Liberal democratic ideology under strain
Allende's Chile and 'The Economist'
John Kringe

In political, philosophical and ideological struggle, the words are also weapons and explosives or tranquillizers and poisons.

Louis Althusser

This paper explores some of the ways in which the ideological discourse associated with liberal democratic theory masks our cognitive access to social reality, and isolates for special consideration one form that discourse takes (the so-called technocratic ideology). It also discusses the way that material conditions underpin an ideological system.

Crudely put, liberal democratic theory insists that democratic ideology). It also discusses the way that reality, and isolates for special consideration one form that that discourse takes (the so-called techno-ideological discourse associated with liberal democracy guarantees that power lies in the hands of the 'people' who 'govern' through democratic procedures of a Marxist president, who formed a government comprised predominantly of Socialist and Communists, posed acute problems for the proponents of liberal democratic theory once that government began to implement socialist policies. These problems were generated in part by the assumptions which that theory makes regarding the relationship between the political and the economic spheres of society.

Crudely put, liberal democratic theory insists that parliamentary democracy guarantees that power lies in the hands of the 'people' who 'govern' through elected parliamentary parties which supposedly represent the will of the people, strikes at the very basis of the capitalist system - private ownership and control the functioning of a liberal democratic system, and whose interests are served thereby. Rather than face up to these dilemmas, however, the ideological discourse we shall analyze below develops mechanisms for alleviating the intellectual tensions born of inconsistencies as an alternative to exposing the roots of which they are a symptom.

Most of the raw material for this discussion is provided by reports which appeared in the Economist between 1970 and 1973. Ever alert to the changing balance of forces in Chile, this newspaper always carefully considered the interaction between the economic and the political within the framework of liberal democratic theory. Aligning itself uncompromisingly with the interests of capital, which it takes to be the general interest, its reports provide a valuable insight into how ideological discourse can 'tranquillize and poison' a confused mind, providing rationalisations when pressures other than those of reason gain the upper hand.

In what follows, the Economist's treatment of three specific events in Chile are discussed in some detail: the mid-term elections in 1973, the departure of certain key technicians in the copper industry after Allende's election late in 1970, and the attempts made by the International Telephone and Telegraph Company (ITT) to subvert that election. The first example thus considers reports dealing predominantly with a political event, the second concerns reports of an event in the economic sphere.

In the third, which was prompted by the publication of a series of ITT's internal memoranda by Jack Anderson of the Washington Post in March 1972, the political and the economic clearly confront each other. There is, however, a more significant difference between this third case and the other two, for here it is the organizations and institutions of capitalist society, and not of Allende's Chile, that are under scrutiny. This demanded a completely different kind of analysis from the Economist. For whereas in the first two cases the dominant activity of the liberal wedge between the political and the economic could be taken for granted, and was used to discredit Allende's socialist program, in the case of ITT the existence of the wedge had to be argued for, i.e. it had to be shown precisely how the (alleged) gap between the political and the economic levels in capitalist society was maintained. As we shall see, to do this the Economist structured its analysis of the ITT affair using a technocratic ideology which itself rests on a conception of reason from which liberalism draws its strength.

In each case considered preliminary steps are taken towards unravelling the conditions which make the adherence to an ideological scheme of thought possible: in other words, an attempt is made to explain how it is that such schemes can persist in the face of facts so obviously at variance with them. Although no attempt is made to develop a systematic theory of the ideological discourse, in the analysis I have kept Marx and Engels' discussion in The German Ideology, and Nephm's and Althusser's treatment of ideology constantly in mind. To anyone familiar with them, the influence of a book by Edgley will be manifest.

