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EDITORIAL

POUR ENCOURAGER LES AUTRES

As so often we are all left swimming, for perhaps as long as four months, in another lake of Eurofudge, as yet another can is kicked down the road.

The only certainty, now agreed by a consensus of mainstream economists, is that a Greek recovery is impossible within the straight-jacket of the Euro. Prior to the advent of the Euro, there would, every ten to fifteen years, to a 'currency re-alignment' by which the softer currencies of southern Europe could devalue against the harder currencies of northern Europe. Now that can no longer happen.

The Euro is now as never before, and to all intents and purposes, a Greater Deutschemark, appropriate to the industrial economies either side of the Rhine valley, but entirely out of kilter with the economies of southern and peripheral Europe.

The Euro was always an entirely political project, as is now freely admitted by almost all of the Euro nomenklatura. The logic was thus … that Europe must be a single unitary state ... ergo it must have a single currency … ergo it must have a single homogenous economy.

That might be the case when olives are grown in Sweden and we have a BMW factory in Crete. Otherwise no thought was given to the logic of optimum currency areas, or the very self evident fact that the economies of Europe are very far from being homogenous.

Rather, we have the Great Globalist Vision of Making Everywhere the Same. Is there any objective reason, other than the empire-building of the Euro nomenklatura, why the economies of Europe should all be the same? In truth they never have been, are never likely to be, and there is no reason why they ought to be.

At the outset of the crisis Greece was already one of the poorer and most marginal countries of the EU. It had little significant manufacturing on offer. It had (and still has) , by all accounts, a seriously dysfunctional public service sector, which included one of the worst tax collection systems in the world. Its position is now immeasurably weaker.

This journal is avowedly in favour of monetary reform. However, what we must all fear about the Greek situation is the scenario following a Grexit where a new Drachma will come under deliberate and sustained attack by two powerful interests, and simply fall through the floor.

On the one hand we have the Euro nomenklatura, whose dream of unitary European superstate will be ruthlessly pursued regardless of cost, and will not entertain any prospect of their project unravelling. Thus Spain, Portugal and Italy and *les autres* must be taught a firm lesson as to the real meaning of 'European solidarity', to eliminate any temptations that a Grexit might offer. To see Greece recover and prosper, even if after an initial period of even greater difficulty, would be the last thing the nomenklatura would wish to see.

On the other hand we have the financial oligarchs, for whom a Greek hyperinflation could be used to teach the money reformists a lesson like no other.

Binoy Kampmark's concluding quotation that "My country is a colony of a larger colony." is so apt. *Les Autres* must be kept firmly in line, and in their place, at all costs.

SNAKEOIL AND THE CONFERENCE CIRCUIT

Those who fret about 'conspiracy theories' tend to miss two vital points. Firstly, a ruling elite or oligarchy is, by definition, a 'conspiracy. Such elites are invariably tiny as a proportion of the population at large, their internal lines of communication are short and well organised, they will have an acute sense of their own interests, which interests will usually be pursued ruthlessly.

Secondly, public trust in such elites has plumbed such depths that many people are prepared to believe almost anything, rather than any 'official' version emanating from their elders and betters.

For many years Michael Shrimpton, had been doing the rounds of the conference circuit. As a barrister, judge, and former councillor in Buckinghamshire, he presented as the epitome of respectability.

Many of his tales of his knowledge of, contacts with, and work for the British establishment and military intelligence ... too numerous to adumbrate here ... were fantastical, even by the standards of the conference circuit. However, most of these tales were long on detail and short on verification, After all, if you have worked for the intelligence services, your sources will always be mysterious and people will just have to take your word for it!

Yet for many in his audiences, his words were Gospel, despite warnings from some quarters that this man might be at least a brick short of a load. A number of his fables have, over time, resurfaced amongst contacts of the *Runnymede Gazette.*

We have been conditioned to place too much store by this concept of 'belief' (as against 'knowledge' in the philosophical sense) … the willingness to accept unverified 'facts' as true. Perhaps 'belief' is the most useful single tool in the locker of any governing elite.

There is no shortage of snake-oil salesmen, some with almost Messianic delusions, on the conference circuit willing to fill this void and profit by it.

On 6th February at Southwark Crown Court, Michael Shrimpton was jailed for 12 months for a hoax in which he claimed that the Deutsches Verteidigungs Dienst (DVD), or German Defence Service, allegedly a Nazi era unit that had infiltrated MI5, MI6 and GCHQ, was behind a plot to plant a bomb stolen from the sunken Russian submarine *Kursk,* at the London Olympics.

It was revealed in court that Shrimpton had become labelled as 'an intelligence nuisance' following the 7/7 London bombings of 2005. There was some discussion at the sentencing hearing as to whether he suffered from a 'narcissistic personality disorder.' The hearing also revealed a conviction a few months earlier for possessing child pornography.

To construct a plausible hypothesis can never be proof of fact, as it is so often taken to be. The moral of this sad little story is that there is little point in withdrawing credulity from the ruling elite only to bestow it upon the fantastical fables of certain conference circuit snake-oil salesmen. The problem is credulity itself. The solution always lies in the exercise of sceptical intelligence, and to always demand evidence, evidence, and more evidence.

Frank Taylor

COALITION-BUILDING BECOMING NEW ORGANIZER MODEL FOR ACTIVISTS

Alex Freeman; The Solutions Institute; via Activist Post

(An important item, which needs emulating ... and quickly ... in this country. The article underscores that this trend is 'outside of the typical left-right political paradigm' for 'a structured process of resistance to state and corporate violations of rights and liberty.' and that such coalitions serves as 'hubs'. All music to the ears! Do we see, perhaps, the revival of the 'correspondence committee' in a new blockchain format? Bring it on! - Ed)

Over the last couple of months, I have crossed this country in what has become a 10,000 mile road trip. Everywhere that I can, I have stopped to meet with my fellow activists along the way. In each of those meetings, I have observed one very succinct and organically developed phenomenon.

Coalitions are forming.

Two years ago, when I first delved into the world of activism, and Anonymous specifically, individuals with whom I associated upheld one banner or another. Issue-oriented groups formed to organize resistance to those specific injustices. Often dubbed “Marches,” these groups organized and united their supporters for on-the-street action surrounding mainstream media, genetic modification of food stuffs, geo-engineering, or simply to say that a particular group existed. More often than not, the supporters of one such issue-oriented group were also supporters of the others.

With Anonymous, like Occupy, groups formed around geographic location. Whether city or state, local, loosely-knit collectives began to become active in nurturing a consistent supporter base for the purposes of information sharing, collective action and issue awareness.

As time has passed, these local collectives are taking next steps towards much stronger organizations, under broader umbrellas of inclusion. In places like Connecticut and Ohio, these coalition organizations are rewiring the paradigms of political and public engagement. What were typically liberal or conservative or libertarian groups are now joining together with veteran, LBGT, hacker, anarchist, communist and other ideological groups through a structured process of resistance to state and corporate violations of rights and liberty.

Existing outside of the typical left-right political paradigm, these umbrella groups maintain the issue focus of earlier activist groups, but are doing much more than those single issue groups are capable of achieving. Coalition-building is common in pluralist republics around the world, but is a relatively novel implementation here in America. By establishing a central hub for many groups to coalesce around, organizations like Activate CT and Unite Ohio are gathering larger numbers for mass action. With these greater numbers, city halls, school boards, county commissions and state governments are being forced to take notice and action in ways that earlier incarnations of activist groups were unable to achieve.

This trend is occurring in Indiana, Alabama, Pennsylvania, and Michigan as well. The hub coalitions are not only gathering political strength, but also nurturing the individual groups that fall within the umbrella. This can occur through organizational support, greater reach for information sharing, and highly valuable networking opportunities. They are also serving as a central collection point, offering a directory of member groups, with location and mission information for the smaller organizations. With access to directory information, individuals across each state are better able to connect with like-minded activists and locate other groups to engage with.

Activate CT, for instance, has connected smaller activist groups working on the same project on two ends of that state. In this connection, research was shared, efforts were streamlined, and work was not duplicated, all while combining the strength of the separated groups. Unite Ohio has been able to maintain constant pressure on a local school board in which a bus driver attacked students without consequence, and were able to amass the numbers to effectively shut down a recent school board meeting until they addressed the issue.

As you attempt to organize within your area, consider how the establishment of a statewide Activist Hub Group can offer greater results than a single issue group. Work to form coalitions independent of the left/right paradigm. You can expect greater numbers at events, more streamlined information availability, a greater pool of volunteers from which to draw upon, and a stronger voice in front of established corporate and political groups.

A DAY OF RECKONING FOR THE EURO HAS ARRIVED – 26 TRILLION IN CURRENCY DERIVATIVES AT RISK

Michael Snyder; Activist Post

(This item was written before the agreement for a four month extension in Greece's bailout terms ... but since this is a postponement and not a resolution of the 'reckoning'. There are various estimates of the size of the derivative bubble. The Bank of International Settlements puts the global figure at above $1.1 quadrillion or about twenty times the size of the entire product of the planet! - Ed)

This is the month when the future of the eurozone will be decided. This week, Greek leaders will meet with European officials to discuss what comes next for Greece.

The new prime minister of Greece, Alexis Tsipras, has already stated that he will not accept an extension of the current bailout. Officials from other eurozone countries have already said that they expect Greece to fully honor the terms of the current agreement. So basically we are watching a giant game of financial “chicken” play out over in Europe, and a showdown is looming.

