American working class that they have to be competitive in the global market place, if you translate that, what they are really saying is that you have to be competitive with the prison labor in China. And this power elite crosses national boundaries. It constitutes a kind of global oligarchic class, as one that has the capacity at this point not only to exploit in ways that are new, because of the scale of corporations, but even more importantly, to thwart things like serious efforts to control the emission of fossil fuels. Watch them, for instance, when they go to Copenhagen and shred Kyoto. Owing to their power, these forces have turned everything into a commodity. Human beings have become commodities, the natural world has become a commodity, both of which they will exploit until exhaustion or collapse. And that, of course, is why the environmental crisis is tied to the economic crisis.

With the rise of the corporate state always comes the rise of the security and the surveillance state. And we have had a very serious erosion of basic civil liberties in this country, most notably the destruction of the protection of habeas corpus.

I think we will see unrest on the part of the people who are being squeezed. Remember that millions of Americans have been thrown out of their homes because of bank repossessions and foreclosures. The last vestiges of social services are being cut and slashed. We now live in a situation where half of all personal bankruptcies in this country are declared by people who can't pay their medical bills, and we have over 50 million Americans who don't even have health insurance. We have a situation where one in four children depend on food stamps.

These corporate forces, which are driven totally by profit, have no concern for the social good. They will keep squeezing and squeezing, and inevitably trigger reactions, but the corporations now have at their disposal horrific tools of internal and external control. And they will use them.

I was at the G-20 meeting in Pittsburgh, where they brought back a national guard battalion from Iraq in full combat gear and essentially militarized to the center of the city. It looked like Baghdad, and I have been to Baghdad. And that's what we will see. As the reconfiguration of American society shows itself to be futile, and as pressure is exerted in greater and greater measure against what is left of our working class and our middle class, there will be a reaction; but there will also be a counter-reaction on the part of the state that, I think, may be very frightening.

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SHAKY AUTHORITARIANISM



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y research on leader-**L**ship and institutions clearly points to the direction that the State is continuously evolving towards more open formats. For example, what started out as autocracies or monarchies gradually are evolving towards democracies. At the same time, what started out as patriarchal families are evolving towards more egalitarian ones. In the beginning of the existence of any organisation, there typically exists a wide gap between the ruler and those that are ruled. However, as time progresses, this gap tends to somewhat narrow.

I believe very strongly that autocratic regimes, although a good point to start with, are not stable in evolutionary terms and hence, they have to evolve towards more open formats, where the governed can have greater opportunities to represent themselves and to let their voice be heard. This is happening due to the fact that the ruler starts making concessions, namely because, as a rational actor, he comes to the conclusion that such concessions would help him increase his power further in the long term. And while he is giving out concessions, automatically and practically without him realising it, the power gap between the ruler and the ruled eventually diminishes.

As governing regimes give concessions, it is the middle class that ultimately benefits

the most and thereby reduces the existing gap. The middle class is definitely a very powerful force. For any autocratic regime, the most dangerous moment is, ironically, the moment when they start to carry out reform work — or in my own words, making concessions. Once a regime starts to give concessions - for instance, lower taxes, increased salaries, greater freedom suddenly the people are exposed to a different reality than they have been used to until that time. It occurs that when they have little, they yearn and hunger for more and then exert pressure in order to receive more even lower taxes, even more opportunities to create wealth, an increased level of freedom. Moreover, they also push for permanent concessions rather than temporary ones, like a democratic constitutional set up. And as the public masses demand more, the regimes have to open up more, eventually losing the powers previously held by the regime to someone else. At the same time, regimes can also not afford to not give concessions. Because, in the case that they do not, they would eventually be subject to huge uprisings and will be left facing a bloody end. During this time, when information has become completely democratised, it would again be difficult to continue with dictatorial regimes for longer time spans. ■