



The WTO and the Global War System

Susan George
Mark Ritchie
Alice Slater
Steven Staples

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Northwest Disarmament Coalition
End the Arms Race
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International Network on Disarmament and Globalization

The WTO and the Global War System was organized by American and Canadian peace groups as part of civil society activities surrounding the Ministerial Meeting of the World Trade Organization in Seattle in November, 1999.

The forum examined the links between economic globalization, the WTO and militarism. It looked at how the WTO's promotion of economic globalization undermines security, creates conflict and promotes militarism.

There were four speakers at the forum. Susan George opened the forum by discussing how the current economic system is creating economic and social strife around the world. Mark Ritchie then discussed the history of the Bretton Woods institutions and their original purpose to promote peace. Alice Slater discussed how nuclear weapons are defending American corporate interests, and how the U.S. Space Command envisions the militarization of space to defend American "interests and investments." And Steven Staples closed the afternoon by discussing how the WTO promotes war economies by protecting military spending and the arms industry. He also offered case studies showing how corporations have been able to use WTO rules and dispute panels to block peace-building economic strategies of peace activists.

The organizers wish to thank GRACE (working on behalf of Abolition 2000) for its financial support, which helped to make this forum a success.

Susan George: The Corporate Utopian Dream

The World Trade Organization (WTO) is one of the instruments of globalization and globalization is clearly led by corporations. Transnational corporations are gaining enormous power in the world today, but they can't make the rules by themselves: they need to have instruments to make those rules for them. One of the instruments they use is the International Monetary Fund (IMF). The IMF has pried open the markets of the indebted countries in the South and in the East and has forced those countries to "liberate" their capital accounts so that capital can flow in and out at will, has forced them to concentrate on export crops, has forced them to privatize everything in sight and leave everything open to international investment.

Now the biggest rule-writer the corporations have is the WTO. The WTO is really writing a constitution to facilitate the affairs of transnational corporations and allow them to globalize as they see fit, in a world that will be organized of, by, and for corporations. It's the corporations' utopian dream.

Globalization itself does three things. One, it pushes money from the bottom to the top. Wealth moves upwards, towards those who already have wealth. All over the place inequalities are growing and wealth is moving towards the top. Two, globalization moves *power* from the bottom to the top, and concentrates it in the hands of very few people. In particular, it concentrates it at the international level where there's no democracy and no way for citizens to get a handle on what is happening. Three, globalization is creating a myriad of losers. It is creating a slice of people who are not useful to the global economy either as producers or consumers. We're creating through globalization a three-track society in which there will be the exploiters, the exploited and the outcasts, the people who are not even worth exploiting. This is clearly a scenario for tremendous instability.

Between 1990 and the end of 1996 there were ninety-eight major wars – overwhelmingly civil wars, not inter-country ones – and the Peace Research Institute in Oslo has found that these conflicts share the following characteristics. One, they take place chiefly in poor countries where agriculture is still the main contributor to the GDP. Two, the environmental factors most frequently associated with civil conflict are land degradation, low fresh water availability per capita and high population density, in that order. Three, a particularly strong correlation exists between high external debt and the incidence of civil war. Four, falling export income from primary commodities is closely associated with the outbreak of civil war. Five, a history of vigorous IMF intervention is also positively linked with all forms of political and armed conflict.

Characteristics of War

It's easy to see how globalization and global institutions such as the IMF and the



All photos: Lessie Woodruff

Susan George

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WTO reinforce virtually every single one of those factors. Let's look at just a couple of those factors. One, wars take place in poor countries chiefly dependent on agriculture. If the WTO gets its way with the proposed international agricultural agreement, it will result in cheap grain flooding poor countries, destroying what is left of food security. That will mean the ruin of hundreds of thousands of small farmers and their expulsion from the system – more losers and more outcasts. Two, land degradation and low fresh water availability are associated with war. Well, the wars of the future and the wars of today are already wars about water. They are wars between countries and inside societies where the control of this scarce resource is absolutely vital. Just think of it: a wonderful resource, indispensable, can't do without it, and one that you can control if you are a major transnational. People have got to have it and if you've got a monopoly on it, then isn't that a pretty picture for profit?

