, "If you move too fast the wrong people could get elected."

In the election of January 30, 2005, the U.S. military tried to engineer the outcome it wanted ("Operation Founding Fathers"), but the Shiites won anyway. Nearly a year later in the December 15, 2005 elections for the national assembly, the Shiites won again, but Sunni, Kurdish, and American pressure has delayed the formation of a government to this moment. After a compromise candidate for prime minister was finally selected, two of the most ominous *condottiere* of the Bush administration, Secretary of State Condoleezza Rice and Secretary of Defense Donald Rumsfeld, flew into Baghdad to tell him what he had to do for

“democracy” — leaving the unmistakable impression that the new prime minister is a puppet of the United States.

### **Hold the Economic Advice**

After Latin America, East Asia is the area of the world longest under America’s imperialist tutelage. If you want to know something about the U.S. record in exporting its economic and political institutions, it’s a good place to look. But first, some definitions.

The political philosopher Hannah Arendt once argued that democracy is such an abused concept we should dismiss as a charlatan anyone who uses it in serious discourse without first clarifying what he or she means by it. Therefore, let me indicate what I mean by democracy. First, the acceptance within a society of the principle that public opinion matters. If it doesn’t, as for example in Stalin’s Russia, or present-day Saudi Arabia, or the Japanese prefecture of Okinawa under American military domination, then it hardly matters what rituals of American democracy, such as elections, may be practiced.

Second, there must be some internal balance of power or separation of powers, so that it is impossible for an individual leader to become a dictator. If power is concentrated in a single position and its occupant claims to be beyond legal restraints, as is true today with our president, then democracy becomes attenuated or only *pro forma*. In particular, I look for the existence and practice of administrative law — in other words, an independent, constitutional court with powers to declare null and void laws that contravene democratic safeguards.

Third, there must be some agreed-upon procedure for getting rid of unsatisfactory leaders. Periodic elections, parliamentary votes of no confidence, term limits, and impeachment are various well-known ways to do this, but the emphasis should be on shared institutions.

With that in mind, let’s consider the export of the American economic, and then democratic “model” to Asia. The countries stretching from Japan to Indonesia, with the exception of the former American colony of the Philippines, make up one of the richest regions on Earth today. They include the second most productive country in the world, Japan, with a per capita income well in excess of that of the United States, as well as the world’s fastest growing large economy, China’s, which has been expanding at a rate of over 9.5% per annum for the past two decades. These countries achieved their economic well-being by ignoring virtually every item of wisdom preached in American economics departments and business schools or propounded by various American administrations.

Japan established the regional model for East Asia. In no case did the other high-growth Asian economies follow Japan’s path precisely, but they have all been inspired by the overarching characteristic of the Japanese economic system — namely, the combining of the private ownership of property as a genuine right, defensible in law and inheritable, with state control of economic goals, markets, and outcomes. I am referring to what the Japanese call “industrial policy” (*sangyo seisaku*). In American economic theory (if not in practice), industrial policy is anathema. It contradicts the idea of an unconstrained market guided by *laissez faire*. Nonetheless, the American military-industrial complex and our elaborate system of “military Keynesianism” rely on a Pentagon-run industrial policy — even as American theory denies that either the military-industrial complex or economic dependence on arms manufacturing are significant factors in our economic life. We continue to underestimate the high-growth economies of East Asia because of the power of our

ideological blinders.

One particular form of American economic influence did greatly affect East Asian economic practice — namely, protectionism and the control of competition through high tariffs and other forms of state discrimination against foreign imports. This was the primary economic policy of the United States from its founding until 1940. Without it, American economic wealth of the sort to which we have become accustomed would have been inconceivable. The East Asian countries have emulated the U.S. in this respect. They are interested in what the U.S. does, not what it preaches. That is one of the ways they all got rich. China is today pursuing a variant of the basic Japanese development strategy, even though it does not, of course, acknowledge this.

## **Marketing Democracy**

The gap between preaching and self-deception in the way we promote democracy abroad is even greater than in selling our economic ideology. Our record is one of continuous (sometimes unintended) failure, although most establishment pundits try to camouflage this fact.

The Federation of American Scientists has compiled a list of over 201 overseas military operations from the end of World War II until September 11, 2001 in which we were involved and normally struck the first blow. (The list is reprinted by Gore Vidal in *Perpetual War for Perpetual Peace: How We Got To Be So Hated*, pp. 22-41.) The current wars in Afghanistan and Iraq are not included. In no instance did democratic governments come about as a direct result of any of these military activities.

The United States holds the unenviable record of having helped install and then supported such dictators as the Shah of Iran, General Suharto in Indonesia, Fulgencio Batista in Cuba, Anastasio Somoza in Nicaragua, Augusto Pinochet in Chile, and Sese Seko Mobutu in Congo-Zaire, not to mention a series of American-backed militarists in Vietnam and Cambodia until we were finally expelled from Indochina. In addition, we ran among the most extensive international terrorist operations in history [against Cuba](#) and Nicaragua because their struggles for national independence produced outcomes that we did not like.