The political struggle

As in several other Latin American countries, a marked trend to the 'left' occurred in Chilean politics in the 1960s. The precise form which this trend took was determined by the prevailing balance of forces in each social formation: in Chile the politicisation and mobilisation of the masses during this period resulted in a majority vote at the polls for Salvador Allende in the Presidential election held on 4 September 1970. Allende was the leader of the Popular Unity (PU) coalition of Socialist, Communist and Radical parties which was committed to the expropriation of foreign capital and to an effective program of land redistribution within the overall framework of socialist policies.
Allende's majority was a narrow one, and reflected the disillusionment which both the 'left' and the 'right' felt with the reformist policies of his predecessor, Christian Democratic President Frei. Allende gained 36.3% of the votes, well ahead of Tomic, the Christian Democratic (CD) Socialists who gained only 27.8% of the votes. Furthermore, Allende's coalition of parties was in a minority in the 200-seat Congress, and this meant that his ratification as President was not assured, nor was the necessary majority in Congress the support of about 25 CD candidates was required. Despite intense efforts to swing the CD behind Allend once again, or to provoke military intervention, both to be discussed in more detail below, Tomic carried the party with him behind Allende, who was nominated President by an overwhelming majority of Congress on 25 October, and inaugurated on 3 November 1970.

The precise details of what happened in Chile during the next two years are not relevant here. Let it suffice to say that in the edition of 24 February 1973 (p14), the Economist claimed that the state controlled 80% of industrial production, and that three-quarters of the cultivated land had been brought under the reformed sector. As pointed out above, the penetration of the state into this level of the economic fabric of society puts acute pressure on the assumptions of liberal democratic ideology, and is not to be questioned, mechanisms for dissipating this pressure must be evolved.

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military coup which it supported. In an article written partially to discredit the 'campaign of organised hostility' against the junta (13 October 1973, p43) it claimed that the voting lists needed to be cleaned up since they had been 'padded out with false names before the legislative elections in March. Dr Allende's defenders rarely mention the fact that this may have accounted for as much as 5 per cent of the votes that his supporters received on that occasion'.

As a postscript to this sorry affair, here is a quote from an article in the Times Higher Education Supplement of 9 November 1973, written by a number of Chilean academics and professional men who fled the country. It suggests that the facts concerning allegations of fraud were indeed soon known, although the Economist did not report them, and they would have enabled it to maintain internal consistency in its own articles. The authors speak of a report prepared by the Faculty of Law in the Catholic University in May, just after the Allende regime had increased its percentage of votes from 36 per cent to 44 per cent. The lawyers concluded that the ballot had been falsified. This was proved two weeks later to have no basis. The principal author of this report, Jaime Guzman, has now been asked by the junta to rewrite the Chilean Constitution.

What these examples show is that, rather than admit that parliament is sovereign only as long as it does not threaten the interests of capital, thereby putting its liberal democratic ideology under strain, the Economist attempted to discredit that institution's legitimacy during the latter part of the Allende regime by implying that it was not truly representative of the will of the Chilean people. To do this it not only resorted to crude and mystifying arguments to support its contention; it actually went as far as to redescribe events in ways which were inconsistent with its earlier descriptions. Its uncritical use of these devices to distort events in Chile can, in the first instance, be explained in terms of its bias. This bias springs from too close an identification with the interests of capital, and makes it possible for the Economist to resort spontaneously to these devices, which protect its liberal democratic ideology from assault. Although implicit much of the time, this bias emerges into full view as the need predominates to protect those interests against a 'campaign of organised hostility', sweeping away any vestiges of impartiality and swamping the pressures exerted by reason. Its presence makes the Economist's claim to be 'an independent newspaper' which helps one to 'find out what's going on' sound rather hollow; its progressive elimination, along with that of ideological thought, requires nothing less than the removal of the support on which class society is founded and the ongoing democratisation of the ensuing politico-economic system.

Once the PU coalition came into power, a bill was presented to Congress which proposed the immediate expropriation of the companies concerned. This was passed unanimously on 11 July 1971. A long and bitter struggle between the companies and Allende's government over the issue of adequate compensation, which culminated with Kennecott gaining a court order in Paris demanding that $4 million tons of copper be handed over to it. The dispute has apparently now been settled. On 15 December 1973 (p102) the Economist reported that the company had a good chance of getting $300m in compensation from the Chilean junta.