Adding to the drama is the fact that the Greek government is rapidly running out of money. According to the Wall Street Journal, Greece is “on course to run out of money within weeks if it doesn’t gain access to additional funds, effectively daring Germany and its other European creditors to let it fail and stumble out of the euro.” We have witnessed other moments of crisis for Greece before, but things are very different this time because the new Greek government is being run by radical leftists that based their entire campaign on ending the austerity that has been imposed on Greece by the rest of Europe. If they buckle under the demands of the European financial lords, their credibility will be gone and Syriza will essentially be finished in Greek politics. But if they don’t compromise, Greece could be forced to leave the eurozone and we could potentially be facing the equivalent of “financial armageddon" in Europe. If nobody flinches, the eurozone will fall to pieces, the euro will collapse and trillions upon trillions of dollars in derivatives will be in jeopardy.

According to the Bank for International Settlements, 26.45 trillion dollars in currency derivatives are directly tied to the value of the euro. Let that number sink in for a moment.

To give you some perspective, keep in mind that the U.S. government spends a total of less than 4 trillion dollars a year.The entire U.S. national debt is just a bit above 18 trillion dollars. So 26 trillion dollars is an amount of money that is almost unimaginable. And of course those are just the derivatives that are directly tied to the euro. Overall, the total global derivatives bubble is more than 700 trillion dollars in size.

Over the past couple of decades, the global financial system has been transformed into the biggest casino in the history of the planet. And when things are stable, the computer algorithms used by the big banks work quite well and they make enormous amounts of money. But when unexpected things happen and markets go haywire, the financial institutions that gamble on derivatives can lose massive quantities of money very rapidly. We saw this in 2008, and we could be on the verge of seeing this happen again.

If no agreement can be reached and Greece does leave the eurozone, the euro is going to fall off a cliff. When that happens, someone out there is going to lose an extraordinary amount of money. And just like in 2008, when the big financial institutions start to fail that will plunge the entire planet into another major financial crisis.

So at the moment, it is absolutely imperative that Greece and the rest of the eurozone find some common ground.

Unfortunately, that may not happen. The new prime minister of Greece certainly does not sound like he is in a compromising mood…

Greece's new leftist prime minister, Alexis Tsipras, said on Sunday he would not accept an extension to Greece's current bailout, setting up a clash with EU leaders – who want him to do just that – at a summit on Thursday.

Tsipras also pledged his government would heal the "wounds" of austerity, sticking to campaign pledges of giving free food and electricity to those who had suffered, and reinstating civil servants who had been fired as part of bailout austerity conditions.

Prior to the summit on Thursday, eurozone finance ministers are going to get together on Wednesday to discuss what they should do. If these two meetings don't go well this week, we could be looking at big trouble right around the corner. In fact, Greece is being warned that they only have until February 16th to apply for an extension of the current bailout…

Euro zone finance ministers will discuss how to proceed with financial support for Athens at a special session next Wednesday ahead of the first summit of EU leaders with the new Greek prime minister, Alexis Tsipras, the following day.

However, the chairman of the finance ministers said the following meeting of the Eurogroup on Feb. 16 would be Greece's last chance to apply for a bailout extension because some euro zone countries would need to consult their parliaments.

"Time will become very short if they (Greece) don't ask for an extension (by then)," said Jeroen Dijsselbloem.

The current bailout for Greece expires on Feb 28. Without it the country will not get financing or debt relief from its lenders and has little hope of financing itself in the markets.

And as I mentioned above, the Greek government is quickly running out of money. Most analysts believe that because of the enormous stakes that one side or the other will give in at some point. But what if that does not happen?

Personally, I believe that the eurozone is doomed in the configuration that we see it today, and that it is just a matter of time before it breaks up. And I am far from alone. For example, just check out what former Fed chairman Alan Greenspan is saying…

Mr Greenspan, chairman of the Federal Reserve from 1987 to 2006, said: "I believe [Greece] will eventually leave. I don't think it helps them or the rest of the eurozone – it is just a matter of time before everyone recognizes that parting is the best strategy.

"The problem is that there there is no way that I can conceive of the euro of continuing, unless and until all of the members of eurozone become politically integrated – actually even just fiscally integrated won't do it."

The Greeks are using all of this to their advantage. They know that if they leave it could break apart the entire monetary union. So this gives them a tremendous amount of leverage. Greek Finance Minister Yanis Varoufakis has even gone so far as to compare the eurozone to a house of cards…

"The euro is fragile, it's like building a castle of cards, *if you take out the Greek card the others will collapse." Varoufakis said according to an Italian transcript of the interview released by RAI ahead of broadcast.*
The euro zone faces a risk of fragmentation and "de-construction" unless it faces up to the fact that Greece, and not only Greece, is unable to pay back its debt under the current terms, Varoufakis said. "I would warn anyone who is considering strategically amputating Greece from Europe because this is very dangerous," he said. "Who will be next after us? Portugal? What will happen when Italy discovers it is impossible to remain inside the straitjacket of austerity?"

After all this time and after so many bailouts, we have finally reached a day of reckoning. There is a very real possibility that Greece could leave the eurozone in just a matter of months, and the elite know this. That is why they are getting prepared for that eventuality. The following is from a recent Wall Street Journal report…

The U.K. government is stepping up contingency planning to prepare for a possible Greek exit from the eurozone and the market instability such a move would create, U.K. Treasury chief George Osborne said on Sunday. A spokeswoman for the Treasury declined comment on the details of the contingency planning.
The U.K. government has said the standoff between Greece's new anti-austerity government and the eurozone is increasing the risks to the global and U.K. economy.
"That's why I'm going tomorrow to the G-20 [Group of 20] to encourage our partners to resolve this crisis. It's why we're stepping up the contingency planning here at home," Mr. Osborne told the BBC in an interview. "We have got to make sure we don't, at this critical time when Britain is also facing a critical choice, add to the instability abroad with instability at home."

And if Greece does leave, it will cause panic throughout global financial markets as everyone wonders who is next. Italy, Spain and Portugal are all in a similar position. Every one of them could rapidly become "the next Greece".

But of even greater concern is what a "Grexit" would do to the euro. If the euro falls below parity with the U.S. dollar, the derivatives losses are going to be absolutely mind blowing. And coupled with the collapse of the price of oil, we could be looking at some extreme financial instability in the not too distant future.

When big banks collapse, they don't do it overnight. But we often learn about it in a single moment. Just remember Lehman Brothers. Their problems developed over an extended period of time, but we only learned the full extent of their difficulties on one very disturbing day in 2008, and that day changed the world.

As you read this, big financial troubles are brewing in the background. At some point, they are going to come to the surface. When they do, the entire planet is going to be shocked.

This article first appeared here at the Economic Collapse Blog. Michael Snyder is a writer, speaker and activist who writes and edits his own blogs The American Dream and Economic Collapse Blog.

GREECE: SYRIZA'S CHALLENGE. COMBATING POST-DEMOCRACY

Binoy Kampmark; Global Research

"Marx's once scandalous thesis that governments are simple business agents for international capital is today an obvious fact on which 'liberals' and 'socialists' agree." – Jacques Rancière, Dis-agreement (1999), 113

Across Europe, and more specifically, the euro-zone, a spectre did not so much haunt as totally materialise in the form of Alex Tsipras and the Syriza party. Greece woke up to a new party that had never seen office, coming within a few seats of governing in its own right. Any

European party would have salivated at such an outcome – coalitions tend to be a matter of course, and majorities normally associated with authoritarian types. In the Greek case, the order established during the post-junta period had been overturned – at least on electoral paper.

Tsipras, in just falling short of the 151 number required to form government, has sought support from other potential partners. To date, it seems that the right-wing ANEL Independent Greeks party has agreed to muck in. Both have a common anti-bailout position, though it remains to be seen what else they can find common ground about.

This immediately got the leaving incumbents speculating that the union would not last, a desperate attempt at premature Schadenfreude. Petros Doukas, former deputy finance minister, pondered that, “It’s ultimately going to be much more difficult to figure out exactly what policies they will ultimately agree on.”

A mixture of euphoria and terror has met the result. The latter reaction is typical of the market-managers who see earnings being whittled away in speculation and a rocking of the financial sector. The market, in such language, is a sanctified deity which should be propitiated. It is not something to control, let alone directed by human hand. It has its own inscrutable morality. Consider the wording of Nick Squires (The Telegraph, Jan 26), as he was monitoring the numbers: “The surprise alliance between two staunchly anti-bailout parties, spooked markets and triggered a loss of nearly 4 percent on the Athens Stock Exchange as well as elsewhere in Europe.”

But the Syriza victory is more significant in another sense: the challenge it poses to democracy in the euro-zone. The issues of austerity and debt cannot be divorced from that of political management. Where, given Syriza’s jarring win, does that sit in the European rubric, frayed as it is? For one, the party faces what has been termed by French philosopher Jacques Rancière as the “post-democratic” moment.

Democratic institutions, in this age, are openly, and unquestionably, identified with the market, something which distinctly takes the gloss off their accountability for the broad citizenry. “From an allegedly defunct Marxism,” argues Rancière in Dis-agreement (1999), “the supposedly reigning liberalism borrows the theme of objective necessity, identified with the constraints and caprices of the world market.” The company boardroom and the cabinet meeting room, have become one.

Axiomatic to this is the creation of the debt, or indebted society, a system of control that works through imposing punishment, providing dispensation, and reimposing punishment in accordance with the manager’s logic. The manager works according to biblical dictates, moralising the world of debt, frowning against the heavily indebted, but frowning even more when the debts are paid.