On the other hand, democracy did develop in some important cases as a result of opposition to our interference — for example, after the collapse of the CIA-installed Greek colonels in 1974; in both Portugal in 1974 and Spain in 1975 after the end of the U.S.-supported fascist dictatorships; after the overthrow of Ferdinand Marcos in the Philippines in 1986; following the ouster of General Chun Doo Hwan in South Korea in 1987; and following the ending of thirty-eight years of martial law on the island of Taiwan in the same year.

One might well ask, however: What about the case of Japan? President Bush has repeatedly cited our allegedly successful installation of democracy there after World War II as evidence of our skill in this kind of activity. What this experience proved, he contended, was that we would have little difficulty implanting democracy in Iraq. As it happens though, General Douglas MacArthur, who headed the American occupation of defeated Japan from 1945 to 1951, was himself essentially a dictator, primarily concerned with blocking genuine democracy from below in favor of hand-picked puppets and collaborators from the prewar Japanese establishment.

When a country loses a war as crushingly as Japan did the war in the Pacific, it can expect a

domestic revolution against its wartime leaders. In accordance with the terms of the Potsdam Declaration, which Japan accepted in surrendering, the State Department instructed MacArthur not to stand in the way of a popular revolution, but when it began to materialize he did so anyway. He chose to keep Hirohito, the wartime emperor, on the throne (where he remained until his death in 1989) and helped bring officials from the industrial and militarist classes that ruled wartime Japan back to power. Except for a few months in 1993 and 1994, those conservatives and their successors have ruled Japan continuously since 1949. Japan and China are today among the longest-lived single-party regimes on Earth, both parties — the nucleus of the Liberal Democratic Party and the Chinese Communist Party — having come to power in the same year.

Equally important in the Japanese case, General MacArthur's headquarters actually wrote the quite democratic Constitution of 1947 and bestowed it on the Japanese people under circumstances in which they had no alternative but to accept it. In her 1963 book *On Revolution*, Hannah Arendt stresses "the enormous difference in power and authority between a constitution imposed by a government upon a people and the constitution by which a people constitutes its own government." She notes that, in post-World War I Europe, virtually every case of an imposed constitution led to dictatorship or to a lack of power, authority, and stability.

Although public opinion certainly matters in Japan, its democratic institutions have never been fully tested. The Japanese public knows that its constitution was bestowed by its conqueror, not generated from below by popular action. Japan's stability depends greatly on the ubiquitous presence of the United States, which supplies the national defense — and so, implicitly, the fairly evenly distributed wealth — that gives the public a stake in the regime. But the Japanese people, as well as those of the rest of East Asia, remain fearful of Japan's ever again being on its own in the world.

While more benign than the norm, Japan's government is typical of the U.S. record abroad in one major respect. Successive American administrations have consistently favored oligarchies that stand in the way of broad popular aspirations — or movements toward nationalist independence from American control. In Asia, in the post-World War II period, we pursued such anti-democratic policies in South Korea, the Philippines, Thailand, Indochina (Cambodia, Laos, and Vietnam), and Japan. In Japan, in order to prevent the Socialist Party from coming to power through the polls, which seemed likely during the 1950s, we secretly supplied funds to the representatives of the old order in the Liberal Democratic Party. We helped bring wartime Minister of Munitions Nobusuke Kishi to power as prime minister in 1957; split the Socialist Party by promoting and financing a rival Democratic Socialist Party; and, in 1960, backed the conservatives in a period of vast popular demonstrations against the renewal of the Japanese-American Security Treaty. Rather than developing as an independent democracy, Japan became a docile Cold War satellite of the United States — and one with an extremely inflexible political system at that.

### **The Korean Case**

In South Korea, the United States resorted to far sterner measures. From the outset, we favored those who had collaborated with Japan, whereas North Korea built its regime on the foundation of former guerrilla fighters against Japanese rule. During the 1950s, we backed the aged exile Syngman Rhee as our puppet dictator. (He had actually been a student of Woodrow Wilson's at Princeton early in the century.) When, in 1960, a student movement overthrew Rhee's corrupt regime and attempted to introduce democracy, we instead

supported the seizure of power by General Park Chung Hee.

Educated at the Japanese military academy in Manchuria during the colonial period, Park had been an officer in the Japanese army of occupation until 1945. He ruled Korea from 1961 until October 16, 1979, when the chief of the Korean Central Intelligence Agency shot him to death over dinner. The South Korean public believed that the KCIA chief, known to be “close” to the Americans, had assassinated Park on U.S. orders because he was attempting to develop a nuclear-weapons program which the U.S. opposed. (Does this sound familiar?) After Park’s death, Major General Chun Doo Hwan seized power and instituted yet another military dictatorship that lasted until 1987.

In 1980, a year after the Park assassination, Chun smashed a popular movement for democracy that broke out in the southwestern city of Kwangju and among students in the capital, Seoul. Backing Chun’s policies, the U. S. ambassador argued that “firm anti-riot measures were necessary.” The American military then released to Chun’s control Korean troops assigned to the U.N. Command to defend the country against a North Korean attack, and he used them to crush the movement in Kwangju. Thousands of pro-democracy demonstrators were killed. In 1981, Chun Doo Hwan would be the first foreign visitor welcomed to the White House by the newly elected Ronald Reagan.