The specific issue which I wish to use to expose the Economist's ideological discourse concerns the way in which it reported on the loss of skilled and senior personnel in 18 copper companies over the bulk of the life of these operations. From 1915 through 1968 (excluding Kennecott) the Chilean mines proved highly profitable to both Western copper men, which he negotiated to be followed by the gradual, phased transfer of full ownership to the Chilean government.

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The case of ITT

In the earlier brief survey of the events surrounding the election of Allende on 4 September 1970, it was pointed out that the support of the Christian Democrats if he was to be ratified as president, taking over from President Frei, on 25 October. This time delay provided Allende's opponents with an opportunity to thwart his bid for the presidency, and they pinned their hopes on creating the conditions which would make this possible. The so-called 'Alessandri formula' was promoted. This rested on one of two lines of action: to persuade the Christian Democrats to withdraw their support for Allende; or to promote a military coup. (43) He also spelled out the conditions which would be met if the 'Alessandri formula' was to work: 'Chances of thwarting Allende's assumption of power now are pegged mainly to an economic collapse which is being encouraged by some sectors in the business and political community and by President Frei himself... Undercover efforts are being made to bring about the bankruptcy of one or two major savings and loan associations. This is expected to trigger a run on the banks and the closure of some factories resulting in more unemployment.' (42) It was hoped that the economic chaos would convince the Christian Democrats that the business community had no faith in Allende's policies, so that they would side with Alessandri, or that 'massive unemployment and unrest might produce enough violence to force the military to move.' (43) Yet they were not content about the latter. Berrellez and a colleague, Hendrix, reported that 'The marxists will not be provoked. "You can split in their face in the street" Matte Alessandri's brother-in-law said, "and they'll say thank you." This means that the far left is aware of and taking every precaution to neutralize provocation." (32)

In what follows I will discuss separately the role played by the State Department, the CIA and ITT in this deliberate attempt to provoke unemployment and violence in the name of defending freedom and democracy.

The State Department

The State Department's agent in Chile was Korry, the US Ambassador in Santiago. His ' gutsy final effort to block Allende, so unusual in our diplomacy' (105) was praised by Berrellez. Yet it is clear that he acted from less ideology. The State Department of State for much of the time, taking a far harder line that Assistant Secretary Meyer or his deputy Crimmons would have liked. Long before receiving for re-election for a further 6 years, and it was felt certain that in a straight Frei-Allende fight the former would easily win. If the military intervened, Alessandri would again not participate in the new elections: the problem there though was that Chile was almost unique among Latin American countries in its record of military non-intervention, and only a very serious threat to the country's stability could prove the case. It was realised by Alessandri's camp that the alignment of the Christian Democrats behind the right, or military intervention, depended on the threat that economic chaos and possibly bloodshed would ensue if Allende were victorious. This was the atmosphere which they tried to create during the key 50 days between the elections and the nomination of Allende, and the kind of which made the lives of key personnel committed to efficiency unbearable. Thus the precise nature of the perturbation hinted at in the earlier reports is identified.

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any official authorisation Korry had been putting pressure on Frei to unite the party behind him and against Allende. Admittedly about 10 days after the Correa letter Korry finally got the StA message from State Department giving him the green light to move in the name of President Nixon. The message gave him maximum authority to do all possible - short of a Dominican Republic-type action - to keep Allende from taking power. (29) Nevertheless it was only with difficulty that Korry persuaded Washington to reduce by as much as possible the $30m of aid already in the pipeline for Chile, and to block existing letters of credit. ITT official Neal reported that 'This "cut-off" will be delayed by State, who will say, as it has in the past "there has been no shut down of aid to Chile; the program is under review."' (57)

The CIA

The political and economic initiatives taken by the CIA were of a rather different kind. On 9 October Merriam, the ITT president in Washington, informed McConaugh, a former CIA director, and then an ITT Board member, that the CIA had continued to make approaches 'to select members of the Armed Forces in an attempt to have them lead some sort of uprising to seize power.' (52) A week later Hendrix reported that, at about that time, Washington had put in place the Alessandri group to 'keep cool, don't rock the boat, we are making progress... This is in direct contrast to what Broe recommended.' (45) Nevertheless, apparently to appease Broe, ITT 'made repeated calls to firms such as GM, Ford and banks in California and New York,' (51) but without success. As Merriam reported to Kissinger 'there was not one single case of an American business to co-operate in some way as to bring on economic chaos.' (52)

