

# CAPITALISM

A GHOST STORY

ARUNDHATI ROY

BOOKER PRIZE-WINNING AUTHOR OF *THE GOD OF SMALL THINGS*

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Your blood asks, how were the wealthy

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and the law interwoven? With what

sulfurous iron fabric? How did the

poor keep falling into the tribunals?

How did the land become so bitter

for poor children, harshly

nourished on stone and grief?

So it was, and so I leave it written.

Their lives wrote it on my brow.

Pablo Neruda

“The Judges”<sup>1</sup>

## The President took the Salute

The Minister says that for India's sake, people should leave their villages and move to the cities. He's a Harvard man. He wants speed. And numbers. Five hundred million migrants he thinks, will make a good business model.

Not everybody likes the idea of their cities filling up with the poor. A judge in Bombay called slum dwellers pickpockets of urban land. Another said, while ordering the bulldozing of unauthorized colonies, that people who couldn't afford to live in cities shouldn't live in them.

When those who had been evicted went back to where they came from, they found their villages had disappeared under great dams and dusty quarries. Their homes were occupied by hunger—and policemen. The forests were filling up with armed guerrillas. They found that the wars from the edge of India, in Kashmir, Nagaland, Manipur, had migrated to its heart. People returned to live on city streets and pavements, in hovels on dusty construction sites, wondering which corner of this huge country was meant for them.

The Minister said that migrants to cities were mostly criminals and “carried a kind of behavior which is unacceptable to modern cities.”<sup>1</sup> The middle class admired him for his forthrightness, for having the courage to call a spade a spade. The Minister said he would set up more police stations, recruit more policemen, and put more police vehicles on the road to improve law and order.

In the drive to beautify Delhi for the Commonwealth Games, laws were passed that made the poor vanish, like laundry stains. Street vendors disappeared, rickshaw pullers lost their licenses, small shops and businesses were shut down. Beggars were rounded up, tried by mobile magistrates in mobile courts, and dropped outside the city limits. The slums that remained were screened off, with vinyl billboards that said DELHiciously Yours.

New kinds of policemen patrolled the streets, better armed, better dressed, and trained not to scratch their privates in public, no matter how grave the provocation. There were cameras everywhere recording everything.



Two young criminals carrying a kind of behavior that was unacceptable to modern cities escaped the police dragnet and approached a woman sitting between her sunglasses and the leather seats of her shiny car at a traffic crossing. Shamelessly they demanded money. The woman was rich and kind. Th

criminals' heads were no higher than her car window. Their names were Rukmini and Kamli. Or maybe Mehrunissa and Shahbano. (Who cares.) The woman gave them money and some motherly advice. Ten rupees to Kamli (or Shahbano). "Share it," she told them, and sped away when the lights changed.

Rukmini and Kamli (or Mehrunissa and Shahbano) tore into each other like gladiators, like lifers in a prison yard. Each sleek car that flashed past them, and almost crushed them, carried the reflection of their battle, their fight to the finish, on its shining door.

Eventually both girls disappeared without a trace, like thousands of children do in Delhi.

The Games were a success.



Two months later, on the sixty-second anniversary of India's Republic Day, the armed forces showcased their new weapons at the Republic Day parade: a missile launcher system, Russian multi-barrel rocket launchers, combat aircraft, light helicopters, and underwater weapons for the navy. The new T-90 battle tank was called Bhishma. (The older one was Arjun.) Varunastra was the name of the latest heavyweight torpedo, and Mareech was a decoy system to seduce incoming torpedoes. (Hanuman and Vajra are the names painted on the armored vehicles that patrol Kashmir's frozen streets.) The names from the Bhagavad Gita, the Ramayana, and the Mahabharata were a coincidence. Dare Devils from the Army's Corps of Signals rode motorcycles in a rocket formation; then they formed a cluster of flying birds and finally a human pyramid.

The army band played the national anthem. The President took the salute.

Three Sukhoi fighter jets made a Trishul in the sky. Shiva's Trishul. Is India a Hindu republic? Only accidentally.

The thrilled crowd turned its face up to the weak winter sun and applauded the aerobatics. High in the sky, the winking silver sides of the jets carried the reflection of Rukmini and Kamli's (or Mehrunissa and Shahbano's) fight to the death.

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# Section One



# CAPITALISM: A GHOST STORY

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Is it a house or a home? A temple to the new India or a warehouse for its ghosts? Ever since Antilla arrived on Altamount Road in Mumbai, exuding mystery and quiet menace, things have not been the same. “Here we are,” the friend who took me there said. “Pay your respects to our new Ruler.”

Antilla belongs to India’s richest man, Mukesh Ambani. I’d read about this most expensive dwelling ever built, the twenty-seven floors, three helipads, nine lifts, hanging gardens, ballrooms, weather rooms, gymnasiums, six floors of parking, and six hundred servants. Nothing had prepared me for the vertical lawn—a soaring, twenty-seven-story-high wall of grass attached to a vast metal grid. The grass was dry in patches; bits had fallen off in neat rectangles. Clearly, Trickle-down hadn’t worked.

