

Focus-on-Trade is a regular electronic bulletin providing updates and analysis of trends in regional and world trade and finance, with an emphasis on analysis of these trends from an integrative, interdisciplinary viewpoint that is sensitive not only to economic issues, but also to ecological, political, gender and social issues. Your contributions and comments are welcome.

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Like all our friends, we have spent the past week in a state of shock, absorbing, analysing and discussing the extraordinary events of September 11, the “day that changed the world.” Without doubt, the world will change, but we don’t yet know how.

Confronted with the faceless, stateless enemy of “terrorism” and a global recession, how will the elite react? In the short term, there has been an almost unanimous show of solidarity. NATO’s invocation of Article 5 (“anyone who brings harm to a member country brings harm to the alliance”) and the unprecedented cooperation between the US Federal Reserve and the European Central Bank says it all. Countries beyond the Centre are being dragged willingly or otherwise into the “war against evil.” While the case of Pakistan is profoundly ambiguous and it would be foolish to guess at all the deals and counter-deals, the reported promises of debt cancellation and threats of delaying

IMF funds proved to be effective substitutes for carrots and sticks. We will soon see whether the mood of wartime determination and unity spills over into the WTO negotiations. Martin Wolf, a well-respected antagonist of the anti-globalisation movement and Financial Times columnist certainly thinks so.

In his 17 September piece “Guarding the Home Front” (which is a serious contender for the “Best of Wolf” award) he writes:

“There is an equally important way to enhance confidence in the future of an open economy and society: agree on a new round of multilateral trade negotiations during the November ministerial meeting in Doha. The chances of success must have been enhanced by this tragedy. Could Congress fail to grant the president a trade negotiating authority if it was presented as a way to strengthen the global co-operation and open international economy that the World Trade Center so powerfully symbolised? Could any other country refuse to

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enter into a round promoted by an internationally engaged US? Could anyone miss the symbolism of a global trade round launched in a Muslim country?"

Could anyone resist his call to arms? Language like this is meant to make your eyes sting and your chest swell in patriotic pride. Instead, it should make us worried. This is what the establishment thinks. This is how they will bleed every single advantage out of the terrorist attack, without learning any of the lessons. The noble cause of corporate globalisation will march onward, but now in the name of Peace and Freedom. Haven't we heard that before?

In this issue of Focus on Trade, we have two immediate responses to 11 September from Focus staff while the articles by Ben Cashdan and Denis Brutus, Trevor Ngwane and Aziz Chowdry appropriately enough look at race, imperialism, colonialism and anti-globalisation. Cashdan and Brutus report on the under-reported UN conference on race and xenophobia, including the 20,000 strong "pavement" conference of the Durban Social Forum, and Ngwane describes how the demands of the financial markets perpetuate apartheid in South Africa. In his piece on anti-globalisation and colonialism, Chowdry argues that we cannot build alternatives to globalisation on the "rotten foundations of the denial of occupying indigenous lands and the ongoing suppression of Indigenous Peoples' rights." Potent words in these times. Finally, Walden Bello looks at the role of the corporate

media. His final plea, that "journalism cease being a dispenser of factoids and once again become an instrument of liberation by being reflexive, critical, and a partisan of the truth" will resonate with anyone who has spent the past week enduring the excesses of CNN.

AFTER SEPTEMBER 11: A TESTING TIME FOR THE ANTI-GLOBALISATION MOVEMENT

A short statement from Focus on the Global South

On Tuesday 11 September, The Financial Times ran a balanced and informed full-page story about the anti-globalisation movement. At last, we thought, this is the breakthrough. The media is getting the message that it's not all about demonstrations and violence, these are serious people with serious issues to be discussed.

On the same day, the World Trade Centre and the Pentagon were attacked by terrorists, with such tragic and horrific consequences that all else has been swept aside. This unconscionable attack brought to the United States the violence and death that is all too familiar in other parts of the world.

Although the violence and deadly destruction of the attack has overshadowed the potent symbolism of targeting the financial and military heart of the world's sole superpower, the message could not be clearer.

The US can respond to this message in two ways. It can choose to break the cycle of violence by reflecting on what's behind this extraordinary "blowback" – a CIA term to describe the unintended consequences of American policies – and realise that the days of empire are over.

Or it can rev-up the security and military machine, declare war on terrorism and Islam and

divide the world into good and evil, retreating deeper into isolationism, despite having received incredible international solidarity at this time of need.

Sadly for us all, the US has shown its almost Pavlovian preference for the second course of action.

And here is a terrible irony. By physically attacking what the anti-globalisation movement has been symbolically attacking – the unchecked power of finance and the hidden power of the military – the terrorists have triggered a wave of reactionary and repressive politics that will have tremendous implications for the growing international movement against neo-liberal and corporate globalisation.

Our response must be clear.

It is incumbent on all of us who feel part of a global movement for justice and peace to demand that the US break the cycle of violence.

We must link our existing and common demands on neo-liberal globalisation to an agenda that includes a clear voice against militarisation and imperialism and proclaiming peace, cultural and religious freedom and self-determination. This will be extremely difficult in a climate where ALL forms of dissent will be subject to much greater security and repression, and in a climate of heightened

xenophobia and militarisation. The cry from the establishment will be if you're not with us, you're against us.

Our immediate challenge is to overcome the deep fears and prejudices unleashed by the terrorist attacks, a task made even more difficult because these fears and prejudices have been carefully laid down by years of anti-Islamic, anti-left propaganda. This phenomenon is not confined to the US. In India, the attack has heightened Hindu-Moslem tensions and in Malaysia the fear of Islamic terrorism is being used to justify repression of the political opposition.

But in the long term, our work can only be strengthened by building a movement that includes all who struggle against sectarianism, for peace and freedom, and against irrational and unacceptable violence.

Focus on the Global South
15 September 2001
Bangkok

ENDLESS WAR?

by Walden Bello

The assault on the World Trade Center was horrific, despicable, and unpardonable, but it is important not to lose perspective, especially a historical one. For a response that is dictated primarily by fury such as that now displayed by some American politicians, while understandable, is likely to simply serve as one more proof for Santayana's dictum that those who do not remember history are bound to repeat it.

THE MORAL EQUATION

The scale and consequences of the World Trade Center attack are massive indeed, but this was not the worst act of mass terrorism in US history, as some US media are wont to claim. The over 5000 lives lost in New York are irreplaceable, but one must not forget that the atomic raids on Hiroshima and Nagasaki killed 210,000 people, most of them civilians, most perishing instantaneously. But one may object that you can't really compare the World Trade Center attack to the nuclear bombings since, after all, Hiroshima and Nagasaki were targets in a war. But why not, since the purpose of the nuclear bombings was not mainly to destroy military or infrastructural targets, but to terrorize and destroy the civilian population? Indeed, the whole allied air campaign against Germany and Japan in 1944-45, which produced the firestorms in Dresden, Hamburg, and Tokyo, that killed tens of thousands had as its central aim to kill and maim as many civilians as possible. Similarly, during the

Korean War, terror bombing of civilians was the policy of the US Air Force's Far Eastern Command, which was instructed to pulverize anything that moved in enemy territory. So successful was the policy that in the summer of 1951, the commander was able to report that "there is no structure left to be targeted."

During the Cold War, mass elimination of the enemy's civilian population, alongside the destruction of his armed forces or industry, was institutionalized in the strategy of massive nuclear retaliation that lay at the center of the doctrine of Deterrence. In Vietnam, where the US was frustrated by the fact that combatants and civilians were indistinguishable, indiscriminate killing of civilians was a central part of a "counterinsurgency war" in which 20,000 civilians were systematically assassinated under the CIA's Operation Phoenix Program in the Mekong Delta.

But must not such actions against civilians be judged in the context of a broader strategic objective of sapping the enemy's will to fight and thus bring the war to a conclusion? But then how different is this justification from the terrorists' aim to change the foreign policy of the US government by eroding the support of the country's civilian population?

