By Soren Ambrose

Introduction

This year marks the 60th anniversary of the International Monetary Fund (IMF) and the World Bank. Although they have always been located in Washington, DC, people in the United States very often do not know much about what they do. People in Africa, the Caribbean, Latin America, and Asia know a great deal about them, however. When a delegation from either institution arrives in a country in any of these regions, it’s often front-page news; when economic crises hit, people protest outside the local offices of the IMF/WB. When unrest breaks out it is often referred to as an “IMF riot.”

The Grim Reapers

The seeds of what the IMF and World Bank have become were sown from the very beginning in an imbalance of power and lack of democratic governance, even though it was not until the 1970s that the institutions became really controversial. Their constitutions (called “Articles of Agreement”) guaranteed that the wealthiest countries would always retain control of the institutions’ policies: votes on the board are allotted on the basis of how much money each country donates and a government cannot decide to pay more and get more votes — the proportions were and still are carefully managed. Today, the G8 countries (the U.S., Japan, Germany, France, the U.K., Italy, Canada, and Russia) control about 50% of the total votes, and any changes to core policies require an 85% super-majority vote. The United States has always ensured that its percentage of total votes on each board remains above 15% giving it virtual veto power. By unwritten agreement, the head of the World Bank is always a U.S. citizen, chosen by the President of the U.S., and the head of the IMF is always from Western Europe. The institutions are headquartered in the capital of the country making the largest contribution (hence Washington, DC). These percentages and customs have remained in place even as the membership of the institutions has expanded through the era of decolonization and the collapse of the Soviet Union; they now have over four times as many members (184) as they did when they started out.

During the IMF’s first 30 years, this lopsided arrangement was not quite so glaring as it later became. In fact, most of its loans were made to industrialized countries, many of them among the largest shareholders. At that time the IMF was akin to a credit union for governments, a convenient and cheap source of capital for bandaging minor balance-of-payments difficulties. After the suspension of the dollar-gold standard in 1973, the IMF was a Washington bureaucracy looking for a function and by the late 1970s the indus-
Guest Commentary

Last September, 146 trade ministers from around the world gathered in the Mexican resort of Cancún for the World Trade Organization (WTO) Ministerial, intending to “create fair global trade rules.” The Ministerial also brought together thousands of farmers, indigenous peoples, and youth, who were protesting the secretive nature of the negotiations and the brute economic power wielded by the United States and Europe in the WTO, which protects the interests of politically influential corporations and agribusiness at the expense of the working poor and family farmers.

On September 10, Lee Kyung Hae, leader of the Korean Federation of Advanced Farmers Association, climbed the barricades that were built to keep away the protesters. Wearing a sandwich board that read “The WTO Kills Farmers,” Lee took his own life with a knife to his heart. He had watched over the years, hundreds of his comrades driven off their lands, and his own farm had foreclosed four years ago.

Negotiations over the rules and governance of global trade have disregarded and constrained human aspirations and security. They are shrouded in secrecy, carried out in a distinctly non-transparent and cavalier way in which the proponents of economic globalization make crucial decisions with no participation from those—for example, family farmers—likely to be negatively affected by their outcome.

In the 1930s, 25 percent of the U.S. population lived on the nation’s 6 million farms. Today America’s 2 million farms are home to less than 2 percent of the population. Small family farms have been replaced by large corporate farms, with just 8 percent of farms accounting for 72 percent of sales. The U.S. Dept of Labor projects the largest job loss among all occupations, to be in agriculture between 1998-2008. This is not surprising when the average farm-operator household earns only 14 percent of its income from the farm and the rest from off-farm employment. These figures pale in comparison to one fact: the Number One cause of death for farmers in the United States is suicide!

The situation is no different for farmers in the Third World. For example, Mexico, which was once self-sufficient in basic grains now, largely as result of NAFTA (North American Free Trade Agreement), imports 95% of its soy, 58% of its rice, 49% of its wheat, and 40% of its meat. NAFTA is killing the Mexican countryside, with an estimated 600 peasant farmers forced off their land each day. In India, an estimated 25,000 wheat, and 40% of its meat. NAFTA is killing the Mexican countryside, with an estimated 600 peasant farmers forced off their land each day. In India, an estimated 25,000 farmers have committed suicide since 1996 by consuming pesticides as they face mounting debts and loss of markets.

Lee represents the face of sustainable agriculture that is challenging the corporate take-over of our food system through free trade agreements like the WTO, NAFTA, FTAA (Free Trade Area of the Americas). The rallying cry of this global movement is “food sovereignty is a human right,” and it demands governments across the globe:

- Prioritize local, regional, and national needs, based on agriculture that sustains small farmers, indigenous peoples, fisherfolk, and other local communities;
- Protect local and national markets of basic food stuffs to give priority to the products of local farmers;
- Promote sustainable peasant agriculture which is more productive and protects global biodiversity;
- Promote a direct, shared and decentralized relationship between food producers and the rest of the community;
- Implement genuine land reform to ensure redistribution of land;
- Ensure a new sustainable farm economy as the centerpiece of the economic development model of each country.

Guest Commentary continues on page 14
I came to Political Research Associates (PRA) as Executive Director on July 12 with the daunting charge “to take over where Jean left off.”

No one can replace Jean Hardisty. For almost 25 years, Jean guided this organization to the unique position PRA now occupies among the constellation of progressive think tanks, both in the United States and abroad. No one does what PRA does in quite the same way. With quixotic strokes, Jean, Chip Berlet and a small but dedicated staff not only aimed at windmills; they also struck down some that were blowing the wind in the wrong direction.

Mindful of Jean’s imminent transition from PRA, changing conditions and new needs in the 21st Century, PRA engaged in a long-range planning process during 2003. As a result, an exciting new strategic plan was elaborated for the next 3-5 years.

It is this plan for future development that I have come to PRA to help implement.

Let me introduce myself: I come to PRA with experience in the academy, in the movement, and doing public policy work. I finished my Ph.D. in Romance Languages and Literatures at Harvard just as the Women’s Movement was beginning to attract attention, and since then, the struggle for women's advancement has been a constant in my life. In my first university appointment (Assistant Professor of Hispanic Literatures at the University of Pittsburgh), a small group of us organized for the New University Conference (progressive academics) and an even smaller group of us started “Women’s Liberation” on campus. The following year, several graduate students and I taught Pittsburgh's first class in the soon to emerge field of Women’s Studies. Highlights of my academic work were the opportunities to direct the first full-fledged Women’s Studies Program at San Diego State in 1970-71 and to be a member of the Modern Language Association’s first Commission on the Status of Women. I have also taught Women’s Studies and Hispanic Literature and Culture at the State University of New York, Old Westbury and Pennsylvania State University-Erie. As an academic administrator, I was Assistant Dean of the College of Arts and Sciences at the University of Pittsburgh, Director of the School of Humanities and Social Sciences at Penn State-Erie, and most recently, Dean of the School of Liberal Arts at Southern New Hampshire University. I also spent five dynamic years doing public policy work at the Institute for Policy Studies in Washington, DC.

Spanish has been an intrinsic part of my life since I was a teenager. During my college years and afterwards, I lived for over five years in Spain and more recently, have traveled on numerous occasions to Cuba, the Dominican Republic, Haiti, Guyana, Jamaica and other Caribbean nations. At different moments in my life, I have worked with Caribbean communities in New York City. Enough about me; now let’s look at the exciting plans evolving at PRA.

The Next Years...

• While PRA’s research emphasis will remain the Right and its activities as a social movement, we now will conduct our research with a wider lens—following the lineage of racist, xenophobic, sexist and homophobic policies and campaigns, as well as other forms of systemic oppression. We also will expand our focus to include the international activities of the Right and its antidemocratic colleagues. Through this international lens, we will be better informed about the globalization of rightist ideas and be better equipped to analyze aspects of globalization itself.

• We will give priority to “Action Research.” That is, we will increase our participation in strategic alliances, coalitions, and networks to ensure that activist collaborations and partnerships help set PRA’s research direction. By basing more of our research direction on the expressed needs of grassroots colleagues and honing our skills in the challenging art of popular education, we will be able to communicate PRA’s analysis to multiple audiences.

• We will raise our public profile by building on existing contacts, creating new ones, and using state-of-the-art technologies. In this way, we will increase the distribution of our analysis of the ideology and agenda of the political Right and make our work more accessible to a wider audience.

The United States is at a crucial juncture as we advance toward the November 2004 elections. Many of the developments on the Right that Jean and Chip (and other PRA staffers) warned about over the last twenty years are now, unfortunately, a reality we have to deal with. The work that PRA does is needed more than ever, and I am delighted to join the staff to help in any way I can. I hope all of you will continue to support us and to call on PRA to aid your work.

Warm regards,

Roberta Salper
The Board and Staff of Political Research Associates would like to thank Jean Hardisty for 23 years of exceptional leadership, analysis, and activism. Because of you, we are more deeply informed and aware of our own potential to resist the Right.