Colin Crouch, who had already written about post-democracy in 2004, sees the Greek-austerity policy adopted, and imposed, by the troika, as its ultimate form in action, debt fanaticism generated from above. It is a situation where bankers and financiers, responsible for a crisis (the Global Financial Crisis being their supreme handiwork), manage it through compliant governments who, in turn, forged a response sympathetic to bankers and financiers “at the expense of the rest of the population.” For Crouch, “the most explicit expression of the post-democratic aspects of crisis management was the framing of the Greek austerity package, designed by international authorities in close collaboration with an association of leading bankers” (LSE Blogs, 2013).[1]

There are even some writers who feel that another, more threatening stage in the funereal rites of democracy is being read, something far more sinister: that which totally inverts it, creating a form of self-defeating totalitarianism.

Little surprise, then, that European leaders warn of irresponsible democratic behaviour, one that will lead to bank runs and negative European Central Bank briefings. (Eight billion euros was withdrawn from Greece in the last week alone.) Ultimatums are being hinted at: if you are against austerity, then you must be against the euro-zone. British Prime Minister David Cameron, having only recently glowed at the achievements of the late authoritarian Saudi monarch, King Abdullah, found Greek democratic judgement a touch too much to bear. “The Greek election will increase economic uncertainly across Europe.” (Twitter, Jan 25).

For all those reasons, the austerity brigade, with its philosophy, has taken a battering. Savage cuts and so-called structural reforms to the Greek economy have actually served to increase unemployment and shrink the welfare state. This can be laid squarely at the feat of those who have become Greece’s economic managers, these post-democratic managers in the form of the European Commission, European Central Bank and International Monetary Fund.

The mountain to be scaled by Syriza is a monumental one. Come March, seven billion euros worth of debt will mature with menacing, guilt-worn clout. Liquidity will be needed, but Tsipras will be very much in his rights to ask for debt cancellation and a readjustment of bailout terms. But even cancellation will not let Greece off the hook, giving only a false hope and liberation from a distinctly unequal financial system within a zone that is artificially democratic. The words of the Greek electronic music band from 1992, Stereo Nova, may still apply: “My country is a colony of a larger colony.”[2]

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Notes

[1] http://blogs.lse.ac.uk/politicsandpolicy/five-minutes-with-colin-crouch/
[2] http://www.chronosmag.eu/index.php/y-stavrakakis-my-country-is-the-colony-of-a-larger-colony.html

HOPE AMONG THE RUINS

George Monbiot; The Guardian; via Global Table

An astonishing money creation scheme from the 1930s that could help to save the Greek economy.

Compare the terms demanded of the Greek government to those offered to the banks. Eurozone ministers now insist upon unconditional surrender(1); a national abasement that makes a mockery of democracy. But when the banks were bailed out, governments magicked up the necessary money almost unconditionally. They shyly requested a few token reforms, then looked away when the bankers disregarded them.

The German government, now crushing the life out of southern Europe, merely tickled its own banks. As the New York Times reported(2), though the corrupt German banking system “required a bailout bigger than the one American banks received”, “there is little appetite for change in Germany because the banking system is so deeply intertwined with its politics, serving as a rich source of patronage and financing for local projects.”

When the Greeks complain that they have been reduced to colonial subjects, they are right, but the colonial masters are not the northern members of the eurozone. They are the private banks. The governments that seem determined to destroy a sovereign state for its impudence are merely the intermediaries of power.

None of this is to deny the corruption and fiscal promiscuity of previous Greek administrations. But while the banks have got away with far worse, the bullies of the eurozone insist on extracting every last drop of blood from people who had no role in their governments’ deceptions.

Greece is stuffed: or so almost everyone asserts. Perhaps. Or perhaps there are possibilities we have scarcely begun to examine. I should warn you that no one in their right mind would take financial advice from me. (Or, for that matter, from most financial advisers). I seek only to suggest that there may be some possibilities of hope among the ruins.

One of these radical ideas was proposed a few months ago by Martin Wolf in the Financial Times(3). He suggests stripping private banks of their remarkable power to create money out of thin air. Simply by issuing credit, they spawn between 95 and 97% of the money supply. If the state were to assert a monopoly on money creation, governments could increase its supply without increasing debt. Seignorage (the difference between the cost of produing money and its value) would accrue to the state, adding billions of pounds to national coffers. The banks would be reduced to the servants, not the masters, of the economy.

An entirely different approach is proposed by Ann Pettifor, in her fascinating but badly-written and chaotic book, Just Money(4). She argues that governments have failed to understand what money is. It should not be seen as a commodity, she says, but as a social relationship based on trust. Unusually for a radical critic of finance, she sees the creation of money by private banks as "a great civilizational advance", freeing nations from the usurers who once monopolised and restricted wealth.

The supply of money is, in effect, unlimited: as long as there is sufficient productive activity to absorb it there is no obvious restraint on the amount of money that can be issued(5). So when governments and central bankers tell you that the money has run out, Pettifor argues, they are either deceiving us or deceiving themselves. What holds back economic activity is an unnecessary and artificial restriction of the medium of exchange.

Banking's great civilisational advance has been all but destroyed through deregulation, whose result is a new system of usury, speculation and exploitation. Private banks borrow cheap and lend dear, forcing us to work ever longer hours and to inflict ever more damage on the natural world to service our debts. Pettifor suggests that governments should reassert control over interest rates at every level of lending.

But perhaps the biggest transformation could happen at the local level. Greece already has some local currencies(6), that have kept money circulating several towns and cities, as it cannot be siphoned away. (There are similar systems in Britain, such as the Bristol and Totnes Pounds(7)). But strangely they do not make use of the thrilling, transformative system that almost saved Europe from fascism; the currency developed by the economist Silvio Gessell called stamp scrip. It is explained in Bernard Lietaer's magnificent book The Future of Money(8).

In its original form, stamp scrip was a piece of paper on which a number of boxes were printed. The note would lose its validity unless a stamp costing 1% of its value was stuck in one of the boxes every month. In other words, the currency lost value over time, so there was no incentive to hoard it. Stamp scrip projects took off across Germany and Austria after national currencies collapsed in the early 1930s. In 1932, for example, the Austrian town of Wörgl was almost broke, unable to finance public works or to support its destitute population, until the mayor heard of Gessell's proposal.

He put up the town's tiny remaining fund as collateral against the same value of stamp scrip, and used it to pay for a building project. The workers then passed on the currency as quickly as they could. Like the magic pudding, this little pot of money kept circulating, enabling Wörgl to repave the streets, rebuild the water system, construct new houses, a bridge and even a ski jump. In the 13 months of the experiment, the 5,500 scrip schillings in circulation were spent 416 times, creating between 12 and 14 times as much employment as the standard currency would have done(9). Unemployment vanished, and the stamp fees paid for a soup kitchen feeding 220 families.

The governments of Germany and Austria, profoundly threatened by the success of these projects, shut them down. Employment collapsed once more, and a twisted but charismatic Austrian painter found the opening he had been waiting for.

When the great American economist Irving Fisher examined these experiments, he concluded that "the correct application of stamp scrip would solve the depression crisis in the US in three weeks!"(10). Roosevelt's government, aware that such currencies could invoke a massive loss of federal power, promptly banned it.

Could these ideas be useful to Greece? Could they be of relevance in other parts of Europe?

Even perhaps in Scotland, where the currency issue was unimaginatively fudged before the referendum? I don't know. But if Greece leaves the eurozone, it could open up a world of possibility to which other nations have closed their minds.

www.monbiot.com

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AFTERWORD ... BRADBURY'S MEMORANDUM OF DISSENT

David Musa Pidcock

(This is presented as an historical afterword to the Monbiot item apropos of both the Worgle currency and the problems of Britain ... and Greece ... Ed)

At a Gala dinner in Leeds, On October the 21st 2008, Mervyn King, the acting Governor of the Bank of England, announced to a sombre audience that the bank finds itself in the same position it faced at the onset of the Great War in the summer 1914, however, he made no mention of how the then Secretary to the Treasury - John Bradbury – solved that identical problem back then by intervening with a QE issue of £500 million Treasury Notes - Which it had "simply created - Ex Nihilo-out of thin air" which were given to the Bank of England free of charge to stop it collapsing after it ran out of enough gold coins to redeem the millions of baseless "Promises to Pay" it had issued to a unsuspecting public. Governor King, could have recommended similar measures on this occasion but chose, instead, to remain silent.

He (Lord Bradbury) in fact, signed a Memoranda of Dissent,[1] which, covering fourteen pages, is a fascinating study why he considered the burden of unproductive debt had blighted the State, local authorities and industry. The following quotation from Lord Bradbury's Memoranda sums up precisely the situation we are faced with today.

"If it goes far enough it will leave the producer with no motive to produce and in the end cease perforce because there will be nothing to transfer" (p.263.)

But, in spite of the problems of debt, which he analysed with great clarity, he, as one would expect of a banker, still maintained that the banking system should be left to function, more or less, as it is. Thus he summed up by saying, (P.281)

"I am of the opinion that the causes which have impeded the development of trade and industry and led to increasing unemployment during the recent years are in the main outside the domain of banking, finance and credit and that any reform within the scope of the terms of reference of the Committee can, at best, merely touch the fringe of the real problems".

However, it did not prevent him from making the following withering remark in his Dissenting Memoranda: “Honesty, even if stupid, is a far better foundation for credit than the most adroit finesse."

