

## **The Global Citizens Movement: A New Actor For a New Politics** Susan George Budapest, 18 October 2001

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### Clusters of Crisis and a Planetary Contract - Recommendations

#### **I. Introduction, Bias and Terms of Reference**

The organisers have suggested that my contribution to this important conference on **Reshaping Globalisation: Multilateral Dialogues and New Policy Initiatives** deal with "key issues connected to global governance and reflect post-Seattle debates and development". Let me begin by stating that this contribution is biased, written as it is by someone who is not just watching from the sidelines but is an active participant in the citizens movement. This movement is increasingly international but inescapable differences in political culture exist inside it and mine is largely that of a Western European. While I cannot pretend to escape my political outlook [particularly as Vice-President of ATTAC-France] neither can anybody else when commenting on globalisation. Any social scientist, in particular, who claims to be neutral on such a subject is either deluded or lying or both!

Second, allow me to clarify the terms of reference. For reasons to be explained I'm wary of the word "governance" and "post-Seattle debates" strike me as virtually the same as pre-Seattle ones except that they now include far more people. My contribution will concentrate on these people because they have coalesced into a genuine international movement with its own identity, values and agenda.

To the "pre- and post-Seattle" point first: The media now routinely create these before/after distinctions once reserved for personages of immense religious stature. "BC" and "AD" are basic for everyone even though they reflect Christian and Western dominance. The Moslem and Jewish calendars start with the Hegira and Yahweh's covenant with Abraham. In the twentieth century, "pre- and post-war", like the more recent "pre- and post Berlin Wall", reflect momentous events. Now, however, we see cropping up everywhere, not just in this conference, the fault line of "pre- and post-Seattle" [or Genoa, or other protest venues, *ad libitum*]. This is doubtless an accolade for the citizens' movement, but what, exactly, does it mean?

In my view it means that before Seattle, the media paid virtually no attention to years of hard work and organising on all the same issues as today: if memory serves, the first counter-G-7 summit was held in London in 1985. Long before Seattle, thousands of people from North and South had contributed to innumerable studies, books, films, symposia, conferences and public demonstrations denouncing North-South inequalities and mal-development, structural adjustment and debt slavery; "IMF riots", as they are called by the people concerned, had occurred in dozens of Southern hemisphere countries with considerable loss of life. Indian farmers had marched against large dams and burned genetically modified crops; the Brazilian "sim terra" had occupied farmland; the Korean trade unions had undertaken long and dangerous strikes--one could go on and on.

A number of important international activist networks developed in the 1980s and early 1990s, like the "World Food Assembly", the "Debt Crisis Network" or the "50 Years is Enough" campaign trying to reform the World Bank and the IMF, or protests against the patenting of life and the all-inclusive agenda of the WTO; not to mention countless environmental battles and anti-corporate struggles. In

1997-98, a brand new French coalition with support from similar ones throughout the OECD successfully pushed the French government to withdraw from the Multilateral Agreement on Investment [MAI], causing its collapse and subsequent formal demise. "Marches of the unemployed" in Europe protested the impact of financial markets and transnational corporations on jobs.

In 1998, the Jubilee 2000 campaign brought 70.000 people--far more than were later present in Seattle--to the counter-G-8 demonstration in Birmingham and nearly that many to Cologne the following year. Many of them had never before participated in any public political event but were sufficiently motivated by the evils of third world debt to take the train, carry a poster and form a human chain against the "chains of debt". The media blinked, then yawned; as for the G-8, it made the usual promises which, as usual, were not kept.

Seattle is now seen as a watershed first because the media finally accepted there was another voice out there besides governments and business. Citizens might actually have something important to say and say it forcefully.

Second, however, and sadly, many North-Americans in particular are convinced that the mainstream media noticed Seattle only because hundreds of poorly trained, robotic riot police confronted tens of thousands of well-trained, creative, non-violent protestors as well as a few dozen extremely marginal violent ones [some of the latter police, as we now know]. It was also the first time that a determined group of people had the gall and the guts not just to protest across town from a major international gathering but to stop it altogether. They took the powers-that-be completely by surprise.