But Gush-Up certainly has. That’s why in a nation of 1.2 billion, India’s one hundred richest people own assets equivalent to one-fourth of the GDP.<sup>1</sup>

The word on the street (and in the *New York Times*) is, or at least was, that after all that effort and gardening, the Ambanis don’t live in Antilla.<sup>2</sup> No one knows for sure. People still whisper about ghosts and bad luck, Vastu and feng shui. Maybe it’s all Karl Marx’s fault. (All that cussing.) Capitalism, he said, “has conjured up such gigantic means of production and of exchange, that it is like the sorcerer who is no longer able to control the powers of the netherworld whom he has called up by his spells.”<sup>3</sup>

In India the 300 million of us who belong to the new, post–International Monetary Fund (IMF) “reforms” middle class—the market—live side by side with spirits of the netherworld, the poltergeists of dead rivers, dry wells, bald mountains, and denuded forests; the ghosts of 250,000 debt-ridden farmers who have killed themselves, and of the 800 million who have been impoverished and dispossessed to make way for us.<sup>4</sup> And who survive on less than twenty Indian rupees a day.<sup>5</sup>

Mukesh Ambani is personally worth \$20 billion.<sup>6</sup> He holds a majority controlling share in Reliance Industries Limited (RIL), a company with a market capitalization of \$47 billion and global business interests that include petrochemicals, oil, natural gas, polyester fiber, Special Economic Zones, fresh food retail, high schools, life sciences research, and stem cell storage services. RIL recently bought 9 percent shares in Infotel, a TV consortium that controls twenty-seven TV news and entertainment channels, including CNN-IBN, IBN Live, CNBC, IBN Lokmat, and ETV in almost every regional language.<sup>7</sup> Infotel owns the only nationwide license for 4G broadband, a high-speed information pipeline which, if the technology works, could be the future of information exchange.<sup>8</sup> Mr. Ambani

also owns a cricket team.

RIL is one of a handful of corporations that run India. Some of the others are the Tatas, Jindals, Vedanta, Mittals, Infosys, Essar, and the other Reliance, Reliance Anil Dhirubhai Ambani Group (ADAG), owned by Mukesh's brother Anil. Their race for growth has spilled across Europe, Central Asia, Africa, and Latin America. Their nets are cast wide; they are visible and invisible, over ground as well as underground. The Tatas, for example, run more than one hundred companies in eighty countries. They are one of India's oldest and largest private-sector power companies. They own mine gas fields, steel plants, telephone, and cable TV and broadband networks, and run whole townships. They manufacture cars and trucks and own the Taj Hotel chain, Jaguar, Land Rover, Daewoo, Tetley Tea, a publishing company, a chain of bookstores, a major brand of iodized salt, and the cosmetics giant Lakme. Their advertising tagline could easily be You Can't Live Without Us.

According to the rules of the Gush-Up Gospel, the more you have, the more you can have.

The era of the Privatization of Everything has made the Indian economy one of the fastest growing in the world. However, as with any good old-fashioned colony, one of its main exports is its minerals. India's new megacorporations, Tatas, Jindals, Essar, Reliance, Sterlite, are those that have managed to muscle their way to the head of the spigot that is spewing money extracted from deep inside the earth.<sup>9</sup> It's a dream come true for businessmen—to be able to sell what they don't have to buy.

The other major source of corporate wealth comes from their land banks. All over the world, weak corrupt local governments have helped Wall Street brokers, agribusiness corporations, and Chinese billionaires to amass huge tracts of land. (Of course this entails commandeering water too.) In India the land of millions of people is being acquired and handed over to private corporations for "public interest"—for Special Economic Zones (SEZs), infrastructure projects, dams, highways, car manufacture, chemical hubs, and Formula One racing.<sup>10</sup> (The sanctity of private property never applies to the poor.) As always, local people are promised that their displacement from their land and the expropriation of everything they ever had is actually part of employment generation. But by now we know that the connection between GDP growth and jobs is a myth. After twenty years of "growth," 60 percent of India's workforce is self-employed, and 90 percent of India's labor force works in the unorganized sector.<sup>11</sup>

Post-Independence, right up to the 1980s, people's movements, ranging from the Naxalites to Jayaprakash Narayan's Sampurna Kranti, were fighting for land reforms, for the redistribution of land from feudal landlords to landless peasants. Today any talk of redistribution of land or wealth would be considered not just undemocratic but lunatic. Even the most militant movements have been reduced to a fight to hold on to what little land people still have. The millions of landless people, the majority of them Dalits and Adivasis, driven from their villages, living in slums and shanty colonies in small towns and megacities, do not figure even in the radical discourse.

As Gush-Up concentrates wealth onto the tip of a shining pin on which our billionaires pirouette,

tidal waves of money crash through the institutions of democracy—the courts, the parliament—as well as the media, seriously compromising their ability to function in the ways they are meant to. The noisier the carnival around elections, the less sure we are that democracy really exists.

Each new corruption scandal that surfaces in India makes the last one look tame. In the summer of 2011 the 2G spectrum scandal broke. We learned that corporations had siphoned away \$40 billion of public money by installing a friendly soul as the minister of communications and information who grossly underpriced the licenses for 2G telecom spectrums and illegally auctioned them to his buddies. The taped telephone conversations leaked to the press showed how a network of industrialists and their front companies, ministers, senior journalists, and a TV anchor were involved in facilitating this daylight robbery. The tapes were just an MRI that confirmed a diagnosis that people had made long ago.

The privatization and illegal sale of telecom spectrum does not involve war, displacement, and ecological devastation. The privatization of India's mountains, rivers, and forests does. Perhaps because it does not have the uncomplicated clarity of a straightforward, out-and-out accounting scandal, or perhaps because it is all being done in the name of India's "progress," it does not have the same resonance with the middle classes.

In 2005 the state governments of Chhattisgarh, Orissa, and Jharkhand signed hundreds of memorandums of understanding (MOUs) with a number of private corporations, turning over trillions of dollars of bauxite, iron ore, and other minerals for a pittance, defying even the warped logic of the Free Market. (Royalties to the government ranged between 0.5 percent and 7 percent.)<sup>12</sup>

Only days after the Chhattisgarh government signed an MOU for the construction of an integrated steel plant in Bastar with Tata Steel, the Salwa Judum, a vigilante militia, was inaugurated. The government said it was a spontaneous uprising of local people who were fed up with "repression" by Maoist guerillas in the forest. It turned out to be a ground-clearing operation, funded and armed by the government and subsidized by mining corporations. In the other states similar militias were created, with other names. The prime minister announced the Maoists were the "Single Largest Security Challenge in India." It was a declaration of war.<sup>13</sup>

On January 2, 2006, in Kalinganagar, in the neighboring state of Orissa, perhaps to signal the seriousness of the government's intention, ten platoons of police arrived at the site of another Tata Steel plant and opened fire on villagers who had gathered there to protest what they felt was inadequate compensation for their land. Thirteen people, including one policeman, were killed and thirty-seven injured.<sup>14</sup> Six years have gone by, and though the villages remain under siege by armed policemen, the protest has not died.