In addition to Lord Bradbury's Memoranda of Dissent, nine other members of the Committee added a further seventy-two pages of Reservations to produce over-all, a more revealing picture of the causes that lay and still lay at the root of Britain's economic problems, than the Report itself. I am convinced that inspired by the problems raised in the Memoranda and Reservations Keynes formulated his General Theory of Employment, Interest and Money which, tragically for the nation and the Western world, have been either concealed or ignored, as its policies if fully implemented would have meant the complete reform of the banking system. Hence my belief that Keynes, and others like him, have been betrayed. As a result of which the money reformers contend that this dangerous instability will remain to plague the people until it is realised that the nation’s money-supply should come into existence as debt free currency and, as David Ricardo, saw the people could then be saved the heavy burdens of taxation which is needed to pay off the interest if a private bank were allowed to create their money. Therefore, the banking system by charging realistic prices for their services and lending only money deposited with them, as was the case until recently of the building societies, would then be in the position of being true money lenders, intermediaries i.e., lending money which was legally created by the State or actually deposits of genuine depositors. Thus, with this reform the government could by fiscal action maintain a reasonable degree of stability within the nation's economy – however a far superior method would be Date Stamped Money and Social Credit i.e. National Dividend paid regularly to every household advocated by Silvio Gesell and developed by the much maligned Major Clifford Douglas – Gesell’s stamped money solution was successfully implemented in the Austrian town of Worgle in 1932, but when 300 other cities opted to follow suit, Worgle’s Untergugenberger and the leaders of the other Town councils were arrested because the privately owned Central Bank of Austria was losing its monopoly status the same thing happened in Alberta, Canada.

[1] See pp.100-102 of the Radcliffe Committee Report.

BLEAK FUTURE FOR VOLUNTARY SERVICES AS ‘SERVANTS OF THE GOVERNMENT’

National Coalition for Independent Action

(When does 'voluntary' cease to be voluntary. Here we see the progressive take-over and co-option of the voluntary sector. Is this a softening-up preliminary for TTIP ? - Ed)

Today we have launched the final report from our Inquiry into the Future of Voluntary Services. This calls on voluntary and community services to face up to a decisive moment in the history of voluntary action. In a blistering critique of the threats posed to the values and work of the voluntary sector, voluntary groups are challenged to fight for the rights of the people they serve, protect their own independence and resist the privatisation of public services. NCIA also accuses leadership bodies and major charities of squandering the unique respect and radical space that charities and voluntary groups have occupied in British society, by allowing themselves to become the willing servants of Government and of private corporations as they take over public services.

Based on extensive research over the last year, NCIA’s Inquiry shows how voluntary services have been “re-engineered” to serve and support cuts in services and spending, and assist the outsourcing of what’s left. In the process, the voice of charities, whose duty is to speak out against and oppose these catastrophic changes, has been silenced by the cooption and compromise of bidding for contracts and acceptance of ‘marketplace’ values.

NCIA's report Fight or Fright: Voluntary Services in 2015 has been welcomed by voluntary organisations, including the Refugee Council and Children England. The report concludes that:

The environment for most voluntary services, especially local groups, is difficult, hostile and getting worse for the people they exist to serve.
There has been widespread acceptance of the shift to commercial relationships, cuts to public services and the privatisation of what remains. This has allowed both Labour and Coalition Governments to use voluntary services groups to drive through policies that create desperate hardship amongst poor and vulnerable people.
The ideological basis for these changes has been largely embraced or ignored, with voluntary groups expected to morph into "private sector lookalikes" and struggle to the front of the queue to pick up contracts. Fear of losing out has kept them in line.
There has been a shameful failure of leadership. The sector's leadership bodies – especially but not exclusively NCVO and ACEVO - have responded to pressures from the State and the private sector in complicit and supine ways. They have failed to stimulate, let alone organise, any meaningful opposition to slashing of services for poor people and disadvantaged communities, and direct cuts to these people's living standards. And they have actively promoted partnerships with private corporations with reputations for criminality, dishonesty, poor employment practice and other abuses.

Many of the report's concerns are echoed in the reports from the Barings Panel on the Independence of the Voluntary Sector; the final 'Big Society Audit' from Civil Exchange; and, initiatives such as the Declaration of Interdependence, produced by Children England and the TUC.

Penny Waterhouse, Co-Director of NCIA and co-author of the report, said:

"Our inquiry has demonstrated, in unprecedented breadth and depth that the voluntary sector is facing its biggest threat for decades and major charity leaders are colluding in practices that could kill it off. Voluntary services are faced with a choice: to regain their true role in civil society, separate from, but complementary to, the state and private sector; or continue to play the markets and become part of privatised welfare provision delivering profit-driven services of questionable quality. 8 years ago, when we began to build our Coalition, we were viewed as extremist and old-fashioned. But 'austerity' policies and outsourcing obsessions of Labour and Conservative governments have sharpened a widespread sense of injustice. Increasing numbers have come to support NCIA's principled mission to demand that we take a stand to defend the distinctive and precious contribution that voluntary services can make to a humane society."

Maurice Wren, Chief Executive of the Refugee Council, said:

"Fight or Fright exposes the reality that, whatever the sales pitch says about empowerment, contracting means conscription. Instead of advocating, we end up rationing; instead of dissenting and challenging, we end up gatekeeping and defending the status quo. With public faith in the orthodoxies of austerity and privatisation diminishing across Europe, Fight or Fright provides a welcome and timely impetus for us to change the weather in the UK too."

Kathy Evans, Chief Executive of Children England said:

"Fight or Fright is a characteristically powerful, strident and well-evidenced report from NCIA. Surely every voluntary group will recognise the breadth of issues and profound challenges laid out in this report. NCIA's Inquiry, and their passionate commitment to sound the alarm bell about our future, embodies one of the most important roles voluntary action can play in our society – to speak out without fear, and to fight for what you believe is right. Whether you agree with every word or not, their voice is important, as is this report."

Fight or Fright calls for:

voluntary services groups to speak out about and act against the cuts and privatisation of rights and services, as an ethical duty;
the replacement of contracts by grants to support charitable aims rather than government agendas;
current commissioning and procurement practices to be abandoned and replaced by participative and integrated funding mechanisms that are fit for purpose;

voluntary services groups to set ethical conditions as part of any contracting, and to refuse to allow their resources, especially volunteer effort, to generate profit for private firms;
members of representative bodies, such as NCVO and ACEVO, to make them accountable, and seek the voice and action needed to challenge cuts and austerity measures - or vote with their feet and re-build a collective voice elsewhere.
We hope that all who feel that these issues are important will promote and circulate this report within their networks. We welcome comments on the views expressed - whether supportive or not – to Andy Benson – andy@independentaction.net
This final report is a summary of the material contained in 17 separate reports produced as part of the Inquiry.

Charities told to keep quiet or lose government contracts

New research reveals that charities and other voluntary groups are often absent from campaigns to tackle the root causes of poverty. A report released today shows that voluntary groups, especially those under contract to government, face threats to remain silent about their experiences and many are fearful to speak out in case they lose their funding or face other sanctions.

The findings show a climate of fear and threats to free speech. They follow on the tails of a Charity Commission investigation into Oxfam after the charity warned of the "relentless rise of food poverty" in the UK [http://www.bbc.co.uk/news/uk-politics-30546517 19.12.14]. The Commission's investigation was instigated after a complaint against Oxfam by Tory MP, Conor Burns. It adds to fears raised by the ex-Bishop of Oxford, Richard Harries, who said this week that charities and campaign groups have been "frightened" into curtailing their public work by the new Lobbying Act [http://www.bbc.co.uk/news/uk-politics-30935367 22.01.15].

The report, Voluntary Services and Campaigning in Austerity UK: Saying Less and Doing More, is written by Dr Mike Aiken, a specialist in the voluntary sector and is published by the National Coalition for Independent Action (NCIA), a network of people working in the voluntary sector.
http://www.independentaction.net/2014/12/11/campaigning-in-the-spotlight/

The NCIA report states that "voluntary services are confronted by implicit, or explicit, pressures to 'say less and do more'; they face gagging clauses in contracts which threaten to stop them advocating and campaigning; the provisions in the so-called Lobbying Act, passed in January 2014, create an atmosphere in which it is difficult to speak out".

The research highlights the attempts to muzzle charities and shows who is refusing to stay silent:

A voluntary organisation engaged in welfare services faced "subtle and menacing" bullying on more than one occasion from significant political figures to "do" and not "say"'
Voluntary groups under contract can be obliged to keep information or observations secret even when insights from their day-to-day work might help improve the service or conditions for local communities and individuals facing poverty and destitution.
Charities which undertake significant government contracting work devote few funds to campaigning. In the case of Shelter this appeared to be less than 10% of its income.
Despite attempts to silence voluntary groups, some still speak out (eg Trussell Trust), refuse to take government money (eg. World Development Movement) and join with campaigners to right wrongs (eg. Keep Volunteering Voluntary, a campaign against workfare). One such charity speaks plainly: "it is a democratic country...we are saying what we see…we have evidence…it's is about being courageous and speaking out…. so you can put things right"

The report suggests that the situation for charities is getting worse just at the point when it needs to get better - in order to give a voice to those most affected by austerity. It notes that the injunction to silence the knowledgeable voluntary organisation from talking about its experiences would be quite at home in any totalitarian regime that seeks to crush independent or divergent voices.

The report concludes that funding can, and does, act as a brake on the ability to campaign and asks: if the campaigning role is stifled who will provide the evidence to those in positions of power to effect changes; and who will support disadvantaged communities to have their own voice? It predicts that if this trend continues voluntary organisations look set to be 'saying less' in austerity UK.

Mike Aiken said today, "Charities have played an active role in a democratic society and this can be understood as their responsibility and ethical duty. Their voice needs to be heard and amplified, to provide a vital ingredient of evidence and to speak with authority and legitimacy to policy makers and civil servants – enabling the voice and experience of the most disadvantaged to be heard in the corridors of power and by other citizens."