June 30, 2004 was Jean Hardisty’s last day at Political Research Associates. Even though she is transitioning from PRA, she will continue her research and public education work in the field of conservatism and the Right.

Jean’s first project will be a collaborative study with Kaaryn Gustafson and the Women of Color Resource Center (Oakland, CA), to explore federal efforts to promote marriage through faith-based organizations and others—ostensibly to help lift welfare recipients out of poverty. Their project, titled “Analyzing Marriage and Fatherhood in Social Movement Activism and Federal Welfare Policy,” will explore the history of the promotion of marriage as a cure for poverty among women and children, tracing the intellectual roots of this initiative to the conservative Fatherhood Movement and the Christian Right’s commitment to marriage as the cornerstone of a good (and Godly) society.

Jean’s new title at PRA will be “Founder and President Emerita.” She can always be reached through PRA, but to reach her directly at her home office, you can email her at jvhardisty@aol.com.

For more information on Jean Hardisty and ways to honor Jean, please check the link at: www.publiceye.org/legacy

JEAN V. HARDISTY’s Biography

Jean Hardisty is Founder and President Emerita of Political Research Associates (PRA), a Somerville, MA-based research center that analyzes right-wing authoritarian and antidemocratic movements and trends and publishes educational materials for the general public. A political scientist with a Ph.D. from Northwestern University, she left academia after eight years of teaching and researching conservative political thought to establish PRA in response to the emergence of the New Right in 1980-81.

Now in its 23rd year, PRA is nationally known for its extensive collection of primary and secondary resources on the Right, its accurate and accessible analysis, and its role as advisor on researching and opposing the Right.

Dr. Hardisty is a widely published author and has been an activist for social justice issues, especially women’s rights and civil rights, for three decades. She currently serves on the Board of Directors of the Center for Community Change, the Highlander Research and Education Center, and The Women’s Community Cancer Project. Her book, titled Mobilizing Resentment: Conservative Resurgence from the John Birch Society to the Promise Keepers, was published by Beacon Press in October 1999 and is now available in paperback.
WE INVITE YOU
TO HONOR PRA’S FOUNDER
Jean Hardisty
with a donation to the
Jean Hardisty Legacy Fund for Action Research

On June 9, 2004, on the occasion of Jean Hardisty’s transition from Political Research Associates, PRA established the Jean Hardisty Legacy Fund for Action Research as a way to honor Jean and to perpetuate the legacy of her work supporting the Progressive Movement. The Legacy Fund will support, on an annual basis, action research projects that reflect the values and issues Jean has cared most deeply about, including: welfare rights, civil rights, women’s rights, and GLBT rights. In addition to supporting on-going action research projects at PRA, the Legacy Fund may support:

➢ A grassroots action research fellow at PRA.
➢ A Study Group for grassroots activists.
➢ A research partnership project with a grassroots organization

(Please note that donations for the Legacy Fund will be targeted directly to projects under the above guidelines, and will not be used to support any administrative overhead costs related to the Fund.)

Donation Form

☐ I want to honor Jean with a contribution to the Jean Hardisty Legacy Fund.

NAME

ADDRESS

Enclosed is my donation of:

☐ $1,000  ☐ $500  ☐ $250

☐ $100  ☐ $50  ☐ Other _________

Please make checks payable to Political Research Associates (note “Jean Hardisty Legacy Fund on the memo section of the check) and mail this form along with your donation/pledge to: Political Research Associates, 1310 Broadway, Suite 201, Somerville, MA 02144-1731.
rialized countries no longer found the relatively small loans it could offer useful.

A constellation of events in that decade — rapid expansion of lending by both private and public creditors to countries in Latin America, the OPEC (Organization of Petroleum Exporting Countries) oil price shocks of 1973 and 1979, and the dramatic rise in interest rates initiated by the U.S. Federal Reserve at the end of the decade — combined to severely exacerbate pressures on developing countries with substantial debt burdens. Suddenly, governments in Africa, Latin America, the Caribbean, and Asia faced difficulties in servicing their debts and, eventually, in attracting new loans, while large banks were fretting that their largest debtors might default on their loans.

Although the IMF had not been involved in developing countries before, and had no particular expertise in development, it was called upon to assemble “bailout packages” for the countries in the deepest crises. With the electoral victory of Margaret Thatcher and Ronald Reagan (who led the New Right), both neoliberal right-wing ideologues, in the United Kingdom and the United States respectively, the IMF, and soon after the World Bank, were pressed into service as advocates of their “free trade” agenda. The bailouts, the first of which went to Mexico, followed by Argentina and Brazil, were accompanied by stringent conditions. The conditions, it was promised, would ensure that the recipient countries got out of their debt traps and would restore their prosperity.

The first, obvious, problem with that promise was that the funds being lent to the governments were not intended for the countries themselves, but to pay off foreign creditors. The money no sooner arrived than it was remitted back abroad; what remained was a massive new debt for the national government. Neither those countries, nor those that got later versions of the same programs, have ever emerged from their debt problems. On the contrary, the debt problems have only intensified as the cycle of borrowing new money to pay off old loans drives up debt totals. Mexico’s debt, for example, had tripled from its 1982 levels when it found itself in a new crisis in 1994, requiring another IMF bailout loan of $50 billion.

Secondly, the conditions were predicated on the theories of neoliberalism, the “free market” doctrine of Thatcher and Reagan, which exalts the “invisible hand” of market capitalism – the idea that the best economic outcomes result if markets are left to determine their own course, without government intervention. Until the neoliberal revolution of 1980, the Keynesian precept that government intervention was required to direct markets toward the greater good dominated both the West and large parts of the Third World. Most economists in industrialized economies fall somewhere between John Maynard Keynes and Milton Friedman, the leading proponent of the free market approach. But Friedman and his followers who adopt an extremist line, advocating as much erosion of government influence as possible, gained particular influence with right-wing politicians in both the United Kingdom and the United States. Their approach has recently come to be called “market fundamentalism,” since it sees “freer” markets as the solution for every economic problem, actively twists evidence to conform to its theories, and refuses to accept any deviation from its doctrine, even in the face of evidence that it does not deliver on its promises. Adherence to market fundamentalism is more a matter of faith than reason, and in the absence of much proof, its dogmatism has only gotten fiercer.

The emphasis in the bailout conditions was on opening up economies to foreign investment and market participation, with a corresponding deregulation of all aspects of the economy. This mandated a retreat from policies of “import substitution” then popular in Latin America, Asia, Africa, and the Caribbean – the practice of fostering industrial development by encouraging local manufacturing to produce goods that had previously been imported. Tariffs and other controls on trade that went along with import substitution were anathema to the neoliberal outlook, since it inhibited the free movement of markets and contradicted the doctrine of “comparative advantage,” which holds that the invisible hand works best when everyone produces and sells those things which they...
can provide most efficiently.

The IMF had found its new niche, serving as a de facto “lender of last resort” – the last source of capital or credit when confidence in creditworthiness is eroded – for indebted countries in the South. It would not restrict itself to countries in acute financial crisis, like the large Latin American economies were, but would offer its assistance to any country in that region or in Africa, the Caribbean, and Asia experiencing difficulties with debt and obtaining credit on international markets. Rather than the 6-month loans it used to make for simple balance-of-payments difficulties, it made its most common instrument a loan that was disbursed in installments (called “tranches”) over 3 years, and was repayable over 10 or 20 years. These loans and the policy conditions (or, in IMF parlance, “conditionalities”) attached to them were called “structural adjustment programs” or SAPs. (Recognizing the negative connotation that term has since acquired, the institutions have tried to rename the programs, most egregiously with the Orwellian term “poverty reduction and growth.”)

Adjusting Unconditionally

The conditions imposed on desperate governments signing up for SAPs differed little from those applied to Mexico in its 1982 bailout, though the scope was gradually widened and details refined. Indeed, the conditions imposed with middle-income country bailouts in the 1990s and the new century – in Mexico, Thailand, Indonesia, South Korea, Brazil, Russia, and Argentina – also mirrored those of SAPs, which themselves were remarkably similar to one another, whether applied in Africa, Asia, the Caribbean, or Latin America. The IMF is essentially a one-size-fits-all factory. To the extent that documents occasionally surface with the wrong country’s name in sections, when a “search and replace” job at the Washington headquarters goes awry.

These conditions have to date been imposed on over 100 countries, not only by the IMF in its 3-year programs, but in numerous World Bank policy (as opposed to infrastructure) programs, which follow up on the IMF packages and now constitute up to half of the Bank’s lending. Few governments are convinced of the benefits of SAPs, but once they have run out of
places to get credit, they have little choice if they wish to remain part of the global economy. The IMF’s coercive power comes not only from its “lender of last resort” function, but also from the fact that it has been assigned, informally, a “gatekeeper” role. If a country does not have an IMF agreement which it is successfully adhering to (in the IMF’s judgment), it cannot get loans, aid, debt relief, or credit from any other multilateral institution, aid agency, government, or private financier.