The point is not to engage in a "maleficent calculus," as Jeremy Bentham would have called this exercise, but to point out that the US

government hardly possesses the high ground in the current moral equation. Indeed, one can say that terrorists like Osama bin Laden, an ex-CIA protégé, have learned their lessons on the strategic targeting of the civilian population from Washington's traditional strategy of total warfare, where damage to the civilian population is not simply seen as collateral but as essential to achieving the ends of war.

THE CLAUSEWITZIAN CALCULUS

In the aftermath of the World Trade Center assault, the perpetrators of the dastardly deed have been called "irrational" or "madmen" or people that embody evil. This is understandable as an emotional reaction but dangerous as a basis for policy. The truth is the perpetrators of the deed were very rational. If they were indeed people connected with Osama bin Laden, their goal was most likely to raise the costs to the United States of maintaining its current policies in the Middle East, which they consider unjust and inequitable, and this was their way of doing it. They very rationally picked the targets and weapons to be used, paying attention not only to maximum destruction but also to maximum symbolism. The choice of the World Trade Center towers and the Pentagon as the targets, and American Airlines and United Airlines planes as the delivery vehicles doubling as warheads, was the product of cold-blooded thinking and planning. The loss of their own lives was factored into the calculation. What we saw was a rational calculus of means to achieve a desired end. In

the view of these people, terrorism, like war, is the extension of politics by other means. These are Clausewitzian minds, and the worst mistake one can make is to regard them as madmen.

PEARL HARBOR OR TET? One metaphor that the Washington establishment has used to capture the essence of recent events is that of a second Pearl Harbor, with the implication that, like the first, the September 11 tragedy will galvanize the American people to an unprecedented level of unity to win the war against still unidentified enemies. The other side, one suspects, operates with a different metaphor, and this is that of the Tet Offensive of 1968. The objective of the Vietnamese was to launch massive simultaneous uprisings that, even if defeated separately, would nevertheless add up to a strategic victory by convincing the other side, especially its civilian base, that the war was unwinnable. The aim was to rob the US of the will to win the war, and here the Vietnamese succeeded.

The perpetrators of World Trade Center assault are operating with a similar calculus, and, despite the current jingoistic talk in Washington, it is not certain that they are wrong. Will the American people really bear any burden and pay any price in a struggle that will persist way into the future, with no assurance of victory, indeed, with no clear sense of who the enemies are and of what "victory" will consist of? The media is full of news about the creation of an alliance against terrorism, conveying the impression

that coordination among key states combined with the outrage of citizens everywhere will give a Washington-led coalition an unbeatable edge. Perhaps in the short run, although even this is not certain. For the problem is that, as in guerrilla wars, this is not a war that will be won strictly or mainly by military means.

THE UNDERLYING ISSUES

If it was bin Laden's network that was responsible for the World Trade Center attack, then the underlying issues are the twin pillars of US policy in the Middle East. One is subordination of the interests of the peoples of the region to the US' untrammelled access to Middle East oil in order to maintain its petroleum-based civilization. To this end, the US overthrew the nationalist government of Mossadegh in Iran in 1953, cultivated the repressive Shah of Iran as the gendarme of the Persian Gulf, supported anti-democratic feudal regimes in the Arabian peninsula, and introduced a massive permanent military presence in Saudi Arabia, which contains some of Islam's most sacred shrines and cities.

The war against Saddam Hussein was justified as a war to beat back aggression, but everybody knew that Washington's key motivation was to ensure that the region's most massive oil reserves would remain under the control of pro-Western elites.

The other pillar is unstinting support for Israel. That Arab feelings about Israel are so elemental is not difficult to comprehend. It is hard to argue against the fact that the state of Israel was born on the basis of the massive dispossession of the Palestinian people from their country and their lands. It is impossible to deny that Israel is a European settler-state, one whose establishment was essentially a displacement from European territory of the ethno-cultural contradictions of European society. The Holocaust was an unspeakable crime against humanity, but it was utterly wrong to impose its political consequences—chief of which was the creation of Israel—on a people who had nothing to do with it.

It is hard to contradict Arab claims that it was essentially support from the United States that created the state of Israel; that it has been massive US military aid and backing that has maintained it in the last half century; and that it is deep confidence in perpetual US military and political support that enables Israel to oppose in practice the emergence of a viable Palestinian state.

Unless the US abandons these two pillars of its policies, there will always be thousands of recruits for acts of terrorism such as that which occurred last week. And while we may condemn terrorist acts—as we must,

strongly—it is another thing to expect desperate people not to adopt them, especially when they can point to the fact that it was such methods that targeted civilians as well as military personnel, combined with the Intifada, that forced Israel to agree to the 1993 Oslo Accord that led to the creation of the Palestinian entity.

Yet another reason why the strategic equation does not favor the US is that there are a great many people in the world that are ambivalent about terrorism. In contrast to Europe, there has been a relatively muted response to the World Trade Center event in the South. A survey would probably reveal that while many people in the Third World are appalled by hijackers' methods, they are not unsympathetic to their objectives. As one Chinese-Filipino entrepreneur said, "It's horrible, but on the other hand, the US had it coming." If this reaction is common among middle class people, it would not be surprising if such ambivalence towards terrorism is widespread among the 80 per cent of the world's population that are marginalized by current global political and economic arrangements.

There is simply too much distrust, dislike, or just plain hatred of a country that has become so callous in its pursuit of economic power and arrogant in its political and military relations with the rest of the world and so brazen in declaring its cultural

superiority over the rest of us. As in the equation of guerrilla war, civilian ambivalence in the theater of battle translates strategically to a minus when it comes to the staying power of the authorities and a plus when it comes to that of the terrorists.

In sum, if there is one thing we can be certain of, it is that massive retaliation on the part of the US will not put an end to terrorism. It will simply amplify the upward spiral of violence, as the other side will resort to even more spectacular deeds, fed by unending waves of recruits. The September 11 tragedy is the clearest evidence of the bankruptcy of the 30-year-old policy of mailed fist, massive retaliation response to terrorism. This policy has simply resulted in the extreme professionalization of terrorism.

The only response that will really contribute to global security and peace is for Washington to address not the symptoms but the roots of terrorism. It is for the United States to reexamine and substantially change its policies in the Middle East and the Third World, supporting for a change arrangements that will not stand in the way of the achievement of equity, justice, and genuine national sovereignty for currently marginalized peoples. Any other way leads to endless war.

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RACISM CONFERENCE A VICTORY FOR EU

by Ben Cashdan & Dennis Brutus*

To some of us in Africa, it seems as if your new President is scared of getting involved. Whereas Clinton entertained us with his exploits, throwing apologies around liberally afterwards, Bush seems to prefer pre-climactic withdrawal. We are referring of course to the US government's premature departure from the World Conference Against Racism. This was the highest-profile pull-out ever staged by such a low-profile delegation. One wonders whether US officials were sent there with the express purpose of being withdrawn in protest.

What Bush overlooked is that the damage has already been done, and the US cannot dodge its responsibility by its absence. The damage we are referring to is the impact of centuries of conquest, subjugation and economic exploitation on the descendants of slaves, colonised and indigenous peoples. Granted Bill Clinton's apologies pale into insignificance by comparison.

In reality, the former colonial and slave-trading powers needed this conference more than the so-called victims. This was a unique opportunity for Western governments to look on politely whilst representatives of the poor and marginalised aired their grievances,

and for those governments to make a symbolic gesture in the direction of their victims. Infinitely preferable to the hard-core demonstrators on the streets of Seattle or Genoa.

The European Union recognised this. The Belgian Foreign minister stayed an extra night in Durban, holding up an important EU Summit in Brussels, in order to try to come up with a final conference declaration. 'One of the main reasons we need this conference to be a success', he admitted at his press conference, 'is to provide a reply to the "anti-globalists"':

The message Europe wanted to give to the anti-globalisation movement is that Western powers are aware of their historical responsibility for creating poverty and inequality and are on top of the situation. Fancy footwork by Europe ensured just this outcome. The conference declaration denounces slavery and colonialism and recommends remedies based on a "developmental partnership", such as "promotion of foreign direct investment and market access."