Penny Waterhouse, a Director of NCIA, said “This research shows that some voluntary groups can, and do, speak out for a better world - if they are brave and think of their beneficiaries instead of their organisational interests and professional status. But why, in Britain, does civil society need to be brave to exercise freedom of speech? It’s a bad, and dangerous, state of affairs. NCIA calls on voluntary services to exercise their civil liberties and join with activists and campaigners to advocate forcefully on behalf of their beneficiaries.”

GLOBAL POWER PROJECT: BILDERBERG GROUP AND THE INTERNATIONAL MONETARY FUND

Andrew Gavin Marshall; Occupy.com; via Critical Thinking

This is the ninth installment in a series examining the activities and individuals behind the Bilderberg Group. In previous installments, this series has examined the historical role played by Bilderberg meetings in influencing major institutions and policies across North America and Western Europe over the past half century; the role of the meetings in supporting the rise of corporate and financial-friendly politicians to high office; the representation of interests from among the global financial elite, and the promotion of technocracy (particularly in Europe) and the representation of key technocratic institutions and individuals from Europe’s finance ministries and central banks, who've played important roles in the management of Europe’s financial and debt crises between 2008 and 2014.

This installment continues with an examination of Bilderberg’s role in facilitating the advancement of transnational technocracy in the EU, bringing in some of the top technocrats from leading European and international organizations to meet in secret with finance ministers, central bankers, politicians, corporate executives, bankers and financiers. The role of finance ministers and central banks has been the focus of the previous two installments in this series. Now we look at the IMF, which, together with the European Central Bank (ECB) and the European Commission (EC), functioned as the "Troika" tasked with managing the international response to the debt crisis, organizing the bailouts and imposing harsh austerity measures and structural reforms upon the nations and people of Europe.

The IMF: It’s Mostly Fiscal

In 1992, the Financial Times published a feature article by James Morgan, the chief economic correspondent of the BBC, in which he explained that with the fall of the Soviet Union, the Group of Seven nations (specifically their finance ministries and central banks) and the International Monetary Fund have come “to rule the world and create a new imperial age.” Morgan wrote that the “new global system” ruled by the G7, the IMF, World Bank and other international organizations “worked through a system of indirect rule that has involved the integration of leaders of developing countries into the network of the new ruling class.”

The IMF is designed to come to the “aid” of countries experiencing financial and monetary crises, to provide loans in return for the nations implementing austerity measures and key structural reforms, and to promote easy access for foreign investors (ie. banks and corporations) to buy up large portions of the local economy, enriching both domestic and foreign elites in the process.

Thus, a nation which gets a loan from the IMF must typically dismantle its social services, fire public sector workers, increase taxes, reduce benefits, cut education and health care, privatize state-owned assets and industries, devalue its currency, and dismantle labor protections and regulations, all of which plunges the population into poverty and allows for major global banks and corporations to seize the levers of the domestic economy and exploit the impoverished population as cheap labor.

The IMF was created near the end of World War II, tasked with managing the global "balance-of-payments" between nations: that is, maintaining the stability of global deficits and surpluses (the borrowing, lending and trading) between countries. However, as the post-War international monetary system collapsed in the early 1970s, the IMF needed to find a new focus. In the late 1970s, the New York Times noted that the “new mandate” of the IMF was “nothing less than rescuing the world monetary system – and with it, the world’s commercial banks.”

As the major Western commercial banks lent out vast sums of money to developing nations during the 1970s, they created immense liabilities (ie. risks) for themselves. As interest rates on debt began to rise, thanks to the actions of the Federal Reserve, heavily-indebted countries could no longer pay the interest on their loans to banks. As a result, they were thrust into financial and debt crises, in need of loans to pay down their debts and finance government spending. A key problem emerged, however, in that major commercial banks (who stopped funding developing nations) could not force them to implement the desired policies. What was needed was a united front of major banks, powerful industrial nations and international organizations.

Enter the IMF: controlled by the finance ministries of the majority of the world’s nations, with the U.S. Treasury holding veto power over all major decisions. The IMF was able to represent a globally united front on behalf of the interests of commercial banks. All funding from governments, international organizations and banks would be cut off to developing nations in crisis unless they implemented the policies and "reforms" demanded by the IMF. Once they signed a loan agreement and agreed to its conditions, the IMF would release funds, and other nations, institutions and banks would get the green light to continue funding as well.

The IMF’s loans, policy prescriptions and reforms that it imposes on other nations have the effect of ultimately bailing out Western banks. Countries are forced to impoverish their populations and open up their economies to foreign exploitation so that they can receive a loan from the IMF, which then allows the indebted nation to simply pay the interest on its debt to Western banks. As a result, the IMF loan adds to the overall national debt (which will have to be repaid down the line), and because the nation is in crisis, all of its new loans come with higher interest rates (since the country is deemed a high risk).

This has the effect of expanding a country’s overall debt and ensuring future financial and debt crises, forcing the country to continue in the death-spiral of seeking more loans (and imposing more austerity and reforms) to pay off the interest on larger debts. As a result, entire nations and regions are plunged into poverty and abusive forms of exploitation, with their political and economic systems largely controlled by international technocrats at the IMF and World Bank, mostly for the benefit of Western commercial banks and transnational corporations.

The IMF has amassed great power over the past few decades, and because its conditions and demands on nations primarily revolve around imposing austerity measures and "balancing budgets," the IMF has earned the nickname "It’s Mostly Fiscal". However, due to the effects of the fiscal policies demanded and imposed by the IMF, causing widespread poverty, increasing hunger, infant mortality, disease and inequality, many populations and leaders of indebted nations view the IMF as far more than "fiscal." In fact, former Egyptian dictator Hosni Mubarak once referred to the IMF as the “International Misery Fund,” a sentiment shared by many protesters in poor nations experiencing the effects of harsh austerity measures.

The IMF and Bilderberg

As one of the world’s most important and influential technocratic institutions, the IMF has a keen interest in the goings-on behind closed doors at annual Bilderberg meetings, just as the group's participants have a keen interest in the leadership and policies of the IMF. In fact, it is largely an unofficial tradition that the managing director of the IMF is frequently chosen from among Bilderberg participants, or in the very least, attends the meetings following their appointment. In a 2011 article about that year's Bilderberg meeting, I commented on the race to find a new managing director of the IMF, noting that only Christine Lagarde, the French finance minister, had previously attended a Bilderberg meeting (in 2009), and therefore, she seemed a likely choice.

Lagarde began her career at a corporate law firm in the United States, becoming the first female chair in 1999. In 2004, at the request of the French Prime Minister, Lagarde joined the French government of President Jacques Chirac as a junior trade minister and began to rise through the ranks. When Nicolas Sarkozy became president in 2007, Lagarde took up the post of finance minister, a position that Sarkozy had also previously held. As Foreign Policy magazine explained, both Sarkozy and Lagarde had a similar vision for France: "free markets, less regulation, and globalization." Together, they imposed various austerity measures and structural reforms in France, and due to Lagarde's ideological allegiance to the American-brand of "market capitalism," she was given the nickname, "The American."

Throughout the financial crisis, and really from 2008 onwards, Lagarde was pivotal in brokering a major bailout deal between the G7 nations, working with her "close personal friend," Hank Paulson, the U.S. Treasury Secretary (and former CEO of Goldman Sachs). Lagarde became a skilled operator at G7 and G20 meetings, and was a regular figure at World Economic Forum (WEF) meetings. As the [New York Times noted](in late 2008, Christine Lagarde's "biggest fans are business leaders and foreign finance officials who have seen her in action."

In 2008, the Financial Times ranked Lagarde as the 7th best finance minister in Europe. In 2009, she was ranked as number one, with the Financial Times writing that she "has become a star among world financial policy-makers." That same year, she was invited to the Bilderberg conference. The following year, Lagarde was ranked in third place, having "played an important role in the Eurozone debt crisis, helping overcome Franco-German differences on the bloc's eventual rescue plans."

In 2011, Christine Lagarde's name was put forward as a possible replacement for then-IMF managing director Dominique Strauss-Kahn. The influential economist Kenneth Rogoff said that Lagarde was "enormously impressive, politically astute," and was treated "like a rock star" at finance meetings all over the world. The New York Times noted that while Nicolas Sarkozy had a challenging relationship with German Chancellor Angela Merkel, Lagarde "nurtured a close personal relationship with Mrs. Merkel."

Shortly after Lagarde officially began to campaign to become the head of the IMF, the German, British and Italian finance ministries endorsed her candidacy, with the main rival for the top spot being the governor of the central bank of Mexico, Agustin Carstens, who secured the backing of the Latin American nations as well as Canada and Australia. Lagarde then received the golden seal of approval when she was endorsed by the U.S. Treasury Department, the only veto power voter at the IMF. Then-Treasury Secretary Timothy Geithner commented that Lagarde would "provide invaluable leadership for this indispensible institution at a critical time." While she was campaigning, Lagarde also managed to secure the backing of China, after she met for lunch with the Chinese central bank governor and deputy prime minister.

German Chancellor Merkel commented that "there are very few other women in the stratosphere of global governance." As the publication Der Spiegel wrote, "[Lagarde] knows ministers and national leaders throughout the world, and she is on a first-name basis with most of them." German finance minister Wolfgang Schauble was described as "her most important partner" in the EU and "her anchor in Germany."

Gillian Tett, writing in the Financial Times in December of 2011, noted that “never before has a woman held such a powerful position in global finance,” and much like Chancellor Merkel, Lagarde now “holds real power.” Throughout the course of the European debt crisis, she used that power. Leading one of the three major institutions of the Troika, Lagarde played a central role in the organization of bailouts and enforcement of austerity across the Eurozone. A former top technocratic official in the IMF wrote an op-ed in the Financial Times in 2013 in which he explained that the IMF, alongside the European Commission and the ECB, are together “the troika running the continent’s rescues,” which “means political meddling had been institutionalized.”