After more than thirty postwar years, democracy finally began to come to South Korea in 1987 via a popular revolution from below. Chun Doo Hwan made a strategic mistake by winning the right to hold the Olympic Games in Seoul in 1988. In the lead-up to the games, students from the many universities in Seoul, now openly backed by an increasingly prosperous middle class, began to protest American-backed military rule. Chun would normally have used his army to arrest, imprison, and probably shoot such demonstrators as he had done in Kwangju seven years earlier; but he was held back by the knowledge that, if he did so, the International Olympic Committee would move the games to some other country. In order to avoid such a national humiliation, Chun turned over power to his co-conspirator of 1979-80, General Roh Tae Woo. In order to allow the Olympics to go ahead, Roh instituted a measure of democratic reform, which led in 1993 to the holding of national elections and the victory of a civilian president, Kim Young Sam.

In December 1995, in one of the clearest signs of South Korea’s maturing democracy, the government arrested generals Chun Doo Hwan and Roh Tae Woo and charged them with having shaken down Korean big business for bribes — Chun Doo Hwan allegedly took \$1.2 billion and Roh Tae Woo \$630 million. President Kim then made a very popular decision, letting them be indicted for their military seizure of power in 1979 and for the Kwangju massacre as well. In August 1996, a South Korean court found both Chun and Roh guilty of sedition. Chun was sentenced to death and Roh to twenty-two-and-a-half years in prison. In April 1997, the Korean Supreme Court upheld slightly less severe sentences, something that would have been simply unimaginable for the *pro forma* Japanese Supreme Court. In December 1997, after peace activist Kim Dae Jung was elected president, he pardoned them both despite the fact that Chun had repeatedly tried to have Kim killed.

The United States was always deeply involved in these events. In 1989, when the Korean National Assembly sought to investigate what happened at Kwangju on its own, the U.S. government refused to cooperate and prohibited the former American ambassador to Seoul and the former general in command of U.S. Forces Korea from testifying. The American press avoided reporting on these events (while focusing on the suppression of pro-democracy demonstrators in Beijing in June 1989), and most Americans knew next to

nothing about them. This cover-up of the costs of military rule and the suppression of democracy in South Korea, in turn, has contributed to the present growing hostility of South Koreans toward the United States.

Unlike American-installed or supported “democracies” elsewhere, South Korea has developed into a genuine democracy. Public opinion is a vital force in the society. A separation of powers has been institutionalized and is honored. Electoral competition for all political offices is intense, with high levels of participation by voters. These achievements came from below, from the Korean people themselves, who liberated their country from American-backed military dictatorship. Perhaps most important, the Korean National Assembly — the parliament — is a genuine forum for democratic debate. I have visited it often and find the contrast with the scripted and empty procedures encountered in the Japanese Diet or the Chinese National People’s Congress striking indeed. Perhaps its only rival in terms of democratic vitality in East Asia is the Taiwanese Legislative Yuan. On some occasions, the Korean National Assembly is rowdy; fist fights are not uncommon. It is, however, a true school of democracy, one that came into being despite the resistance of the United States.

### **The Democracy Peddlers**

Given this history, why should we be surprised that in Baghdad, such figures as former head of the Coalition Provisional Authority L. Paul Bremer III, former Ambassador John Negroponte, and present Ambassador Zalmay Khalilzad, as well as a continuously changing cohort of American major-generals fresh from power-point lectures at the American Enterprise Institute, should have produced chaos and probable civil war? None of them has any qualifications at all for trying to “introduce democracy” or American-style capitalism in a highly nationalistic Muslim nation, and even if they did, they could not escape the onus of having terrorized the country through the use of unrestricted military force.

Bremer is a former assistant and employee of Henry Kissinger and General Alexander Haig. Negroponte was American ambassador to Honduras, 1981-85, when it had the world’s largest CIA station and actively participated in the dirty war to suppress Nicaraguan democracy. Khalilzad, the most prominent official of Afghan ancestry in the Bush administration, is a member of the Project for a New American Century, the neocon pressure group that lobbied for a war of aggression against Iraq. The role of the American military in our war there has been an unmitigated disaster on every front, including the deployment of undisciplined, brutal troops at places like the Abu Ghraib prison. All the United States has achieved is to guarantee that Iraqis will hate us for years to come. The situation in Iraq today is worse than it was in Japan or Korea and comparable to our tenure in Vietnam. Perhaps it is worth reconsidering what exactly we are so intent on exporting to the world.

*Chalmers Johnson is, most recently, the author of [“The Sorrows of Empire: Militarism, Secrecy, and the End of the Republic,”](#) as well as of [“MITI and the Japanese Miracle”](#) (1982) and [“Japan: Who Governs?”](#) (1995) among other works. This piece originated as “remarks” presented at the East Asia panel of a workshop on “Transplanting Institutions” sponsored by the Department of Sociology of the University of California, San Diego, held on April 21, 2006.*

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