

The *HighTower* **LOWDOWN**

Edited by Jim Hightower and Phillip Frazer ♦ Vol. 11 No. 5 ♦ May 2009

"She's a populist!"

—KARL ROVE after Sarah Palin's speech at the Republican National Convention. (Palin is popular, which makes her to populism what beer is to beer, only not as close.)

The media calls anyone who shouts "a populist" **Populism is not a style, it's a people's rebellion against corporate power**

WHEN I LIVED IN WASHINGTON, DC, in the 1970s, I got a call from a friend of mine who worked for the Congressional Research Service—a legislative agency that digs up facts, prepares briefing papers, and otherwise does research on any topic requested by members of Congress.

My friend could barely speak, because he was hooting, howling, and guffawing over a research question he'd just received. It was from the office of Sen. Lloyd Bentsen, the aloof and patrician Texas Democrat who was known on Capitol Hill primarily as a faithful emissary for Wall Street interests. At the time, Bentsen was contemplating a run for the presidency, and apparently he was searching for a suitable political identity. "What is a populist?" read the research query. "The senator thinks he might be one."

Uh...no sir, you are not.

Bentsen was closer to being "The Man in the Moon" than he was to being a populist. Yet, he was hardly alone in trying to cloak himself as "The People's Champion" while remaining faithful to the plutocratic powers. These days, there's a whole flock of politicos and pundits doing this—from Sarah Palin to Rush Limbaugh, Newt Gingrich to Glenn Beck.

They are abetted by a media establishment that carelessly (and lazily) misapplies the populist label to anyone who claims to be a maverick and tends to bark a lot.

Although the targets they're usually barking at are poor people, teachers, minorities, unions, liberals, protestors, environmentalists, gays, immigrants, or other demonized groups that generally reside far outside the center of the power structure—the barkers are indiscriminately tagged as populist voices.

First of all, populism is not a style, nor is it a synonym for "popular outrage." It is a historically grounded political doctrine (and movement)

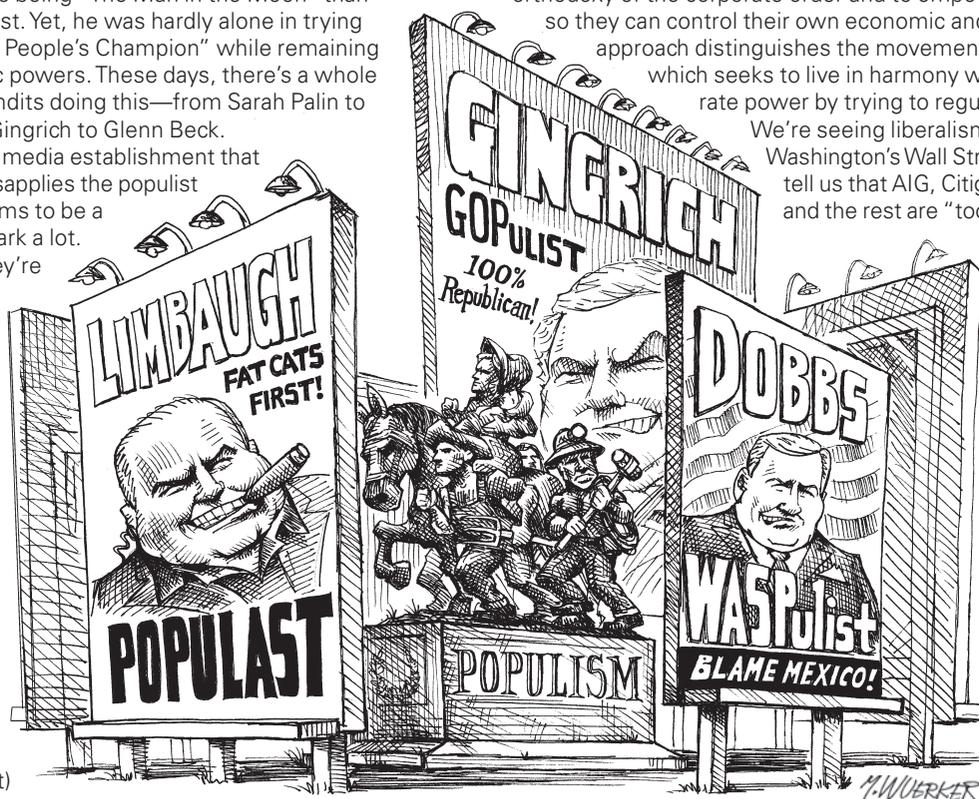
that supports ordinary folks in their ongoing democratic fight against the *moneyed* elites.