The CIA of a million dollars for use in "any plan to defeat Allende. Less frequently spoken of is the involvement in Chile was its offer to Broe of the $2.9 billion to the Allende regime, changes which precisely made possible the election of Allende, they are particularly revealing about the aims of the United States aid program, and the actions which ITT's personnel didn't say would be 'normal.' The pre-election difficulties which ITT had had to persuade other US business interests to support in their attempt to block Allende probably accounts for Gerry's lack of enthusiasm for Broe's plan for economic subversion discussed above, which he thought was unworkable. He noted that there was a growing economic crisis anyway, and also established that it was clear to the ITT management that Frei could not carry the Christian Democrats with him, and that a military coup was most unlikely. Assuming that Allende would be inaugurated in November, they drew up a detailed set of recommendations pertaining to US action on Chile. These were to be put to the State Department and to Kissinger in the White House, and demanded the extension of credit to the Allende regime (which did in fact happen). Furthermore in an attempt to discourage 'leftist nationalism' in other countries in Latin America, threats to sever their lines of credit were also proposed. At this time an appropriation of $2.2 billion to the US government sponsored Inter-American Development Bank was awaiting final ratification by the Senate. Merriam reported that 'we are planning... to approach
Senators Scott and Mansfield to see if they will just "forget" to take up the bill. We could prepare statements from them which would get a message to the White House that American citizens are concerned that Chile's action is affecting them too, albeit indirectly.' (72)

The overall picture which emerges from the Anderson papers is one of three United States based organisations applying pressure at those points at which each thought that it could be most effective to bring about economic chaos, unemployment, violence and bloodshed in Chile. With the possible exception of the CIA and Korry had any compunction about generating violence, which is somehow supposed to expand and enrich the 'human spirit'. Writing to Kissinger, ITT Vice-President Merriam said that 'Our company knowledgably and as early as the year before, expected the possibility of a massive influx of capital is (allegedly) required, so that the subversion of political moves which threaten the flow of 'development funds' is readily justified on the grounds that the unimpeded operation of capital is in the 'general interest'. As Merriam put it above, 'The peoples of the Americas deserve a better way of life and we believe we have a substantial interest in diminishing their problems. The countries themselves are unable to furnish necessary development funds, the US taxpayers cannot, and US private enterprise can provide only that part which a proper climate affords.' (95) And of course, as far as he was concerned, if the 'proper climate' did not prevail it was up to organisations in the United States to create it, and that done to maintain it at all costs by all possible means. 'The peoples of the Americas' deserved nothing less.

The limits set by technocratic ideology

It is clear that activities like those we have just discussed, in which a business concern unambiguously aligned itself with one side rather than another in a political conflict, and attempted to subvert the democratic political process to serve its own interests can present problems to the advocate of liberal democratic ideology. It does not necessarily produce such problems because, for example, in this case the involvement occurred in a so-called 'under-developed country', which is characterised as one in which there is a low GNP and per capita income, a lack of health and educational facilities, and a high incidence of poverty and misery. To solve these problems a massive injection of foreign capital is (allegedly) required, so that the subversion of political moves which threaten the flow of 'development funds' is readily justified on the grounds that the unimpeded operation of capital is in the 'general interest'. As Merriam put it above, 'The peoples of the Americas deserve a better way of life' toward which ITT could contribute as it was considered 'at the moment of the power agents have to achieve the goals they set themselves. It is also the prerogative of experts in specialised disciplines, who have had the requisite training and who are equipped with the skills necessary to decide on the most rational course of action in a particular situation.