Hey Presto! Western elites are absolved of the guilt they might feel for having built their economies on systematic racial exploitation, and, as if by magic, minor modifications to their present economic

policies are offered as remedies. No need for wild calls such as reparations, never mind a fundamental rethink of contemporary capitalism. And as a bonus, Thabo Mbeki and leaders of other African elites consent to the outcome. Not a bad result for Europe. Seems like Bush missed the boat.

Even greater legitimacy was accorded the UN conference by the presence of thousands of non-governmental delegates at the parallel NGO Forum. Not only did African presidents endorse the conference outcome but those boisterous civil-society-types, who have developed a predilection for trying to sabotage international gatherings of world leaders, had their own meeting just a block away.

Not surprisingly, the NGO declaration contains much more radical language than the official UN document. It condemns the contemporary racist exploitation by states of groups such as the Palestinians, the Dalits (or "untouchables") in India, and present-day slaves in Mauritania and elsewhere. And it calls for direct financial reparations to be paid to the victims of racism. It also points to present forms of globalisation as an ongoing source of racial inequality.

What impact will the NGO document have on the UN or its members governments? Perhaps the best indication of this is given by the response of UN High Commissioner for Human Rights Mary Robinson to the NGO document. Her first private reaction was apparently to reject it outright. Later at a press conference she said that whilst it contained some good ideas, she could not recommend it to the main conference. In particular she felt that its reference to Zionism as racism was unhelpful.

Could it be that the whole multi-million dollar event, including the NGO Forum, was a charade, designed to give the impression that the more enlightened elements of global civil society have bought into the empty promises of globalisation? That certainly was the prevailing view in the third gathering, the unofficial "pavement conference" attended by twenty thousand landless and penniless people from around Durban and elsewhere in South Africa.

Unable to afford the \$100 entrance fee to the NGO Forum, Durban's poor held their own assembly and march. This was the largest political protest in South Africa since the demise of apartheid, outside of a labor-union general strike. A few US conference delegates strayed wide-eyed into the gatherings. They may not have understood the slogans being chanted by the masses in Zulu:

"Ulawula ngobubanza Mbeki, e-South Africa": Hey Mbeki you're messing up South Africa. "Wena wawutshelwua ubani ukuthi amanzi ayakhokhelwa": Who told you you could sell us water?

But they couldn't have missed the placards: "Landlessness equals racism". "You promised us land: You gave us jail." "The landless of South Africa support the landless of Palestine". Since the demise of apartheid, just 1% of the land has been redistributed to the black majority. White farmers still own 85% of the land. Homeless families who recently put up shacks on unused land in Johannesburg to fend off the winter cold were promptly and mercilessly evicted by the ANC municipality.

Residents of Durban's still-segregated black townships also condemned the ANC's cost recovery policies that have led to thousands of people having their water and electricity cut off and one hundred thousand people contracting cholera in the past year. Thousands of workers marched to protest the job losses associated with South Africa's homegrown (but World Bank co-authored) structural adjustment program. South African unemployment is estimated to be around 40%, and according to the UNDP, South Africa recently overtook Brazil to become the most unequal society on the planet.

Across South Africa, as elsewhere in the world, a new social movement is forming to resist the new economic apartheid which comes in the form of structural adjustment, corporate excess and debt-dependency. This is a global apartheid system felt ALMOST as strongly in the ghettos of Western cities as in the sweatshops of the Third World. The "Durban Social Forum" was founded on the streets outside the WCAR to challenge this system.

At Porto Alegre in Brazil in February 2002 the second "World Social Forum" will unpack an alternative vision for the world, in which peoples' basic rights are paramount. Later this month protestors will once again challenge the World Bank's dependency-creating policies in Washington DC. Then in November thousands across the world will challenge the proposed new round of WTO talks to be held in the inaccessible state of Qatar. In September 2002 many thousands will return to Johannesburg to challenge the hype at the Rio + 10 summit on sustainable development.

Together with the local struggles for jobs, homes, services, education and healthcare, these are the real cutting edge of the fight against racism on a global scale. The World Conference Against Racism never provided a real opportunity for change. We are pleased that the US government revealed its real interests by going home. At least Bush,

unlike his predecessor, represents a more honest approach.

* Ben Cashdan is a Johannesburg-based scholar, filmmaker and author. His films on Africa and Globalisation will be on tour in the US later this month. For more information check <http://go.to/two.trevors>. Dennis Brutus is a veteran of the anti-apartheid struggle, a renowned poet, and now professor of African studies at the University of Pittsburgh.

NEXT: A WORLD CONFERENCE AGAINST FINANCIAL RACISM

By Trevor Ngwane*

What did we learn from the World Conference Against Racism in Durban? And how do we prepare for the upcoming annual meeting of the World Bank and International Monetary Fund (IMF) later this month in Washington—assuming that in the wake of the tragic terrorist attack that this still goes ahead as scheduled?

Naturally, we mourn for those whose lives were lost. It is not the method of our various Global Justice Movements to deploy any kind of 'terror' against local or global sites of financial and military power. Our durable strengths are mass mobilisation and civil disobedience. Terror attacks provoke fascist repression and strip the progressive forces of the confidence we have in people-power. Given George W Bush's psychology and his backers in the military-industrial complex, our movements for social change can expect tough days ahead.

But last week in Durban showed that we will encounter additional obstacles from our very own leaders in Pretoria. First, the lesson that comes from Thabo Mbeki is that you cannot succeed in mediating between African demands for justice, and US/European denials that they owe us for the crimes of slavery and colonialism. Mbeki's

performance searching for a non-existent middle-ground was shameful, and repeats similar episodes of failure at the World Bank and World Trade Organisation over the last few years.

It is time for Pretoria to demand, firstly, the full, unconditional cancellation of Africa's illegitimate debt—which after all mainly accrued to corrupt, Western-oriented dictators, through which the World Bank and IMF financed the West's geopolitical games. If the answer from the creditor's cartel is no, the rebuttal from Africa must be debt repudiation and a debtor's carte.

After all, the broader strife we face in society follows in large part from international financiers' advice. In January this year, I was in Porto Alegre, Brazil, and over a satellite hookup I accused George Soros of contributing to the 100 000-case cholera outbreak by pressuring our government to be fiscally conservative, he agreed that I was 'actually correct.'

And I am not alone in discovering the racial bias associated with what is called 'neoliberal' economic policy. South Africans have become concerned that the drive to privatise our society's most valued assets—water, electricity and telecom-

munications systems which are vital to reconstruction and development—is based on international financial clout.

There are two kinds: financial speculators raiding the currency periodically (February-March 1996, May-August 1998, February-November 2000) and 'policy advice' which is extremely difficult for weak politicians in Pretoria to resist.

The latter pressure is most evident in persistent demands for macroeconomic policies conducive to South Africa's increased global vulnerability, but also for social policies and even political outcomes that weakened the state, the working-class, the poor and the environment.

Reflecting the pressure to conform to international neoliberal dictates associated with financial power, the ruling African National Congress implemented a controversial, misnamed Growth, Employment and Redistribution (Gear) strategy in June 1996. In part because of the impact of international financial liberalisation, Gear failed miserably in reaching what were, in any case, quite modest targets.

The only two goals achieved reflected finance minister Trevor Manuel's cutting of the budget deficit (including

social programme spending in real per capita terms) and the Reserve Bank's ability to keep inflation under control by imposing the highest interest rates in South Africa's history and hence limiting consumer buying power.

Tellingly, both were targets overwhelming reflective of the power and interests of financiers. And the World Bank participated in the economic modeling and drafting of Gear.