Many of the structural adjustment conditions imposed by the IMF and World Bank on countries in Latin America, Africa, and Asia have been imposed domestically in the United States since the Reagan Administration. Further, market fundamentalism and neoliberal ideology are not the sole preserve of the political Right in the United States, or, for that matter, in many parts of Western Europe. The Democratic Leadership Council—that Bill Clinton led before becoming president—represented the “New Democrats” within the Democratic Party and the “New Labour” wing of the Labour Party in Britain, for example, have implemented, defended, and even extended many of the prescriptions the conservative Reagan and Thatcher Administrations first introduced in the 1980s. These have included further reducing or eliminating government regulations, including environmental protections; further shifting the tax burden from the wealthy to the middle and working classes while cutting government spending, ostensibly due to budget shortfalls; privatizing of public resources including education and other municipal services; and cracking down on organized labor.

The standard list of structural adjustment conditions imposed by the IMF and the World Bank on their borrowers includes:

1. Reduction of Government Expenditures. Across Africa, Asia, Latin America, and the Caribbean, the government has been the leading source of employment and channel for capital, since an undeveloped economy has fewer people with disposable investment income. But market fundamentalists define governments as inefficient economic actors, and so prioritize reducing their economic role. Privatization (see below) is one of the hallmarks of this approach, but so is reducing all government expenditures. A second justification for cutting government costs is to free up money that can be used for repaying external debts. These budget cuts take two related forms:

   a. Cuts in Social Spending: Slashing government-supported programs for healthcare, education, housing, food security, etc. Private providers of these services usually charge fees that put them far out of reach of the impoverished majorities in these societies. Much of the burden of replacing these eliminated services falls on women, who are already over-extended. At the World Bank’s suggestion, or sometimes requirement, countries have tried to defray costs for providing what services are left by adding “user fees,” which have a demonstrated record of discouraging school attendance and usage of clinics. After campaigns in several African countries and the United States, the Bank reversed its stance on user fees for primary education, but not for health care.

   b. Shrinking of Government: Reducing government budgets means not just cuts in programs, but massive layoffs and reduction of government capacity. Given the government’s relatively larger role in Asian, African, Latin American, and Caribbean countries, mass layoffs of government employees have a dramatic impact on the middle and working classes, and often go deeper, since a person employed in the formal sector often supports many family members. Reductions in government activities also have an impact on the rest of the economy, much of which relies on doing business with government agencies. Additionally, fewer government staffers are able to monitor and regulate businesses’ adherence to labor, environmental, and financial rules and regulations.

2. Increase in Interest Rates. The IMF is dedicated above all to limiting inflation. Charging higher interest rates for credit is the classic way to control inflation. As Joseph Stiglitz has pointed out, the IMF’s charter calls for it to guard economic stability and work toward full employment. It has chosen to interpret stability narrowly as low inflation, and has justified any concern with employment. In many cases, say Stiglitz and other mainstream economists, a moderate rate of inflation is perfectly acceptable if it means a greater rate of employment.

High interest rates have the effect of strangling an economy: small and medium-sized businesses and farmers cannot afford credit, and so are often forced out of business. Small farmers forced to sell their land end up working as sharecroppers or landless labor, or are forced onto more marginal lands, leading not only to less productive agriculture but environmental devastation. Additionally, rural people are forced to move to urban areas already swollen with other economic migrants who are also desperate to take any jobs, regardless of the pay, whether in sweatshops, the informal economy or in illicit activities.

For foreign investors, however, the policy has a real pay-off. Higher interest rates on credit usually imply higher interest paid on government bonds, which can lead to an influx of “hot money” — short-term investments by profit-seeking investors. Hot money often has a destabilizing impact since it can be withdrawn quickly, it is not suitable for productive investments, and a sudden rush for the exits can leave a government struggling to find the cash to pay off bondholders. It was precisely this scenario that threw Mexico into its 1994 “peso crisis,” as U.S. investors, tempted by an increase in U.S. interest rates, wanted to cash in their dollar-denominated bonds simultaneously.

High interest rates were among the most controversial measures the IMF imposed on the East and Southeast Asian
economies (South Korea, Indonesia, Thailand) during the 1997–98 regional crisis. IMF policies were widely blamed for exacerbating and prolonging the social impact of the crisis. Indeed, the IMF’s insistence on fighting inflation in East and Southeast Asia when there wasn’t really any inflation to fight marked a turning point at which policymakers and academicians started to question the IMF’s policies.

3. Privatization: It is an article of the market fundamentalist faith that the private sector does things better and more efficiently than the public sector. In most countries in the Caribbean, Asia, Africa, and Latin America, almost all of who came out of the colonial experience, many of the largest and most vital companies were partially or wholly government-owned. This was identified as a weakness by the IMF, which since the earliest bailout packages has urged countries to privatize enterprises that were publicly owned. While in some cases public sector companies were performing poorly, the blanket solution of privatization has proven to be a cure worse than the disease. Because local investors rarely have sufficient resources to both buy and then operate privatized enterprises, the privatization boom has led to the transfer of a vast amount of national resources into foreign hands. Foreign investors often transfer out locally generated income rather than spend or save it within the country. Foreign-owned corporations are also more likely to shutter facilities when difficulties emerge. In Argentina, for example, most of the banking sector was privatized to foreign owners during the 1990s; when the financial crisis reached its peak in 2001, many of the banks simply shut their doors and left Argentina.

The sell-off of national assets has also spurred an outburst of corruption in many countries: rules for fair bidding processes are ignored; secret deals with investors meant a reduction in services and higher costs. For instance, people in rural areas lose services such as telephones, which are deemed no longer “economical” for a private telecommunications company to provide. Private investors frequently ignore labor rights, such as the right to organize a union, with a wink from the governments.

In recent years, the emphasis on privatization has grown more intense, with the IMF cutting off funds or promised debt relief to governments that do not adhere to timetables established by the institution’s programs. The World Bank has taken the lead in encouraging, and often requiring, borrowing countries to privatize the most basic, essential services, such as healthcare, education, and water provision. Activists in the affected countries, for instance Colombia, have responded with militant campaigns to retain public control of these most fundamental services, but the Bank, with U.S. urging, continues to push the privatization agenda.

4. Investment Liberalization: IMF and World Bank programs have long required countries to open up to foreign investors, which in practice means eliminating laws limiting foreign ownership of resources, businesses, or enterprises in certain sectors. Taxes on money repatriated to the company’s home country are also to be dropped or significantly reduced. This, of course, is one of the bedrocks of corporate globalization: the facilitation of foreign corporations doing business anywhere in the world. As countries compete for foreign investment, they begin a “race to the bottom” similar to the spectacle of U.S. cities bidding for a baseball team: promises of deeper and longer tax holidays or exemptions, lower wages, more

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The Democratic Leadership Council—that Bill Clinton led before becoming president—representing the “New Democrats” within the Democratic Party and the “New Labour” wing of the Labour Party in Britain, for example, have implemented, defended, and even extended many of the prescriptions the conservative Reagan and Thatcher Administrations first introduced in the 1980s.
restrictions on labor unions, lax enforcement of environmental regulations, all of which is bad for workers and the environment, and severely limits benefits of foreign investment.

Investment liberalization has been key to shifting large parts of national economies into foreign hands. One of the most notorious examples of the use of the IMF to extract concessions came with the 1998 IMF bailout package for South Korea, where the first condition insisted upon was the revocation of a law prohibiting foreign ownership of financial institutions. The IMF insisted that the South Korean government allow 50% ownership of banks within one year, and 100% in two years. This “reform” had been the chief demand of the United States in trade talks between the two countries for ten years.

5. Trade Liberalization: Another bedrock of corporate globalization is the removal of what market fundamentalists call “trade barriers,” and others call trade regulation. Tariffs — taxes on imports designed both to raise revenue and protect domestic industries from competition — are the main target of the IMF/World Bank conditions. Their elimination invites foreign competition into domestic markets, and, together with investment liberalization, leads to the destruction of local businesses and layoffs. It also has the effect of ruining markets for local farmers, as in Haiti and Jamaica (among many other countries), where the dumping of subsidized U.S. rice imports and powdered milk drove Haitian rice growers and Jamaican dairy farmers into bankruptcy.

The World Trade Organization (WTO) was founded in 1995, after most of Latin America, Asia, Africa, and the Caribbean had been thoroughly transformed by IMF-mandated investment and trade deregulation. Only then, when countries in those regions were dependent on trade with wealthy countries, were industrialized country governments and business interests willing to enter into a formal system of negotiation and conflict resolution on trade issues. It is no exaggeration to say, then, that the WTO is the child of the IMF and the World Bank.

In recent years the hypocrisy of indus-
tralized countries with regard to agricultural trade has been in the spotlight at the WTO. The United States, Japan, and the European Union subsidize their producers and maintain tariffs on all sorts of imports, while the IMF and World Bank have made sure that developing countries have eliminated theirs. In the case of cotton, for example, the United States provides $3 billion in support to a few thousand cotton farmers, who make enormous profits, and effectively closes off opportunities to farmers in Benin, Burkina Faso, Mali, and other West African countries.