Upheavals and Protests

In this three-track society that globalization is creating, of course there are going to be protests. People are not going to take their marginalization and their status as outcasts lying down. It is clear that there are going to be more and more upheavals. The rich in the U.S. have shown that they have a consciousness of this. Wealthy Americans have already moved into 30,000 gated and guarded enclaves and demand for more is high. As well, government arms purchases also reveal an understanding of this threat of upheaval. Countries are not buying as much heavy equipment as they used to; what they're buying are light arms. They've switched from heavy external combat equipment like tanks and planes to less expensive infantry weapons, helicopters and riot control gear because it's those types of equipment that are important now to use against increasingly restive peoples. As well, the WTO is trying to organize what it calls trade facilitation and harmonization. Translated, that means there will be fewer controls at the border, which means that it will be easier to ship arms and poison.

The following is a quotation from the man who used to be charged with thinking about future warfare for the Pentagon. The quotation shows the similar objectives of the military and the WTO. He says: "The de facto role of the U.S. armed forces will be to keep the world safe for our economy and open to our cultural assault." 'Keeping the world safe for our economy' sounds a lot like the WTO's talk of facilitating things, and 'open to our cultural assault' sounds rather like the WTO's intellectual property agreement, allowing companies to copyright things identically all over the world. But, there's another sentence in the quotation. He says, "The de facto role of the U.S. armed forces will be to keep the world safe for our economy and open to our cultural assault. To those ends, we will do a fair amount of killing."

Susan George is the Associate Director of the Transnational Institute. Her latest book is The Lugano Report: on Preserving Capitalism in the 21st Century. Her website is www.tni.org/george.

Mark Ritchie: Peace and International Systems

It's a mistake to think globalization is new or economic globalization recent. If you really want to study the broad issue of globalization and militarism, by far the best example is the one closest to home: the colonization of this continent as part of the global economic system 500 years ago. The colonization of this continent was to be a lynch pin in a global economic system that had existed for a long time. This chunk of the global economic system was built on warfare, violence and death connected to the state. Yet today at this forum we are focusing on more recent instruments of globalization and militarism, like the World Trade Organization (WTO).

History of the Bretton Woods Institutions

It's quite ironic: the WTO is an institution that is part of a long history of post-Second World War institutions that were created in an attempt to prevent another world war. The First World War was a commercial war between the trading powers. It was a war over trade without rules, an attempt to secure markets, raw materials and labour. John Maynard Keynes, when he quit the negotiations over the Treaty of Versailles at the end of the First World War, spoke about this question of how to prevent war. He said the treaty, which would lead to continued impoverishment in Europe, would simply be the root of poverty, of crisis and then of another world war.

Coming out of the experience of both wars, Keynes and other great thinkers and leaders of this century knew that they had to find a way to prevent another world war, since we were beginning to unleash weaponry that could in fact eliminate life on the planet. They knew that economic crisis was the seedbed of fascism, intolerance, bigotry and also belligerency in the international arena and was the fundamental cause of war. It has been clear for a long time to many people that if you want peace you have to struggle for justice – justice in the economic arena as well as in the political and social arenas.

So these thinkers gathered about 50 years ago in Bretton Woods, New Hampshire to talk about how to avoid a collapse in the economic system that would lead to conditions of war. At Bretton Woods, there were people who were peace oriented, globally oriented and co-operation oriented. They were trying to find out how to find rules for the international economy that could avoid the kind of crisis that created the world wars. But there were also people at Bretton Woods who wanted to see how the U.S. could turn its post-war industrial stability to its advantage by creating rules that put the United States in control of a global economic crisis.

The Bretton Woods system had three components. One was called the bank for reconstruction, what we now call the World Bank. It was created to reconstruct



Mark Ritchie

Mark Ritchie: Peace and International Systems

The institutions were created to be instruments of peace. But they didn't stay that way.