The very essence of populism is its unrelenting focus on breaking the iron grip that big corporations have on our country—including on our economy, government, media, and environment. It is unabashedly a class movement. Try to squeeze Lord Limbaugh into that philosophical suit of clothes! He's just another right-wing, corporate-hugging, silk-tie elitist—an apologist for plutocracy, not a populist.

Fully embracing the egalitarian ideals and rebellious spirit of the American Revolution, populists have always been out to challenge the orthodoxy of the corporate order and to empower workaday Americans so they can control their own economic and political destinies. This approach distinguishes the movement from classic liberalism, which seeks to live in harmony with concentrated corporate power by trying to regulate its excesses.

We're seeing liberalism at work today in Washington's Wall Street bailout. Both parties tell us that AIG, Citigroup, Bank of America, and the rest are "too big to fail," so taxpayers

simply "must" rescue the management, stockholders, and bondholders of the financial giants in order to save the system. Populists, on the other hand, note that it is this very system that has caused the failure—so *structural* reform is required. Let's reorganize the clumsy, inept, ungovernable, and corrupt financial system by ousting those who wrecked it, splitting up its component parts (banking, investment, and insurance), and establishing decentral-



MAKING A MOCKERY OF DEMOCRACY

Would you like to get a 22 percent return on the money you invest? Wow, that would be awfully good in today's sorry market! How about making \$22,000 for each dollar you spend? That's the payoff that corporations can get from investing in a sure thing: Washington lobbyists.

Three University of Kansas professors recently reported on a corporate lobbying effort to win a special tax break in 2004. Pushed in the name of creating jobs, this bill (which drastically cut corporate taxes on foreign profits) actually created no job gains for workaday folks, but it did produce a job boom for lobbyists. Focusing on 93 major companies—including such giants as Pfizer, IBM, and Hewlett-Packard—the study found that the firms spent \$283 million on lobbyists to slide the bill through Congress. In return, the special break they won produced a financial windfall for the 93 corporations, allowing them to dodge \$62.5 billion in taxes they otherwise owed—a 22,000 percent dividend on their investment in lobbyists.

Not every lobbying campaign produces such eye-popping results, but Washington influence peddlers now promise corporate clients that they'll get returns of 100 to 1 or better on every dollar invested in professional lobbyists. That's an admission—a boast, really—that legislation is for sale.

It's the golden rule—them with the gold rule—and it mocks America's pretension that ours is a system of representational democracy. For information on lobbying reform, contact the U.S. Public Interest Research Group at www.uspirg.org.

ized, manageable-sized financial institutions operating on the locally-controlled models of credit unions, co-ops, and community banks.

A movement

Not only is American populism a powerful and vibrant idea, but it also has a phenomenal history that has largely been hidden from our people. The Powers That Be are not keen to promote the story of a mass movement that did—and still could—challenge the corporate structure. Thus, the rich history of this grassroots force, which first arose in the late 1870s, tends to be ignored entirely or trivialized as a quirky pitchfork rebellion by rubes and racists who had some arcane quibble involving the free coinage of silver.

The true portrait of populism is rarely on public display. History teachers usually hustle students right past this unique moment in the evolution of our democracy. You never see a movie or a television presentation about the movement's innovative thinkers, powerful orators, and dramatic events. National museums offer no exhibits of its stunning inventions and accomplishments. And there is no "populist trail of history" winding through the various states in which farmers and workers created the People's Party (also known as the Populist Party), reshaped the national political debate, forced progressive reforms, delivered a million votes (and four states) to the party's 1892 presidential candidate, and elected 10 populist governors, six U.S. senators, and three dozen House members.

This was a serious, thoughtful, determined effort by hundreds of thousands of common folks to do something uncommon: organize themselves so—collectively and cooperatively—they could remake both commerce and government to serve the common good rather than the selfish interests of the barons of industry and finance.

While the big media of that day portrayed the movement as an incoherent bunch of conspiracy-minded bumpkins, the populists were in fact guided by a sophisticated network

of big thinkers, organizers, and communicators who had a thorough grasp of exactly how the system worked and why. Most significantly, they were problem solvers—their aim was not protest, but to provide real mechanisms that could decentralize and democratize power in our country.

The movement was able to rally a huge following of hard-scrabble farmers and put-upon workers because it did not pussyfoot around. Its leaders dared to go right at the core problem of an overreaching corporate state controlled by robber barons. Populist organizers spoke bluntly about the need to restructure the corporate system that was undermining America's democratic promise.

