

**ORGANIZING THE NEW WORLD ORDER
1970-1990**

A STATUS REPORT ON THE "NEW WORLD ORDER" OR DO CORPORATIONS
RULE THE WORLD?

1. **ORIGINS OF CORPORATE PROBLEMS OF THE 1970S**

- A. CORPORATE IMAGE LOW (SUCCESS OF CIVIL RIGHTS, COUNTER-CULTURE, ANTI-WAR PROTESTS)
- B. **LOSS OF VIETNAM (ABILITY TO CONTROL MARKETS)**
- C. LEFT GOLD STANDARD IN 1971 (TOO MANY DOLLARS FOR COLD WAR AND VIETNAM)
- D. OPEC EMBARGO AND OIL SHOCK (73-74) - RAISED PRICE, QUESTIONED CORPORATE RESOURCE CONTROL
- E. **ECONOMIC COMPETITION FROM EUROPE AND JAPAN (THEY ORGANIZED ECONOMIC ALLIANCES RATHER THAN MILITARY ONES, ALA THE U.S.)**

MEANT --- RATE OF PROFIT IN DECLINE.

2. **FORMED A NEW ORGANIZATION TO RE-ORGANIZE.**

BUSINESS ROUNDTABLE (BCNI IN CANADA AND THE ERT IN EUROPE)

CREATED IN 1973; CEO'S OF LARGEST 200 CORPORATIONS

NEW RELATIONSHIP TO GOVT. (CEO-DIRECT)

LEADER IN BOTH DOMESTIC AND INTERNATIONAL (NAFTA USA)

EFFECTIVE END OF "DEMOCRATIC PLURALISM"

INTEREST GROUPS POLICY

FIGHTING OVER SOME AMOUNT OR SOCIAL SURPLUS

FIRST TASK OF ROUNDTABLE WAS TO RE-ASSERT CONTROL AT HOME (IN THE U.S.)

3. TWO STAGES (1980-85) (1985-1990)

A. DISMANTLE POST WW II DEAL

1. UNIONS (WAGES, COUNTER CONTROL SOURCE) - PATCO STRIKE IN 1980. ASSAULT ON CONSTRUCTION TRADES (80% TO 20%, DECLINE OF AVERAGE WEEKLY WAGE.
2. GOVT. REGULATION & PUBLIC INTERESTS. (ENVIRONMENTAL) (NADER) ATTACKED IDEA THAT WAS A "PUBLIC INTEREST" AND REPLACED WITH ONLY ONE INTEREST - CORPORATE.
3. SOCIAL WELFARE FLOOR (FROM AFDC TO SOCIAL SECURITY) - ELIMINATED FEDERAL ENTITLEMENT RIGHT AND NOW PROCEEDING TO RE-DIRECT SOCIAL SECURITY CONTRIBUTIONS TO CORPORATE FUNDS.
4. PUBLIC EDUCATION SECTOR NEXT (\$600 BILLION MARKET) LEHMAN BROTHERS REPORT.
5. CLINTON'S PLANS TO SELL BONNEVILLE POWER ADMINISTRATION THE LARGEST PUBLIC POWER MARKETING AGENCY. (RUMORED)
5. EXTRACTION OF WEALTH FROM PUBLIC RESOURCES - ALL OF THIS IS NOT CREATING NEW WEALTH, BUT SIMPLY EXTRACTING SOCIALLY CREATED WEALTH AND GIVING IT TO CORPORATE INTEREST.

B. SECOND STAGE: RE-CONCENTRATED WEALTH (85-90)

1. FEDERAL TAXES CUTS (CORPORATE SHARE LOWEST IN HISTORY)
2. FIRE SALE OF CORPORATE ASSETS (LEVERAGED BUY OUTS)
3. SHIFT FROM MULTI-NATION TO TRANSNATIONAL FORM
4. NET WORTH OF 400 RICHEST FAMILIES TRIPLED. (81-88)
5. WORKING CLASS INCOME WENT DOWN, SOCIAL SECURITY TAXES WENT UP, AS DID STATE TAXES AS FEDERAL PROGRAMS SHIFTED.

SUCCESSFUL IN THE SHORT TERM.

CAN THEY KEEP IT TOGETHER DOMESTICALLY WHILE THEY ORGANIZE GLOBALLY? - ASSERT DOMESTIC VICTORIES OVERSEAS.