This pattern of relationships permeates the Economist's discussion of the Anderson papers. It is realised that ITT could only achieve an economic objective (staying off appropriation) by achieving the intermediate political objective (storing Allende from taking power). And the crucial question of whether or not the company had the 'status or the power' of a government is construed as the question of whether a business concern staffed by economic experts had personnel with adequate political know-how to achieve this political goal. The criterion for the rationality of the measures which ITT took to thwart Allende's bid for the presidency is the views of the political experts: Korry in Santiago and the State Department in Washington. Measurements considered by the company which deviated from those deemed appropriate by these experts are judged to be irrational; that ITT entertained them at all indicates its lack of know-how, and suggests its corresponding inability to influence the course of Chilean political affairs, which lies beyond its control.

Two examples from the report in question will show how the choice of certain words at key points in the description allude to the technocratic ideology which structures it. The first concerns the offer of financial assistance made by ITT President Geneen to Kissinger's White House office, which is described in the following terms: 'Perhaps the weirdest fact to emerge from the papers is that one of the company's men, in a telephone conversation with a Latin-American specialist in the White House, actually offered to help with the the cost of stopping Allende "in sums of up to seven figures". Naturally the offer was not taken up, but the papers show no echo of any national companies give them virtually the status and the power of governments.' Clearly if this allegation was shown to be true, the postulated symbiotic relationship between the power and economic spheres, with power residing in the former, would be placed under severe strain.

In an attempt to come to terms with this threat the Economist, in the article referred to above, analysed the Anderson papers within the framework of a technocratic ideology. Its treatment provides a valuable insight into how this ideology, which shares with liberal democracy certain general postulates about the domain of reason and the relationship between reason and action, limits one's thought about the problem under consideration.

Central to the technocratic conception of reason is that the term rational be reserved for the means an agent uses to achieve certain ends; the question of the rationality of the ends themselves does not arise. These discussions are accompanied by assertions that the moves to activate one's deliberation about means, which presupposes the intention on the part of the agent to achieve the end, cannot themselves be the object of deliberation. 'ITT's bid for the presidency would be thwarted. As far as they were concerned it was essential to stop him before it was too late, for if he succeeded 'Whatever the trappings, there is unlikely ever to be another truly free election in Chile' (84) - truly free, that is, for the US to 'successfully and energetically' intervene to stop the emergence of a Marxist president. 'The represion of the human spirit which the doctrinaire Marxist always imposes' (87) was to be countered by setting in train a series of events in the hope of precipitating violence, which is somehow supposed to expand and enrich the 'human spirit'. Writing to Kissinger, ITT Vice-President Merriam said that 'Our company knowledgably and as early as the year before, expected the possibility of a massive injection of foreign capital is (allegedly) required, so that the subversion of political moves which threaten the flow of 'development funds' is readily justified on the grounds that the unimpeded operation of capital is in the 'general interest'. As Merriam put it above, 'The peoples of the Americas deserve a better way of life and we believe we have a substantial interest in diminishing their problems. The countries themselves are unable to furnish necessary development funds, the US taxpayers cannot, and US private enterprise can provide only that part which a proper climate affords.' (95) And of course, as far as he was concerned, if the 'proper climate' did not prevail it was up to organisations in the United States to create it, and that done to maintain it at all costs by all possible means. 'The peoples of the Americas' deserved nothing less.

The limits set by technocratic ideology

It is clear that activities like those we have just discussed, in which a business concern unambiguously aligned itself with one side rather than another in a political conflict, and attempted to subvert the democratic political process to serve its own interests can present problems to the advocate of liberal democratic ideology. It does not necessarily produce such problems because, for example, in this case the involvement occurred in a so-called 'under-developed country', which is characterised as one in which there is a low GNP and per capita income, a lack of health and educational facilities, and a high incidence of poverty and misery. To solve these problems a massive injection of foreign capital is (allegedly) required, so that the subversion of political moves which threaten the flow of 'development funds' is readily justified on the grounds that the unimpeded operation of capital is in the 'general interest'. As Merriam put it above, 'The peoples of the Americas deserve a better way of life' toward which ITT could contribute as it was considered 'at the moment of the power agents have to achieve the goals they set themselves. It is also the prerogative of experts in specialised disciplines, who have had the requisite training and who are equipped with the skills necessary to decide on the most rational course of action in a particular situation.