Now, those powers, although they have clearly learned nothing else, have learned that they can only meet in sealed-off fortresses [Prague, Quebec, Genoa], deserts [Qatar] or mountain lairs [the next G-8 in the Canadian Rockies]. (2) Their only other response to the protests has been to repeat the same tired formulas and insist that they are sole guardians of the Truth. Refusing to hear what the movement is saying, they have chosen to insulate themselves from it. This was nicely noted in a surprising quarter, *The Financial Times*: "The response to the protests has been largely one of spluttering indignation. Instead of listening, even learning, the politicians have lectured". (3)

From the protestors' side, as opposed to the media's, Seattle can also be seen retrospectively to have marked a turning point. Simply put, *we are no longer on the defensive. Just as this mobilisation did not start with Seattle, so it will not end with some other singular event like the police-riot in Genoa. It will assume different forms in different places but it is an increasingly international phenomenon, it has taken on a life of its own and is now an organic, permanent presence on the world stage. Although still very young, the movement is fast moving towards maturity and its participants are gaining in knowledge and confidence.*

It is the nature of this movement, its history and its agenda that I understand to be under discussion here and the subject of my contribution.

## **II. Who are these people anyway?" (4)**

To the increasing irritation of the people concerned, the media constantly refer to them collectively as "NGOs" or, worse, as "anti-globalisation". Some, though by no means all participants do belong to Non-Governmental Organisations with a single-issue focus [Greenpeace, Amnesty, Jubilee, Via Campesina, etc.]. The movement itself is, however, multi-focus and inclusive. It is concerned with the world: omnipresence of corporate rule, the rampages of financial markets, ecological destruction, maldistribution of wealth and power, international institutions constantly overstepping their mandates and lack of international democracy. The label "anti-globalisation" is at best a contradiction, at worst a slander.

As has been made clear, these forces call themselves the "social" or "citizens' movement". They are opposed to market-driven corporate globalisation but they are not "anti-globalisation" per se, which would be pointless: clearly technology and travel are bringing us closer together and this is all to the good. They are, instead, anti-inequity, anti-poverty, anti-injustice as well as pro-solidarity, pro-environment and pro-democracy.

Battle lines are being more clearly drawn than at any time in the past hundred years and they are being drawn internationally. Participants in the movement understand with greater or lesser sophistication that only a **political project** can save the planet's ecology and provide for the inclusion of everyone in the global economy on decent and dignified terms.

This is why, mostly over the last five years, people who never before worked together are shaping a common project. Some people date the new consciousness not from Seattle but from the emergence of the Zapatistas on 1 January 1995, to coincide with the birth of the World Trade Organisation. Some see special significance in the French public service worker strikes in the winter of 1995. All recognise the fight against the MAI, which preceded Seattle, as an unexpected, if partial, victory. (5)

Why was the defeat of the MAI significant? This treaty, negotiated in secret for the previous two and a half years, would have given blanket rights to transnational corporations and portfolio investors, including the right to sue States for loss of present or future profits. States had all the obligations, corporations all the rights. Widely differing interest groups adopted the "Dracula Strategy"--expose it to the light until it shrivels and dies. It proved effective. The media finally recognised that the MAI was not "too technical, too complicated" for their readers and listeners to understand as they had initially argued--in fact people could not believe their ears and were outraged when they learned the actual content of the MAI.

The French coalition had a particular responsibility as Paris is the headquarters of the OECD where the negotiations were conducted. Among the activists who united were cultural industry workers and film-makers, greens, women's organisations, immigrant rights groups, researchers and academics, trade unions, the small farmers organisation, North-South development activists, some left political parties and many others. Similar coalitions sprung up in other OECD countries and links between them were quickly established. In this sense, the *Financial Times* was correct to call the coalition "network guerrillas". Ideas and information do travel faster electronically and we never would have had the funds to carry out the campaign with phone, fax and ordinary mail.

The MAI struggle was a kind of introductory course on the real nature of globalisation and a trial run for what followed. People who learned to know and trust each other have remained in many informal structures and belong to the same list-serves on a broad variety of issues--the Tobin Tax, the

International Financial Institutions, Debt and Structural Adjustment, the WTO and the like. As the political powers that stand behind the spread of corporate globalisation have continued to meet since Seattle [in Washington, Prague, Davos, Nice, Barcelona, Gothenburg, Genoa, etc.] national coalitions in each country have "hosted" international forums and protests. The Swedish coalition preparing for Gothenburg numbered over 300 organisations, the Genoa Social Forum about 750 and so on. At this writing, it will soon be the turn of the Belgians.