DUAL STRATEGY :

PUBLIC EDUCATION REFORM (INTERNAL DISCIPLINE)

TRADE AGREEMENTS ABROAD (EXTERNAL DISCIPLINE)

WANT TO TALK ABOUT THIS SECOND PART.

II. RE - ASSERTION OF CONTROL GLOBALLY. (BUSH AND 1990S)

A. WITH COLLAPSE OF SOVIET UNION (89) , THE FIELD WAS OPEN FOR GEORGE BUSH'S ANNOUNCEMENT OF A NEW WORLD ORDER.

SEPTEMBER AFTER 10 YEARS OF STRUGGLE (POLAND)
NOVEMBER, 89 BERLIN WALL (INTERNAL STRUGGLE AND REFUSAL TO USE SOVIET TROOPS)

B. BUSH/CLINTON (90-94/94-98-- ELECTION OF BILL)

EAI ENTERPRISE FOR THE AMERICAS

NAFTA NORTH AMERICAN FREE TRADE AGREEMENT

FTAA FREE TRADE AREA OF THE AMERICAS

WTO WORLD TRADE ORGANIZATION

APEC ASIAN PACIFIC ECONOMIC COOPERATION

MAI MULTILATERAL AGREEMENT ON INVESTMENT

C. WAYS OF THINKING ABOUT THESE AGREEMENTS

1. IN RESPONSE TO A NEW CORPORATE FORM: NATIONAL TO TRANSNATIONAL

1/4 OF WORLD PRODUCTION IN TNCS; 50% INTRA-FIRM.

THEREFORE SUPRA-NATIONAL AGREEMENTS.
2. IN RESPONSE TO VICTORIES OF THE 80S :LOCK IN EXISTING PRACTICE (REFORMS OF THE 1980S) - LOCK IN - NAFTA.
3. AN EFFORT TO FIND A REGIME AS A REPLACEMENT FOR THE EAST/WEST DIVISION OF THE WORLD. (COMMUNIST/NON-COMMUNIST)
4. REFLECT A CHANGE IN THE PRODUCTION SYSTEM & COMMUNICATION CAPABILITY THAT ALLOWS "THE GLOBAL ASSEMBLY LINE." (MOBILE ACROSS BORDERS)
5. RESPONSE TO THE PRESENCE OF ENORMOUS AND INSTANTANEOUS CAPITAL FLOWS OF FINANCE CAPITAL THAT DOESN'T WANT RESTRICTIONS. (GEORGE SOROS)
6. REPLACE THE REGULATION OF THE NATION STATE (PROGRESSIVISM) WITH SOME FORM OF DISPUTE RESOLUTION PROCESS.

D. GOALS ARE THE SAME

1. EXTRACT WEALTH FROM PUBLIC ENTERPRISES (PRIVATIZATION)
2. BREAKDOWN NATIONAL BARRIERS TO MOVEMENT OF PRODUCTION FACILITIES AND MONEY FLOWS. (FEDERAL, STATE)

NO PERFORMANCE REQUIREMENTS
3. REDUCE THE PRICE OF LABOR (NO UNIONS): CONVINCE WORKERS TO COMPETE AGAINST EACH OTHER FOR THE LOWEST WAGE JOB.
4. DEVELOP A DISPUTE RESOLUTIONS PROCESS THAT HAS ENFORCEMENT POWERS ON PARTIES.
5. EXCLUDE CIVIL SOCIETY FROM DECISION-MAKING (NO DEMOCRATIC PLURALISM) --

MAJOR INITIATIVES

1. **NAFTA JANUARY, 1994** (TRULY THE MODEL FOR OTHERS)
BASED ON CANADIAN/AMERICAN. JANUARY, 1989
CANADA, THE UNITED STATES AND MEXICO
SERVICES INCLUDED FOR THE FIRST TIME
INVESTMENT CHAPTER (SOVEREIGN)
LABOR POLICY (CROSS BORDER SERVICES CERTIFIED)
DISPUTE RESOLUTION (EVERY CHAPTER)
TWO SIDE AGREEMENTS (LABOR AND ENVIRONMENT)

2. **FREE TRADE AREA FOR THE AMERICAS**
WESTERN HEMISPHERE - INITIATED IMMEDIATELY AFTER NAFTA.
CONFLICTS OVER BI-LATERAL/NAFTA ACCESS (CHILE)
STALLED WITH LOSS OF FAST-TRACK APPROVAL (NOV. 10, 1997)

3. **APEC**
ASIAN PACIFIC (INITIALLY JAPAN, KOREA, AUSTRALIA)
MINISTERIAL MEETINGS (NO FORMAL BUREAUCRACY)
MODEST SECRETARIAT (SINGAPORE)
NO DISPUTE NOR ENFORCEMENT (US WANTS ONE)
US/JAPAN CONFLICT ABOUT CENTRALIZED CONTROL BUREAUCRACY
MAJOR PROBLEM WITH THAILAND MELT DOWN.
US WILL HAVE MORE POWER NOW.