Europe and also to some extent to reconstruct the Third World. The second component was the International Monetary Fund (IMF). The IMF was originally set up to prevent currency devaluation, though today its main business is forcing currency devaluation. In setting up the IMF, people knew they needed to have a mechanism to keep countries from devaluing their currencies and undercutting other countries. The third Bretton Woods component, to be created a couple of years later, was the International Trade Organization. People knew they needed rules of trade to stop the unregulated global trade that helps create war. In the original drafting of those rules of trade, there were rules against dumping, rules to stop global monopolies and ways to attack anti-competitive global business practices of corporations. There were many good rules, actually, but the United States Senate refused to support the International Trade Organization. All that passed through the Senate was one little component of the trade rules: the General Agreement on Tariffs and Trade (GATT), which became the WTO in 1995.

Instruments of Injustice

Those post-war global institutions were created to be instruments of peace and to bring the rule of law to global commerce. But they didn't stay that way. At about the same time these institutions were created, we were faced with the McCarthy Era, or "the Red Scare." The progressive, internationally minded people within the Bretton Woods institutions were driven out by red-baiting or were fired. The end result was that these institutions became only shells of what they were intended to be by their founders. Over the years things have gone from bad to worse, with many believing today that these institutions are the main instruments of injustice on the planet. The protestors on the streets here in Seattle represent a very broad consensus in this country and around the world that these institutions have to be eliminated or radically reformed.

There are many arguments for having global institutions. If people are impoverished, governments come under pressure and war is the outcome. This tendency can be seen again and again in human history. Look at Iraq. Iraq depends on oil prices for its income. In the early '90s, the oil-producing countries were over-producing oil and driving its price down. Iraq was getting desperate, but had no international body to which it could appeal. Iraq's desperation and strain eventually led to actions that led to war.

It stands to reason that if you don't have something like an international organization with some rules and mechanisms for handling global problems, you're going to face increasing situations of war and disaster. However, the global institutions that were created to help sort out and handle these problems have in fact become institutions creating the conditions for war.

So, what do we do? It is not enough to just say that these institutions are bad so they should be closed down. Activists must really study what's going on in the global arena in order to know how to deal with the problems of these institutions. This kind of study will lead activists to the single most important international movement: the peace movement. Nobody else has ever written a treaty like the land mine treaty and then had it adopted. What an incredible accomplishment! We can study this accomplishment and look at the various tools this movement

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used to put together the global effort to make the treaty happen, and apply those tools to the globalization movement.

Making Linkages Between Movements

There are linkages between the movements for human rights and for justice against slavery and genocide. The anti-slavery movement was one of the earliest kinds of global social movements and it led to the movement to stop the genocide in the region we today call Congo. That movement also gave birth to the 50-year struggle to put international human rights into a declaration of the UN. We need to promote these linkages between these movements as a basis for beginning to understand how we go forward in this economic arena. If we don't, we're going to have more wars about raw materials. You cannot increase the human population in a world of finite resources and not have more wars, unless you find the social and political basis for handling the allocation of resources and dealing with the problem that the allocation creates.

The need for global governance is a necessary topic for us in confronting globalization.

Learning from the Peace Movement

If you study the peace movement's ability to work globally, one of the things you find is that the peace movement was always clearly in opposition to the governmental pursuit of war. The peace movement built a global movement around saying that what the governments were pursuing was wrong and had to be stopped. The peace movement helps us to realize that national governments are not the only legitimate actor in the question of global governance. If we want peace on this planet, we mustn't ask the governments to give us peace, we must *make* peace. If we're going to have global governance, it's going to have to be the civil society of the planet that provides the legitimization of that process. National governments are not a legitimate basis for constructing a global governance that's going to solve the economic problems creating threats of war. We now have come to understand that the need for global governance is a necessary topic for us in confronting globalization.