The World Bank has recently spent a great deal of energy scolding wealthy countries for this gross hypocrisy. It should be remembered, however, that the Bank was forcing trade liberalization on its client countries in Latin America, Africa, and Asia for 25 years, fully aware that the global trading system was stacked against them. As it criticizes wealthy governments, the World Bank should hold itself accountable for giving disastrous “advice” (the kind that could not be ignored) to so many vulnerable countries.

6. Elimination of Subsidies for Basic Goods: African, Latin American, Caribbean, and Asian governments are usually not able to afford the kinds of subsidies that industrialized countries routinely lavish on their farmers and corporations. But many have instituted price controls on basic goods and staples — bread, cooking oil, fertilizer, and petroleum — as a way of ensuring peoples’ basic survival. This is seen as an inexcusable market distortion by market fundamentalism, and it is one of the first things IMF and World Bank conditions routinely target, and that industrialized country governments bring pressure to bear on. The sudden jump in the cost of living that accompanies the elimination of subsidies is often the first tangible pain felt by people in borrowing countries, and is the most frequent provocation for civil unrest (“IMF riots” are sometimes called “bread riots.”)

Structural adjustment policies have in fact worked spectacularly well for corporations, and for politically and financially powerful interests in the industrialized countries and elsewhere. They have been the foundation of what today is called corporate globalization, a juggernaut that is hard to stop, given that most of the world’s most powerful and wealthiest forces are united in the effort to preserve and expand it. And, while the impact of similar policies within the United States has adversely affected the poor and working classes in this country, the U.S. elite is still able to evoke support for the “American Way of Life,” which is sustained by structural adjustment overseas.

7. Re-orientation to Export Economy: The whole thrust of structural adjustment conditions is to integrate countries in Asia, Latin America, Africa, and the Caribbean into the world economy — to encourage them to earn hard currency to service debts and to rely on foreign trade rather than aspirations to self-sufficiency. The doctrine of comparative advantage can only be fully realized when every country produces what it can most efficiently, and obtains other products and services through international trade. For developing countries, that has meant producing what the industrialized countries cannot profitably. What they can uniquely supply is agricultural commodities that grow best in tropical conditions (since most of these countries are in the tropics) and cheap labor from the impoverished, often displaced, and jobless population.

The World Bank and IMF, which required so many countries to open up to foreign investors and businesses, advised countries, particularly in Latin America, that they could exploit their advantage in providing cheap labor by building “free trade” or “export production” zones — fenced-off industrial parks where normal taxes, labor, and environmental laws do not apply, and where the goods produced (mostly apparel) are designated for sale only in industrialized countries. As the antisweatshop movement has demonstrated, this has led to widespread abuses of workers and labor rights, as well as wholesale violation of environmental regulations. It has also proved to be a volatile arrangement, with factories moving suddenly from one country to another in search of lower wages — a practice that has exposed the emptiness of the frequent promises of steadily increasing wages, more progress for labor organizing, and sustainable livelihoods.

In agricultural countries, acting on IMF/World Bank advice, farmers were offered incentives — credit, fertilizer, seed, etc. — to use their best land for producing cash crops instead of food. Soon many more countries were growing greater quantities of coffee and other cash crops. The prices fell when the most basic principle of market capitalism, the law of supply and demand, kicked in. From 1980 to 2000,
world prices for 18 major commodities fell 25% in real terms; among the steepest were some of those most heavily relied on by the most impoverished countries: cotton (47%), coffee (64%), cocoa (71%) and sugar (77%). One of the paradigmatic instances of this phenomenon was the World Bank’s encouragement to Vietnam to start coffee production. Vietnam quickly became the world’s second biggest producer, after Brazil, and in the last three years coffee prices have plunged so low that farm families were starving to death in long-time coffee-producing areas in Nicaragua; coffee farmers in Kenya were not bothering to take their crop to market; and in Ethiopia, the birthplace of coffee, the famine of 2002-03 was blamed in large part on the impoverishing impact of the coffee crisis.

The environmental impact cannot be ignored either: in addition to the toxic wastelands produced by free trade zones, shifting food production to more marginal lands has contributed to soil erosion, which in turn creates greater vulnerability to floods, hurricanes, and other natural disasters. A third kind of export production, which existed prior to IMF and World Bank involvement but which has accelerated to earn hard currency, is the extractive sectors of minerals and oil. The World Bank is a major funder of oil and mining production, which have tremendous negative environmental and social consequences and have been shown to fail to deliver “poverty reduction.”

The promise was that countries would be able to earn hard currency by selling their increased exports to industrialized countries, and using the proceeds to pay off debts and buy the food and manufactured goods they were no longer producing on international markets. Instead, falling prices and over-competition have meant countries in Africa, the Caribbean, Latin America, and Asia have found themselves mired deeper in debt, unable to afford much of anything, and with significantly reduced capacity to produce for their own people.

**Conclusion**

Is it possible that the World Bank or the IMF do not know the law of supply and demand? Is it possible they thought it would be suspended for their client countries? It seems unlikely. It is such blatant transgressions against common sense and human security that have convinced many people in the Global South and an increasing number of their allies in the Global North that the World Bank and IMF have priorities other than their oft-stated ones of eliminating poverty, maintaining economic stability, and contributing to sustainable development. It is not necessary to believe that the IMF and World Bank are out to deliberately impoverish non-Western countries in order to come to this conclusion. It is only necessary to recognize that the institutions prioritize the interests of the industrialized countries — and their corporations — that control the majority of votes on their boards; getting debts paid regularly; a guaranteed supply of low-cost products and commodities; access to more markets and less competition. After those requirements are fulfilled, the institutions can start looking toward development, stability, and poverty reduction. Of course by that time, the measures required for the higher priorities have made those loftier goals unattainable.

Critics often refer to structural adjustment policies “failing” for 25 years. Indeed, they have utterly failed to keep any of the promises made to ease debt burdens, restore economic stability and affluence, or foster equitable and sustainable development. This can hardly be surprising, given that a generation of structural adjustment policies have succeeded in destroying borrowing countries’ food security, productive capacity, regulatory powers, and eliminating citizens’ economic choices. But it is surely implausible to suggest that the two most powerful multilateral financial institutions, staffed by thousands of economists, and the finance ministers and central bankers of the world, who sit on the institutions’ Boards of Governors, would have countenanced such abject “failure” for so long. Even the most zealous market fundamentalist, taking an objective look at the results of structural adjustment, should have no choice but to admit that ordering countries in Latin America, Africa, the Caribbean, and Asia to put their faith in markets has been a disaster for them.

All that it takes to restore logic is to realize that the stated goals should be viewed only as window-dressing. Structural adjustment policies have in fact worked spectacularly well for corporations, and for politically and financially powerful interests in the industrialized countries and elsewhere. They have been the foundation of what today is called corporate globalization, a juggernaut that is hard to stop, given that most of the world’s most powerful and wealthiest forces are united in the effort to preserve and expand it. And, while the impact of similar policies within the United States has adversely affected the poor and working classes in this country, the U.S. elite is still able to evoke support for the “American Way of Life,” which is sustained by structural adjustment overseas.

Fortunately, people’s movements in Latin America, Asia, Africa, and the Caribbean, and increasingly in the industrialized world have been fighting structural adjustment and its outcomes for decades. The recent “collapse” of WTO talks in Cancún, Mexico, in September 2003, represents a potential turning point. Latin American, Asian, African, and Caribbean governments, for a variety of reasons including serious pressure from people’s movements, united to say “no more” to significant parts of the agenda of market fundamentalism. Together with the mis-steps of the Bush Administration, which has more firmly than ever linked the U.S. government to the corporate “me-first” attitude in the minds of people around the world, Cancún heralds a new world of possibilities as developing countries stop submitting to the self-interested dictates of the industrialized world.

Soren Ambrose is Senior Policy Analyst at the 50 Years Is Enough: U.S. Network for Global Economic Justice (www.50years.org). He can be reached at soren@50years.org.
“Free Traders” On the Run

By Kevin Danaher and Jason Mark

After years of growing citizen opposition to corporate globalization, the free traders are on the run.

In September of 2003, a World Trade Organization (WTO) summit in Cancún, Mexico came to a screeching halt after the world’s poor countries defied the industrial powers and said they would not agree to new concessions unless the wealthy nations committed to opening their own markets. Two months later, government ministers meeting in Miami to create a Free Trade Area of the Americas (FTAA) barely reached consensus for moving ahead with talks. The current plan for the FTAA is so far removed from what the corporations backing the deal originally wanted that the result marks a clear victory for fair trade forces.

With the WTO in disarray and the FTAA on the defensive, fair trade groups are poised to deal a lethal blow to the “free trade” agenda.

The WTO deadlock in Cancún was the second of the institution’s five meetings to end in failure. “The fiasco in Cancún,” government negotiators called it. For the world’s majority, “fantastic” would be more like it.