Meanwhile in Chhattisgarh, the Salwa Judum burned, raped, and murdered its way through hundreds of forest villages, evacuating six hundred villages and forcing 50,000 people to come out into police camps and 350,000 people to flee.<sup>15</sup> The chief minister announced that those who did not

come out of the forests would be considered “Maoist terrorists.” In this way, in parts of modern India plowing fields and sowing seed came to be defined as terrorist activity. Eventually the Salwa Judum’s atrocities succeeded only in strengthening the resistance and swelling the ranks of the Maoist guerilla army. In 2009 the government announced what it called Operation Green Hunt. Two hundred thousand paramilitary troops were deployed across Chhattisgarh, Orissa, Jharkhand, and West Bengal.<sup>16</sup>

After three years of “low-intensity conflict” that has not managed to “flush” the rebels out of the forest, the central government has declared that it will deploy the Indian army and air force.<sup>17</sup> In India we don’t call this war. We call it “Creating a Good Investment Climate.” Thousands of soldiers have already moved in. A brigade headquarters and airbases are being readied. One of the biggest armies in the world is now preparing its Terms of Engagement to “defend” itself against the poorest, hungriest, most malnourished people in the world. We only await the declaration of the Armed Forces Special Powers Act (AFSPA), which will give the army legal impunity and the right to kill “on suspicion.” Going by the tens of thousands of unmarked graves and anonymous cremation pyres in Kashmir, Manipur, and Nagaland, we might judge it to be a very suspicious army indeed.<sup>18</sup>

While the preparations for deployment are being made, the jungles of Central India continue to remain under siege, with villagers frightened to come out or to go to the market for food or medicine. Hundreds of people have been jailed, charged with being Maoists under draconian, undemocratic laws. Prisons are crowded with Adivasi people, many of whom have no idea what their crime is. Recently, Soni Sori, an Adivasi schoolteacher from Bastar, was arrested and tortured in police custody. Stones were pushed up her vagina to get her to “confess” that she was a Maoist courier. The stones were removed from her body at a hospital in Calcutta, where, after a public outcry, she was sent for a medical checkup. At a recent Supreme Court hearing, activists presented the judges with the stones in a plastic bag. The only outcome of their efforts has been that Soni Sori remains in jail, while Ankit Garg, the superintendent of police who conducted the interrogation, was conferred the President’s Police Medal for Gallantry on Republic Day.<sup>19</sup>

We hear about the ecological and social reengineering of Central India only because of the mass insurrection and the war. The government gives out no information. The MOUs are all secret. Some sections of the media have done what they could to bring public attention to what is happening in Central India. However, most of the Indian mass media is made vulnerable by the fact that the major share of their revenues come from corporate advertisements. If that is not bad enough, now the line between the media and big business has begun to blur dangerously. As we have seen, RIL virtually owns twenty-seven TV channels. But the reverse is also true. Some media houses now have direct business and corporate interests. For example, one of the major daily newspapers in the region, *Dainik Bhaskar*—and it is only one example—has 17.5 million readers in four languages, including English and Hindi, across thirteen states. It also owns sixty-nine companies with interests in mining, power generation, real estate, and textiles. A recent writ petition filed in the Chhattisgarh High Court accus-

DB Power Ltd (one of the group's companies) of using "deliberate, illegal and manipulative measures" through company-owned newspapers to influence the outcome of a public hearing over an open cast coalmine.<sup>20</sup> Whether or not it has attempted to influence the outcome is not germane. The point is that media houses are in a position to do so. They have the power to do so. The laws of the land allow them to be in a position that lends itself to a serious conflict of interest.

There are other parts of the country from which no news comes. In the sparsely populated but militarized northeastern state of Arunachal Pradesh, 168 big dams are being constructed, most of them privately owned.<sup>21</sup> High dams that will submerge whole districts are being constructed in Manipur and Kashmir, both highly militarized states where people can be killed merely for protesting power cuts. (That happened a few weeks ago in Kashmir.)<sup>22</sup> How can they stop a dam?

The most delusional dam of all is the Kalpasar in Gujarat. It is being planned as a 34-km-long dam across the Gulf of Khambat with a ten-lane highway and a railway line running on top of it. The idea is to keep out the seawater and create a sweet-water reservoir of Gujarat's rivers. (Never mind that these rivers have already been dammed to a trickle and poisoned with chemical effluent.) The Kalpasar dam, which would raise the sea level and alter the ecology of hundreds of kilometers of coastline, was the cause of serious concerns amongst scientists in a 2007 report.<sup>23</sup> It has made a sudden comeback in order to supply water to the Dholera Special Investment Region (SIR) in one of the most water-stressed zones not just in India but in the world. SIR is another name for a SEZ, a self-governed corporate dystopia of industrial parks, townships, and megacities. The Dholera SIR is going to be connected to Gujarat's other cities by a network of ten-lane highways. Where will the money for all this come from?

In January 2011 in the Mahatma (Gandhi) Mandir, Gujarat's Chief Minister Narendra Modi presided over a meeting of ten thousand international businessmen from one hundred countries. According to media reports, they pledged to invest \$450 billion in Gujarat. The meeting was deliberately scheduled to take place on the tenth anniversary of the massacre of two thousand Muslims in February 2002. Modi stands accused of not just condoning but actively abetting the killing. People who watched their loved ones being raped, eviscerated, and burned alive, the tens of thousand who were driven from their homes, still wait for a gesture toward justice. But Modi has traded in his saffron scarf and vermilion forehead for a sharp business suit and hopes that a \$450 billion investment will work as blood money and square the books.<sup>24</sup> Perhaps it will. Big Business is backing him enthusiastically. The algebra of infinite justice works in mysterious ways.