"Wall Street owns the country," declared Mary Ellen Lease at an 1890 populist convention in Topeka, Kansas. A powerhouse orator who took to the stump and wowed crowds at a time women were not even allowed to vote, Lease laid out a message her audiences knew to be true, for they were living what she was so colorfully describing. "It's no longer a government of the people, by the people, and for the people, but a government of Wall Street, by Wall Street, and for Wall Street," she roared. "Our laws are the output of a system which clothes rascals in robes and honesty in rags.... The people are at bay, let the bloodhounds of money who have dogged us beware."

These populist voices tapped directly into people's anger. But, still, how could common farmers and laborers—largely impoverished and powerless folks—possibly take on Wall Street, the railroad cartels, corporate trusts, and lobbyists, as well as the politicians that these powers owned? Well, even the smallest dog can lift its leg on the tallest building, and—after all sorts of starts-and-stops—populists found five ways to organize the movement and make their mark.

ECONOMIC. In 1877, before populism even had a name, it had a mission, which was to do something—anything—about the spreading eco-

nomie plight of farmers all over the country. They faced not only the usual disasters of weather and bugs, but also the unnatural disasters of rampant gouging by bankers, crop-lien merchants, commodity combines, railroad monopolies, and others. Government was worse than unresponsive; it sided with the gougers.

An economic alternative was needed, and it came out of Texas. Known as the Farmers Alliance, it created a network of cooperative enterprises that could both buy supplies for farmers in bulk and pool their crops to sell in bulk, bypassing the monopolists, getting better prices, and giving farmers a modicum of control over their destinies. It was an idea that worked.

The first Texas Alliance quickly spawned 2,000 sub-alliances around the state with a total of 100,000 members. Alliances were soon being formed throughout the South, in all of the Plains states, in the upper Midwest, and all across the West to California, bringing more than a million farmers into a common economy. This was a vast, multi-sectional structure of radical economic reform, creating a new possibility that its leaders called a "cooperative commonwealth."

CULTURAL. The Alliance gave the movement a solid structure, as well as essential credibility, through its delivery of tangible benefits to members. But it also created something much larger and more important: the means for ordinary people to learn what a democratic culture really is and to implement a vision of an alternative way to live.

These were working-class families of very modest means. They had little formal education, lived in isolated communities, and were treated as nobodies by the influentials who ran things. But—whoa!—now these outcasts were running something, and they mattered, both individually and as a group.

It was transformative for them. Lawrence Goodwyn, author of *Democratic Promise*, the definitive book on the populist phenomenon, sees this cultural awakening as the key triumph of the Alliance: "[The cooperative experience] imparted a sense of self-worth to individual people and provided them with the instruments of self-education about the world they lived in. The movement gave them hope—a shared hope—that they were not impersonal victims of a gigantic industrial engine ruled by others but that they were, instead, people who could

DoSomething!

For more information, check out the following websites:

From Lawrence Goodwyn's classic *Democratic Promise: The Populist Moment in American History* to William Greider's latest book, *Come Home, America*, there are numerous works that can connect you to the real meaning of populism.

On the action front, here are just a few of the groups pushing for a populist, *structural* response to Wall Street's greed-induced crashing of our economy:

- **The Populist Caucus:** <http://www.braley.house.gov/>
- **New Way Forward:** anewwayforward.org
- **People's Lobby:** <http://peopleslobby.us.com>

perform specific political acts of self-determination."

It was not all about business, either. Parades of farm wagons and colorful floats, day-long picnics, brass bands, song fests (Mary Ellen Lease was a renowned singer, as well as an orator), dances, poetry, and other social/cultural events enlivened and deepened the Alliance community, creating what Goodwyn calls a "mass folk movement." In addition, the Alliance ran a massive grassroots education program throughout rural America, providing everything from literature networks to adult-ed classes.

MEDIA. To stay connected and provide a steady flow of energy, the movement relied on a concerted program of education and communication—not only to enlighten and invigorate its widely dispersed members, but also to bring in new recruits. This required the Alliance to create its own media, for the establishment outlets offered only scorn and ridicule for the populist cause.

Books, over a thousand populist magazines, newspapers, and hundreds of popular songs and poems flowed from the movement. The communication lynchpin, however, was the Alliance Lecture Bureau, a stable of trained, articulate speakers—40,000 strong!—who regularly traversed the country from New York to California, bringing information, insight, and inspiration to all corners of Populist Nation. Goodwyn notes that this amazing system of reliable messengers was "the most massive organizing drive by any citizen institution of nineteenth century America."