New bonds of unity among WTO critics and between civil society groups and poor nations led to the collapse. Non-governmental organizations (NGOs) and demonstrators established an impressive degree of cooperation as past divisions between protesters and policy wonks melted away: Constant communication between the marchers in the streets and the agitators in the negotiating suites gave WTO opponents a strength greater than the sum of their parts.

At the same time, the NGOs and the negotiators from developing nations also reached a new level of collaboration. Vastly outnumbered by officials from wealthy countries (the United States had some 300 staff members in Cancún, while countries like El Salvador had less than a dozen) the poorer nations were greatly assisted by NGOs monitoring the talks. The sharing of information between NGOs and negotiators from countries in Latin America, Asia, Africa and the Caribbean helped right the imbalance of power between poor nations and rich ones.

But most important to the WTO meltdown was the new unity among developing countries. Going into the talks, a collection of southern countries—the so-called “Group of 21,” which included Brazil, China, India, Argentina, Indonesia and Mexico—said they would not agree to a further expansion of investors’ powers unless they were given new access to the North’s agricultural markets. In a customary display of arrogance, the industrial powers ignored the South’s demands. The poorer countries refused to back down and resisted attempts at divide-and-conquer. With the Group of 21—representing some 63 percent of the world’s farmers and 51 percent of the earth’s population—holding strong, the meetings ended.

This muscular resistance is largely due to the failures of the “free trade” model. Most countries’ economies and human development indicators have gone backward since the WTO took effect in 1995. This dismal record has led, in turn, to increased resistance to corporate globalization from grassroots movements. Poor countries could have acceded to the wealthy nations’ demands, but only at the risk of inflaming their own citizens.

The rebellions against privatization, neoliberalism and corporate power are perhaps strongest in Latin America. Argentine President Nestor Kirchner rode into office on a wave of anti-IMF sentiment. Similar feelings are roiling Brazil, where Ignácio (Lula) da Silva heads the first Workers Party government in the country’s history. In Venezuela, Hugo Chávez has become a hero among the country’s poor majority as he resists transnational corpor-

The flood of jobs from Mexico shows that the sweatshop model of development...
is not only inequitable, but also unsustainable. If a better deal comes along, corporations will jump for it, leaving workers in the lurch. In a global economy driven by the whims of investors on Wall Street, short-term profits are always going to trump the long-term investment that leads to genuine prosperity. Under the “free trade” system, communities shouldn’t expect to be regarded as anything more than disposable resources. The race-to-the-bottom is real.

At the same time, Mexican farmers are in dire straits, due in large part to NAFTA. Since 1994, U.S. corn exports to Mexico have increased eighteen-fold as U.S. producers dump massive quantities of cheap corn on the market. The drop in corn prices caused by this dumping has crippled the 15 million Mexicans who rely on corn farming. Another 10 million farmers have been similarly devastated by the collapse in prices for coffee and sugar.

U.S. taxpayers are directly funding the crisis in the Mexican countryside. U.S. agribusiness giants like Archer Daniels Midland and Cargill are able to dump corn on the Mexican market because of the massive subsidies they receive from the U.S. government. Such subsidies enable U.S. farmers to produce corn and wheat well below production costs—an advantage not enjoyed by Mexican farmers. While Mexico gives about $720 per year to each farmer, the United States spends $20,800 per farmer. Last year the U.S. Congress approved a $70 billion increase in farm subsidies over the next 10 years.

So U.S. farmers are doing well, right? If only. The new farm supports will go overwhelmingly to the largest, corporate-owned operations. By encouraging over-production, the subsidies end up dropping farm prices on both sides of the border, to the dismay of family farmers everywhere. While agribusiness giants Conagra and ADM have seen profit increases of 200 and 300 percent, respectively, since NAFTA went into effect, small farmers in the United States have been pushed into bankruptcy. Thirty-three thousand U.S. farmers went out of business since NAFTA—three times the pre-NAFTA rate.

To add insult to injury, ordinary consumers have not received any savings from the decrease in wholesale prices. Between 1993 and 2000, prices for food eaten at home in the United States increased 20 percent. Tortilla prices in Mexico City have also risen.

Now the situation threatens to become worse. On January 1, 2003, NAFTA’s latest stage eliminated Mexican tariffs on wheat, rice, potatoes, pork, apples and barley. Pitting hi-tech U.S. agribusiness corporations against small-scale Mexican farmers is no contest. Thanks to NAFTA, Mexico will soon be converted from a self-sufficient country to a country that cannot feed itself.

“Free trade” opposition is also on the rise in the world’s wealthiest nation. Grassroots resistance in the United States, combined with the rebelliousness throughout the rest of the hemisphere, is largely responsible for crippling the FTAA talks. With Brazil, Argentina and Venezuela opposing any FTAA that would give investors new powers, expand intellectual property rights rules, or reduce government powers over public purchasing, the negotiators in Miami were only able to agree to a “FTAA-Lite.” Government officials said it was a kind of “buffet-style” agreement that allows countries to pick and choose what policies they will adopt. If so, it’s buffet without any real meat: The corporate lobbyists left Miami hungry.

The question facing fair trade forces is whether the failure in Cancún and the deadlock in Miami are due to poor strategic judgment or smart political calculus. That is, did the rich nations merely underestimate the courage of poor countries? Or did they deliberately push too hard, knowing that a collapse in negotiations would free them from having to make concessions that would anger their own farmers and workers?

If it’s the first, then the “free trade” agenda will have a second life: Negotiators won’t make the same mistake twice. But if it’s the second, then the “free trade” plan is very likely stalled for good. As long as citizens’ movements can keep the pressure on their governments and demand that the public interest not be sacrificed for corporate interests, the free traders won’t have the political strength to achieve their dangerous goals.

Kevin Danaher and Jason Mark are the co-authors of Insurrection: Citizen Challenges to Corporate Power [Routledge, 2003]. They work for the human rights group Global Exchange (www.globalexchange.org).

Editorial Note: The Washington Post reported on August 1, 2004, that the WTO talks in Geneva ended that day with industrialized and developing countries agreeing on a series of compromises which would involve the following: “Wealthy nations would cut their subsidy payments to farmers, especially payments that tend to lead to overproduction and glut in supply on world markets... In return, developing nations would cut the steep tariffs that many of them maintain on agricultural and industrial goods...” The report noted that “Today’s deal leaves a huge amount of detail to be negotiated later [and the deal’s] greatest significance may be that it averted a replay of the debacle in Cancún.”
Books Received

Compiled by Shelly Harter.

Allen, Robert
Reluctant Reformers: Racism and Social Reform Movements in the United States

Barsamian, David
Louder than Bombs: Interviews from The Progressive Magazine

Barsamian, David
The Checkbook and the Cruise Missile: Conversations with Arundhati Roy

Biggs, Brooke Shelby
Brave Hearts Rebel Spirits: A Spiritual Activists Handbook

Black, Earl, and Merle Black
The Rise of Southern Republicans

Blumberg, Rhoda Lois
Civil Rights: The 1960s Freedom Struggle
(Boston: Twayne Publishers, 1984), pb, 177 pp, notes, references, index.

Bramadat, Paul A.
The Church on the World’s Turf: An Evangelical Christian Group at a Secular University

Burns, Stewart
Social Movements of the 1960s: Searching for Democracy
(Boston: Twayne Publishers, 1990), pb, 188 pp, notes/references, bibliography, index.

Burton Rose, Daniel, ed.
The Celling of America: An Inside Look At The U.S. Prison Industry
(Monroe, ME: Common Courage, 1998)

Cameron, Wm. Bruce
Modern Social Movements: A Sociological Outline

Cantril, Hadley
The Psychology of Social Movements

Clark, S.D.
Movements of Political Protest in Canada: 1640-1840
(Toronto: University of Toronto Press, 1959), hb, 505 pp, index.

Cohen, Jean L., and Andrew Arato
Civil Society and Political Theory

Davis, Joseph E., ed.
Stories of Change: Narrative and Social Movements

Deloria, Jr., Vine
American Indians, American Justice

Drucker, Peter, ed.
Different Rainbows

Eade, Deborah, ed.
Development, NGOs, and Civil Society

Edwards, Michael
Civil Society

Eve, Raymond A.
The Creationist Movement in Modern America

Felice, William F.
Taking Suffering Seriously: The Importance of Collective Human Rights
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<tr>
<td>Hulet, Craig B.</td>
<td><em>The Hydra of Carnage: Bush’s Imperial War-making and The Rule of Law</em></td>
<td>Quinault, WA: The Artful Nuance, 2002</td>
<td>pb, 301 pp, appendices</td>
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<tr>
<td>Lee, Susan</td>
<td><em>Hands Off: Why the Government is a Menace to Economic Health</em></td>
<td>New York: Simon &amp; Schuster, 1996</td>
<td>hb, 249 pp, acknowledgments</td>
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Defending Justice

Almost two years in the making, the next publication in PRA’s popular Activist Resource Kit series for activists will analyze the forces that grow and strengthen the current Criminal Justice System.