The peace movement says that we have to have global governance. We have to stop these wars. We have to stop this exploitation. We have to stop this destruction of the environment. We have to stop thinking that national governments are the only, or the single, or even the most important building block of that global governance. Global governance must start with the will of the people brought out in public movements in co-ordination, in co-operation and in collaboration on a global basis. The peace movement needs to bring its wisdom and experience of global organizing into the globalization movement so that the globalization movement can move from being a force of opposition to being a force for creating the real conditions for peace.

Mark Ritchie is the president of the Institute for Agriculture and Trade Policy and a board member of the International Forum on Globalization. He serves as the co-chair of the International Forum on Food and Agriculture and Sustainable America.

Alice Slater: The Big Guns Behind the Global War Machine



Alice Slater

Despite the fall of the Berlin Wall and the end of the Cold War ten years ago, there are still more than 36,000 nuclear weapons on our planet – 12,000 in the U.S., 23,000 in Russia (with about 5,000 bombs in those countries poised at hair-trigger alert, ready to fire in minutes), hundreds of bombs in the U.K., France, China and Israel, and something less than that number in India and Pakistan.

In 1970 the countries of the world negotiated the Non-Proliferation Treaty (NPT) in which the then-five nuclear weapons states – the U.S., Russia, the U.K., France and China – would give up their nuclear weapons in return for a promise from the remaining 181 nations not to acquire them. India refused to agree to this arrangement, arguing that it was discriminatory and that the better course would be to negotiate for the abolition of nuclear weapons. Pakistan and Israel, following India's lead, also refused to sign. The NPT required that there be a review and extension conference 25 years later, so in 1995 the countries convened. To the dismay of NGOs gathered there, five nuclear powers and their allies coerced the rest of the world to get the NPT extended indefinitely and unconditionally.

Abolition 2000

At this point, the Abolition 2000 network was born. Appalled at the lack of commitment to nuclear disarmament, more than sixty-five citizens' organizations from around the globe drafted the Abolition Statement, which called for immediate negotiations on a treaty to ban the bomb (just as the world has done for chemical and biological weapons), to be completed by 2000.

Abolition 2000 also recognized the inextricable link between nuclear weapons and nuclear power and called in its statement for the creation of an International Sustainable Energy Agency, just as there is now an International Atomic Energy Agency enshrined in Article IV of the NPT which recognizes an "inalienable right" to the peaceful uses of atomic energy. The Comprehensive Test Ban Treaty recognizes this inextricable link, which is why it requires the 44 countries that have nuclear reactors to ratify the treaty before it can enter into force. The drafters of this treaty understood that every nuclear power plant is a bomb factory.

Abolition 2000 has worked on several other global peace issues. The group participated in a global action through its e-mail network to support a boycott of French wine and cheese when France resumed what was to be a series of eight nuclear tests under the fragile coral atoll of Mururova in the South Pacific. France aborted its test series after enormous grassroots pressure at the sixth test. Abolition 2000 went to Tahiti for its annual meeting in 1997 and adopted the Moorea Declaration recognizing the enormous suffering of indigenous peoples from the colonialism of the nuclear age. Every nuclear test site is on indigenous land and the costs to life and health to those downwind of the sites have been grossly

unacceptable.

Along with indigenous peoples, we are all “downwinders.” The fallout from atmospheric testing, Chernobyl and Three Mile Island, the mining, milling and manufacture of nuclear weapons and nuclear power have created more than 4,500 contaminated sites in the U.S. alone, which may take seventy-five years and cost as much as \$1 trillion to clean up. For toxic plutonium, which remains lethal for over 250,000 years, “clean up” is the wrong expression. At best, we can only attempt to manage and contain the poisons from seeping into the air and groundwater, contributing to a rising cancer epidemic, increased mutations, genetic damage and other plagues of the nuclear age.

Incredible as it seems, we continue with our nuclear programs. In return for a promise from the U.S. weapons labs to support the Comprehensive Test Ban Treaty, a promise they reneged on, the Clinton administration promised the “Dr. Strangeloves” a \$4.6-billion program over the next ten years called Stockpile Stewardship, which is enabling the labs to design new nuclear weapons in computer-simulated virtual reality with the help of so-called “sub-critical” tests. Americans have conducted eight tests since President Clinton signed the test ban in 1996. In these tests, plutonium is shattered in tunnels 1,000 feet below the desert floor without causing a chain reaction, which Clinton says don’t count as nuclear tests.