The ATTAC movement [literally Association for the Taxation of financial Transactions to Aid Citizens] occupies a special place in this historic development. ATTAC began in France in response to an editorial in *Le Monde Diplomatique* in December 1997 following the Asian financial crisis which called for application of the "Tobin Tax" on currency transactions. The editorial provoked hundreds of letters from readers who wanted to become involved and the idea of creating an organisation to take up the issue matured into ATTAC, founded in June 1998. ATTAC-France now has over 30.000 members and about 220 local committees.

ATTAC organisations, large and small, now exist in some 30 countries, including some in Latin America and Africa. They may be persecuted by the government as in Tunisia. For reasons we cannot entirely explain, ATTAC has not spread to the "Anglo-Saxon" world, although we have many counterpart organisations and working relations in Britain, the US, Australia et al. Relative to the total population, ATTAC Sweden, Belgium and Switzerland are larger than ATTAC France. While there is no formal "ATTAC International", members from different countries meet regularly and share the same goals.

The Tobin Tax is still central to the agenda, but this agenda now addresses corporate-led globalisation much more broadly and takes in the international financial institutions and the WTO, financial markets and pension funds, tax havens, third world debt and structural adjustment, genetically manipulated crops, mass firings by transnationals to increase their stock value, denial of vital medicines to AIDS patients and the like.

These broad coalitions may not agree on every detail of every issue but they share the basics. They refuse the "Washington Consensus" vision of how the world should work. Often unjustly accused of "having nothing to propose", they are, on the contrary, constantly refining their arguments and their counter-proposals. An exceptional moment for such work is the Porto Alegre [Brazil] World Social Forum, held at the same time as the World Economic Forum in Davos. At Porto Alegre II, the organisers expect perhaps 100.000 people as compared to 10.000 the first year [Porto Alegre II will convene from 31 January to 5 February 2002]. (6)

In Porto Alegre, but at other events as well, the emphasis is not merely on stopping the adversary from committing ever more egregious horrors, however necessary that may remain, but also on developing consensus around a more forceful agenda of proposals, solutions and devising strategies for attaining them. Although they have often been overshadowed by violence, "counter-summits" always include forums and "teach-ins" attracting thousands of people where recognised movement experts lead seminars and debates. In Gothenburg, there was even an encounter, via video and giant screen, between eight such experts and Romano Prodi, Joschka Fischer, Javier Solana and two prime ministers.

These debates must also try to deal with the increasingly panicked, irresponsible and violent reactions coming from the side of the State and the corporate elites as well as the [often police-infiltrated] violence of elements claiming to be on the protesters' side. Tactics are one of the most hotly debated issues in the movement today and the answers are not simple. Yet for the participants, such problems do not seem insurmountable and the overall feeling is one of great hope and optimism.

### III. Adversarial Arguments

We have been subjected to sustained propaganda concerning the supposed benefits of "globalisation". One tool used by neo-liberal spokesmen is the constant repetition of misinformation to try to convince people that "globalisation is good for everyone". It was thus heartening to see the results of an opinion poll ordered by *Le Monde* just before the G-8 summit in Genoa which shows that the French, at least, don't buy this line. Replying to the question "who benefits most from globalisation", 55 percent said "transnational corporations", 47 percent "financial markets", 32 percent "the United States", 11 percent "Europe", 7 percent "consumers" and only one percent "everybody" [two answers possible]. (7)

Another favorite argument is that over the last twenty years, more people, absolutely and proportionally, are supposed to have joined the ranks of the materially blessed. This too flies in the face of the evidence. If you can't pay you can't play. That is why it is naive and dangerous to accept the word "globalisation" at face value; to assume that it means a process from which all the earth's inhabitants will eventually benefit, even if they must wait a very long time. This is nonsense; it is nonetheless the dogmatic view of its proponents--most recently President Bush--who never tire of repeating that "enemies of globalisation are enemies of the poor".