The actions of these institutions were so damaging to the economies and societies – and social stability – of many European countries that a formal investigation into the activities of the Troika was held in the European Parliament in late 2013 and early 2014. The final report, produced by Members of the European Parliament (MEPs), concluded that the Troika’s structure and accountability resulted “in a lack of appropriate scrutiny and democratic accountability as a whole.” After all, the growth and empowerment of technocracy coincides with the undermining and decline of democracy.

Christine Lagarde, who has spent her career as a corporate lawyer and finance minister, has steered the IMF on its consistent path of functioning as a transnational technocratic institution concerned primarily with serving the interests of global financial markets. As such, her participation in Bilderberg meetings – in 2009, 2013 and 2014 – brings her into direct contact with her real constituency: the ruling oligarchy.

WORLD ECONOMIC FORUM 2015: GLOBAL GOVERNANCE IN A WORLD OF RESISTANCE

Andrew Gavin Marshall; Occupy.com; Transnational Institute; via Critical Thinking

The annual meetings of the World Economic Forum (WEF) in Davos, Switzerland, bring together thousands of the world’s top corporate executives, bankers and financiers with leading heads of state, finance and trade ministers, central bankers and policymakers from dozens of the world’s largest economies; the heads of all major international organizations including the IMF, World Bank, World Trade Organization, Bank for International Settlements, UN, OECD and others, as well as hundreds of academics, economists, political scientists, journalists, cultural elites and occasional celebrities.

The WEF states that it is “committed to improving the state of the world through public-private cooperation,” collaborating with corporate, political, academic and other influential groups and sectors “to shape global, regional and industry agendas” and to “define challenges, solutions and actions.” Apart from the annual forum meeting in Davos, the WEF hosts regional and sometimes even country-specific meetings multiple times a year in Asia, Latin America, Africa and elsewhere. The Forum is host to dozens of different projects bringing together academics with corporate representatives and policy-makers to promote particular issues and positions on a wide array of subjects, from investment to the environment, employment, technology and inequality. From these projects and others, the Forum publishes dozens of reports annually, identifying key issues of importance, risks, opportunities, investments and reforms.

The WEF has survived by adapting to the times. Following the surge of so-called anti-globalization protests in 1999, the Forum began to invite non-governmental organizations representing constituencies that were more frequently found in the streets protesting against meetings of the WTO, IMF and Group of Seven. In the 2000 meeting at Davos, the Forum invited leaders from 15 NGOs to debate the heads of the WTO and the President of Mexico on the subject of globalization. The participation of NGOs and non-profit organizations has increased over time, and not without reason. According to a poll conducted on behalf of the WEF just prior to the 2011 meeting, while global trust in bankers, governments and business was significantly low, NGOs had the highest rate of trust among the public.

In an interview with the Wall Street Journal last September, the founder and executive chairman of the WEF, Klaus Schwab, was asked about the prospects of "youth frustration over high levels of underemployment and unemployment" as expressed in the Arab Spring and Occupy Wall Street movements, noting that the Forum was frequently criticized for promoting policies and ideologies that contribute to those very problems. Schwab replied that the Forum tries "to have everybody in the boat." Davos, he explained, "is about heads of state and big corporations, but it's also civil society – so all of the heads of the major NGOs are at the table in Davos." In reaction to the Occupy Wall Street movement, Schwab said, "We also try… to put more emphasis on integrating the youth into what we are doing."

So, what exactly has the World Economic Forum been doing, and how did it emerge in the first place?

It began in 1971 as the European Management Forum, inviting roughly 400 of Europe's top CEOs to promote American forms of business management. Created by Schwab, a Swiss national who studied in the U.S. and who still heads the event today, the Forum changed its name in 1987 to the World Economic Forum after growing into an annual get together of global elites who promoted and profited off of the expansion of "global markets." It is the gathering place for the titans of corporate and financial power.

Despite the globalizing economy, politics at the Forum have remained surprisingly national. The annual meetings are a means to promote social connections between key global power players and national leaders along with the plutocratic class of corporate and financial oligarchs. The WEF has been a consistent forum for advanced "networking" and deal-making between companies, occasional geopolitical announcements and agreements, and for the promotion of "global governance" in a world governed of global markets.

Writing in the Financial Times, Gideon Rachman noted that more than anything else, "the true significance of the World Economic Forum lies in the realm of ideas and ideology," noting that it was where the world's leaders gathered "to set aside their differences and to speak a common language… they restate their commitment to a single, global economy and to the capitalist values that underpin it." This reflected the "globalization consensus" which was embraced not simply by the powerful Group of Seven nations, but by many of the prominent emerging markets such as China, Russia, India and Brazil.

Indeed, the World Economic Forum's main purpose is to function as a socializing institution for the emerging global elite, globalization's "Mafiocracy" of bankers, industrialists, oligarchs, technocrats and politicians. They promote common ideas, and serve common interests: their own.

Geopolitics, Global Governance and the Arrival of the "Davos Class"

The World Economic Forum has been shaped by – and has in turn, shaped – the course and changes in geopolitics, or "world order," over the past several decades. Created amidst the rise of West Germany and Japan as prominent economic powers competing with the United States, the oil shocks of the 1970s also produced immense new powers for the Arab oil dictatorships and the large global banks that recycled that oil money, loaning it to Third World countries.

New forums for "global governance" began to emerge, such as the meetings of the Group of Seven: the heads of state, finance ministers and central bank governors of the seven leading industrial powers including the U.S., West Germany, Japan, U.K., France, Italy and Canada, starting in 1975. When the debt crisis of the 1980s hit, the International Monetary Fund and the World Bank achieved immense new powers over entire economies and regions, reshaping the structure of societies to promote "market economies" and advance the interests of domestic and international corporate and financial oligarchs.

Between 1989 and 1991, the global power structure changed dramatically with the fall of the Berlin Wall and the collapse of the Soviet Union. With that came President George H.W. Bush's announcement of a "New World Order" in which America claimed "victory" in the Cold War, and a unipolar world took shape under the hegemony of the United States. The ideological war between the West and the Soviet Union was declared victorious in favor of Western Capitalist Democracy. The "market system" was to become globalized as never before, especially under the presidency of Bill Clinton who led the U.S. during its largest ever economic expansion between 1993 and 2001.

During this time, the annual meetings of the World Economic Forum became more important than ever, and the role of the WEF in establishing a "Davos Class" became widely acknowledged. At the 1990 meeting, the focus was on Eastern Europe and the Soviet Union's transition to "market-oriented economies." Political leaders from Eastern Europe and Western Europe met in private meetings, with West German Chancellor Helmut Kohl articulating his desire to reunify Germany and cement Germany's growing power within the European Community and NATO.

Helmut Kohl laid out his strategy for shaping the "security and economic structure of Europe" within a unified Germany. Kohl's "grand design" for Europe envisioned a unified Germany as being "firmly anchored" in the expanding European Community, the main objective of which was to establish an "internal market" by 1992 and to advance toward an economic and monetary union, with potential to expand eastward. Kohl presented this as a peaceful way for German power to grow while assuaging fears of Eastern Europeans and others about the economically resurgent country at the heart of Europe.

At the 1992 WEF meeting, the United States and reunified Germany encouraged "drastic steps to insure a liberalization of world trade," and furthered efforts to support the growth of market economies in Eastern Europe. The German Economics Minister called for the Group of Seven to meet and restart global trade talks through the 105-nation General Agreement on Tariffs and Trade (GATT). At that same meeting, the Chinese delegation included Prime Minister Li Peng, who was the highest-level Chinese official to travel internationally since the 1989 Tiananmen Square crackdown.

Of great significance also was the attendance of Nelson Mandela, the new president of South Africa. When Mandela was released from prison in 1990, he declared the policy of the African National Congress (ANC) was to implement "the nationalization of the mines, banks and monopoly industries." When Mandela attended the January 1992 meeting of the WEF just after becoming president, he changed his views and embraced "capitalism and globalization." Mandela attended the meeting alongside the governor of the central bank of South Africa, Tito Mboweni, who explained that Mandela arrived with a speech written by ANC officials focusing on nationalization. As the week's meetings continued, Mandela met with leaders from Communist Parties in China and Vietnam, who told him, "We are currently striving to privatize state enterprises and invite private enterprise into our economies. We are Communist Party governments, and you are a leader of a national liberation movement. Why are you talking about nationalization?"

As a result, Mandela changed his views, telling the Davos crowd that he would open South Africa up as a market economy and encourage investment. South Africa subsequently became the continent's fastest growing economy, though inequality today is greater than it was during apartheid. As Mandela explained to his official biographer, he came home from the 1992 WEF meeting and told other top officials that they had to choose: "We either keep nationalization and get no investment, or we modify our own attitude and get investment."

At the 1993 meeting, the main consensus that had emerged called for the U.S. to maintain its position as a global economic and military power, and for it to take the lead encouraging greater "co-operation" between powerful nations. The major fear among Davos participants was that while economies were becoming globalized, politics was turning inward and becoming "renationalized."

Later that year, Anthony Lake, Bill Clinton's National Security Adviser, articulated the "Clinton Doctrine" for the world, explaining: "The successor to a doctrine of containment must be a strategy of enlargement – enlargement of the world's free community of market democracies." Lake explained that the United States "must combine our broad goals of fostering democracy and markets with our more traditional geostrategic interests." No doubt, the Davos crowd welcomed such news.