Nuclear Programs Driven by Corporations

These programs feeding the global war machines are driven by corporations like Lockheed Martin – which manages Sandia National Lab, the engineering adjunct to Los Alamos – and General Electric, a leading developer of nuclear technology.

Lockheed Martin has played a key role in the tragic deterioration of U.S.-Russian relations, which has empowered the rusty Cold Warriors in Congress to increase this year’s military budget by \$17 billion more than the Pentagon requested. The Bush administration promised Gorbachev that if Russia did not oppose the admission of a reunified Germany into NATO when the Berlin Wall crumbled ten years ago, the U.S. would not expand NATO. Yet the U.S. Committee to Expand NATO lobbied furiously on the Hill to disregard our pledge to Russia. The committee was chaired by the vice-president of Lockheed Martin, working successfully to expand its lethal market to Poland, Hungary and the Czech Republic. NATO’s 50th Anniversary Summit last April was hosted by corporate sponsors, including Boeing and Raytheon, who paid up to \$250,000 each to mingle and peddle their deadly wares to the nineteen Foreign Ministers in attendance.

At a meeting with U.S. arms control negotiators in August, Russia proposed that each country agree to cut its supply of long-range nuclear bombs from 5,000 to 1,500. The Russian offer could give us the opportunity to make a full accounting of all warheads and provide for early de-alerting of bombs poised at hair-trigger readiness, which would considerably ratchet down the nuclear danger to our planet. Were the U.S. to follow through on this generous Russian proposal, we would have an extraordinary opportunity to bring all the nuclear weapons states to the negotiating table for a treaty to ban the bomb. However, the U.S. hasn’t taken Russia up on its offer. Its response has been appalling. Seeking to squeeze the

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final bitter cup of humiliation from Russia – which is still smarting from the expansion of NATO up to the Russian border, the continued unilateral bombing of Iraq without United Nations’ approval, and the unauthorized NATO bombing of Yugoslavia without Security Council sanction – the Clinton administration persists in demanding that Russia yield to the U.S.’s corporate-driven scheme to abrogate the Anti-Ballistic Missile Treaty and move full speed ahead with “Son of Star Wars.”

The Star Wars lobby drives American plans to dominate space and “protect U.S. interests and investments.”

Son of Star Wars

The same merchants of death who drove through the provocative expansion of NATO are driving the Star Wars revival, which is unashamedly proclaimed as the ultimate protector of U.S. corporate interests. The U.S. Space Command’s report, *Vision for 2020*, trumpets, “U.S. Space Command dominating the space dimensions of military operations to protect U.S. interests and investments. Integrating Space Forces into war-fighting capabilities across the full spectrum of conflict.” *Vision For 2020* compares the U.S. effort to control space with the effort centuries ago when nations built navies to protect and enhance their commercial interests by ruling the oceans.

General Joseph Ashy, former commander-in-chief of the U.S. Space Command, has said: “It’s politically sensitive, but it’s going to happen. Some people don’t want to hear this, and it sure isn’t in vogue, but, absolutely, we’re going to fight in space. We’re going to fight from space and we’re going to fight into space. We will engage terrestrial targets someday – ships, airplanes, land targets – from space ... That’s why the U.S. has development programs in directed energy and hit-to-kill mechanisms.”

The Star Wars lobby has been led by companies like Lockheed Martin, Raytheon, Boeing and TRW who are dividing up billions of dollars in contracts, connected in no small part to the \$23 million US they spent lobbying and \$4 million US in campaign contributions in 1997 and 1998. The executive summary of the Space Command’s long-range plan has a long list of acknowledgements to commercial industry, including forty-eight companies that are helping it to “dominate the military uses of space to protect U.S. interests and investments.”