The Dholera SIR is only one of the smaller Matryoshka dolls, one of the inner ones in the dystopia that is being planned. It will be connected to the Delhi Mumbai Industrial Corridor (DMIC), a 1,500-km-long and 300-km-wide corridor with nine megaindustrial zones, a high-speed freight line, three seaports, six airports, a six-lane intersection-free expressway, and a 4,000-mw power plant. The DMIC is a collaborative venture between the governments of India and Japan, and their respective corporate



partners, and has been proposed by the McKinsey Global Institute.

The DMIC website says that approximately 180 million people will be “affected” by the project.<sup>25</sup> Exactly how it doesn’t say. It envisages the building of several new cities and estimates that the population in the region will grow from the current 231 million to 314 million by 2019. That’s in seven years’ time. When was the last time a state, despot, or dictator carried out a population transfer of millions of people? Can it possibly be a peaceful process?

The Indian army might need to go on a recruitment drive so that it’s not taken unawares when it is ordered to deploy all over India. In preparation for its role in Central India, it publicly released its updated doctrine of military psychological operations, which outlines “a planned process of conveying a message to a select target audience, to promote particular themes that result in desired attitudes and behaviour, which affect the achievement of political and military objectives of the country.” This process of “perception management,” it said, would be conducted by “using media available to the Services.”<sup>26</sup>

The army is experienced enough to know that coercive force alone cannot carry out or manage social engineering on the scale that is envisaged by India’s planners. War against the poor is one thing. But for the rest of us—the middle class, white-collar workers, intellectuals, “opinion-makers”—it has to be “perception management.” And for this we must turn our attention to the exquisite art of Corporate Philanthropy.

Of late, the main mining conglomerates have embraced the arts—film, art installations, and the rush of literary festivals that have replaced the 1990s obsession with beauty contests. Vedanta, currently mining the heart out of the homelands of the ancient Dongria Kond tribe for bauxite, is sponsoring a “Creating Happiness” film competition for young film students whom it has commissioned to make films on sustainable development. Vedanta’s tagline is “Mining Happiness.” The Jindal Group brings out a contemporary art magazine and supports some of India’s major artists (who naturally work with stainless steel). Essar was the principal sponsor of the Tehelka Newsweek Think Fest that promised “high-octane debates” by the foremost thinkers from around the world, which included major writers, activists, and even the architect Frank Gehry.<sup>27</sup> (All this in Goa, where activists and journalists were uncovering massive illegal mining scandals, and Essar’s part in the war unfolding in Bastar was emerging.)<sup>28</sup> Tata Steel and Rio Tinto (which has a sordid track record of its own) were among the chief sponsors of the Jaipur Literary Festival (Latin name: Darshan Singh Construction Jaipur Literary Festival), which is advertised by the cognoscenti as “The Greatest Literary Show on Earth.” Counselage, the Tatas “strategic brand manager,” sponsored the festival’s press tent. Many of the world’s best and brightest writers gathered in Jaipur to discuss love, literature, politics, and Sufi poetry. Some tried to defend Salman Rushdie’s right to free speech by reading from his proscribed book, *The Satanic Verses*. In every TV frame and newspaper photograph the logo of Tata Steel (and its tagline, Values Stronger than Steel) loomed behind them, a benign, benevolent

host. The enemies of free speech were the supposedly murderous Muslim mobs, who, the festival organizers told us, could have even harmed the schoolchildren gathered there. (We are witness to how helpless the Indian government and the police can be when it comes to Muslims.) Yes, the hardline Darul-uloom Deobandi Islamic seminary did protest Rushdie's being invited to the festival. Yes, some Islamists did gather at the festival venue to protest, and yes, outrageously, the state government did nothing to protect the venue. That's because the whole episode had as much to do with democracy, vote banks, and the Uttar Pradesh (UP) elections as it did with Islamist fundamentalism. But the battle for Free Speech against Islamist Fundamentalism made it to the world's newspapers. It is important that it did. But there were hardly any reports about the festival sponsors' role in the war in the forests, the bodies piling up, the prisons filling up. Or about the Unlawful Activities Prevention Act and the Chhattisgarh Special Public Security Act, which make even *thinking* an antigovernment thought a cognizable offense. Or about the mandatory public hearing for the Tata Steel plant in Lohandiguda, which local people complained actually took place hundreds of miles away in Jagdalpur, in the collector's office compound, with a hired audience of fifty people, under armed guard.<sup>29</sup> Where was Free Speech then? No one mentioned Kalinganagar. No one mentioned that journalists, academics, and filmmakers working on subjects unpopular with the Indian government—like the surreptitious part it played in the genocide of Tamils in the war in Sri Lanka, or the recently discovered unmarked graves in Kashmir—were being denied visas or deported straight from the airport.<sup>30</sup>

But which of us sinners was going to cast the first stone? Not me, who lives off royalties from corporate publishing houses. We all watch Tata Sky, we surf the Net with Tata Photon, we ride in Tata taxis, we stay in Tata Hotels, sip our Tata tea in Tata bone china, and stir it with teaspoons made of Tata Steel. We buy Tata books in Tata bookshops. *Hum Tata ka namak khatay hain*. We're under siege.

If the sledgehammer of moral purity is to be the criteria for stone throwing, then the only people who qualify are those who have been silenced already. Those who live outside the system; the outlaw in the forests, or those whose protests are never covered by the press, or the well-behaved Dispossessed, who go from tribunal to tribunal, bearing witness, giving testimony.

But the Litfest gave us our Aha! Moment. Oprah came.<sup>31</sup> She said she *loved* India, that she would come *again* and *again*. It made us proud.