In addition, there were several areas of social policy where an enormous influence was exerted by consultants from the World Bank, which advised that market-oriented solutions would fix problems caused by market failure. The first five years of ANC rule included adoption of the following controversial policies:

* The Minister of Land Affairs and Agriculture adopted a 'willing-seller, willing-buyer' policy similar to the 1980-2000 Zimbabwean model, following World Bank advice from 1992-94. Because of the policy's failure, our rural future may follow the examples of Bredell or of the Zimbabwe war vets.

* The Housing Minister gave R16 000 grants fit only to build kennels, not houses, and relied massively on banks for credit to 'top up' the

structures. Both fatally flawed decisions followed World Bank advice in 1994.

* The Welfare Minister attempted to cut the child maintenance grant by 40 percent, until protested by social activists. In 1995-96, the World Bank seconded a member to the commission which recommended the draconian cut.

* The Minister of Local Government allowed municipal water and electricity cut-offs, some of which led to the cholera epidemic, promoted the privatisation of services, and adopted low infrastructure standards such as mass pit latrines in urban areas. A World Bank mission wrote the first draft of infrastructure policy in late 1994 and helped design several infrastructure privatisations.

* The Water Minister not only privatised rural water, but stubbornly championing the unneeded multibillion-dollar Lesotho Highlands Water Project expansion, which was based on a mid-1980s World Bank design. The Bank's 1999 Country Assistance Strategy claimed that its 'involvement was instrumental in facilitating a radical revision in SA's approach to bulk water management.'

The time has come for South Africa to break the chains of our new, unwanted class-apartheid. The first crucial step is getting solidarity from international allies

who can help change the power balance to fight the emergence of 'global apartheid.'

The most important institutions of global apartheid are financiers, since they have vast resources, speed, communications capacities, pressure points, and an unrelenting ideology that allows them to justify their actions: neoliberalism.

But resistance is emerging too, from Seattle to Prague to Washington, DC. In addition to joining street protests against international financial pressure, activists can participate in the World Bank Bonds Boycott (<http://www.worldbankboycott.org>). South African progressive activists in Jubilee and other movements have helped to catalyse these campaigns. The possibility for democracy and development in South Africa and across the world relies upon a people's victory over international finance.

It happened once before—when international activists forced foreign banks to stop supporting apartheid in South Africa—and it now must happen at a higher scale, to reverse global apartheid.

The next stop for the struggle against racism may be the non-violent demonstrations against financial oppression, in Washington at the end of this month. But if the IMF/Bank meeting is cancelled in coming days, it only means we will be consolidating with

more passion here in Africa, in our campaigns to send IMF/Bank staff home from their plush offices in the capital cities, instead of allowing them the legitimacy they require from Pretoria to carry on with the misguided, Washington-oriented New African Initiative.

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BRINGING IT ALL BACK HOME: ANTI-GLOBALISATION ACTIVISM CANNOT IGNORE COLONIAL REALITIES

By Aziz Chowdry*

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We are faced with a two-fold challenge, to struggle as best we can to deal with the immediate consequences of globalisation. Secondly, and more difficult, to contextualise those problems within the 500-year-and-more history of the culture of colonisation” - Moana Jackson, Ngati Kahungunu/Ngati Porou, lawyer and Maori sovereignty advocate.

“For us, as Indigenous Peoples, we have noticed an interesting thing happening in the last twenty years. We see the colonisation process has been redirected. It is now directed towards the non-Indigenous citizens. The companies are cannibalising their own settlers. Now, the shoe is on the other foot. Where do you go for help against the multinationals who are going to swallow up your jobs and your lifestyle? Indigenous Peoples are not really interested in keeping companies within Canadian control. These companies have been abusing our lands. What does it matter if the company is Canadian or American or German or Japanese owned? All these companies are abusing our lands and resources. Why should Indigenous Peoples help non-

Indigenous People protect their jobs and security when these same people have been destroying our lands and waters? Globalisation for us is colonisation continued without any letup. The question is to the colonisers. What are the colonisers doing about addressing the issues of colonisation and its continued oppression of Indigenous Peoples?” Sharon Venne, Cree lawyer and scholar.

Many on the left point out that opposition to free trade and the neoliberal agenda is not necessarily anti-capitalist. They’re right, of course - it comprises a diverse range of organisations, movements, motivations, agendas and goals.

Among anti-globalisation networks there is widespread coinage of the terms “colonisation” or “recolonisation” to describe the current manifestations of globalisation. But does that mean that the mobilisations and activism against globalisation are anti-colonial? For the most part, I don’t think so.

If those of us living in colonial settler states like New Zealand, Australia, Canada and the USA are prepared to take on transnational corporations, the Bretton Woods institutions, and the neoliberal agenda we must also address

Indigenous Peoples’ struggles for decolonisation and self-determination.

There are relatively few anti-globalisation initiatives where the perspectives and struggles of Indigenous Peoples located in the “western democratic” colonial settler states have taken centre stage. Their analyses and challenges are all-too-often relegated to the anti-free trade movement’s equivalent of a social clause or an environmental side agreement; side issues to be partitioned off into a different space from unity statements and conference declarations which tend to articulate noble-sounding demands about people power, taking back “our” country, regulating corporations, genuine participatory democracy, etc.

In his recent book, *Human Rights Horizons*, Richard Falk writes of the USA’s “perpetual rediscovery of its own perceived innocence.... Despite the dispossession of the Indigenous Peoples of North America, despite slavery and its aftermath, despite Hiroshima and Vietnam, this self-proclaimed innocence remains untarnished”. I’ve talked with activists from several countries about this kind of phenomenon as it impacts on the perspec-

tives of “civil society” in the USA, Canada, Australia and New Zealand. Many social justice campaigns, NGOs and activists in these countries operate from a state of colonial denial and refuse to make links between human rights abuses overseas, economic (in)justice, and the colonisation of the lands and peoples where they live.

The doomsday scenario of corporate rule, transnational plunder, environmental and social disaster which many opponents of the global free market economy warn of has long been everyday reality for many Indigenous Peoples. Modern transnational corporations are after all the heirs to the Hudson Bay Company, the New Zealand Company, the East India Company - major players in earlier waves of colonisation and the commodification of peoples, lands and nature.

In our meetings, analyses, speeches and demonstrations we can talk about transnationals, the WTO, globalisation as recolonisation, and perhaps even the neoliberal agenda in the context of colonialism in the Third World. But to advocate Indigenous Peoples’ right to self-determination closer to home often seems a surefire way to fast-

tracking one to extremist or pariah status - even among social and environmental justice activists. It might "alienate" people, I've been told.

Many struggles against globalisation taking place in the South are connected to anti-imperialist, anti-colonial mass movements with long histories. However, the voices heard most loudly and insistently in the international media and at most major international gatherings opposing the neoliberal agenda and building alternatives are rarely those of grassroots community activists from the South, let alone Indigenous Peoples in the countries of the global North. Well-resourced NGOs and trade unions usually based in the West, tend to command considerable power to set the parameters of the debate and direction of the campaigns against corporate globalisation.

Far too many times have I heard the history of globalisation - and the resistance to it - compressed into the last two or three decades, and related in a way which downplays or ignores anti-imperialist movements in the South and especially the resistance of indigenous nations in territories claimed by Canada, New Zealand, Australia and the USA. In Canada and the USA I have shared platforms with North American speakers who curiously trace the history of free trade back to the Trilateral Commission. Here in New Zealand, I

have seen white environmentalists accuse Maori of "reverse racism" for daring to assert their rights to protect indigenous flora and fauna under threat from bioprospectors and the TRIPs agreement. At other international conferences on globalisation, activists have dismissed Indigenous Peoples' perspectives on globalisation as "narrow" and "nativistic", arguing that they do not attach enough importance to class analysis.