The nuclear sword of Damocles and the plans afoot to dominate space are the seldom-mentioned enforcers of globalization. Help us rid the world of the big guns which are the ultimate enforcers of WTO decisions, and remember Dwight Eisenhower’s message: “Every gun that is made, every warship launched, every rocket fired signifies, in the final sense, a theft from those who hunger and are not fed, those who are cold and are not clothed. This world in arms is not spending money alone. It is spending the sweat of its labourers, the genius of its scientists, the hopes of its children.”

Alice Slater is a director of the Global Resource Action Center for the Environment (GRACE) and an anti-nuclear activist with Abolition 2000. You can join Abolition 2000 at www.napf.org/abolition2000.

Steven Staples: The WTO and War: Making the Connection

I want to talk about the emergence of what I call the military-corporate complex. To begin, I'd like to revisit Dwight Eisenhower's famous warning to the people of the United States in his last speech as President in 1961. Eisenhower told citizens to beware of the growing influence and power of the "the military-industrial complex," the collusion between the military and defence contractors to subvert the democratic process. This term has become a part of the lexicon of the peace movement in the second half of the 20th century. However, today we need to reconsider our understanding of the military-industrial complex. The end of the Cold War and the advent of globalization have transformed Eisenhower's military-industrial complex into a new beast – the military-corporate complex.

In Eisenhower's world, the nation-state ruled over its economy, and defence companies were largely bound within national borders. But globalization has created a new relationship between governments and corporations. The movement toward a single global economy has given rise to huge corporations whose wealth and power now exceed those of nation-states, and whose interests transcend national borders.

Weapons Corporations Go Global

Former nationally oriented weapons corporations such as Boeing, General Motors and British Aerospace are now transnational corporations that roam the world in search of higher government subsidies, favourable tax incentives, lower wages, weak labour standards and merger opportunities in order to create even more powerful transnational corporations. In the last five years, there has been an unprecedented round of mergers in the weapons industry. Boeing swallowed up McDonnell Douglas to create the world's largest manufacturer of military aircraft. British Aerospace swallowed Marconi. Other European weapons corporations merged to create the world's largest maker of missiles, Mantra BAe Dynamics, whose revenue is expected to reach \$3 billion a year, surpassing even that of U.S. powerhouse Raytheon.

The Pentagon has been watching these mergers with nervousness, as it sees its influence slipping away with each merger. Finally admitting it can no longer resist transatlantic mergers of its client corporations, the Pentagon recently announced that British Aerospace, Europe's largest weapons corporation, will be accorded national treatment – treated just like an American company – and integrated into Fortress North America.

The evolving power imbalance between governments and corporations, not just in the weapons industry but in all industries, is becoming well understood by many progressive economists and social activists. International free trade agreements such as those in the World Trade Organization (WTO) play a key role in



Steven Staples

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what has become popularly known as “corporate rule,” which works to usurp democracy. Maude Barlow, National Chair of the Council of Canadians, says corporations have spent the last fifty years fighting communism. Now they are fighting democracy itself.

The World Trade Organization has become the architect of the new global economy and corporate rule. It is striking down government laws and programs around the world that conflict with corporate interests but are vital for peace. Environmental protection, cultural and social programs, health and safety standards, and other programs which create just and peaceful societies are all under attack.

While all of these government programs are being sacrificed on the altar of the new economy, one sacred cow remains: the military-corporate complex.

The WTO is based on the premise that the only legitimate role for governments is to provide for a military to protect the interests of the nation and a police force to ensure order within. And so while social and environmental policies are constantly under attack, the war industry is protected through the “security exception” in the General Agreement on Tariffs and Trade (GATT). Article XXI of the GATT, the principal agreement of the WTO, allows governments free reign for actions taken for national security interests. It states that a country can’t be stopped from taking any action “it considers necessary for the protection of its essential security interests ... relating to the traffic in arms, ammunition and implements of war and such traffic in other goods and materials as is carried on directly for the purpose of supplying a military establishment (or) taken in time of war or other emergency in international relations.” This clause is the most powerful exception in the WTO. It actually allows a government to define its own “essential security interests,” a definition that can’t be questioned by WTO dispute panels.