Titled Defending Justice, PRAs upcoming Activist Resource Kit will discuss the intersections between the Right-wing agenda and the Criminal Justice System. Through articles, factsheets, graphics and more, Defending Justice will analyze and critique the origins, ideology and tactics of the following:

- The Rise of the “Tough on Crime” Movement and Quality of Life Policing
- War on Youth, Zero Tolerance and the School Safety Movement
- Religious Prison Organizations (Prison Fellowship Ministries and the Nation of Islam) and the Faith Based Initiative
- The Criminalization of Indian Country and the Anti-Sovereignty Movement
- Victims’ Rights Movement
- War on Terrorism
- Mandatory Sentencing and the War on Drugs
- Reproductive Rights and the Criminalization of Women of Color
- NRA and gun culture, prison guard unions, ALEC and more

This 200+ page resource will include:

- Overview and topical articles on the Right’s ideology, agenda, and tactics and how it intersects with the growth of the Prison Industrial Complex
- Description of “Get Tough” Arguments, Responses and Tips on Challenging the Right
- Samples of Right Wing Literature
- Annotated Lists on Right-wing Criminal Justice Organizations, Ideologues and Books

Defending Justice will be available late 2004!

Deliberate Differences: Progressive and Conservative Campus Activism

A new report by PRA based on a study of campus activism in the United States.

U.S. colleges and universities have a long tradition of political activism. They are centers of intellectual activity; concentrations of young people live in close proximity; and students can experience new ideas and constructs about the world at school. The public expects that our campuses will erupt from time to time in response to national and international crises, but many are surprised when they do.

Deliberate Differences uses social movement theory to examine both conservative and progressive campus activism, activists, and their organizations and also observes the impact of rightist and leftist social movements from the larger society on student groups. The author and project staff compiled an advisory committee of experts on the study of campus activism, conducted an in-depth literature review, identified and interviewed 86 key student leaders and faculty and staff from 8 representative schools, and 20 more graduates who are now interns or staffers at movement organizations around the country.

The report set out to:

- produce a rounded picture of political and social conflicts and tensions on campus, the campus activism directly related to these tensions, and the impact of the tensions on democratic principles and practices on campus, such as tolerance, openness, and dialogue
- describe and analyze the nature, goals and ideology of the programmatic work conducted on campus by national conservative and progressive organizations, their effect on campus culture, and the types of organizing being done on campus by conservative and progressive students and faculty
- assess the comparative effectiveness of conservative and progressive groups of the competing social movements in advancing their agendas on campus and recruiting student activists with leadership potential to their movements after graduation

Deliberate Differences will be available late 2004!

BOOKS RECEIVED continued on page 24
Book Review

David Ray Griffin
The New Pearl Harbor: Disturbing Questions about the Bush Administration and 9/11.

By Chip Berlet

People with unfair power and privilege generally try to hold onto that unfair power and privilege. Sometimes they make plans that are not publicly announced. Sometimes they engage in illegal plots. Real conspiracies have been exposed throughout history. History itself, however, is not controlled by a vast timeless conspiracy. The powerful people and groups in society are hardly a “secret team” or a tiny club of “secret elites.” The tendency to explain all major world events as primarily the product of a secret conspiracy is called conspiracism. The antidote to conspiracism is Power Structure Research based on some form of institutional, systemic or structural analysis that examines race, ethnicity, gender, sexual identity, class and other factors that are used to create inequality and oppression. Political Research Associates does not criticize conspiracism because we want to shield those with unfair power and privilege; but because we believe that conspiracism impedes attempts to build a social movement for real social justice, economic fairness, equality, peace, and democracy.

There are many unanswered questions about the attacks on 09/11/01, the obvious failures of existing security systems, the decisions regarding the assessment of terrorist threats; the wisdom, morality, and legality under international law of the unilateral attacks on Afghanistan and Iraq; the implementation of repressive domestic measures such as the Patriot Act and the confinement of immigrants and undocumented visitors without due process; and the reluctance and refusal of key government officials to fully cooperate with congressional and media investigations. Political Research Associates fully supports the vigorous investigation of these matters.

This book by David Ray Griffin is largely a compilation and restatement of materials from a variety of print and electronic sources, as the author points out in his Introduction and Acknowledgments. Griffin’s book reflects a relentless disregard of substantial evidence from multiple sources that contradict the claims he is making. Griffin repeatedly uses classic Fallacies of Logic in his presentation rendering whole sections of the book refutable on this basis alone. In this review, examples of fallacies of logic are highlighted with the phrase “Logical Fallacy.”

Griffin makes a number of claims suggesting a widespread conspiracy to create and carry out the attacks on the World Trade Center and the Pentagon. This conspiracy, as outlined in Griffin’s book, would involve numerous U.S. government elected officials as well as multiple state level, commercial, and media conspirators. To accomplish this vast conspiracy would necessarily involve hundreds—if not thousands—of individuals. Griffin never explains how this conspiracy would actually function, claiming that is not his goal. Nor does Griffin summarize his many claims in one place. Here are some of his more alarming claims:

The U.S. government caused or deliberately allowed the attacks of 09/11/01 to take place.

The collapse of the twin towers of the World Trade Center was caused by a controlled demolition (bombs planted in the buildings prior to the planes striking the buildings).

The Pentagon was not struck by American Airlines flight 77 or any commercial jet, but was hit by a guided missile.

The commercial jet that crashed in Pennsylvania was hit by a heat-seeking guided missile launched by the government to silence the hijackers who could have exposed government complicity.

Bush knew in advance that the attacks would take place because after the attacks began he stayed talking to children in a classroom.

Griffin is constantly stating that he does not know what actually happened, but that he is just analyzing possible scenarios that need to be investigated. This is disingenuous at best. While Griffin repeatedly refers to the “claims” of “critics” of the “official” account of the events of 9-11-01, he is clearly endorsing these views. In a number of cases Griffin becomes an apologist for authors (such as Thierry Meyssan or Illarion Bykov and Jared Israel) whose assertions have been thoroughly demolished by an armada of writers across the political spectrum.

Griffin accomplishes this by selectively highlighting certain aspects of their work while sidestepping their most lurid and outlandish conclusions in which they claim the functioning of vast conspiracies on the flimsiest of evidence. Griffin is far more straightforward and candid about what he really believes in an interview he gave to the Santa Barbara Independent, (“Thinking Unthinkable Thoughts: Theologian Charges White House Complicity in 9/11 Attack,” by Nick Welsh).

Griffin: “It is very difficult for Americans to face the possibility that their own government may have caused or deliberately allowed such a heinous event.”
Welsh: Let’s say there has been this complicity. To what end?

Griffin: There were several benefits that could have been anticipated from 9/11. One was the so-called Patriot Act. It did appear that the Patriot Act, given how fast it was rushed into Congress, voting had already been prepared. The Patriot Act is so large that it’s inconceivable it could have been written after 9/11. Rushing it through Congress when most members had not even read a small portion of it was clearly one benefit, giving the government increased powers.

This is a good example of how Griffin uses fallacies of logic to make his case. In this case the Fallacy of Logic is called the “Post Hoc fallacy.” This is also sometimes called the “Sequence Implies Causation” fallacy (because mere sequence does not imply causation). Griffin has leapt to the conclusion that there is evidence of a conspiracy to authorize or allow the 9/11 attacks as a way for the Bush Administration to pass the Patriot Act (or control oil in the Middle East, or to justify invading Afghanistan or to justify invading Iraq). In the realm of all possible explanations in the universe is this even a remote possibility? Yes. In the realm of logic and evidence is it likely? No. Is there a simpler explanation (Occum’s Razor)? Yes. Is there a more logical explanation available when all the evidence is considered? Yes.

Let’s examine Griffin’s claim about the Patriot Act. It is indeed true of the Patriot Act that, as Griffin asserts, it is “inconceivable it could have been written after 9/11.” Griffin is correct that most of the elements of the Patriot Act had been written well before 09/11/01. Does this provide evidence that the 9/11 attacks were part of a conspiracy designed to create or allow a “heinous event” to facilitate passage of the Patriot Act? No. Ask anyone who has organized against government intelligence abuse since the 1970s and they will tell you that conservatives have been circulating many of the elements incorporated into the Patriot Act since the Carter Administration “Levi Guidelines” were issued to restrict the well-documented abuses by federal intelligence agencies exposed by activists, the media, and Congress after exposure of the illegal FBI COINTELPRO operations and Watergate.

Griffin chides progressive political analyst Rahul Mahajan because Mahajan has argued that the Bush administration reacted quickly to the events of 09/11/01 in an opportunistic way that did not require a conspiracy in advance (pp. xvi-xvi, xxiii). Ultimately Griffin does not provide a progressive analysis such as that provided by Mahajan. Griffin provides a centrist or right-wing populist explanation that if deconstructed suggests that an otherwise acceptable political and economic system has been distorted by a conspiracy of secret elites. There is no structural, systemic, or institutional analysis. The basic premise articulated by Griffin is that there is a nefarious plot by Republicans, government intelligence agencies, the neoconservatives and their Project for a New American Century, and the Christian Right. But this is hardly a secret conspiracy...all of these named groups are public players in a system where they are seeking unfair power and privilege.