Naturally we feel outrage at security clampdowns against popular mobilisations in Quebec City, Vancouver, Seattle, Washington DC, Melbourne, and Auckland. But shock and surprise? Colonial governments have always used police and military as an army of occupation against Indigenous Peoples. State-sanctioned abuses against indigenous communities have long been a dime-a-dozen but have frequently failed to register with many folk.

I have heard the fairy story, told with passion, authority and a touch of nostalgia, by non-indigenous New Zealanders, North Americans and Australians who speak earnestly of the freedoms and democratic rights enjoyed in their countries. Apparently things were pretty good until the neoliberal ideologues and big business seized control, opened up the economy, started hocking everything off to

the transnationals, and saw Joe and Jill Citizen dispossessed of things that they thought were theirs. So say dozens of activists, academics, politicians as they state their opposition to the neoliberal agenda. This version of history begins when globalisation started impacting non-indigenous peoples. The words "democracy" and "sovereignty" crop up time and time again in their talks, and in anti-globalisation literature and campaigns in these countries. What do such appeals to democratic traditions, concepts and values mean when they ignore past and present-day realities of colonisation in these countries?

While attending the 1997 Peoples Summit on APEC in Vancouver I remember being struck by how speaker after speaker attacked transnationals, and identified them as the driving force behind APEC, yet utterly ignored struggles like that of the Lubicon Cree Nation in Northern Alberta - the next province - against gas, oil and timber transnationals invading their unceded territory with the complicity of the Canadian state. Nor did the fact that a "liberal democratic" government of Canada, like the one which through hosting APEC hoped to influence Asian trading partners with "Canadian values", had sent more armed forces against Mohawk people defending their lands in the 1990 standoff near Oka, Quebec than it sent to the Gulf War rate a mention. But then again,

the Vancouver Peoples Summit itself was part-funded by the same NDP British Columbia provincial government which in 1995 initiated a massive military operation at Gustafsen Lake only a few hours drive away, against a small group of Indigenous Peoples defending their sacred lands.

Many critics of globalisation play down the role and relevance of the nation-state, attributing power almost solely to transnational corporations and international institutions like the Bretton Woods triplets. Yet this takes the focus away from the nature and power of the state and even romanticises it. Such global campaigns run the risk of distracting people's gaze from long-standing injustices underfoot. In delegitimising these global actors we must be very aware of the dangers in uncritically legitimising nation-states which are themselves based on the dispossession of Indigenous Peoples. We cannot ignore the centuries of resistance by many indigenous nations against incorporation into the colonial state. We cannot ignore the colonial foundations of the countries in which we live. To do so is to mask the true nature of our societies, and the extent to which they are built on colonisation and exploitation.

How can Indigenous Peoples be expected to validate, affirm and seek incorporation into

national or international movements dominated by non-indigenous activists, organisations and agendas which are reluctant to address domestic issues of colonisation with the same vigour and commitment that they put into fighting transnational capital or the WTO?

Of course some important alliances have been forged between Indigenous Peoples and non-indigenous organisations confronting globalisation. Many (usually small, under-resourced) activist groups struggle hard to draw the connections between corporate globalisation and colonisation, to support local indigenous sovereignty struggles and educate non-indigenous peoples about these issues.

Movements to expose and oppose corporate globalisation have a very real potential to mobilise support from non-indigenous people for meaningfully addressing the issues of colonisation in New Zealand, Australia, Canada and the USA. We should be challenging the jurisdiction of these colonial settler state governments as they move to sign international trade and investment deals, in the light of their continued denial of Indigenous Peoples' rights, jurisdiction, and title.

The centuries-old culture of colonisation holds the key to understanding and defeating the current wave of globalisation. If

we understand how "democratic" governments like Canada can sanction the ongoing assault on indigenous lands and communities it isn't hard to understand why such governments subscribe to freemarket international trade and investment policies.

In determining the values and foundations on which we build alternatives to the neoliberal agenda our movements must be prepared to examine our own propensity to oppress. We cannot build alternatives to globalisation on the rotten foundations of the denial of occupying indigenous lands and the ongoing suppression of Indigenous Peoples' rights. "The colonisers are always building rotten foundations and expecting us to step into a completed building" says Sharon Venne.

If anti-globalisation activists and organisations do not address these questions with some urgency then I fear that the growing resistance to neoliberalism in the global North risks being as inherently colonialist as the institutions and processes which it opposes. Our usage of the term colonisation will be little more than empty rhetoric if our analysis does not acknowledge the context in which corporate globalisation - and the worldwide opposition to it - is taking place.

Those of us active in anti-globalisation struggles in Canada, the USA, New Zealand and

Australia need to examine our role in the colonisation and globalisation of the earth. Only then can we seriously talk about liberation and real alternatives to the neoliberal agenda.

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THE CONGLOMERATE THREAT TO CRITICAL JOURNALISM

By Walden Bello*

Speech delivered at Asia Press Forum, Seoul, 17 September 2001

The region is today experiencing a number of conflicts between the press and the authorities. I think it is important to be discriminating here and not regard all situations as the same. Here in Korea, you apparently have a complex situation where issues other than press freedom are involved. (1)

In the case of Thailand, the issue is the threat posed by the combination of the extensive interests of Prime Minister Thaksin's family in the private media and his authority over the state-run media. So far it seems the threat is more potential than real. In Malaysia and Singapore, the restrictions on press freedom by authoritarian states are very real and worrisome, although this mainly assumes the form of "self-censorship" by media practitioners.

But whatever their differences, it is important to closely monitor the situation in all these countries and others, so

that the freedom of the press is not compromised in some countries and is expanded in others.

What I would like to focus on in this talk is the threat to the integrity of journalism in the region posed by the increasing concentration of the production and delivery of information and opinion and entertainment production in the hands of a limited number of global conglomerates. This threat, I would contend, is as dangerous—if not more so—than that posed by government.

Robert McChesney, a leading specialist on the media, wrote recently "in few industries has the level of concentration been as stunning as the media." (2) In a very short period, the global media has come to be dominated by seven multinational corporations: Disney, AOL-Time Warner, Sony, News Corporation, Viacom, Vivendi, and Bertelsmann. All these conglomerates are western-controlled, four of them being American, if we count Rupert Murdoch, who is now a card-carrying US citizen and is headquartered in the US, as an American.

JURASSIC PARK

The swift evolution of the global media into institutions of Jurassic size responded to a revolutionary global situation in the 1990's marked by the conjunc-

tion of lightning advances in information and telecommunications technology, tremendous amounts of capital seeking profitable investment, and the globalization of markets promoted by comprehensive economic liberalization pushed by such institutions as the International Monetary Fund and the World Trade Organization. As in other industries, the frenzied snapping up of enterprises and the mergers have led to over-investment and overcapacity, so that loss of competition has gone hand-in-hand with decreased profitability. Unlike in other sectors, however, the impact of concentration goes beyond the economic to the cultural, and this will be with us for some time to come in the form of a radical narrowing of horizons, perspectives, and approaches in journalism.

Much of this process of concentration has been good old horizontal integration. Rupert Murdoch's News Corporation has been called the "most aggressive global trail-blazer...." (3) With over 130 newspapers, including the venerable London Times and less than venerable Fleet Street types, News Corporation is the world's largest news publisher. It owns the right-wing Fox Broadcasting television network in the United States; Twentieth

Century Fox Corporation, a leading producer of movies and television shows; HarperCollins Publishing Company, one of the US's biggest book publishers; International Family Entertainment, a US cable television company; El Canal Fox, a Latin American cable TV network; and 22 US television stations.