COALITIONS. Though it created serious tensions in various Alliance chapters, the movement kept trying to broaden its base by joining hands with other groups that were also confronting corporate power. Early

on, its leaders reached out to the emerging labor movement. While there were Alliance leaders who thought of farmers as Jeffersonian, small-scale capitalists, many others (and many more rank-and-file members) viewed farmers essentially as working stiffs battling the same robber barons that labor was confronting. In 1885, the Knights of Labor were on strike against two companies in Texas, and several county alliances in that state voted to boycott the companies. This stand was a defining moment for the Alliance, for it heralded the co-op movement's shift into a more radical political phase.

By 1892, the Alliance's political arm, the Populist Party, fully embraced the relationship with industrial workers. Ignatius Donnelly of Minnesota electrified the national delegates to the party convention that year with a speech pointing directly to a shared cause with the union movement: "The urban workmen are denied the right of organization for self-protection; imported pauperized labor beats down their wages; a hireling standing army, unrecognized by our laws, is established to shoot them down.... The fruits of the toil of millions are boldly stolen to build up colossal fortunes.... From the same prolific womb of governmental injustice we breed two great classes—paupers and millionaires."

An even tougher match-up for the leadership was with black farmers, who had organized their own Colored Farmers National Alliance with about a million members. Aside from the obvious barrier that entrenched racism presented to this possible coalition, there was another degree of separation: white Alliance members tended to be farm owners (albeit heavily-mortgaged owners), and black Alliance mem-

bers were mostly field hands, renters, or sharecroppers. Yet, there was such a strong feeling of a shared fight that real and successful efforts were made to join together.

In *A People's History of the United States*, author Howard Zinn writes, "When the Texas People's Party was founded in Dallas in the summer of 1891, it was interracial and radical." A white leader at that meeting demanded that each district in the state include a black delegate, pointing out that, "They are in the ditch just like we are." Two black Alliance members were then elected to the party's executive committee. Alliances in Arkansas, Georgia, and North Carolina also made notable advances in interracial actions, and eminent historian C. Vann Woodward has said flatly that, "Never before or since have the two races in the South come so close together as they did during the Populist struggles."

The Alliance also included what was, at the time, a remarkable number of women activists. They made up roughly one-quarter of the membership and held many key posts.

POLITICS. By the mid-1880s, the Alliance reached a point where it had to abandon its original stance of non-partisanship and start flexing its political muscle. The big commodity brokers and railroad barons were brutalizing the co-ops with predatory pricing and other monopoly tactics, and bankers were squeezing the Alliance's marketing co-ops by refusing to provide loans. The major political parties, which were in harness to these moneyed interests, offered no relief from the corporate assault, while also refusing to advance any of the Alliance's broader reform agenda.

For about six years, Alliance members held countless local meet-

BANKSTERS WAIT FOR MORE BREAKS

You know those bankers who took bailout money from you and me? They're now in a pout about how they're being treated.

Having taken billions of tax dollars for their bailouts, and having refused to use those billions for loans that would help our economy recover—bank executives are now stamping their Gucci-clad feet and whining that the Obama administration is being mean to them. Go ahead—dab those tears from your eyes.

First, bank execs are having heart palpitations over the possibility that Obama and his bailout overseers might demand "management changes" at some of Wall Street's largest failed banks. They saw the CEO of General Motors get the boot, and these once-titans of finance are aghast that it could also happen to them.

Indeed, to avoid that and to escape the executive-pay restrictions that came with the bailout money, many top bankers—including such giants as Goldman Sachs and Wells Fargo—say they want to return the money.

Which brings us to their second complaint. In exchange for taking the money, they agreed to give stock ownership in their banks to us. In fact, taxpayers are now the primary owners of many banks.

To get out of the bailout, not only must they repay the billions they took from us, but they also must pay us for our ownership share. "Unfair," they shout, demanding that Obama waive this payment. It is "fundamentally un-American," cried one banker, asserting that this amounts to a "penalty for early withdrawal."

Well, yes sir, maybe it is—but isn't that what you do to your customers every day?

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HIDING FACTS ON CLIMATE CHANGE

Throughout the 1990s, an outfit called the Global Climate Coalition was desperately trying to debunk assertions by most environmental scientists that the pollutants emitted by Big Oil, automakers, utilities, and other major users of fossil fuels were causing Earth's drastic climate change. The GCC was a front group organized and funded by these industries to run a multimillion-dollar PR and lobbying campaign to create doubt that global warming was happening, much less that its members had any responsibility for it.

Now an environmental lawsuit has unearthed documents revealing that nearly fifteen years ago, GCC was told by its own expert advisory committee, "The scientific basis for the Greenhouse Effect and potential impact of human emissions of greenhouse gases such as CO₂ on climate is well established and cannot be denied." The report added that coalition members were just as certainly a central cause of it.