This pattern of relationships permeates the Economist's discussion of the Anderson papers. It is realised that ITT could only achieve an economic objective (staying off appropriation) by achieving the intermediate political objective (storing Allende from taking power). And the crucial question of whether or not the company had the 'status or the power' of a government is construed as the question of whether a business concern staffed by economic experts had personnel with adequate political know-how to achieve this political goal. The criterion for the rationality of the measures which ITT took to thwart Allende's bid for the presidency is the views of the political experts: Korry in Santiago and the State Department in Washington. Measurements considered by the company which deviated from those deemed appropriate by these experts are judged to be irrational; that ITT entertained them at all indicates its lack of know-how, and suggests its corresponding inability to influence the course of Chilean political affairs, which lies beyond its control.

Two examples from the report in question will show how the choice of certain words at key points in the description allude to the technocratic ideology which structures it. The first concerns the offer of financial assistance made by ITT President Geneen to Kissinger's White House office, which is described in the following terms: 'Perhaps the weirdest fact to emerge from the papers is that one of the company's men, in a telephone conversation with a Latin-American specialist in the White House, actually offered to help with the the cost of stopping Allende "in sums of up to seven figures". Naturally the offer was not taken up, but the papers show no echo of any
clearly a political decision which this account expresses in without foundation. There was nothing 'weird' about the fact that IIT 'actually' offered money to the State Department. As I pointed out above, the State Department claimed that the US played an active role in promoting Frei's successful bid for the presidency in 1964, and continued to funnel money into Chile to block the emergence of a 'fascist' president thereafter, so IIT had good reason to think that it would do so again. An offer to provide $20m to promote interests in Chile which it valued at over $150m was quite reasonable, particularly since a precedent had already been set. This explains why IIT were not reeled for being prepared to assist financially; on the contrary, 'fear of the State Department' said he could understand Mr. Barreli's concern and appreciated his offer to assist.'(24) Whether or not 'fear' subsequently took on the offer is not clear from the sources; what is clear is that in the light of the CIA told IIT Vice-President Frei that 'money would not be used' if the offer was thus also nothing 'natural' about the offer not being taken up; it was turned down (and, as we saw, subsequently used by TFL for other purposes), because sufficient funds had already been made available, at least to the CIA.

So that as it may, the Economist's report has created the impression that the IIT personnel came up with a 'weird' and 'unnatural' scheme to block Allende's bid for power. The 'natural' way of conducting government is that embodied in the methods familiar to Latin American experts in the State Department and the White House, who have the requisite know-how to deal with political affairs. That is only implied in this description of the more sensational aspect of IIT's activities is quite explicit in the account the report gives of the corporation's role in implementing the Alessandri formula to thwart Allende's bid for the presidency. It will be remembered that this required that a climate of economic uncertainty be created which was sufficiently unsettling to swing the allegiance of the Christian Democrats away from Allende and, if failing that, to provoke military intervention. It is referred to on two separate, unrelated occasions in the article: 'A scheme was evolve which would have produced new elections but nothing came of it. This was the outcome that 'fear, Frei predicted,' and 'other memoranda in the file suggest that the IIT men buoyed up their fading hopes with thoughts of military intervention and of creating something they called "economic chaos" (a relative term in Chile) which might mysteriously cause Mr. Allende to be excluded, or to fall, from power. They do not contain any evidence that the ambassador or the State Department entertained either of these ideas.'

Both of these quotations suggest that the Alessandri formula was something dreamed up by IIT's employees, and both effectively discredit the political acumen of those personnel, suggesting that they lacked the know-how to pursue their objectives successfully and efficiently. It was presumably because of what the Economist called their 'unmeasurable spirit' that they persisted with their ill-conceived plans, ignoring the rational advice of their political mentors. After all, Frei had 'predicted' that their scheme would fail; neither he nor the State Department 'entertained any other possibility. (Although it is clear from the Anderson papers that it is the execution of the formula's success that is at issue here, the second quote above is in fact so ambiguous that it might even be taken to mean that the measures proposed were so bizarre that they never even occurred to the political experts.) In the light of this it comes as no surprise to find that the report concludes that IIT, and it is at all of its subsidiaries, and other multinational firms too do not have 'the appropriate man or the corresponding knowledge' to achieve political ends.