It is not my intention to demonstrate the validity of these assertions because this has been done again and again. Studies by the Washington think-tanks Center for Economic Policy Research, Institute for Policy Studies and the Economic Policy Institute or by scholars at the United Nations University all show that inequality has worsened, growth has slowed and rewards to capital far surpass the gains of labour. To give only a few examples, in the United States, the median real wage is nearly the same as it was 28 years ago whereas it had increased by 80% in real terms over the previous 27 years. Globalisation has not improved growth--quite the opposite. Between 1960-1980, growth worldwide was many percentage points higher than in the period 1980-2000, particularly in Latin America and Africa. (8)

Over the past 20 years, inequalities have increased drastically both within and between countries. This skewed distribution of wealth has been more than borne out by the findings of successive UN Development Programme *Human Development Reports* or the UNCTAD *Trade and Development Reports*: the top 20 percent of the world population now indeed holds more than 80 percent of the wealth; the bottom 20 percent makes do on slightly over one percent.

Someone or something must be responsible for such a marked evolution, which can no longer be denied. The citizens movement believes that "something" is globalisation. In order to stress the perception that transnational corporations, financial markets and the holders of capital are the chief beneficiaries, movement people usually add a qualifier like "corporate-led" or "corporate-driven globalisation". The opposition is convinced that for the half of the world unfortunate enough to be living on less than \$2.00 a day, "globalisation" means further concentration of wealth and power at the top of the social scale and their own continuing poverty and marginalisation.

Nor does this movement believe, contrary to the neo-liberal camp, that everyone can be included in the economic benefits of globalisation although these benefits have been undoubtedly real for ten to twenty percent of any given population. The unfettered market without progressive taxation and redistribution will, as Vilfredo Pareto saw a century ago, follow a "20/80" distribution pattern in which 20 percent of the population controls 80 percent of the assets. (9)

Movement participants further affirm that this economic system has absolutely no plans for the billions left out no matter how many years we may wait; that the global market based on the competition of all against all is an engine for exclusion and will tend to freeze people, nations and entire regions, with few exceptions, at the level at which they presently find themselves. Furthermore, as the great economic anthropologist Karl Polanyi was the first to show, the market, left to itself, will destroy both society and nature.

#### **IV. Polanyi's Enduring Contribution**

Because we are meeting in Budapest, it is especially important to refer to Polanyi's enduring contribution because he refuted present-day globalisation *avant la lettre*. Polanyi showed that the market does not come first--society comes first and social relations are the necessary condition for a properly functioning market. The tragic mistake--but is it just a mistake?--of the "Washington Consensus", has been to act as if one can simply introduce market relations and society will take care of itself. We have witnessed the result, clearly foreseen by Polanyi, most dramatically in the former Soviet Union.

Polanyi's prophetic book *The Great Transformation* destroyed the neo-liberal argument that the market can be a substitute for a genuine political project; that the market economy should dictate its rules to society and not the opposite. Such beliefs are not merely bizarre, irrational and quasi-religious--they are lethal.

"To allow the market mechanism to be sole director of the fate of human beings and their natural environment... would result in the demolition of society."

Since, he explained, "labour" is another name for human activity, "land" another name for nature and "money" comes into being through the mechanism of banking or state finance, it follows that "none of them is produced for sale. The commodity description of labor, land and money is entirely fictitious". But it is a convenient fiction for those who want nothing to stand in the way of the market mechanism. (10)

Writing in 1944, Polanyi believed that market fundamentalists could never again gain the upper hand. As we know today, his optimism was misplaced. However, the people joining the citizens' movement in ever-increasing numbers are "Polanyians" whether they know it or not. They refuse the domination of the market over "the fate of human beings and their natural environment"--that is, they refuse present-day, actually existing, neo-liberal globalisation.