When the advisory committee's 1995 report was issued, this inconvenient finding was deleted so industries and their political enablers could keep insisting that the scientific community was "divided" on the causes of climate change and to forestall governmental action.

This is the same tactic that the tobacco giants used for decades, pretending that there was no link between smoking and lung cancer—even though their own scientists said otherwise. Corporate interests have learned that they don't have to prove their innocence, but just puff up a "scientific" smokescreen to dupe the media and the government. Surely there's an especially hot spot in hell awaiting such people.

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ings, debates, and consultations on how to proceed politically. Finally, Alliance delegates met in Omaha on July 4, 1892, for the founding convention of the People's Party of America, proudly branding themselves "The Populists."

Now, they could run their own people for offices up and down the ballot, campaigning on a broad platform to counter the "corporations, national banks, rings, trusts...and the oppression of usurers" in order to advance the common interests of the "plain people." The Knights of Labor were a part of this founding, and the preamble to the party's 1892 platform declared that "The interests of rural and civil labor are the same; their enemies are identical."

Yes, the Populists called for the "free and unlimited coinage of silver" to provide both debt relief and economic stimulus for small enterprise, but the snickering cynics who try to marginalize populism by defining it in terms of this narrow (though important) issue ignore the party's broader and amazingly progressive agenda, including these provisions:

- **THE FIRST PARTY** to call for women's suffrage.
- **AN EIGHT-HOUR DAY** for labor, plus wage protections.
- **THE ABOLITION** of the standing army of mercenaries, known as the "Pinkerton system," which violently suppressed union organizers.
- **THE DIRECT ELECTION** by the people of U.S. senators (who were chosen by state legislatures at the time).
- **A GRADUATED** income tax.
- **LEGISLATION BY POPULAR** initiative and referendum.
- **PUBLIC OWNERSHIP** of railroads, telephones, and telegraphs.
- **NO SUBSIDY** of private corporations for any purpose.

Matt's Pulitzer nod

OUR OWN CARTOONIST, MATT WUERKER, got the nod from the Pulitzer Prize people to be a finalist for this year's Editorial Cartooning Prize. He didn't win, but Matt's work in *Lowdown* certainly makes him the most, well, populist of the entire crop! Also, a man not afraid of profundity: When he branched into doing cartoons online for website Politico, we wondered if cartoons are really cartoons if you can't stick 'em on the fridge with a magnet. "The Internet is just a bigger, better refrigerator door," said Matt.

- **PROHIBITION OF SPECULATION** on and foreign ownership of our public lands and natural resources.
- **A FREE BALLOT** and fair count in all elections.
- **CIVIL-SERVICE LAWS** to prevent the politicalization of government employees.
- **PENSIONS** for veterans.
- **MEASURES TO BREAK** the corrupting power of corporate lobbyists.

What happened?

Ultimately, the Populists were undone, not by their boldness, but by leaders who urged them to compromise and to merge their aspirations into the Democratic Party. In the presidential election of 1896, they nominated the Democratic candidate William Jennings Bryan, whose "cross of gold" campaign focused on the monetary issue, avoiding the much more appealing structural radicalism of Populism. Outspent five to one, Bryan lost a close race to William McKinley, the Republican who was financed and owned by Wall Street.

The People's Party, having surrendered its independence and soul at a time the Alliance was being gutted by the money interests and the press, lost favor with its own faithful—and withered into a parody of itself.

Nonetheless, the Populists had

successfully energized, organized, educated, and mobilized one of America's few genuine mass movements, striking fear in the flinty hearts of such barons as J.P. Morgan, who railed against that "awful democracy."

The party was killed off, but not the Populist spirit. Persevering in separate political forms, the constituent components of populism—including unionists, suffragists, anti-trusters, socialists, cooperativists, and rural organizers—continued the struggle against America's economic and political aristocracy. Indeed, populists defined the content of national politics for the first third of the 20th century, forcing the Democratic Party to adopt populist positions, spawning the Progressive Party, elevating two Roosevelts to the presidency, and enacting major chunks of the agenda first drawn up by the People's Party.

Though the Powers That Be don't want us connecting with this stunning "Populist Moment" in our democratic history, a majority of folks today hold within them the live spark of populism—which is an innate distrust of corporate tycoons and Wall Street titans and an instinct to rebel against them. The moment can come again. As Goodwyn tells us, "the triumph of Populism...was the belief in possibility it injected into American political consciousness."

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