Many of Griffin’s cites track back to unsubstantiated claims. For example, Griffin cites a claim from the book by Nafeez Mosaddeq Ahmed, *The War on Freedom*, where Ahmed is quoting Michael C. Ruppert (From the Wilderness / Cop v CIA), from an article “Suppressed Details of Criminal Insider Trading Lead Directly into the CIA’s Highest Ranks” (p. 191, n. 33). When you track the Griffin cite to the original Ruppert article, you discover that the claims are simply not substantiated, and never have been. A major Griffin source, Michel Chossudovsky, has departed from a history of serious left critique to making unsubstantiated claims based on right-wing conspiracists such as Jeffrey Steinberg, a well-known top aide to neoliberal Lyndon LaRouche, and John Whitley, who sees world affairs shaped by secret plots. Chossudovsky’s website also cites and praises material from the American Patriot Friends Network, a site notorious for peddling unsubstantiated right-wing anti-government conspiracist theories similar to those circulated in the militia movement (1, 2).

Among the sources cited by Griffin is Christopher Bollyn writing in the *American Free Press*, a right-wing publication with a long history of dubious conspiracist tales of sinister intrigue with a subtext of antisemitism (p. 179, n. 75). This particular article on the World Trade Center is picked up from the <rense.com> website, which also features discussions of UFOs. Griffin cites material from several other right-wing sources with a long history of conspiracist allegation: *World Net Daily* (Judicial Watch, *The New American* (of the John Birch Society), and *Accuracy in Media* (notes on pp. 194-195). None of these groups should be cited uncritically—not because they are rightist, but because they have a history of circulating unsubstantiated right-wing conspiracy theories. The problem of progressive researchers laundering right-wing conspiracy theories into the Left simply because they carry antigovernment claims has been growing for many years.

**The Pentagon**

Griffin spends a chapter discussing the claim that the Pentagon was not struck by American Airlines flight 77, a large commercial Boeing 757 airliner. This is the chapter I have chosen to examine more closely to illustrate the larger problems with the Griffin book.

In his “Introduction,” Griffin writes that while many dismiss Meyssan’s claims as far-fetched: “Nevertheless, after I got Meyssan’s books and read them for myself, I saw that his case, as absurd as it had seemed at first glance, is quite strong. I eventually became convinced, in fact, that it is with regard to the strike on the Pentagon that—assuming Meyssan’s..."
Griffin for the most part simple takes the claims of Meyssan as substantial, and dismisses the critics of Meyssan. Why would any serious author simply assume that Meyssan’s description of the evidence is accurate without at least discussing in detail the voluminous evidence that contradicts Meyssan?

An elegant overview refuting Meyssan’s (and Griffin’s) claims is available online at Snopes.com, the website that exposes Internet hoaxes and urban legends. See http://www.snopes2.com/rumors/pentagon.htm

Griffin, relying on Meyssan, suggests that whatever hit the Pentagon was not American Airlines flight 77.

This assertion contains two sub-arguments.

1. If it were a commercial jet that hit the Pentagon, it was not American Airlines flight 77.
2. If it was not a commercial jet that hit the Pentagon, it was a guided missile.

Griffin: “Were the Sources for the Identification Credible?”

“Meyssan, in addition to noting the identification between AA Flight 77 and the aircraft that struck the Pentagon was made only gradually, argues that the original sources for this identification are dubious. In particular, he suggests, all but one of the statements on which this identification was based came from military personnel.” p. 27

If we believe the claim that the hijacked 757 jet, flight 77, did not hit the Pentagon, how do we explain what happened to the passengers who were seen boarding American Airlines flight 77? What about the many interviews with family members whose relatives have vanished that have appeared in regional and local newspapers? Where is Theodore Olson’s wife? Were the passengers all murdered by agents of the CIA and the plane cut into small pieces at some secret airbase? Are all the passengers complicit in the vast conspiracy and living out a life of luxury on some remote island?

After a brief discussion, Griffin admits that there are problems with the idea that Ted Olson—who spoke with his wife Barbara Olson while she was a passenger on the ill-fated hijacked flight—was part of a conspiracy in which she would disappear. If she did not die when Flight 77 hit the Pentagon what happened? According to Griffin: “Any of the alternative scenarios … would need to explain, of course, what became of Barbara Olson, and also whether it is plausible that Ted Olson would have participated in a plan with that outcome.” p. 28

Yet in the next section, Griffin engages in “pyramiding,” a process used by conspiracists whereby an unproven allegation in a prior section is converted into a factual basis to introduce a following section. According to Griffin:

“Physical Evidence That the Pentagon Was Not Hit by a Boeing 757”

“In addition to the argument that all the information originally connecting Flight 77 with the aircraft that struck the Pentagon evidently came from dubious sources, a second argument, provided by Meyssan, consists of physical evidence that the Pentagon was not hit by a Boeing 757, which is what AA Flight 77 was.” p. 28

In “addition” to what? The first premise has not been demonstrated as true—much less plausible.

Several sources cited by Griffin dismiss eyewitness accounts of a commercial jet hitting the Pentagon as vague or from military personnel. Yet almost from the beginning there were eyewitness accounts that were not vague and not from military personnel. In a clear case of omitting conflicting eyewitness testimony, Griffin quotes one air traffic controller and three eyewitnesses who describe something that does not resemble a Boeing 757 commercial jetliner heading towards the Pentagon, implying that it was a missile. But there are scores of eyewitness reports who describe a commercial jetliner flying almost on the ground toward the Pentagon, and dozens of eyewitnesses who actually saw the jetliner strike the Pentagon itself.

Here are two from news media staff who are not connected to the government or the military:

From the transcript of an early 9-11-01 CNN story:

“I saw the tail of a large airliner. ... It plowed right into the Pentagon,” said an Associated Press Radio reporter. “There is billowing black smoke.”

This was Dave Winslow, an AP Radio reporter...not a government employee or agent.

A year later, Winslow told the Washingtonian magazine:

“I heard this enormous sound of turbulence… As I turned to my right, I saw a jumbo tail go by me along Route 395. It was like the rear end of the fuselage was riding on 395. I just saw the tail go whoosh right past me. In a split second, you heard this boom. A combination of a crack and a thud. It rattled my windows. I thought they were going to blow out. Then came an enormous fireball.”

Or consider this first-person commentary by a reporter for USA Today: ‘Tomorrow always belongs to us’ By Vin Narayanan, USATODAY.com 09/17/2001 - Updated 02:43 PM ET

“At 9:35 a.m., I pulled alongside the Pentagon. With traffic at a standstill, my eyes wandered around the road, looking for the cause of the traffic jam. Then I looked up to my left and saw an American Airlines jet flying right at me. The jet roared over my head, clearing my car by about 25 feet. The tail of the plane clipped the overhanging exit sign above me as it headed straight at the
Pentagon. The windows were dark on American Airlines Flight 77 as it streaked toward its target, only 50 yards away. The hijacked jet slammed into the Pentagon at a ferocious speed. But the Pentagon’s wall held up like a champ. It barely budged as the nose of the plane curled upwards and crumpled before exploding into a massive fireball.

Even if we discard Narayanan’s assumption that the plane he saw was American Airlines Flight 77, he still saw a large American Airlines commercial jet, not a guided missile.

Some of the sources relied on by Griffin claim to have debunked ten or twenty eyewitness accounts they found on the internet; but there were, in fact, hundreds of eyewitnesses to the commercial jet hitting the Pentagon. Scores gave their accounts to reporters and investigators. Some of their statements can be found at:

http://www.geocities.com/someguy33/witnesses.htm
http://www.criticaltrash.com/terror/identification.html

While some eyewitness accounts are contradictory, this is always the case with eyewitness accounts. Most accounts support the claim that an American Airlines 757 jet slammed into the Pentagon. Most of the detailed accounts are simply discarded by Griffin because they are from people with some connection to the government, especially the military. There are dozens of eyewitnesses who are government employees from a variety of agencies who we are told to ignore because they are what? We are supposed to find credible the claim that all these eyewitnesses are active agents of the vast conspiracy by the Bush administration to send a missile slamming into the side of the Pentagon in order to have an excuse to invade Afghanistan and Iraq. Alternatively, they all were mesmerized by the “official” story that it was an American Airlines passenger jet that struck the Pentagon. Yet many of these eyewitness accounts were given to reporters before there was an “official” story.

Another claim is that no one saw pieces of an airplane after the impact. This is refuted by several eyewitnesses who described seeing pieces of the plane, and there is even a photograph of a piece of wreckage that appears to be from an aircraft lying on the grass outside the Pentagon. See the photo about halfway down the page at:


The lack of fact-checking and the use of fallacies of logic substantially undercut Griffin’s arguments. There is much we do not know about the events of 9/11, but this book sends us down a conspiracist cul-de-sac of credulous supposition, when what we need to do is focus on the easily documented evidence detailing the malfeasance, misfeasance, and nonfeasance of the Bush administration and his dangerous crew of contemporary apocalyptic crusaders.