The use of the word 'mysteriously' in the second quotation above is particularly significant. It is not merely that it leads the reader to think that IIT's proposals for stopping Allende were hopelessly inappropriate. It is rather that there was nothing 'mysterious' at all about how economic chaos would do so: in fact, one of the ways in which IIT's men, and others, thought that this would happen is stated in the quotation itself, i.e. by creating a climate which would provoke the military to intervene. A careful reading of the Anderson papers leaves one in no doubt about this, since Barreli unambiguously states the two together: 'Chances of thwarting Allende's assumption of power now are pegged mainly to an economic collapse ... massive unemployment and unrest might produce enough violence to force the military to move.'(42-3)

This is a striking example of how ideological discourse structures an analysis, radicalistically distorting the material at its disposal. In this instance the confusion arises in the following way. If the military had intervened, it would thereby have denied Allende the presidency. These are not two events, but one and the same event under different descriptions. Economic chaos was the means thought most likely to achieve this single objective. Yet in the Economist's report it is seen as a rival to military intervention; the experts are said not to have entertained 'either of these ideas', which are construed as alternative means to the same end.

It may seem remarkable that the central link in the chain of events leading from economic collapse through unemployment and unrest to military intervention could thus disappear from view. Its absence indicated pressures arising from another source: the liberal democratic wedge between the political and the economic, the influence of which explains how it was possible for the report to regard military intervention and the inducement of economic chaos as separate, rival means to thwart Allende. Their isolation from one another governs the statement that IIT 'thought of military intervention and of creating' economic chaos, which identifies the economic sphere as the domain of activity of a business concern. This wedge is consolidated by the remark in the report that IIT thought that an economic collapse 'might mysteriously' block Allende, which implies both that its personnel's specialized skills do not extend beyond business matters, and that there is an unbridgeable gap between the political and the economic realms. In this respect the use of the term 'mysteriously' serves the same purpose as that served by the term 'naturally' in the first example discussed above; there it was said that White House officials 'naturally' did not
accept ITT's offer of financial assistance for a program to stop Allende because this is 'not the way government is conducted' by theadgetting liberal democratic and technocratic ideologies the report in question so structures its argument that the conclusion it reaches that multinational companies do not do will then be how to the will of the technocrat and to pursue the goal which he has set for them. In either case the influence of technocratic ideology and the institutions which embody it gradually permeate society, and existing patterns of dominance are reproduced on an ever-expanding scale.

If this seems unduly exaggerated and messianic it is only because the account given here is one-sided. It is important to emphasise that the escalation referred to above arises in response to pressures springing from within the body of society itself and that the limits to which it can be matched and the success which it achieves will themselves be subject to the prevailing balance of forces. On the other hand it would be a mistake to think that social theories do not insinuate themselves into the very body of society, structuring the social system to fit their patterns of commitments. Consider for example how readily a theorist like Noam Chomsky slips from a passive to a manipulative posture in his discussion of the meaning of economic rationality, which relies heavily on the technocratic conception of reason.

Economic analysis thus consists of two major steps: discovery of the ends a decision-maker is pursuing, and analysis of which means of attaining them are most reasonable, i.e., require the least input of scarce resources. By following out the first step, theorists have generally tried to reduce the ends of each economic agent to a single goal, so that one most efficient way to attain it can be found. If multiple goals are allowed, means appropriate to one may block attainment of another; hence no unique course can be charted for a rational decision-maker to follow. To avoid this impassage, theorists posit that firms maximize profits and consumers maximize utility ... Even though we cannot decide whether a decision-maker's ends are rational, we must know what they are before we can decide what behaviour is rational for him.