Here in Asia, News Corporation recently moved into Japan, where it set up Japan Sky Broadcasting Company, a joint venture with a Japanese Bank. Star Television, a satellite TV network, is the region's most popular satellite service, reaching out to over 42 million homes in several countries, including India, Taiwan, Saudi Arabia, Israel, Hong Kong, Philippines, South Korea, Thailand, United Arab Emirates, Pakistan, Indonesia, and Kuwait. In Thailand alone, an estimated 142,000 households are tuned into Star. (4)

China is billed as News Corporation's frontier, yet via Phoenix TV, a Hong Kong-listed firm with access to southern China, it already reaches an estimated 45 million households in that country. There are reports that News Corporation is about to conclude a deal with the Chinese government that would give it even greater access in

Guangdong Province in return for carrying the official China Central Television (CCTV) in the United States. (5)

Going head-to-head for the China market is the AOL Time Warner hyper-conglomerate. If News Corporation is a classic case of horizontal integration, AOL Time Warner is a case of vertical integration, which is said to be the key to survival in the clash of titans that will mark the Jurassic Age ahead. A product of a \$103 billion deal just a few months ago, AOL Time Warner brought together the world's largest Online service provider, with its 30 million subscribers, and the world's largest "infotainment" conglomerate.

The AOL Time Warner group also includes Time, Inc., the US' largest magazine publisher whose flagship publication is Time, which is brought out in scores of regional and national editions and in dozens of languages. It controls Warner Music Group, the US's no. 1 music company; Warner Brothers, a leading producer and distributor of movies; Time Warner Cable; HBO, the US's no. 1 pay-TV service; the cable TV services TBS and TNT; Book-of-the-Month Club, the US's no. 1 book club; and, last but not least, Mad Magazine.

Already AOL Time Warner influences the lives of many of us through CNN, which appears to have access

to almost every hotel and motel room in the world, though in the US, this "liberal" network is getting a good run for its money from the anti-liberal Fox Broadcasting belonging to Murdoch, forcing its programming to move rightward.

A key global conglomerate with a significant presence in Asia is Dow Jones and Company Inc, whose two publications based out of Hong Kong, the Asian Wall Street Journal and the Far Eastern Economic Review, reach professional, business, academic, and government circles throughout the region. The Far Eastern Economic Review, which has been in a process of constant shakeup since it was acquired by Dow Jones a couple of years ago, is often cited as an example of how an outstanding independent newspaper can degenerate into mediocrity under the control of a media oligopoly determined to impose narrow content and style standards and conservative pro-market philosophy via proconsuls with little knowledge of the region—in this case, from New York.

Dow Jones' crown jewel is, of course, the Wall Street Journal, the no. 2 daily newspaper in the United States. Lesser gems include Barron's, a weekly magazine of investment news and opinion; Dow Jones Markets Service, an online business and financial news service; Asian Business News, a Singapore-based news television network, and

its counterpart in Europe, the London-based European Business News.

The reach of these conglomerates must not be measured only by the number of direct subscribers to their various publications and media. In each of our countries, their power to shape opinion is amplified via the appearance of news articles, radio broadcasts, and TV segments obtained from them via a variety of arrangements with local media, including those in the vernacular.

Concentration of power and influence by the western media conglomerates has been accompanied by four notable trends in reporting and opinion making:

- homogenization of views underneath surface pluralism;
- commodification of news and views;
- diffusion of an anti-analytical methodology of reporting and analysis that fails to draw out the relationships among phenomena or developments; and
- pervasiveness of a paradigm that filters out inconvenient data and filters in only those that fits its underlying assumptions.

HOMOGENIZATION OF VIEWS

Contrary to the idea that there is a plurality of views in the western press, there is, in fact, a very narrow range of perspectives. Indeed, editorial writing and reporting has been

marked by a homogenization of views. Nowhere is this more evident than in the way that the western press has unanimously glorified globalization. In the go-go nineties, it was rare to see views critical of globalization given attention in the established media. Such views were considered outside the pale, even though for years, the UNDP had been chronicling the very real downside of globalization. Such statistics on rising inequality and poverty were facts but not realities. In 1995, 1996, 1997, indeed even after the Asian financial crisis, one would have been hardpressed to find a dissenting note on the rosy future offered by corporate-driven globalization in the Asian Wall Street Journal, Far Eastern Economic Review, Asiaweek, Business Week, Time, and CNBC.

It was only after the collapse of the Seattle Ministerial brought about by the growing global political movement against corporate-driven globalization that things changed. People that had formerly been dismissed as Luddites were now grudgingly portrayed as having a point. Truths that were at least a decade old were finally acknowledged, and here let me take as an example, Business Week of the AOL Time Warner Group in its issue of November 6, 2000:

"The downside of global capitalism is the disruption of whole societies,

from financial meltdowns to practices by multinationals that would never be tolerated in the West. Industrialized countries have enacted all sorts of worker, consumer, and environmental safeguards since the turn of the century, and civil rights have a strong tradition. But the global economy is still in the robber-baron age...If global capitalism's flaws aren't addressed, the backlash could grow more severe."(6)

Why the change? It was not because of the disinterested perspective of looking for the truth and reporting it that the western press is so fond of citing as its guide. No, it took the power of the people in the streets of Seattle and Washington and Chiang Mai and Genoa to transform facts into realities for the conglomerate press.

COMMODIFICATION
Homogenization is related to another development that was especially marked in the business press in the period leading up to the Asian financial crisis: the commodification of news reporting and opinion making—that is, the growing tendency to treat information primarily as something to be marketed.

The Asian prosperity in the late eighties and early nineties was what attracted the big players from the West into the region. Among the more momentous deals was the purchase of the Far Eastern Economic Review by Dow Jones, of

Asiaweek by Time Warner, and of Star Television in Hong Kong by Rupert Murdoch. CNN, another Time Warner subsidiary also moved in, with much of their programming devoted to business news.

These news agents became critical interpreters of the news in Asia to investors located all over the world and served as a vital supplement to the electronic linkages that made real-time transactions possible among the key stock exchanges of Singapore, Hong Kong, Tokyo, Osaka, New York, London, and Frankfurt a reality.

For the most part, these publications and media, whether they were independent or part of the big chains, highlighted the boom, glorified the high growth rates, and reported uncritically on so-called success stories, mainly because their own success as publications was tied to the perpetuation of the psychology of boom. The production of news and opinion came to be dominated less by the communication of truth but by the marketability of what was reported. When it came to business and economic news and analysis, negative news was simply not marketable. Not surprisingly, a number of writers doing critical stories on questionable business practices, alarming developments, or failed enterprises complained that they could not place their stories, or that their editors told them to

accentuate the positive.

Parachute journalism, a phrase applied to writers who flew in, became instant on the Vietnam War or the Philippines under Marcos, then left after filing their big stories, became a practice as well in the 1990's, with Fortune, Business Week, Newsweek, and Time setting the pace. It was, for instance, a hotshot reporter with the Newsweek airborne brigade who, more than everybody else, sanctified the Philippines' status as Asia's newest tiger during the Subic APEC Summit of November 1996—a status that lasted less than eight months, until the collapse of the peso in July 1997.

Many of these business publications, in turn, developed an unwholesome reliance on a character-type that proliferated in the region in the early 1990's, the investment adviser or strategies—an "expert" connected with the research arms of banks, investment houses, brokerage houses, mutual funds, and hedge funds. In many instances, noted Philip Bowring, former editor of the Far Eastern Economic Review, economic journalism degenerated into just stringing along quotes from different investment authorities. (7)

Many of these people were expats, some of them refugees from the collapse of the stock markets in New York and London in the late 1980's. Some of them

were Generation X or pre-Generation X types who had been too young to participate in the junk bond frenzy in Wall Street in the Reagan years but discovered similar highs in the East. Many of them were as young as Nick Leeson, the 26-year-old broker who brought down the venerable Barings Brothers. But to the reporters in the business press, their advice on going underweight or overweight in certain countries or taking short or long positions in dollars or moving into equities and out of bonds or vice versa were dispensed to readers as gospel truth. This is not to say that investment advisers and business writers dispensed uniformly optimistic advice to investors playing the region. It did mean, however, that they could not afford to paint too pessimistic a picture of any country in the region since after all their bread and butter came from bringing global capital into Asia.