4. **WTO** JANUARY, 1995
ADVANCEMENT ON GATT (1947)
ITO NOT PASSED BY US CONGRESS (1950)
APPROVED IN 1993 IN URUGUAY ROUND

PASSED BY CONGRESS IN 1995

SERVICES INCLUDED, AS WELL AS INVESTMENT, INTELLECTUAL PROPERTY,

DISPUTE RESOLUTION AND ENFORCEMENT MECHANISM.

TOO LARGE AND MIXED (RICH AND POOR) FOR ADVANCEMENT

THEREFORE:

5. **MAI**

WITHIN THE OECD (29 RICH COUNTRIES)

NEGOTIATIONS IN PARIS (secret) 199_ --MAY 1998

PROPOSAL TO CONGRESS AS TREATY OR AGREEMENT

CHAPTER 11 OF NAFTA (INVESTMENT) (DISPUTE)

RESISTANCE AND ALTERNATIVE AGENDAS BASED IN

1. INDIGENOUS COMMUNITIES (LAND, CULTURE) - ZAPATISTAS
2. INDUSTRIAL AND EDUCATION WORKERS (UNIONS) - UE AND FAT
3. CHURCH (MEXICO AND CANADA) --
4. NGO'S (ENVIRONMENTAL/FOOD/CIVIL) - COUNCIL OF CANADIANS
5. WOMENS ORGANIZATIONS (AND NETWORKS) (NAT'L ACTION COMMITTEE ON STATUS OF WOMEN).

AGENDA (STATEMENT FROM MONTREAL AND ELGIN STATEMENT)

1. SOCIAL CHARTER OF COOPERATION (NOT COMPETITION)
2. LABOR RIGHTS AND ENVIRONMENTAL PROTECTION (RAISE STANDARDS)
3. SELF-DETERMINATION. (POLITICALLY AND CULTURALLY)
4. COMPENSATORY POLICIES ON DEBT CRISIS
5. FOOD SECURITY.
6. TAX AND DISTRIBUTE WEALTH & INCOME TO CREATE DOMESTIC MKT.
7. REGULATE CAPITAL FLOWS (MODERATELY) - TOBIN TAX

STRATEGIES

1. ARMED RESISTANCE AND MOBILIZATION OF CIVIL SOCIETY
2. CROSS BORDER JOINT ORGANIZING PROJECTS (UE/FAT)
3. PARALLEL ORGANIZATIONS (NGOS/TRINATIONAL CLC/)
4. LOBBYING FOR INCLUSION OF STANDARDS FOR CORPORATE ACTIVITY.
COALITION FOR JUSTICE IN THE MAQUILADORAS.

CONCLUSION

1. UNCERTAIN WHETHER THEY CAN HOLD IT TOGETHER.
2. TWO OF THEIR MIRACLES COLLAPSED: MEXICO AND SE ASIA
3. FINANCE (MONEY) AND INVESTMENT CAPITAL IN CONFLICT (?)
4. DOMESTIC RESISTANCE (US - NOV. 97 FAST TRACK)
5. SOCIAL, POLITICAL AND LABOR CHANGES IN MEXICO - A KEY
LINK TO FTAA
6. WATCH INDONESIA.
7. ALTERNATIVE NETWORKS BROADENING AND EXPANDING - MORE
STRATEGIC AND TACTICAL OPTIONS AVAILABLE.