This is only the burlesque end of the Exquisite Art.

Though the Tatas have been involved with corporate philanthropy for almost a hundred years now, endowing scholarships and running some excellent educational institutes and hospitals, Indian corporations have only recently been invited into the Star Chamber, the *Camera stellata*, the brightly lit world of global corporate government, deadly for its adversaries but otherwise so artful that you barely know it's there.

What follows in this essay might appear to some to be a somewhat harsh critique. On the other

hand, in the tradition of honoring one's adversaries, it could be read as an acknowledgment of the vision, flexibility, sophistication, and unwavering determination of those who have dedicated their lives to keeping the world safe for capitalism.

Their enthralling history, which has faded from contemporary memory, began in the United States in the early twentieth century when, kitted out legally in the form of endowed foundations, corporate philanthropy began to replace missionary activity as Capitalism's (and Imperialism's) road-opening and systems maintenance patrol.<sup>32</sup>

Among the first foundations to be set up in the United States were the Carnegie Corporation, endowed in 1911 by profits from Carnegie Steel Company, and the Rockefeller Foundation, endowed in 1914 by J. D. Rockefeller, founder of Standard Oil Company. The Tatas and Ambanis of their time

Some of the institutions financed, given seed money, or supported by the Rockefeller Foundation are the United Nations, the CIA, the Council on Foreign Relations (CFR), New York's most fabulous Museum of Modern Art, and, of course, the Rockefeller Center in New York (where Diego Riviera's mural had to be blasted off the wall because it mischievously depicted reprobate capitalists and a valiant Lenin; Free Speech had taken the day off).

Rockefeller was America's first billionaire and the world's richest man. He was an abolitionist, a supporter of Abraham Lincoln, and a teetotaler. He believed his money was given to him by God, which must have been nice for him.<sup>33</sup>

Here are a few verses from one of Pablo Neruda's early poems called "Standard Oil Company":

Their obese emperors from New York  
are suave smiling assassins  
who buy silk, nylon, cigars  
petty tyrants and dictators.  
They buy countries, people, seas, police, county councils,  
distant regions where the poor hoard their corn  
like misers their gold:  
Standard Oil awakens them,  
clothes them in uniforms, designates  
which brother is the enemy.  
The Paraguayan fights its war,  
and the Bolivian wastes away  
in the jungle with its machine gun.  
A President assassinated for a drop of petroleum,  
a million-acre mortgage,  
a swift execution on a morning mortal with light, petrified,  
a new prison camp for subversives,  
in Patagonia, a betrayal, scattered shots



beneath a petroliferous moon,  
a subtle change of ministers  
in the capital, a whisper  
like an oil tide,  
and zap, you'll see  
how Standard Oil's letters shine above the clouds,  
above the seas, in your home,  
illuminating their dominions.<sup>34</sup>

When corporate-endowed foundations first made their appearance in the United States, there was a fierce debate about their provenance, legality, and lack of accountability. People suggested that if companies had so much surplus money, they should raise the wages of their workers. (People made these outrageous suggestions in those days, even in America.) The idea of these foundations, so ordinary now, was in fact a leap of the business imagination. Non-tax-paying legal entities with massive resources and an almost unlimited brief—wholly unaccountable, wholly nontransparent—what better way to parlay economic wealth into political, social, and cultural capital, to turn money into power? What better way for usurers to use a minuscule percentage of their profits to run the world? How else would Bill Gates, who admittedly knows a thing or two about computers, find himself designing education, health, and agriculture policies, not just for the US government but for governments all over the world?<sup>35</sup>

Over the years, as people witnessed some of the genuinely good work the foundations did (running public libraries, eradicating diseases)—the direct connection between corporations and the foundations they endowed began to blur. Eventually, it faded altogether. Now even those who consider themselves left wing are not shy to accept their largesse.

By the 1920s US capitalism had begun to look outward for raw materials and overseas markets. Foundations began to formulate the idea of global corporate governance. In 1924 the Rockefeller and Carnegie Foundations jointly created what is today the most powerful foreign policy pressure group in the world—the Council on Foreign Relations (CFR), which later came to be funded by the Ford Foundation as well. By 1947 the newly created CIA was supported by and working closely with the CFR. Over the years the CFR's membership has included twenty-two US secretaries of state. There were five CFR members in the 1943 steering committee that planned the United Nations, and an \$8.5 million grant from J. D. Rockefeller bought the land on which the United Nations' New York headquarters stands.<sup>36</sup>

All eleven of the World Bank's presidents since 1946—men who have presented themselves as missionaries to the poor—have been members of the CFR. (The exception was George Woods. And he was a trustee of the Rockefeller Foundation and vice president of Chase Manhattan Bank.)<sup>37</sup>

At Bretton Woods, the World Bank and IMF decided that the US dollar should be the reserve

currency of the world, and that in order to enhance the penetration of global capital it would be necessary to universalize and standardize business practices in an open marketplace.<sup>38</sup> It is toward that end that they spend a large amount of money promoting Good Governance (as long as they control the strings), the concept of the Rule of Law (provided they have a say in making the laws), and hundreds of anticorruption programs (to streamline the system they have put in place). Two of the most opaque, unaccountable organizations in the world go about demanding transparency and accountability from the governments of poorer countries.

Given that the World Bank has more or less directed the economic policies of the Third World, coercing and cracking open the market of country after country for global finance, you could say that corporate philanthropy has turned out to be the most visionary business of all time.

Corporate-endowed foundations administer, trade, and channel their power and place their chessmen on the chessboard through a system of elite clubs and think tanks, whose members overlap and move in and out through the revolving doors. Contrary to the various conspiracy theories in circulation, particularly among left-wing groups, there is nothing secret, satanic, or Freemason-like about this arrangement. It is not very different from the way corporations use shell companies and offshore accounts to transfer and administer their money—except that the currency is power, not money.