But it was not just investment advisers that the press relied on to create a never-never land that helped to bring in more and more capital. There was also the western academic establishment. For it was, after all, not Asians but mainly economists and political scientists in the West who formulated the interrelated propositions that an economic miracle had come about in Asia, that high growth was likely to mark the region in the foreseeable future, and that Asia would be the engine of the world economy far

into the 21st century. Indeed, a whole cottage industry to assist Western businessmen to deal with those formidable Asians was spawned a partnership of New York and London publishers, business reporters and analysts, and political scientists and economists. And one must not leave out the World Bank, whose publication *The East Asian Miracle*, which came out in 1993, became a kind of bible in the academic world, the corporate world, and the press, a book that revealed the truth about the origins and dynamics of the economies that would serve as the engine of the world economy in the 21st century.

In short, the conglomerate press was part of a supporting cast of important actors behind the great Asian boom whose uncritical acts led to the great Asian bust. The 10-year rush into Asia of global speculative capital cannot be disentangled from this Greek chorus singing its siren song of "Asian exceptionalism," painting a picture of Asia as the region of permanent prosperity.

Let me briefly review where we are before proceeding: The conglomerate press can be as homogeneous and uncritical as the totalitarian press, and in its consequences, equally dangerous. Pluralism is a convenient figleaf for a homogeneity of views that is just as negative and disastrous in its impact, as the financial

crisis and its aftermath was to show. Homogeneity was, in the period leading up to the Asian financial crisis, a homogeneity of feel-good news and views on the business and economic front. News reporting and opinion-making increasingly became commodified, and there was simply no market for any news except that that would support the belief that Asia was a never-ending bonanza.

ABSTRACTED EMPIRICISM

I would now like to go to my third point, which is methodological: western reporting and analysis is marked by a profoundly anti-analytical empiricism that misses the essential relationships among phenomena and gives us a profoundly distorted view of certain developments. Let me call this, to use a phrase from the great American sociologist C. Wright Mills, "abstracted empiricism."⁽⁸⁾ I am tempted to use the established media's reporting and analysis of the recent events in the United States as an example, but this massive tragedy is too raw at this point. I would like to use as an example instead reporting on Mexico and the drug trade as an example of the pernicious effects of this sort of reporting.

Mexico, like Colombia, has become synonymous with drugs, and the western media, for the most part, attribute this to a culture of corruption and poverty. Now and then, there is

reference to the fact that it is US demand that is fueling Mexico's drug trade, which helps keep things in perspective. But hardly is the connection made between the pervasiveness of the drug trade and the globalization and liberalization of the Mexican economy via structural adjustment programs imposed by the World Bank and the International Monetary Fund over the last 20 years.

Mexico saw no economic growth between 1982 and 1988, in contrast to an annual GDP growth rate of 7 per cent in the 1970's. This lost decade was a direct consequence of the IMF-World Bank program of structural adjustment that was imposed on the country after the onset of the Third World debt crisis. A combination of deflationary fiscal and monetary policies cum radical liberalization of trade, deregulation of the domestic economy, and privatization of state enterprises created a devastating social situation. Real wages plunged by over 40 per cent between 1982 and 1988, the percentage of unemployed and underemployed rose to around 40 per cent, and half the population plunged below the poverty line.

Much of the population was still down and out, when the country was hit by a second depth charge triggered by the IMF-imposed radical financial liberalization that tied Mexico to volatile global financial markets in the late eighties and early

nineties. The Mexican financial meltdown, brought about the massive flight of speculative capital that had come in to take advantage of the country's high-yield Treasury bonds and other financial instruments, resulted in the economy contracting by over six per cent, over one million people thrown out of work, hundreds of enterprises plunged into bankruptcy, inflation at over 50 per cent, and a drop in real income by over 10 per cent. Mexico's experience of structural adjustment and financial liberalization, with two massive contractions within 15 years, was the economic equivalent of the Dresden blitz.

Essentially, it left very few profitable large-scale economic activities in the country. It was in the depressed eighties and early nineties that the drug economy took off to become what is now by far the most profitable economic activity in the country. The drug economy, in short, was an offspring of the IMF-World Bank programs that were imposed as a straitjacket on the Mexican economy. But you would not be able to arrive at such an analysis reading the *New York Times* or *Time* or the *Washington Post*. Or watching CNN. For the most part, these media did not transcend their role of dispensing factoids instead of critical analysis. This is not to say that there were no media in the West that made the links. There were a few

that did, and they were not affiliates of the big conglomerates: the Guardian in Britain, the Nation in New York, and Le Monde and Le Monde Diplomatique in France.

PROBLEMATIC PARADIGM

Homogenization, commodification, and abstracted empiricism are part of a larger problem, and that is a non-self-reflective press that is imprisoned in a framework that does not so much interpret reality but organizes it in ways favorable to its underlying interests. I am not talking about a conspiracy to falsify reality. I am talking about the conceptual and ethical assumptions that form the pillars of what is now commonly called, following Thomas Kuhn, a “paradigm.”(9) I am talking about an ideological process that “filters in” some aspects of reality and “filters out” others, thus unconsciously distorting the perception, reporting, and analysis of the social world.

In my view, there are three very influential assumptions that guide or structure reporting and opinion-making in the dominant western media in the areas of politics and economics:

First, the supremacy of the market is the best principle around which to organize economic life.

Second, liberal democracy is the best principle around which to organize political life.

Third, it is in the West and particularly in the United States that this combination has achieved its highest evolutionary form.

Now for those of you who have followed the discussions of political theory since the end of the Cold War, these three assumptions are strikingly similar to the key assertions of Francis Fukuyama. According to this American intellectual, history has ended, and liberal democratic societies based on market economics are the end-point of social and political evolution. (10)

Now, many of the writers in the western media have parodied Fukuyama, a few out of genuine disagreement, but most because they have misunderstood his message, conveyed as it was in oftentimes Hegelian obscurity. However, the subtext of the news reports and editorial opinions that spew forth daily in the western media—be it the Financial Times, CNN, Fox Broadcasting, CNBC, the New York Times, or the Wall Street Journal—continually reveal that they share Fukuyama’s premise: that social evolution has reached its high point in the West, particularly in the United States, and there economics and politics are no longer about bringing about fundamental reform but of making relatively improvements to essentially perfect institutions. They continually reveal that despite the occasional bow to “diversity,” our economic and political arrangements in Asia

and the South are measured by the degree to which they measure up to the western or American yardstick.

Of course, there are variations in the ways these assumptions are communicated. There is the hard conservative version, one which delivers the message with a mixture of missionary zeal and arrogance. Charles Krauthammer, the right-wing pundit of the Washington Post, gives us a classic expression of this in a Time essay entitled “America Rules: Thank God”: “Individual rights, government by consent, protection from arbitrary power, the free exchange of goods and ideas. We inherited them. We codified them. And now we propagate them...The world could do worse than be dominated by a country so committed to these ideas that it cannot help trying to foist them on everyone else.”(11)

Liberals tend to be more oblique or indirect, but in their moments of candor about the assumptions they employ in their writing, they reveal their sharing many of the assumptions and values of their conservative counterparts. In a Financial Times column with the heading “America Rules OK,” the British writer Martin Wolf says that “the world should be grateful for the hegemony of the United States throughout the 20th century.” Why? Because the United States is “the Enlightenment’s best product, characterized by the division of church

from state, by republican institutions, by the separation of powers and by the rule of law. It is a country dedicated to the democratic proposition that who you are depends not on inherited status but on achievement.”

Wolf admits that a world dominated by the US has its imperfections, but “who can doubt that a world with an increasing number of democracies and stronger global institutions, with a dynamic market economy and continued technological advance is the only possible basis for human advance?”(12) Here we are clearly in the realm of faith and ideology.