Editor’s Note: This is a condensed version of the review that first appeared on the PRA website. For the expanded version please visit our website at http://www.publiceye.org/conspire/Post911/dubious_claims.html.
“PLYMOUTH ROCKED”: UNITARIANS AND HARVARD CAUSE AMERICA’S RELIGIOUS MELTDOWN

Wendy Griffith, the Christian Broadcasting Network’s reporter covering the Democratic National Convention asks, “Can you imagine what it was like to be a Pilgrim on the Mayflower? One hundred and two men, women and children, all crammed together for three months, bound for the ‘New World.’ Their hope was to create a new society based on the Bible. … But, what would the Pilgrims think today, if they, once again, came to these shores in the summer of 2004, to find out that their home state was the first in the nation to legalize homosexual marriage?”

According to Griffith, “One local man commented, ‘I think they would view it the way they would view the decline of the Roman Empire, the crumbling of the culture at large, negating everything that they came here for.’ A female resident said, ‘I think they’d be not only sad and hurt that they went to all the trouble to get over here, that it’s come to this; they’d [also] be sad and disturbed … and we all are.’”

Just imagine! “What a difference nearly 400 years can make. The very site where the Pilgrims first worshipped the Lord Jesus Christ is now home to a Unitarian Universalist Church, a denomination that denies Jesus Christ as the only way to salvation. And Harvard was producing your leaders in the society, generation after generation. Later, other colleges; but in the beginning, Harvard. And so Harvard going Unitarian, unhooking from the authority of Holy Scripture, is now producing people who don’t think biblically anymore, so this is hugely important.”

And to think Cambridge residents thought Harvard was responsible only for their woes. Source: http://www.cbn.com/CBNNews/News/040726a.asp

MAYBETHEREIS SOMETHING TO THIS HETEROSEXUAL MARRIAGE THING

Stronger Families for Oregon is a family values, faith-based, non-profit organization that works in the state of Oregon. The causes it advocates for include: building long-lasting, healthy, heterosexual marriages, abstinence for teenagers, and a decline in the number of divorces.

In a section on their website http://www.strongerfamilies.org entitled “Marriage, It Matters More Than You Can Imagine!” Stronger Families reasons that it is actually a major health risk for people to be unmarried. They state:

“Adults who are married do markedly better in every measure of well-being than those who are not married.

- For women, being unmarried is more dangerous than having cancer, being 20 pounds overweight or being of low socioeconomic status.
- For men, being unmarried is more dangerous than each of these, as well as heart disease.”

While the website does not list a source for these “facts,” that might be because they think that it is common knowledge that being unmarried is a bigger health hazard than say, oh, cancer?

In a similar section entitled “How Daddies Make a Difference,” Stronger Families emphasizes the need for perpetuating traditional gender stereotypes for mothers.

“Fathers tend to play with, and mothers tend to care for children. Fathers tinkle more, they wrestle, they throw their children in the air (while mother says… ‘not so high, honey!’). Fathers chase their children, sometimes as playful, scary ‘monsters.’ Mothers cuddle babies and fathers bounce them. Fathers encourage competition, mothers encourage equity. Fathers rough-house while mothers are gentle. One style encourages independence while the other encourages security.” (emphasis added)

Apparently it takes a father to perform the borderline child abuse necessary to raise a child correctly.


“I call them girly-men… You are the terminators, yes!”

– Gov. Arnold Schwarzenegger R-CA (referring to his Democratic opponents in the CA legislature in a speech to supporters in Ontario, CA).

THE PERSECUTION OF THE FAMILY [RESEARCH COUNCIL].

It appears that the Family Research Council is worried about being silenced by “homosexual activists.”

In May 2004, the “Family Research Council organized and sponsored a historic satellite television broadcast which linked more than 700 churches and 1,500 radio stations around the country for a program entitled, ‘The Battle for Marriage.’ Reaching an audience of more than 200,000 people, FRC President Tony Perkins, along with Focus on the Family’s Dr. James Dobson, Chuck Colson and several other pro-family leaders challenged the churches of America to get involved in the fight to protect marriage at the national level. The response to the simulcast was overwhelming and as a result several additional programs are now in the works.”

“Montanans for Families and Fairness, an umbrella group for pro-homosexual organizations and the local Planned Parenthood chapter has filed a complaint against one Montana church and attempted to harass several others that participated in FRC’s simulcast. In response, FRC’s ally, the Alliance Defense Fund, has filed a lawsuit challenging the constitutionality of the Montana statute used against the participating churches.”

“Homosexual activists are fearful of a mobilized American Church,” said the FRC’s, Tony Perkins. “Their agenda will not stop at gaining the right to ‘marry.’ Rather, they want to silence all critics of their lifestyle, including groups like FRC and our nation’s churches.” Oh, so that’s what the homosexual agenda really is!

But not to worry, Perkins and the FRC are out to ensure that this does not happen. As he stated, “We will not allow their disdain for religious freedom to bully America’s pulpits into silence.”

IN MEMORY

PRA has lost one of our closest friends with the death of Betty Furdon on April 20, 2004. Betty was a researcher, archivist, and public intellectual who, at one time or another, helped each of us at PRA with research, editing, or advice. One of her last gifts to PRA was the Public Eye article she wrote with Jean Hardisty titled “Policing Civil Society: NGO Watch,” published in our Spring 2004 issue.

Betty was so generous with her time that it sometimes seemed that she was “on staff” at PRA. In fact, she was an archivist at Harvard University, one of the many hats she wore during a life of progressive activism, especially in the women’s movement and for LGBT rights. As a committed White antiracist, she brought that perspective to all her work.

Betty’s death followed a long struggle with breast cancer. For her, cancer was a political and public health issue. One of her many commitments was to The Women’s Community Cancer Project (WCCP), a grassroots organization based in Cambridge, Massachusetts that organizes to draw attention to, among other things, environmental causes of increased cancer rates, profiteering on the part of the pharmaceutical industry, and the neglect of women’s cancers in research and treatment.

For us at PRA and for all her family, friends, and colleagues, life will not be the same without our Betty.

Jean Hardisty and PRA staff.

HAIKU

Globalization:
benefits for healthy globe, or wealthy elites?

by Chip Berlet

FORTHCOMING OCTOBER 2004 FROM SOUTH END PRESS

Undivided Rights
Women of Color Organizing for Reproductive Justice
by Jael Silliman, Marlene Gerber Fried, Loretta Ross, and Elena Gutiérrez

Tell a friend about this book 2004

0-89608-729-8 | paper | $20
0-89608-730-1 | cloth | $40

“Reproductive rights” is just the right to a safe abortion. Right? No! this book proclaims—there’s so much more. Vibrant and fierce, Undivided Rights presents a fresh, textured understanding of the reproductive rights movement by placing the experiences, priorities, and activism of women of color in the foreground. This rare book captures the evolving and largely unreported history of women of color organizing themselves in their struggle for reproductive justice. Projected against the backdrop of the mainstream pro-choice movement and less-known radical mobilization, these dynamic case studies testify how, starting within their communities, these women—Latina, African American, Native American, and Asian American—have spearheaded the fight for jurisdiction over their own bodies and reproductive destinies.

Weaving together pieces from personal interviews, organizational files, and archived documents, the book features the groundbreaking work being undertaken by women of color who have defined and implemented expansive reproductive health agendas. Rejecting legalistic remedies and seeking instead to address the wider needs of their communities, they stress the urgent need for innovative strategies that push beyond the traditional base and goals of the mainstream pro-choice movement—strategies that are broadly inclusive while being specifically effective. While raising tough questions about inclusion, identity politics, and the future of women’s organizing, the authors offer a way out of the limiting focus on “choice,” and articulate a holistic vision for reproductive freedom.
BOOKS RECEIVED  continued from page 17

Seligman, Adam B.
The Idea of Civil Society

Singh, Nikhil Pal
Black is a Country: Race and the Unfinished Struggle for Democracy

Smith, Mark W.
The Official Handbook of the Vast Right-Wing Conspiracy: The Arguments you Need to Defeat the Loony Left

Swain, Carol M.
The New White Nationalism in America: Its Challenge to Integration

Warkentin, Craig
Reshaping World Politics: NGOs, the Internet, and Global Civil Society

Wilson, John
Introduction to Social Movements
(USA: Basic Books, Inc., 1973)

Wuthnow, Robert
The Struggle for America’s Soul: Evangelicals, Liberals, & Secularism

Zimand, Savel
Modern Social Movements: Descriptive Summaries and Bibliographies

Videos Received

Dong, Arthur, dir.
Stories from the War on Homosexuality: Collection, Vol. 1, Coming Out Under Fire, Family Fundamentals, Licensed to Kill
(Deep Focus Productions, Inc., 2003)

Dubowski, Sandi Simcha, dir.
Trembling Before G_d
(2003)

Palafox, Jose, dir.
New World Border
(Berkeley, CA: Peek Media, 2001)