The transnational equivalent of the CFR is the Trilateral Commission, set up in 1973 by David Rockefeller, the former US national security adviser Zbigniew Brzezinski (founder-member of the Afghan mujahidin, forefathers of the Taliban), the Chase Manhattan Bank, and some other private eminences. Its purpose was to create an enduring bond of friendship and cooperation between the elites of North America, Europe, and Japan. It has now become a pentilateral commission, because it includes members from China and India (Tarun Das of the CII; N. R. Narayana Murthy, ex-CEO of Infosys; Jamsheyd N. Godrej, managing director of Godrej; Jamshed J. Irani, director of Tata Sons; and Gautam Thapar, CEO of Avantha Group).<sup>39</sup>

The Aspen Institute is an international club of local elites, businessmen, bureaucrats, and politicians, with franchises in several countries. Tarun Das is the president of the Aspen Institute, India. Gautam Thapar is chairman. Several senior officers of the McKinsey Global Institute (proposed for the Delhi Mumbai Industrial Corridor) are members of the CFR, the Trilateral Commission, and the Aspen Institute.<sup>40</sup>

The Ford Foundation (liberal foil to the more conservative Rockefeller Foundation, though the two work together constantly) was set up in 1936. Though it is often underplayed, the Ford Foundation has a very clear, well-defined ideology and works extremely closely with the US State Department. Its project of deepening democracy and “good governance” is very much part of the Bretton Woods scheme of standardizing business practice and promoting efficiency in the free market. After the Second World War, when communists replaced fascists as the US Government’s Enemy Number One

new kinds of institutions were needed to deal with the Cold War. Ford funded RAND (Research and Development Corporation), a military think tank that began with weapons research for the US defense services. In 1952, to thwart “the persistent Communist effort to penetrate and disrupt free nations,” it established the Fund for the Republic, which then morphed into the Center for the Study of Democratic Institutions, whose brief was to wage the Cold War intelligently, without McCarthyite excesses.<sup>41</sup> It is through this lens that we need to view the work that the Ford Foundation is doing with the millions of dollars it has invested in India—its funding of artists, filmmakers, and activists, its generous endowment of university courses and scholarships.

The Ford Foundation’s declared “goals for the future of mankind” include interventions in grassroots political movements locally and internationally. In the United States it provided millions in grants and loans to support the credit union movement that was pioneered by the department store owner Edward Filene in 1919. Filene believed in creating a mass consumption society of consumer goods by giving workers affordable access to credit—a radical idea at the time. Actually, only half of a radical idea, because the other half of what Filene believed in was a more equitable distribution of national income. Capitalists seized on the first half of Filene’s suggestion and, by disbursing “affordable” loans of tens of millions of dollars to working people, turned the US working class into people who are permanently in debt, running to catch up with their lifestyles.<sup>42</sup>

Many years later, this idea has trickled down to the impoverished countryside of Bangladesh where Mohammed Yunus and the Grameen Bank brought microcredit to starving peasants with disastrous consequences. The poor of the subcontinent have always lived in debt, in the merciless grip of the local village usurer—the Baniya. But microfinance has corporatized that too. Microfinance companies in India are responsible for hundreds of suicides—two hundred people in Andhra Pradesh in 2010 alone. A national daily recently published a suicide note by an eighteen-year-old girl who was forced to hand over her last 150 rupees, her school fees, to bullying employees of the microfinance company. The note read, “Work hard and earn money. Do not take loans.”<sup>43</sup>

There’s a lot of money in poverty, and a few Nobel Prizes too.

By the 1950s the Rockefeller and Ford Foundations, funding several NGOs and international educational institutions, began to work as quasi-extensions of the US government, which was at the time toppling democratically elected governments in Latin America, Iran, and Indonesia. (That was also around the time it made its entry into India, then non-aligned but clearly tilting toward the Soviet Union.) The Ford Foundation established a US-style economics course at the Indonesian University. Elite Indonesian students, trained in counterinsurgency by US army officers, played a crucial part in the 1965 CIA-backed coup in Indonesia that brought General Suharto to power. He repaid his mentor by slaughtering hundreds of thousands of communist rebels.<sup>44</sup>

Twenty years later, young Chilean students, who came to be known as the Chicago Boys, were taken to the United States to be trained in neoliberal economics by Milton Friedman at the University

of Chicago (endowed by J. D. Rockefeller), in preparation for the 1973 CIA-backed coup that killed Salvador Allende and brought in General Pinochet and a reign of death squads, disappearances, and terror that lasted for seventeen years.<sup>45</sup> Allende's crime was being a democratically elected socialist and nationalizing Chile's mines.

In 1957 the Rockefeller Foundation established the Ramon Magsaysay Prize for community leadership in Asia. It was named after Ramon Magsaysay, president of the Philippines, a crucial ally in the US campaign against communism in Southeast Asia. In 2000 the Ford Foundation established the Ramon Magsaysay Emergent Leadership Award. The Magsaysay Award is considered a prestigious award among artists, activists, and community workers in India. M. S. Subulakshmi and Satyajit Ray won it and so did Jaiprakash Narain and one of India's finest journalists, P. Sainath. But they did more for the Magsaysay award than it did for them. In general, it has become a gentle arbiter of what kind of activism is "acceptable" and what is not.<sup>46</sup>

Interestingly, Anna Hazare's anticorruption movement last summer was spearheaded by three Magsaysay Award winners—Anna Hazare, Arvind Kejriwal, and Kiran Bedi. One of Arvind Kejriwal's many NGOs is generously funded by the Ford Foundation. Kiran Bedi's NGO is funded by Coca-Cola and Lehman Brothers.