At the 1994 meeting, the director-general of GATT, Peter D. Sutherland, declared that world leaders needed to establish "a new high-level forum for international economic co-operation," moving beyond the Group of Seven to become more inclusive of the major "emerging market" economies. Sutherland told the assembled plutocrats that "we cannot continue with the majority of the world's people excluded from participation in global economic management." Eventually, the organization Sutherland described was formed, as the Group of 20, bringing the leading 20 industrial and economic powers together in one setting. Formed in 1999, the G20 didn't become a major forum for global governance until the 2008 financial crisis.

In 1995, the Financial Times noted that the new "buzzword" for international policymakers was "global governance," articulating a desire and strategy for updating and expanding the institutions and efforts of international co-operation. The January 1995 World Economic Forum meeting was the venue for the presentation of an official UN report on global governance. President Clinton addressed the Davos crowd by satellite, stressing that he would continue to push for the construction of a new "economic architecture," notably at meetings of the Group of Seven.

In 1997, the highly influential U.S. political scientist Samuel Huntington coined the term "Davos Man," which he described as a group of elite individuals who "have little need for national loyalty, view national boundaries as obstacles that are thankfully vanishing, and see national governments as residues from the past whose only useful function is to facilitate the elite's global operations." An article that year in The Economist came to the defense of the "Davos Man," declaring that he was replacing traditional diplomacy which was "more likely to bring peoples together than to force them apart," noting that the WEF was "paid for by companies and run in their interests."

Samuel Huntington presented a thesis, summarized in a 1997 Financial Times article, that outlined a world that "would be divided into spheres of influence," within which "one or two core states would rule the roost." Huntington noted that the "Davos culture people," while extremely powerful, were only a tiny fraction of the world's population, and the leaders of this faction "do not necessarily have a secure grip on power in their own societies." The Financial Times, however, noted that while the "Davos culture people" did not constitute a "universal civilization" being such a tiny minority of the world's population, "they could be the vanguard of one."

Russian Oligarchs and the Rise of China

In fact, at the previous year's meeting in Davos, the World Economic Forum functioned precisely as the vanguard for seven Russian oligarchs to take control of Russia and shape its future. At the 1996 meeting of the WEF, the Russian delegation was made up largely of the country's new oligarchs who had amassed great fortunes in the transition to a market economy. Their great worry was that Russian President Boris Yeltsin would lose his re-election later that year to the resurgence of the Communists. At the WEF meeting, seven Russian oligarchs, led by Boris Berezovsky, formed an alliance during private meetings, where they decided to fund Yeltsin's re-election and work together to "reshape their country's future." This alliance (or cartel, as some may refer to it), was the key to Yeltsin's re-election victory later that year, as they held weekly meetings with Yeltsin's chief of staff, Anatoly Chubais, the architect of Russia's privatization program that made them all so rich.

Berezovsky explained that if the oligarchs did not work together to promote common ends, it would be impossible to have a transition to a market economy "automatically." Instead, he explained, "We need to use all our power to realize this transformation." As the Financial Times noted, the oligarchs "assembled a remarkable political machine to entrench and promote the market economy – as well as their own financial interests," as the seven men collectively controlled roughly half the entire Russian economy.

Anatoly Chubais commented on this development and the role of the oligarchs, saying: "They steal and steal and steal. They are stealing absolutely everything and it is impossible to stop them… But let them steal and take their property. They will then become owners and decent administrators of this property."

In the 1990s, with the spread of global markets came the spread of major financial crises: in Mexico, across Africa, East Asia, Russia and then back to Latin America. At the WEF meeting in 1999, the key issue was "reform of the international financial system." As the economic crises spread, the Group of Seven nations, and the Davos Class, told the countries in crisis that in order "to restore confidence [of the markets], they should adopt politically unpopular policies of radical structural reform," promoting further liberalization and deregulation of markets to open themselves up to Western corporate and financial interests and 'investment.'

The major emerging markets have been frequent participants in annual Davos meetings, providing a forum in which national elites may become acquainted with the global ruling class, with whom they then cooperate and do business. China has been a major feature at Davos meetings. China started sending more high-level delegations to the WEF in the mid-1980s. During the 2009 meeting, two prominent speakers were President Putin of Russia and the Chinese Prime Minister Wen Jiabao. Both leaders painted a picture of the crisis as emanating from the centers of finance and globalization in the United States and elsewhere, with the "blind pursuit of profit" and "the failure of financial supervision" – in Wen's words – and bringing about what Putin described as a "perfect storm." Both Wen and Putin, however, declared their intentions to work with the major industrial powers "on solving common economic problems."

In 2010, China's presence at Davos was a significant one. Prime Minister Wen Jiabao, who attended the previous year, was not to return. In his stead, his chosen successor, Li Keqiang, attended. China's economy was performing better than expected as its government was coming under increases pressure from major global corporations.

Kristin Forbes, a former member of the White House Council of Economic Advisers and an attendee at Davos, commented, “China is the West’s greatest hope and greatest fear… No one was quite ready for how fast China has emerged… Now everyone is trying to understand what sort of China they will be dealing with.” China sent its largest delegation to date to the World Economic Forum, with a total of 54 executives and government officials, many of whom were intending to “go shopping” for clients among the world’s elite.

Li Keqiang, the future Chinese prime minister, told the Davos audience that China was going to shift from its previous focus on exports and turn to “boosting domestic demand,” which would “not only drive growth in China but also provide greater markets for the world.” Li explained that China would “allow the market to play a primary role in the allocation of resources.”

In 2011, The New York Times declared that the World Economic Forum represented “the emergence of an international economic elite” that took place at the same time as unprecedented increases in inequality between the rich and poor, particularly in the powerful countries but also in the fast-emerging economies. Chrystia Freeland wrote that “the rise of government-connected plutocrats is not just a phenomenon in places like Russia, India and China,” but that the major Western bailouts reflected what the former chief economist at the IMF, Simon Johnson, referred to as a “quiet coup” by bankers in the United States and elsewhere.

Davos and the Financial Oligarchy

The power of global finance – and in particular, banks and oligarchs – has grown with each successive financial crisis. As the financial crisis tore through the world in 2008, the January 2009 meeting of the World Economic Forum featured less of the Wall Street titans and more top politicians. Schwab declared, “The pendulum has swung and power has moved back to governments,” adding that “this is the biggest economic crisis since Davos began.” Goldman Sachs, which in past years was “renowned for hosting one of the hottest parties at the World Economic Forum’s glittering annual meeting in Davos,” had cancelled its 2009 party. Nonetheless, Jamie Dimon, CEO of JPMorgan Chase, decided to continue with his plans to host a Davos party.

In 2010, thousands of delegates assembled to discuss the “important’ issues of the day. And despite the reputation of banks and bankers being at all-time lows, top executives of the world’s largest financial institutions showed up in full force. The week before the meeting, President Obama called for the establishment of laws to deal with the “too big to fail” banks, and European leaders were responding to the anger of their domestic populations for having to pay for the massive bailouts of financial institutions during the financial crisis.

Britain and France were discussing the prospect of taxing banker bonuses, and Mervyn King, governor of the Bank of England, suggested the possibility of breaking up the big banks. Several panels at the WEF meeting were devoted to discussing the financial system and its possible regulation, as bankers like Josef Ackermann of Deutsche Bank suggested that they would agree to limited regulations (at least on “capital requirements”).

More important, however, were plans for a series of private meetings of government representatives and bank chiefs, who would meet separately, and then together, in Davos. Roughly 235 bankers were to attend the summit – a 23% increase from the previous year. Global bankers and other corporate leaders were worried, and warned the major governments in attendance against the financial repercussions of pursuing “a populist crackdown” against banks and financial markets. French President Nicolas Sarkozy spoke to the Forum’s guests about a need for a “revolution” in global financial regulation, and for “reform of the international monetary system.”

The heads of roughly 30 of the world’s largest banks held a private meeting at Davos “to plot how to reassert their influence with regulators and governments,” noted a report on Bloomberg. The “private meeting” was a precursor to a later meeting at Davos involving top policymakers and regulators. Brian Moynihan, CEO of Bank of America, said of the assembled bankers, “We’re trying to figure out ways that we can be more engaged.” According to Moynihan, a good deal of the closed-door discussion “was about tactics, such as who the executives should approach and when.” The CEO of UBS, a major Swiss bank, commented that “it was a positive meeting, we’re in consensus.” The bankers said they were aware that some new rules were inevitable, but they wanted to encourage regulators and countries to coordinate the rules through the Group of 20, revived in 2009 as the premier forum for international cooperation and "global governance."

Josef Ackermann, CEO of Deutsche Bank, suggested that "we should stop the bank bashing," and affirmed that banks had a "noble role" to play in managing the economic recovery. Christine Lagarde, France's Finance Minister and current Managing Director of the IMF, encouraged a "dialogue" between governments and banks, saying, "That's the only way we're going to get out of it." Later that week, the bankers met "behind closed doors with finance ministers, central bankers and regulators from major economies."

The key message from finance ministers, regulators and central bankers was a political one: "They [the banks] should accept more stringent regulation, or face more draconian curbs from politicians responding to an angry public." Guillermo Ortiz, who had just left his post as governor of the central bank of Mexico, said, "I think banks have misjudged the deep feelings of the public regarding the devastating effects of the crisis." French President Sarkozy stated that "there is indecent behavior that will no longer be tolerated by public opinion in any country of the world," and that bankers giving themselves excessive bonuses as they were "destroying jobs and wealth" was "morally indefensible."

As the 2011 Davos meeting began, Edelman, a major communications consultancy, released a report that revealed a poll conducted among 5,000 wealthy and educated individuals in 23 countries, considered to be "well-informed." The results of the poll showed there to be a massive decline in trust for major institutions, with banks taking the biggest hit. Prior to the financial crisis in 2007, 71% of those polled expressed trust in banks compared with a new low of 25 percent in 2011.