On this view an economically rational society is one in which different groups of economic agents pursue a single goal uncompromisingly - the maximisation of profits by the producer and the maximisation of utility by the consumer. To ensure that limited resources are not used inefficiently, 'we' must not 'allow' other goals to 'block' the attainment of these objectives. If society can be structured in such a way that each economic agent is given reasons sufficiently strong to outweigh all those which might distract him from 'his' proper ends, then 'irrational waste of resources occurs. Technical reason notwithstanding, we are here clearly not confronted with a value-neutral theory, but one committed to the reproduction on an expanding and all-narrative scale of the capitalistic mode of production, the success of which demands engineered conformity.

The 'we' of whom Downs speaks in the above quotation refers of course to the experts, the faceless theorists who have 'tried to reduce the ends of each economic agent to a single goal'. This elevation of the technocrat to the status of the guardian of rationality is an integral feature of a mode of ideological discourse which assimilates the social to the natural world with the manipulative consequences we have been examining. It arises because the relationship between the expert and the layman in the natural sciences is one which, by definition, excludes the socialisation of most, if not all, the former's knowledge beyond the confines of the scientific community of which he or she is a member. If
an astronomer predicts that a comet will appear over Britain in January 1974, the fact that he or she, as an expert, thinks that this is so, is a good reason that a layman can have for thinking that the comet will appear. As a layman, the reasons which the astronomer has for thinking this do not enter into the formation of his beliefs; those reasons are rather subject to criticism from fellow members in the community of astronomers who are sufficiently familiar with the theory on which the prediction was based. The natural scientist reasons about nature and with scientific colleagues, and his or her conclusions constitute the rational grounds for many of the layman's beliefs about the natural world. If the social world is reduced to the natural one, considerations like these come into play structuring the way in which a theorist like Downs thinks about his object of study. If one is to escape from the constraints imposed by a technocratic ideology it is essential that one concede that when dealing with human societies, the object of study comprises groups of rational interacting human beings, who can both be reasoned about and reasoned with. This implies that the community of social scientists can, potentially at least, be expanded to embrace the members of society themselves, and with this socialisation and democratisation of knowledge the distinction between layman and expert is progressively eroded. Along with it the opinion of the 'expert' loses its inscrutable character and no longer serves in itself as a rationally adequate ground for the layman's beliefs about society.

Considerations like these provide us with some idea of the sense in which an ideology may be said to 'reflect' a material base. For it is now clear that the technocratic mode of thought derives its plausibility from the fact that it is grounded in a social system which is characterised by a rigid division of labour, and by a corresponding fragmentation, specialisation and hierarchisation of knowledge, which is taken to be of the 'natural order' of things. As a consequence of these divisions the utterances of those who wield power are set up as if they were not to be questioned by the masses, who are always confronted by jargon whenever they attempt to penetrate beyond the claims of those in authority. As such the ideology not only 'reflects' a social system, it also legitimates and reinforces it, precisely by posing questions which presuppose its basic divisions rather than undermining them. What is more, as we have seen above, a technocratic ideology also serves as a basis for the reproduction and intensification of these divisions from which it springs to the extent that it is embodied in institutions which no longer serve the interests of a Hegelian sociology that conflicts between 'multiple goals' are not 'allowed'. Explanations of this kind do not exclude explanations for the tenacity of ideological discourse which appeal to bias, like those which were presented in the earlier part of this paper. As was suggested there, the occurrence of bias has itself to be explained in terms of a particular kind of social structure, and what we have done here is to unravel some of the characteristics of that structure. What has emerged is that the cleavages which underpin liberal democratic ideology and the related technocratic ideology can be woven into the very framework of a social formation, shackling in the first instance the minds of the intellectuals who reflect on it. Nothing short of a revolution in consciousness is required of them if they are to free themselves from the limits it imposes.

Notes
2 I am grateful to Roy Edgley and John Menham for their extensive criticisms of an earlier draft of this paper.
4 L. Althusser, ibid., pp127-136.
7 N. Girvan, Copper in Chile, Institute of Social and Economic Research, University of the West Indies, 1972, p60.
8 This is discussed in more detail in my 'Copper: The Chilean Experience', of which I have a few copies available.
9 Subversion in Chile: A case study in U.S. corporate intrigue in the Third World, Spokesman Books, 1972. Figures in brackets in the text refer to page numbers in this selection from the Anderson papers.