#### **V. Specific Issues on the Pro-Democracy Agenda**

One can be justifiably suspicious when one hears the word "governance" emerging from this mistrusted leadership. They would like to see the notion of governance applied to those who use it so glibly for others. When the World Bank and the IMF speak of governance, for example, they mean simply another set of conditions to be added to the long list of conditions already set out in structural

adjustment programmes. (11)

Where is "governance" when neo-liberal globalisation not only leaves out vast swathes of humanity and intentionally weakens the State but also plunges even countries like the erstwhile "tigers" Korea, Thailand or Indonesia into financial chaos and mass unemployment? Where is governance when the Fund deliberately turns a blind eye to the looting from Russia of billion\$ in its own hard currency loans? Over the decade of the 1990s, under the guidance of the IMF and the World Bank, the Russian economy shrank by more than half. The number of poor people skyrocketed from around two million to over 60 million. Such disasters as have occurred in Asia, Latin America and the so-called "transition countries" show that, contrary to the neo-liberal myth, freedom of capital flows, highly leveraged loans and uninhibited Portfolio Equity Investment are not the road to prosperity but to ruin.

Despite all the talk two or three years ago about "new financial architecture", no new safeguards have been put in place and at this writing, we are all waiting for the collapse of Argentina followed by who knows what other human disasters. Instead of calling a halt to its policy of safeguarding creditors' assets at all costs, the IMF has set up yet another \$90 billion bail-out fund. It does not respect the legal principle of "odious debt" and forces debtors to honour the debts contracted even by previous corrupt totalitarian, military or apartheid regimes.

Although the IMF has lately soft-pedalled the issue, until the financial crisis of 1997-98, its only idea of "governance" for its own account was the attempt to change its Articles of Agreement for the first time since they were adopted in 1944. The Fund wanted to drop Article VI,3 which specifically recognises that "members may exercise such controls as are necessary to regulate international capital movements"; it wanted to make total freedom of capital circulation a *condition* for membership. It has also ignored its own Article VI,1 which declares that "A member may not make net use of the Fund's resources to meet a large or sustained outflow of capital..." and indeed has caused many member-countries to do exactly the opposite. It has thus protected Western creditor assets however reckless and greedy those creditors may have been. Unrestricted capital flows and fluctuating currencies whatever the political and economic circumstances may be a speculator's paradise but they invariably harm ordinary people.

The movement, for its part, is demanding a genuine new financial architecture. Careless lenders and imprudent investors should be forced to take responsibility for their actions [aren't risk and responsibility what capitalism is supposed to be about?]. The Fund should once again become what Keynes intended it to be: a mechanism for helping countries with temporary balance of payments problems. It should advise them on how to avoid contracting future debts in hard currencies and should supervise a long-overdue debt workout: outright cancellation for the poorest [and of all odious debts]; orderly bankruptcy proceedings and write-downs for many others. If it cannot be reformed, the IMF should be abolished and a new international lending institution started from scratch.

It may well prove necessary to have several, more local Funds as Japan proposed to create for Asia during the Asian financial crisis. The United States immediately put a stop to such a plan; the Fund listens closely to the US Treasury.

Sustained citizen campaigns on debt have gone on for longer than on any other global issue. The G-7 has acknowledged this movement and cannot say it has not been made aware of the problems. What has been its actual response on third world debt? Despite years of work by hundreds of thousands of people and the collection of literally tens of millions of signatures, significant debt relief for the

poorest--much less the slightly better off--remains a dim hope on an ever-receding horizon. At a conference on debt strategies in Lima in 1988, the well-known Peruvian economist Javier Iguiniz made what sounded like a quip but was in fact a serious remark: "Don't cancel what we're not paying!" "Canceling what they weren't paying" is what most "debt relief", trumpeted by the G-7, has amounted to so far.

Since most poor countries, despite the enormous sacrifices of their peoples, are still unable to remit the total debt service theoretically due, the unpaid portion is added to the principle. Canceling that portion may mean that debt grows more slowly: it does *not* mean that the actual burden has been lessened from year to year. And so far, in the eyes of the Bank and the IMF, only five countries have proven worthy of relief through the stiff HIPC [Highly Indebted Poor Countries] terms. Overall, less than five percent of total debt stocks has been canceled.

People who have worked on these issues for many years have frequently arrived at the conclusion that debt is not a financial or an economic problem at all but in every way a political one. It is the best instrument of power and control of North over South [and now East] ever invented; far superior to colonialism which requires an army, a public administration and attracts a bad press. Control through debt not only requires no infrastructure but actually makes people pay for their own oppression.