ONE OF "FAST TRACK CAPITALISM'S " MAJOR MIRACLES: MEXICO
MEXICO (1990-1995)

- A. FROM TIME BUSH MET WITH SALINAS WE HEARD ABOUT MEXICO JOINING THE FIRST WORLD
- B. REJECT THEIR NATIONALIST MODEL AND OPEN UP ECONOMY
JOIN GATT (86) AND PLEDGE REMOVAL OF BARRIERS TO FOREIGN CAPITAL.
TAKE AWAY ALL NATIONAL PROTECTION (PERFORMANCE REQUIREMENTS)
- C. PARTIAL FOREIGN INVESTMENT IN PLANT (1965 ONWARD) MAQUILADORA ZONES (2000/700,000/85% WOMEN/95C/HOUR)
- D. EXPAND THIS TO CHANGE NATIONAL INVESTMENT RESTRICTIONS (49%) IN MID-1990S.
- E. SELL PUBLIC ENTERPRISES TO DOMESTIC BILLIONAIRES AND FOREIGN INVESTORS (EXCEPT PEMEX) MEXICAN BILLIONAIRES, 2-24 FROM 1991-1994
- F. REDUCE THE PRICE OF LABOR WITH COMPLIANCE LABOR LEADERS (FIDEL VALAUQUEZ) PURCHASING POWER DROPPED 50% IN THE LATE 1980S; MEXICO HAS CHEAPEST WAGE LABOR IN THE WORLD
- E. CHANGE REVOLUTIONARY LAND POLICY (92) CANCEL LAND REFORM AND NOTION OF EJIDO COLLECTIVE OWNERSHIP. (INDIGENOUS LOYALTY TO STATE ENDED) ARTICLE 27;
END SELF-SUFFICIENCY IN FOOD. (USE LAND TO GROW FOR EXPORT NOW, NOT FOOD FOR OWN PEOPLE) - COSTA RICAN CATTLE
- F. CREATE THE MIRACLE BY BORROWING: RAISE THE INTEREST RATE AND SECURE LOANS. (EARLY 90S)
INVESTMENT PORTFOLIO FLOWS TO MEXICO (INVESTMENT IN DEBT) LED BY ROBERT RUBIN OF GOLDMAN SACKS (MAJOR CLINTON BACKER)
MEXICO LENDS IT OUT TO BANKS, PEOPLE BUY, BUILD REAL ESTATE, \$50 BILLION DOLLAR "CONSUMER MARKET";
NO PRODUCTIVE OF WEALTH.

- G. SALINAS WAS US SPONSORED HEAD OF NEW WTO. (FUGITIVE IN IRELAND)

SALINAS LEAVES/ZEDILLO RATHER THAN COLOSSIO ELECTED (1995)

- A. SHORT TERM DEBT CRISIS (TESE=BONOS)
\$28 BILLION IN SHORT TERM DEBT, \$ 6 BILLION IN RESERVES TO PAY IT OUT.SHORT TERM PORTFOLIO INVESTMENT.
- B. PESO DEVALUED (NO MONEY TO BUY THE PESO) (3 TO 7/\$1) DECEMBER 20TH, 1994
- C. US CONGRESS REFUSES TO BAIL OUT -- POLLS SAY NO
- D. CLINTON USES EXCHANGE STABILIZATION FUND. WALL STREET TAKEN OFF THE HOOK FOR BANDIT REGIME OF SALINAS. (BUCHANAN)
- E. CLINTON PACKAGE - \$50 BILLION PACKAGE. GUARANTEED BY PEMEX EARNINGS FLOWING INTO NEW YORK RESERVE BANK.
- \$ 17.5 -- LARGEST IMF LOAN EVER TO A COUNTRY
\$ 20 U.S.
\$ 10 CENTRAL BANKS AROUND WORLD
\$ 2 CANADA AND L.A.
- F. IN EXCHANGE FOR MORE OF THE SAME:
MORE PUBLIC ENTERPRISE SALE: RAILROADS, PORTS, TELEPHONE, PETRO-CHEMICALS, BANKING OWNERSHIP.
US ENTRANCE OF FINANCIAL SERVICE MARKET
1 MILLION LAY OFFS/SMALL-MEDIUM BANKRUPTCIES WITH WALMART EXPANSION.

NOW RECONSTRUCTION GOING ON

- A. CIVIL SOCIETY: LED BY INDIGENOUS REVOLT IN JANUARY, 1994. (ZAPATISTAS) -- STILL IN LEADERSHIP.
- B. POLITICAL PARTIES: PRI LOSES CONTROL OF NATIONAL CHAMBER (DIPUTADOS) IN JULY 1997. CONGRESS NOW HAS OPPOSING BLOC.
- C. NEW FORMS OF GOVERNANCE: NEW D.F. GOVERNMENT CAPTURED BY PRD (SOCIAL DEMOCRAT)
- D. NEW UNION ORGANIZATION: CENTRAL FORMED WITH DEMOCRATIC UNIONS. (TEACHERS, ETC)