Globalization Spurs Military Spending

Because the security exception shields the war industry from challenges by the WTO, it actually spurs government military spending since only military spending is free from challenges. Governments must use the military to promote jobs, new emerging industries, or high-tech manufacturing.

Let’s take a recent example. In 1999, a WTO dispute panel ruled against Canada and its Technology Partnerships Canada (TPC) program – a program which subsidizes the aerospace and defence industry. The program was being used by Bombardier Aerospace to build and export regional passenger jets. The WTO ruled the non-military subsidies were unfair, and struck them down earlier this year.

To appreciate what this decision means, you need to understand that TPC used to be the Defence Industry Productivity Program. The program was Canada’s flagship industrial program and handed out billions of dollars to Canadian arms manufacturers for years. In 1995 it was renamed TPC, and several non-military categories were added to the fund. It’s those non-military programs that are vulnerable to challenges by the WTO.

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The lesson from this is that if governments want to play a role in the economy – creating jobs, regional development or high-tech research – the safe way to do it is through the military. This lesson has not been lost on some of the so-called emerging economies, such as South Africa. South Africa is currently undergoing a huge arms-buying spree. It is buying billions of dollars worth of helicopters, aircraft, ships and even submarines from European weapons corporations. The government has negotiated an agreement that the corporations will move some of their production for these contracts to South Africa, creating short-term jobs and investment.

South Africa is about to make the same mistake North America did: it is creating new military projects that will become dependent on constant government spending, drawing money away from essential social programs. When the current weapons orders have been filled and the government funding dries up, jobs at the weapons corporations will then depend on corporations finding new customers for their weapons, driving the arms trade and potentially causing a whole new arms race in the region.

To a certain degree, I can understand what the South African government is trying to do. It needs jobs and the transfer of technology and knowledge. As a member of the WTO, the only safe way to do this is through military programs. If these were not military programs, the deals would never be allowed, given WTO laws on performance requirements and government procurement.

Globalization Hinders Peace Work

In this new global economy that favours the military, peace activists are losing their ability to work for peace and human rights. A recent law concerning Burma illustrates how peace activists are losing the ability to work for peace and human rights. Amnesty International has consistently criticized Burma's military government for its terrible human rights record. Burma is ruled by a military junta that refuses to relinquish power to Burma's legitimately elected leader, Nobel Laureate Aung San Suu Kyi, who is under house arrest. Trade unions have listed Burma as one of the most dangerous places in the world to be a union organizer.

In 1996, peace activists succeeded in having Massachusetts and 20 other U.S. municipalities and counties pass laws preventing government contracts from being issued to companies doing business with Burma, in order to put pressure on the military rulers. This legislation was similar to the laws many governments passed in the 1980s to support the anti-apartheid movement in South Africa.

But, thanks to the WTO, the law was challenged. Both the European Union and Japan challenged Massachusetts' law as a violation of the WTO's Agreement on Government Procurement, on the grounds that Burma and companies that did business with Burma were being unfairly discriminated against. Before the WTO could convene a dispute panel to review the arguments, a U.S. corporate lobby group – supported by the E.U. and Japan – stepped in and sued Massachusetts in domestic courts, under the pretext that the state had exceeded its authority. The corporate lobby group won its case and the court overturned the law and all similar laws in the U.S.. Massachusetts is appealing the ruling to the Supreme

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Court.

The lesson here is clear. If activists are actually able to secure laws that can challenge the military-corporate complex, they will face the entire weight of transnational corporations and the WTO.

The hidden fist that keeps the world safe for corporations is the U.S. Air Force, Navy, Army and Marines.