Structural adjustment programmes are often beneficial to local elites, providing them with such advantages as rock-bottom wages and opportunities for buy-ups of privatised companies; they are happy to cooperate. Debt has further atomised the debtor countries politically and made them far less of a threat to established Northern interests. Once significant organisations like the G-77; third world-led initiatives in the United Nations like the "New International Economic Order" are defunct or toothless.

The citizens movement sees debt relief as an essential condition of more equitable North-South relations and many people stress that it should be accompanied by restitution of the riches siphoned from the South for decades or centuries. Private banks as well as public [multilateral and bilateral] creditors should be obliged to participate: they have already been paid back many times over.

On the front of international commerce, the movement is also determined to transform the World Trade Organisation. Contrary to what is often implied, everyone agrees that the world trading system needs rules. The question is who makes them and for whose benefit. One can show only too easily that transnational business is the beneficiary, to the neglect of all other sectors of society. (12)

The General Agreement on Trade in Services, GATS, is seen as particularly dangerous as it provides a broad avenue for corporate interests to invade the civic sphere. Corporations active in services sectors see public education, health care, transport, environmental services not as rights and public goods but as gigantic markets. Now that more and more citizens have understood what is at stake, the WTO is worried and accusing its "hostile and ill-informed" critics of maliciously "spreading scare stories". (13)

The fact remains that essential services for which previous generations fought and sometimes died are open to attack and, under present circumstances cannot be durably protected. The GATS limits public services not covered by its rules to those "supplied neither on a commercial basis nor in competition with one or more service suppliers" and the Services Council has established that this Article [I,3,c] "should be interpreted narrowly".

Furthermore, prescriptions against subsidies, the fact that governmental regulations in a host of areas

will be open to challenge as "unnecessary barriers to trade", refusal to consider the "precautionary principle"; lowering of public health and food safety standards; the patenting of life forms and universal patent protection of medicines and other vital goods for twenty years; the dangers of irreversibility and many other issues have made citizens extremely wary not only of the GATS but of the WTO in its entirety. Its Dispute Resolution Body, operating in secrecy, has no obligations to place any other international law above the rules of the WTO itself: neither the Universal Declaration of Human Rights, nor Multilateral Environmental Agreements, nor ILO labour conventions. The WTO is entirely independent of the United Nations and therefore of the international law it has developed.

## **VI. What to do and How to do it**

It is curious that, as the world slips deeper into recession, established leaders do not seem to have a clue how to come out of it. The solution to this problem is over 50 years old. It was invented by Keynes for the national context and used successfully in the international sphere after the Second World War. This post-war solution was called the Marshall Plan and it put Europe back on its feet, re-establishing it as a viable trading partner for the United States.

Today there are two Keynesian ways to kick-start the world economy. One is massive international spending on preserving and repairing the environment. The other is to start including the billions of people left out of the world economy by corporate-driven globalisation. The UN Development Programme claims that approximately \$90 billion a year would cover a basic standard of living--enough food, clean water, shelter, basic health care and education--for everyone on earth. Let's say, generously, that the "basics" programme plus environmental clean-up and preservation would cost \$200 billion a year for 10 years. In today's world, this is a paltry sum.

It is vain to hope that Official Development Aid will ever do the job. ODA from the OECD countries is dropping precipitously at about 5% yearly, proving that Northern concern for the South was largely a Cold War phenomenon and many countries simply have lost any strategic interest they might once have possessed. The UN 0.7% goal is a pious fiction--ODA now represents a scant 0.22 of the GDP of member countries according to the OECD Development Assistance Committee. Total aid from G-7 countries fell by a further 5 percent in the year 2000. (14)

We should stop pretending that real change will emerge from national budgetary contributions and go for the money where it really is, on international financial markets, in tax havens and in coffers of transnational corporations.

One hundred years ago, inequities in the now-wealthy countries were brought to public attention by a few crusaders.<sup>15</sup> Health and education standards, illiteracy, appalling housing, crime, infant and child mortality rates in the poor neighbourhoods of London and New York were in all respects comparable to what one finds in many third world countries today. These gross inequalities were eventually recognised as not merely scandalous but dangerous to society as a whole, including its more privileged members. Though many of the latter ranted and raved and claimed the end of the world was at hand, graduated income taxes were finally introduced so that redistribution and social inclusion could proceed.