Though Anna Hazare calls himself a Gandhian, the law he called for—the Jan Lokpal Bill—was un-Gandhian, elitist, and dangerous. An around-the-clock corporate media campaign proclaimed him to be the voice of "the people." Unlike the Occupy Wall Street movement in the United States, the Hazare movement didn't breathe a word against privatization, corporate power, or economic "reforms." On the contrary, its principal media backers successfully turned the spotlight away from massive corporate corruption scandals (which had exposed high-profile journalists too) and used the public mauling of politicians to call for the further withdrawal of discretionary powers from government, for more reforms, more privatization. The World Bank issued a 2007 assessment from Washington saying the movement would "dovetail" with its "good governance" strategy.<sup>47</sup> (In 2008 Anna Hazare received a World Bank Award for Outstanding Public Service.)<sup>48</sup>

Like all good Imperialists, the Philanthropoids set themselves the task of creating and training an international cadre that believed that Capitalism, and by extension the hegemony of the United States was in their own self-interest. And who would therefore help to administer the Global Corporate Government in the ways native elites had always served colonialism. So began the foundations' foray into education and the arts, which would become their third sphere of influence, after foreign and domestic economic policy. They spent (and continue to spend) millions of dollars on academic institutions and pedagogy.

Joan Roelofs, in her wonderful book *Foundations and Public Policy: The Mask of Pluralism*, describes how foundations remodeled the old ideas of how to teach political science and fashioned the disciplines of "international" and "area" studies. This provided the US Intelligence and Security

Services a pool of expertise in foreign languages and culture to recruit from. The CIA and US State Department continue to work with students and professors in US universities, raising serious questions about the ethics of scholarship.<sup>49</sup>

The gathering of information to control people is fundamental to any ruling power. As resistance to land acquisition and the new economic policies spreads across India, in the shadow of outright war in Central India, as a containment technique, India's government has embarked on a massive biometric program, perhaps one of the most ambitious and expensive information gathering projects in the world—the Unique Identification Number (UID). People don't have clean drinking water, or toilets, or food, or money, but they will have election cards *and* UID numbers. Is it a coincidence that the UID project run by Nandan Nilekani, former CEO of Infosys, ostensibly meant to “deliver services to the poor,” will inject massive amounts of money into a slightly beleaguered IT industry?<sup>50</sup> To digitize a country with such a large population of the illegitimate and “illegible”—people who are for the most part slum dwellers, hawkers, Adivasis without land records—will criminalize them, turning them from illegitimate to illegal. The idea is to pull off a digital version of the Enclosure of the Commons and put huge powers into the hands of an increasingly hardening police state. Nilekani's technocratic obsession with gathering data is consistent with Bill Gates's obsession with digital databases, numerical targets, and “scorecards of progress” as though it were a lack of information that is the cause of world hunger, and not colonialism, debt, and skewed profit-oriented corporate policy.<sup>51</sup>

Corporate-endowed foundations are the biggest funders of the social sciences and the arts, endowing courses and student scholarships in development studies, community studies, cultural studies, behavioral sciences, and human rights.<sup>52</sup> As US universities opened their doors to international students, hundreds of thousands of students, children of the Third World elite, poured in. Those who could not afford the fees were given scholarships. Today in countries like India and Pakistan there is scarcely a family among the upper middle classes that does not have a child who has studied in the United States. From their ranks have come good scholars and academics but also the prime ministers, finance ministers, economists, corporate lawyers, bankers, and bureaucrats who helped to open up the economies of their countries to global corporations.

Scholars of the foundations-friendly version of economics and political science were rewarded with fellowships, research funds, grants, endowments, and jobs. Those with foundation-unfriendly views found themselves unfunded, marginalized, and ghettoized, their courses discontinued. Gradually, one particular imagination—a brittle, superficial pretense of tolerance and multiculturalism (that morphs into racism, rabid nationalism, ethnic chauvinism, or warmongering Islamophobia at a moment's notice) under the roof of a single overarching, very unplural economic ideology—began to dominate the discourse. It did so to such an extent that it ceased to be perceived as an ideology at all. It became the default position, the natural way to be. It infiltrated normality, colonized ordinariness, and challenging it began to seem as absurd or as esoteric as challenging reality itself. From here it was a



quick, easy step to “There Is No Alternative.”

It is only now, thanks to the Occupy movement, that another language has appeared on US streets and campuses. To see students with banners that say “Class War” or “We don’t mind you being rich, but we mind you buying our government” is, given the odds, almost a revolution in itself.

One century after it began, corporate philanthropy is as much part of our lives as Coca-Cola. There are now millions of nonprofit organizations, many of them connected through a byzantine financial maze to the larger foundations. Between them, this “independent” sector has assets worth nearly \$45 billion. The largest of them is the Gates Foundation with \$21 billion, followed by the Lilly Endowment (\$16 billion) and the Ford Foundation (\$15 billion).<sup>53</sup>

As the IMF enforced structural adjustment and arm-twisted governments into cutting back on public spending on health, education, child care, development, the NGOs moved in.<sup>54</sup> The Privatization of Everything has also meant the NGO-ization of Everything. As jobs and livelihoods disappeared, NGOs have become an important source of employment, even for those who see them for what they are. And they are certainly not all bad. Of the millions of NGOs, some do remarkable, radical work, and it would be a travesty to tar all NGOs with the same brush. However, the corporate or foundation-endowed NGOs are global finance’s way of buying into resistance movements, literally, as shareholders buy shares in companies, and then try to control them from within. They sit like nodes on the central nervous system, the pathways along which global finance flows. They work like transmitters, receivers, shock absorbers, alert to every impulse, careful never to annoy the governments of their host countries. (The Ford Foundation requires the organizations it funds to sign a pledge to this effect.) Inadvertently (and sometimes advertently) they serve as listening posts, their reports and workshops and other missionary activity feeding data into an increasingly aggressive system of surveillance of increasingly hardening states. The more troubled an area, the greater the numbers of NGOs in it.

Mischievously, when India’s government or sections of its corporate press want to run a smear campaign against a genuine people’s movement, like the Narmada Bachao Andolan, or the protest against the Koodankulam nuclear reactor, they accuse these movements of being NGOs receiving “foreign funding.” They know very well that the mandate of most NGOs, in particular the well-funded ones, is to further the project of corporate globalization, not thwart it.