Clearly, as citizens who support peace and social justice, we have to confront the corporate agenda of the WTO. The stakes are enormous. If the WTO is allowed to continue, military spending will rise worldwide, as it already has in the U.S., Canada, and other industrialized countries. There will be greater nuclear proliferation as countries try to bomb their way into the world's power elite, as India has done. There will be greater economic strife, as there has been in Asia. And we will lose even the limited ability that we have now as citizens to promote peace.

Transnational corporations need the power of the military behind them to enforce their domination. New York Times columnist Thomas L. Friedman put it well when he said that behind the hidden hand of the market is a hidden fist. McDonalds needs McDonnell Douglas, the maker of the F-15 warplane. And the hidden fist that keeps the world safe for corporations is the U.S. Air Force, Navy, Army and Marines.

While I'm a pessimist about tomorrow, I am an optimist about the day after. There are three things that we need to do, beginning right now. Firstly, the peace movement must educate itself and others about the relationship between militarism and globalization. We need to encourage our writers and researchers to investigate the military-corporate complex, and to provide activists with the information they need. Secondly, we cannot treat the arms industry and military spending as separate issues. We have to deal with globalization as a whole, recognizing that the international corporate agenda is itself a form of warfare against peace, human rights and democracy. Thirdly, we need to develop our own positive alternatives to economic globalization and the WTO.

Steven Staples is Chair of the International Network on Disarmament and Globalization.

Forum Sponsors

20/20 Vision

1828 Jefferson Place, NW
Washington, DC 20036
ph. 800-669-1782, f. 202-833-5307
www.2020vision.org

Abolition 2000

Working Group on Corporate Issues
c/o Nuclear Age Peace Foundation
PMB 121, 1187 Coast Village Rd. suite 1
Santa Barbara, California 93108-2794
ph. 805-965-3443, f. 805-568-0466
www.napf.org/abolition2000

American Friends Service Committee – Pacific Northwest region

814 NE 40th St.
Seattle, Washington 98105
ph. 206-632-0500

The Council of Canadians, B.C. Organizing Office

711-207 West Hastings St.
Vancouver, British Columbia V6B 1H7
ph. 604-688-8846, f. 604-688-5756
www.canadians.org

End the Arms Race

405-825 Granville St.
Vancouver, British Columbia V6Z 1K9
ph. 604-687-3223, f. 604-687-3277
www.peacewire.org

Fellowship of Reconciliation

Western Washington Office:

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Seattle, Washington 98103
ph. 206-789-5565
www.scn.org/activism/wwfor

National Office:

PO Box 271
Nyack, New York 10960
ph. 914-358-4601
www.nonviolence.org/for

GRACE (Global Resource Action Center for the Environment)

15 E. 26 St. rm. 915
New York, New York 10010
ph. 212-726-9161, f. 212-726-9160
www.gracelinks.org

Ground Zero Center for Nonviolent Action

16159 Clear Creek Road NW
Poulsbo, Washington 98370
ph. 360-377-2586
www.gzcenter.org

The International Network on Disarmament and Globalization

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Vancouver, British Columbia V6Z 1K9
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www.indg.org

Nonviolent Action Community of Cascadia

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Seattle, Washington 98105
ph. 206-547-0952

Northwest Disarmament Coalition

c/o Washington Physicians
for Social Responsibility
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Seattle, Washington 98105
ph. 206-547-2630

Peace Action of Washington

5828 Roosevelt Way NE
Seattle, Washington 98105
ph. 206-527-8050
www.peaceaction.gen.wa.us

Plymouth Congregational Church Peace Action Group

1217 6th Ave
Seattle, Washington 98101
ph. 206-622-4865

Seattle Women Act for Peace

2524 16th South
Seattle, Washington 98144
ph. 206-329-3666

Tikkum Olam Committee/ Congregation Eitz Or

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Seattle, Washington 98115
ph. 206-467-2617

United Nations Association – Metropolitan Seattle Chapter

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Seattle, Washington 98102
ph. 206-568-1959

University Unitarian Peace Committee

6556 35th Ave. NE
Seattle, Washington 98115
ph. 206-525-8400

War Resisters League

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New York, New York 10012
ph. 212-228-0450
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