We now stand at just such a crossroads with regard to North-South inequities. Money to deal with them is available but it will have to come from international taxation. Such repair and renewal is in everyone's interests. The present holders of extraordinary wealth, like the rich New York a century

ago, will, naturally, resist. This is no reason, quite the contrary, to lessen the pressure.

## VII. The Future?

The citizens movement wants to remain exactly that: a movement. So far, it has suffered no temptations to transform itself into a political party, much less a "revolutionary" party, and its members come from a variety of party political backgrounds or, frequently, none at all. The tacit bet is that it is still possible to work through existing political structures. How long this conviction will continue to guide the movement is anybody's guess.

It is extremely worrisome that trust in conventional politics is rapidly fraying. Thus I hope to have conveyed something of the *urgency* of addressing the concerns brought forward by the citizens' movement: if they are not dealt with, and soon, we will witness even deeper social divides, increasing disgust with nominally democratic institutions, hardening of positions, confrontation and escalation of violence, mostly by the State. Those who maintain that the present world system is incapable of self-regulation and reform will be proven correct.

The lessons of Genoa have not been lost on activists. We have already witnessed citizens' democratic rights being trampled and free expression denied with unprecedented brutality. European governments which rightly protested the election of Jörg Haider in Austria and momentarily boycotted the entire country have said nothing about fascistic police behaviour in Genoa under the orders of a G-7 government.

The consequences of spreading distrust in conventional politics and governments are unforeseeable. Those who, like me, are struggling to avoid the paths of repression, upheaval, violence and chaos and are proposing practical solutions; those who hope not for some undefinable worldwide "revolution" but for a kind of Universal Welfare State--a perfectly feasible goal materially speaking--will be marginalised or radicalised.

There is no polite way to say this: movement people, particularly young people, are angry. Nowhere in the realms of actually existing power can they discern the slightest sign of serious recognition or responsible behaviour concerning the life-threatening problems faced by human beings and the earth; neither on the part of the G-8 governments and the European Commission, nor that of the multilateral institutions like the World Bank, the IMF, the WTO; nor above all the transnational corporations, the financial markets and their numerous lobbies that have assumed unprecedented sway over human affairs.

What this movement does see is unbridled greed, the undivided reign of capital over labour and of rich over poor, rules made to insure freedom of trade in all goods and services at the expense of every human value; rampant privatisation, the destruction of public services and the dismantling of welfare states where they exist and policies to make them forever impossible where they do not; massive and accelerating destruction of the earth, its climate and its creatures--all this in the name of a fraudulent "efficiency", increased profits and so-called "shareholder value".

They see leaders who, once elected, are deaf and blind to the needs of ordinary citizens but attentive to those of corporations; they see an increasingly discredited political class worldwide and, with it, the discrediting of the notion of politics itself. They see that the State is prepared to use not just huge repressive "robocop" forces, horses, dogs and tear gas against them, but live ammunition as well. They see all this, they are enraged and they are moved to fight.

I am attempting to explain to people of good will why this movement is not going to go away; also why State-corporate power is hardening and can be expected to continue to repress, defame and criminalise citizens exercising their democratic rights. The notion of "dialogue" with such an adversary is becoming daily more problematic. So far, what we have witnessed is "dialogue" which will be prolonged only so long as those in power can set the terms, name the participants<sup>16</sup> decide which subjects are on the table and which are taboo, and generally put off any genuine change.

The crystallization of anger and mistrust are at the root of the "post-Seattle" phenomenon as well as the new confidence of the movement. Anger is legitimate when, in an age of wealth and plenty, life remains nasty, brutish and short for billions; so is the mistrust of a leadership which is at best timorous, at worst frivolous, pretentious and mean-spirited. Repeated claims of its desire to "help the poor" ring increasingly hollow. The Genoa G-8 proposal of a miserable \$1.5 billion to deal with AIDS, malaria and tuberculosis was particularly disgraceful given that Kofi Annan had, only weeks previously, asked the "international community" for \$7 to \$10 billion to deal with AIDS alone. This "international community", led by the G-7, has so far rejected every opportunity for remedy in every area, and listened only to a minority. Thus a new generation, not all of it young, a kind of "trans-generational, trans-class, trans-gender and trans-national generation" is rising internationally in opposition.