Armed with their billions, these NGOs have waded into the world, turning potential revolutionaries into salaried activists, funding artists, intellectuals, and filmmakers, gently luring them away from radical confrontation, ushering them in the direction of multiculturalism, gender equity, community development—the discourse couched in the language of identity politics and human rights.

The transformation of the idea of justice into the industry of human rights has been a conceptual coup in which NGOs and foundations have played a crucial part. The narrow focus of human rights enables an atrocity-based analysis in which the larger picture can be blocked out and both parties in a

conflict—say for example the Maoists and the Indian government, or the Israeli army and Hamas—can both be admonished as Human Rights Violators. The land grab by mining corporations and the history of the annexation of Palestinian land by the state of Israel then become footnotes with very little bearing on the discourse. This is not to suggest that human rights don't matter. They do, but they are not a good enough prism through which to view or remotely understand the great injustices in the world we live in.

Another conceptual coup has to do with foundations' involvement with the feminist movement. Why do most "official" feminists and women's organizations in India keep a safe distance between themselves and organizations like say the ninety-thousand-member Krantikari Adivasi Mahila Sanghatan (Revolutionary Adivasi Women's Association) that is fighting patriarchy in its own communities and displacement by mining corporations in the Dandakaranya forest? Why is it that the dispossession and eviction of millions of women from land that they owned and worked is not seen as a feminist problem?

The hiving off of the liberal feminist movement from grassroots anti-imperialist and anticapitalist peoples' movements did not begin with the evil designs of foundations. It began with those movements' inability to adapt and accommodate the rapid radicalization of women that took place in the 1960s and '70s. The foundations showed genius in recognizing and moving in to support and fund women's growing impatience with the violence and patriarchy in their traditional societies as well as among even the supposedly progressive leaders of left movements. In a country like India, the schism also ran along the rural-urban divide. Most radical, anticapitalist movements were located in the countryside, where patriarchy continued to rule the lives of women. Urban women activists who joined these movements (like the Naxalite movement) had been influenced and inspired by the Western feminist movement, and their own journeys toward liberation were often at odds with what their male leaders considered to be their duty: To fit in with "the masses." Many women activists were not willing to wait any longer for the "revolution" in order to end the daily oppression and discrimination in their lives, including from their own comrades. They wanted gender equality to be an absolute, urgent, and nonnegotiable part of the revolutionary process and not just a postrevolution promise. Intelligent, angry, and disillusioned women began to move away and look for other means of support and sustenance. As a result, by the late 1980s, around the time when the Indian markets were opened up, the liberal feminist movement in India had become inordinately NGO-ized. Many of these NGOs have done seminal work on queer rights, domestic violence, AIDS, and the rights of sex workers. But significantly, the liberal feminist movement has not been at the forefront of challenging the New Economic Policies, even though women have been the greatest sufferers. By manipulating the disbursement of the funds, the foundations have largely succeeded in circumscribing the range of what "political" activity should be. The funding briefs of NGOs now prescribe what counts as women's "issues" and what doesn't.

The NGO-ization of the women's movement has also made Western liberal feminism (by virtue of its being the most funded brand) the standard-bearer of what constitutes feminism. The battles, as usual, have been played out on women's bodies, extruding Botox at one end and burkas at the other. (And then there are those who suffer the double whammy, Botox *and* the burka.) When, as happened recently in France, an attempt is made to coerce women out of the burka rather than creating a situation in which a woman can choose what she wishes to do, it's not about liberating her but about unclothing her. It becomes an act of humiliation and cultural imperialism. Coercing a woman out of her burka is as bad as coercing her into one. It's not about the burka. It's about the coercion. Viewing gender in this way, shorn of social, political, and economic context, makes it an issue of identity, a battle of props and costumes. It's what allowed the US government to use Western feminist liberal groups as moral cover when it invaded Afghanistan in 2001. Afghan women were (and are) in terrible trouble under the Taliban. But dropping daisy cutters on them was not going to solve the problem.

In the NGO universe, which has evolved a strange anodyne language of its own, everything has become a "subject," a separate, professionalized, special-interest issue. Community development, leadership development, human rights, health, education, reproductive rights, AIDS, orphans with AIDS—have all been hermetically sealed into their own silos, each with its own elaborate and precise funding brief. Funding has fragmented solidarity in ways that repression never could.

Poverty, too, like feminism, is often framed as an identity problem. As though the poor had not been created by injustice but are a lost tribe who just happen to *exist*, and can be rescued in the short term by a system of grievance redressal (administered by NGOs on an individual, person-to-person basis), and whose long-term resurrection will come from Good Governance. Under the regime of Global Corporate Capitalism, it goes without saying.

Indian poverty, after a brief period in the wilderness while India "shone," has made a comeback as an exotic identity in the arts, led from the front by films like *Slumdog Millionaire*. These stories about the poor, their amazing spirit and resilience, have no villains—except the small ones who provide narrative tension and local color. The authors of these works are the contemporary world's equivalent of the early anthropologists, lauded and honored for working "on the ground," for their brave journey into the unknown. You rarely see the rich being examined in these ways.

Having worked out how to manage governments, political parties, elections, courts, the media, and liberal opinion, the neoliberal establishment faced one more challenge: how to deal with growing unrest, the threat of "peoples' power." How do you domesticate it? How do you turn protesters into pets? How do you vacuum up people's fury and redirect it into blind alleys?

Here too, foundations and their allied organizations have a long and illustrious history. A revealing example is their role in defusing and deradicalizing the Black civil rights movement in the United States in the 1960s and the successful transformation of Black Power into Black Capitalism.<sup>55</sup>

The Rockefeller Foundation, in keeping with J. D. Rockefeller's ideals, had worked closely with



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