Any attempt at ideological deconstruction of the neoliberal paradigm that imprisons most of the western press would not be complete without considering the high priest of US-led globalization, the New York Times’ Thomas Friedman. With Friedman, the arrogance of the underlying paradigm emerges in full glory, as the following passage reveals:

“If 100 years ago someone told you that by the end of the century, the defining feature of world affairs would be “globalization”...and that you had to design a country best suited to compete in such a world, in many respects you would have designed today’s America “(13)

Friedman asserts that “the US has the world’s most diverse and efficient capital markets,

which reward, and even celebrate, risk taking. Anyone with an invention and a garage can hope to raise millions overnight. It has a multicultural population that speaks the language of the Internet, a constantly renewing flow of immigrants, a transparent legal and regulatory environment, and a flexible federal political system. It has a job market that enables workers to move easily from one industrial zone to another, and a corporate sector that has, unlike Europe's and Japan's, already gone through the downsizing and restructuring needed for global competitiveness. It has multiple economies, with a single currency, on a single continent that looks to both the Pacific and the Atlantic."

"Globalization," Friedman concludes triumphantly, "is us." I will refrain from further commentary.

UNREFLECTIVE IDEOLOGY

Now some people say that for all their faults, Krauthammer, Wolf, and Friedman, should be given credit for being candid about their biases. Yes, they are frank, but this does not get them brownie points. For the candor is not accompanied by a reflexive attitude, by a critical appreciation of one's paradigm that is a sine qua non of critical journalism.

Ideological writing, let me make clear, is not falsification. Ideology both reflects and inverts reality. Ideology enables

one to mercilessly criticize the Communist Party of China from a moral high ground. But when unreflective, ideology makes the subject blind to the limitations or flaws of the yardstick that he or she uses to judge political systems in the South—in the case, of Krauthammer and company, the US political system. It does not allow the writer and thus his or her audience to appreciate the fact that the US electoral system is systematically rendered undemocratic in its outcomes by the way wealth intervenes at every critical juncture in the process of choosing representatives. It does not allow people to understand that given the massive costs of running for office, political competition is effectively limited to those with wealth or are backed by moneyed interests. The dictatorship of wealth may not be as obvious or direct as a political dictatorship, but it is very real in its processes and consequences.

Nothing symbolizes better the way corporate wealth and constitutional rules meant to restrain the majority determine electoral outcomes in the US better than the fact that President George W. Bush, the man backed by massive corporate money, became president of the US, despite the fact that he lost the popular vote and, according to some studies, the electoral college vote as well. Indeed, so corrupted is the US system by

corporate money that many Americans are convinced that it should be designated a "plutocracy." As William Pfaff, one of those few critical voices carried in the conglomerate press notes, "nothing on the scale of the American system of political expenditure and influence exists anywhere." (14) This deep sense of unease was reflected in the fact that it was the desire for a reform of a system of campaign financing prevented by corporate money that propelled the candidacy of Senator John McCain, who made a strong run for the Republican nomination in the spring of 2000.

The ideological biases of the western press so distort reality that it would be difficult to glean from their reporting that while seemingly stable, the US is actually in an advanced state of political crisis.

The deeply corrupting role of corporate money in political life is not the only burning issue. There are others, but they are largely kept from the public focus by the dominant paradigm. There are also the urban crisis, a class gulf exacerbated by free trade and capital mobility, the worst distribution of income among the industrial countries, a racial crisis masking as a law-and-order problem, the cultural war between fundamentalists and liberals, and the increasing power of the military.

The western press has been so doctrinally

confident in the superiority of the American system, in its belief in civilian supremacy in Washington that it has failed to notice and expose the fact that, as one independent commentator puts it, the "military is already the most powerful institution in American government, in practice largely unaccountable to the executive branch. Now the armed forces are setting the limits of American foreign policy...The United States is not yet 18th century Prussia, when the military owned the state, but the threat is more serious than most Americans realize." (15)

It has been through other means, not through reading the establishment media, that a world that had long been told about the superiority of the Washington system of political rule has had to learn the flaws of a system designed to enhance private power and limit public power, to put infinite obstacles in the way of public power achieving socially progressive ends, to put the ends of realpolitik ahead of democracy in domestic and foreign policy. The following comments of Daniel Lazare in his influential book *The Frozen Republic* are widely shared:

"Government in America doesn't work because it's not supposed to work. In their infinite wisdom,

the Founders created a deliberately unresponsive system in order to narrow the governmental options and force us to seek alternative routes. Politics were dangerous; therefore, politics had to be limited and constrained. But America cannot expect to survive much longer with a government that is inefficient and none too democratic in design. It is impossible to forge ahead in the late twentieth century using governmental machinery dating from the late eighteenth. Urban conditions can only worsen, race relations can only grow more poisonous, while the middle class can only grow alienated and embittered.”(16)

IDEOLOGY AND THE “NEW ECONOMY”

The same sort of ideological blindness, this time concerning the role of unregulated capital markets, prevented their audience from coming to grips how serious the deflation really is. A recent article in *Business Week* asks why “America is in serious denial” of the deep-seated structural flaws that have led the current very fast downspin of the economy. (17) The question we ask is why it took *Business Week* and other established media so long to recognize the depths of the problem? One may perhaps understand the media’s failing to call the Asian crisis. But it is very difficult to understand why the press failed to recognize the same problems in the US

after the Asian crisis: over-investment in manufacturing, creating “excessive global supplies of almost everything,” as economist A. Gary Shilling put it, (18) leading to a profit crunch in industry, resulting in a wave of mega-mergers to counter the worrisome decline in profitability and to capital being shifted to speculative activity, leading to the Internet, high-technology bubble that finally burst earlier this year, wiping out of \$4.3 trillion in investor wealth.(19)

The severe stresses were very visible, and many independent commentators pointed to it, but, in herd-like fashion, the established press was obsessed from 1999 to 2001 with the question of whether or not America had evolved a “A New Economy” under the wise guidance of Alan Greenspan. There was a debate, undoubtedly, but the debate was over whether or not the economy had now transcended the old business cycle or was still subject to it, not over whether severe structural stresses were building up that could lead to a the economic implosion that is now in progress. This was not a question of the lack of indicators, but a blindness to the deeper meaning of these indicators. And from where did this blindness spring? I would contend from the deep-seated belief in the superiority of an economic system driven by barely regulated markets, whose infinite wisdom would bring about the optimum allocation of capital and

the best of all possible worlds, in contrast to over-regulated Europe and crony capitalist Asia.

DECONSTRUCTION AND RECONSTRUCTION

Let me conclude by saying that even as authoritarian controls over the press continue to be a threat to a free press in Asia, and even as we fight to lift outright censorship or self-censorship in places such as China, Malaysia, and Singapore, we must not lose sight of the fact that the greater threat to the integrity of the press and media is the centralization and concentration of the global media in the hands of a small number of western corporate oligopolies. This trends toward monopolization carries with it the very real dangers of the imposition of the hegemony an ideology whose hallmarks are a ideological uniformity beneath a surface pluralism, commodification of information production and delivery, an underlying paradigm suffused with values filtering out uncongenial truths—uncongenial that is, to the eternal truths of the superiority of free markets and western-style liberal democracies—and a methodology of abstracted empiricism.

What this means is that the practice of responsible journalism, in Asia and elsewhere, has become one of deconstruction and reconstruction. The reporter or the opinion writer must, on the one hand, deconstruct the

ideological and methodological filters that subtly reshape the realities that are presented to people by the dominant media. Then, we must place events, both local and international, in their very real relationship to the structures and dynamics of a process of globalization that is not neutral but serve the interests of certain groups.

Reading, writing, or presenting the realities of our societies and those of the world is an effort that must engage to the full our critical faculties—one that unites writer and reader, viewer and broadcaster in a common enterprise of education, discovery, and liberating action. To make a difference in this age of globalization dominated by mechanisms of ideological control far stronger than the state-controlled media of totalitarian states of the past and present, journalism must cease being a dispenser of factoids and once again become an instrument of liberation by being reflexive, critical, and a partisan of the truth. This is what it means to fight for freedom of the press and freedom of thought in our time.

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