People with knowledge, confidence, numbers and organisation can unmake what some have made, they can undo what some have done. **This movement has made a momentous discovery and revealed a dangerous truth: the corporate *coup d'état*, the triumph of rich over poor, market over society, rapacity over nature is not inevitable.** And we will be heard.

## References

1. As proposed by Prof. Howard Wachtel of American University in several papers: If TNC worldwide profits, worldwide sales revenues and sales revenues in each tax jurisdiction are known, then they could be taxed in each jurisdiction at a flat rate worldwide. Example: Company X makes worldwide profits of \$1 billion and receives 40% of its worldwide sales revenues in the United States. The profits earned in the U.S. are thus considered to be \$400 million and the corporate profit tax is applied to that base.
2. It may well be time for the citizens' movement, too, to re-examine its image instead of reproducing, at the invitation of the adversary and on his terrain, the image of the medieval siege with the defenders symbolically pouring boiling oil from the battlements on the rabble beneath. Perhaps we could go even further back in history and invent a new Trojan Horse...
3. Philip Stephens, "A poor case for globalisation: The world's leaders are failing to address legitimate questions raised by protestors about the effects of global capitalism" 16 August 2001
4. After the defeat of the MAI which appeared to come out of nowhere, the *Financial Times* plaintively recalled this line from "Butch Cassidy and the Sundance Kid" and labeled the victors "network guerillas".
5. The member unions of the OECD Trade Union Advisory Committee, for example, were so sure the MAI would pass that they limited their efforts to attempting to obtain at least a "social clause".
6. Movement people are inspired by the participatory municipal budget of Porto Alegre [population 1.3 million] where neighbourhood organisations are in charge of choosing their priorities and overseeing how the money is spent. Waste and corruption have been, predictably, all but eliminated.
7. *Le Monde*, SOFRES poll, 19 July 2001
8. See in particular Mark Weisbrot et al. "The Emperor has no Growth", Center for Economic Policy Research, May 2001 and UNCTAD *Trade and Development Report*, 1997, Chapter 3
9. For a

fascinating mathematical grounding of Pareto's century-old law, see Mark Buchanan, "That's the way the money goes", *New Scientist*, 19 August 2000 10. *The Great Transformation*, Rinehart, New York, 1944, p.72-73 11. One can no longer politely refer to "Structural Adjustment: say instead, with the same hypocrisy as the IMF, "Poverty Reduction and Growth Facility". 12. See Susan George, *Remettre l'OMC à sa Place*, Eds. Mille et une Nuits, Fayard, Paris June 2001 for proof of overwhelming business involvement in establishing trade rules. The WTO has announced that 647 "NGOs" will be accredited to the Ministerial meeting in Qatar, over three-quarters of them from the rich, developed countries [502]. Of the total, 328 [50,7%] will go to "BINGOs" or business-initiated NGOs, including representatives of 35 advisory committees to the US government's trade policy bodies which are themselves entirely made up of business interests. Only 256 of the total can be classed as "PINGOs" or public interest NGOs; the rest are research organisations or unclassifiable. These figures do not of course include the business representatives included in official delegations. [Thanks to Vincente P.B. Yu of Friends of the Earth International for the data]. 13. See for example the WTO's recent 16 page brochure *Fact and Fiction*. As for Director General Mike Moore, protesters, he says, "make me want to vomit". 14. See the OECD website: "Development Assistance Committee announces ODA figures for 2000". Only Denmark, Luxembourg, Netherlands, Norway and Sweden have met or surpassed the 0.7% target--not exactly the largest OECD members. 15. Including the great investigative reporter-photographer Jacob A. Riis whose ground-breaking study of New York's poor led to public outrage and the beginnings of reform. *How the Other Half Lives* [Charles Scribner's Sons, New York, 1897] inspired me to call my own first book *How the Other Half Dies* [Penguins, 1976]. 16. Cf. footnote 11 for an outstanding example of such control.