Despite the lack of public trust in banks and financial institutions, Davos remains devoted to protecting and expanding the interests of the financial elite. In fact, the Foundation Board of the World Economic Forum (its top governing body) includes many representatives of the world of finance and global financial governance. Among them are Mukesh Ambani, who sits on advisory boards to Citigroup, Bank of America and the National Bank of Kuwait; and Herman Gref, the CEO of Sberbank, a large Russian bank. Ernesto Zedillo, the former President of Mexico who is also a member of the board, currently serves as a director on the boards of Rolls Royce and JPMorgan Chase, international advisory boards to BP and Credit Suisse, an adviser to the Bill & Melinda Gates Foundation, and is a member of the Group of Thirty and the Trilateral Commission as well as sitting on the board of one of the world's most influential economic think tanks, the Peterson Institute for International Economics.

Also notable, Mark Carney, the governor of the Bank of England, is a member of the Foundation Board of the World Economic Forum. Carney started his career working for Goldman Sachs for 13 years, after which he was appointed as Deputy Governor of the Bank of Canada. After a subsequent stint in Canada's Ministry of Finance, Carney returned to the Bank of Canada as governor from 2008 to 2013, when he became the first non-Briton to be appointed as head of the Bank of England in its 330-year history. From 2011 to present, Carney has also been the Chairman of the Financial Stability Board, run out of the Bank for International Settlements in Basel, Switzerland.

Apart from heading the FSB, Mark Carney is also a board member of the BIS, which serves as the central bank for the world's major central banks. He is also a member of the Group of Thirty, a private and highly influential think tank and lobby group that brings together dozens of the most influential economists, central bankers, commercial bankers and finance ministers. Carney has also been a regular attendee at annual meetings of the Bilderberg Group, an even more-exclusive "invite only" global conference than the WEF.

Though there are few women among the WEF's membership – let alone its leadership – Christine Lagarde has made the list, while simultaneously serving as the managing director of the IMF. She previously served as the French finance minister throughout the course of the financial crisis. Lagarde also attends occasional Bilderberg meetings, and is one of the most powerful technocrats in the world. Min Zhu, the deputy managing director of the IMF, also sits on the WEF's board.

Further, the World Economic Forum has another governing body, the International Business Council, first established in 2002 and composed of 100 "highly respected and influential chief executives from all industries," which "acts as an advisory body providing intellectual stewardship to the World Economic Forum and makes active contributions to the Annual Meeting agenda."

The membership of the WEF is divided into three categories: Regional Partners, Industry Partner Groups, and the most esteemed, the Strategic Partners. Membership fees paid by corporations and industry groups finance the Forum and its activities and provide the member company with extra access to meet delegates, hold private meetings and set the agenda. In 2015, the cost of an annual Strategic Partner status with the WEF had increased to nearly $700,000. Among the WEF's current strategic partners are Bank of America, Barclays, BlackRock, BP, Chevron, Citi, Coca-Cola, Credit Suisse, Deutsche Bank, Dow Chemical, Facebook, GE, Goldman Sachs, Google, HSBC, JPMorgan Chase, Morgan Stanley, PepsiCo, Siemens, Total, and UBS, among others.

Depending on its finances from these sources, as well as being governed by individuals from these and others institutions, it is no surprise that Davos promotes the interests of financial and corporate power above all else. This is further evident on matters related to trade.

Davos and "Trade"

Trade has been another consistent, major issue at Davos meetings – which is to say, the promotion of powerful corporate and financial interests has been central to the functions of the WEF. As the Wall Street Journal noted, "it is pretty much a tradition that trade ministers meet at Davos with an informal meeting." At the 2013 meeting, U.S. Trade Representative Ron Kirk explained at Davos that the Obama administration was "committed to reaching an agreement to smooth trade with the European Union," saying in an interview that "we greatly value the trans-Atlantic relationship." The week's meetings suggested that there "were signs of progress toward a trade accord." Thomas J. Donohue, the president of the U.S. Chamber of Commerce, who was present at Davos, commented that "half a dozen senior leaders in Europe are ready to move forward."

In fact, at the previous Davos meeting in January 2012, high level U.S. and EU officials met behind closed doors with the Transatlantic Business Dialogue (TABD), a major corporate grouping that promotes a U.S.-E.U. "free trade" agreement. The TABD was represented at the meeting by 21 top corporate executives, and was attended by U.S. Trade Representative Kirk, WTO Director-General Pascal Lamy, the European Commissioner for Trade, Karel De Gucht, other top technocrats, and Obama's Deputy National Security Adviser for International Economic Affairs, Michael Froman (who is now the U.S. Trade Representative). The result of the meeting was the release of a report on a "Vision for the Future of EU-US Economic Relations," which called "to press for urgent action on a visionary and ambitious agenda." The meeting also recommended the establishment of a "CEO Task Force" to work directly with the "High Level Working Group" of trade ministers and technocrats to chart a way forward.

Just prior to the 2013 meeting in Davos, the TABD corporate group merged with another corporate network to form the Transatlantic Business Council (TBC), a group of top CEOs and chairmen of major corporations, representing roughly 70 major corporations. The purpose of the TBC was to hold "semi-annual meetings with U.S. Cabinet Secretaries and European Commissioners (in Davos and elsewhere)." At the Davos 2013 meeting, the TBC met behind closed doors with high level officials from the U.S. and EU. Michael Froman, who would replace Ron Kirk as the U.S. Trade Rep, spoke at the meeting, declaring that "the transatlantic economy is to become the global benchmark for standards in a globalized world."

The following month, the U.S. and EU "High Level Working Group" released its final report in which it recommended "a comprehensive trade and investment agreement" between the two regions. Two days after the publication of this report, President Obama issued a joint statement with European Council President Herman Van Rompuy and European Commission President José Manuel Barroso, in which they announced that "the United States and the European Union will each initiate the internal procedures necessary to launch negotiations on a Transatlantic Trade and Investment Partnership," or TTIP. At the announcement, Kirk declared the sectors that will fall under the proposed agreement, stating that, "for us, everything is on the table, across all sectors, including the agricultural sector."

The World Economic Forum in a World of Unrest

Perhaps most interestingly, the World Economic Forum has been consistently interested in the prospects of social unrest, protests and resistance movements, particularly those that directly confront the interests of corporate and financial power. This became particularly true following the mass protests in 1999 against the World Trade Organization, which disrupted the major trade talks taking place in Seattle and marked the ascendency of what Davos called the "anti-globalization movement."

These issues were foremost on the minds of the Davos Class as they met less than two months later in

Switzerland for the annual WEF meeting in 2000. The New York Times noted that as President Clinton attempted to address the issue of restoring "confidence in trade and globalization" at the WEF, global leaders – particularly those assembled at Davos – were increasingly aware of the new reality that "popular impressions of globalization seem to have shifted" with growing numbers of people, including the protesters in Seattle, voicing criticism of the growing inequality between rich and poor, environmental degradation and financial instability. The head of the WTO declared that "globalism is the new 'ism' that everyone loves to hate… There is nothing that our critics will not blame on globalization and, yes, it is hurting us."

The guests included President Clinton, British Prime Minister Tony Blair and Mexican President Ernesto Zedillo, along with the leaders of South Africa, Indonesia, Malaysia and Finland, among others. The head of the WTO and many of the world's trade ministers were also set to attend, hoping to try to re-start negotiations, though protesters were also declaring their intention to disrupt the Forum's meeting. With these worries in mind, the Swiss Army was deployed to protect the 2,000 members of the Davos Class from being confronted by protesters.

As the World Economic Forum met again in January of 2001 in Davos, "unprecedented security measures" were taken to prevent "hooligans" from disrupting the meeting. On the other side of the world, in Porto Alegre, Brazil, roughly 10,000 activists were expected to converge for the newly-formed World Social Forum, a counter-forum to Davos that represented the interests of activist groups and the Third World. As the Davos Class met quietly behind closed doors, comforted by the concrete blocks and razor wire that surrounded the small town, police on the other side of the fence beat back protesters.

In the wake of the financial crisis, the WEF meeting in 2009 drew hundreds of protesters to Davos and Geneva where they were met by riot police using tear gas and water cannons. Inside the Forum meeting, French Finance Minister Christine Lagarde warned the assembled leaders, "We're facing two major risks: one is social unrest and the second is protectionism." She noted that the task before the Davos Class was "to restore confidence in the systems and confidence at large." Protesters assembled outside held signs reading, "You are the Crisis."

The January 2012 WEF meeting took place following a year of tumultuous and violent upheavals across the Arab world, large anti-austerity movements across much of Europe, notably with the Indignados in Spain, and the Occupy Wall Street movement just months prior in the United States and across much of the world. As the meeting approached, the WEF announced in a report that the top two risks facing business leaders and policy makers were "severe income disparity and chronic fiscal imbalances." The report warned that if these issues were not addressed it could result in a "dystopian future for much of humanity." The Occupy Movement had taken the issue of inequality directly to Davos, and there was even a small Occupy protest camp constructed at Davos.

As the Financial Times noted, "Until this year [2012] the issue of inequality never appeared on the risk list at all, let alone topped it." At the heart of it was "the question of social stability," with many Davos attendees wondering "where else unrest might appear." Beth Brooke, the global vice chair of Ernst & Young, noted that "countries which have disappearing middle classes face risks – history shows that."

With citizens taking to city streets and protesting in public squares from Cairo to Athens and New York, the Financial Times noted that discontent was "rampant," and that "the only consistent messages seem to be that leaders around the world are failing to deliver on their citizens' expectations and that Facebook and Twitter allows crowds to coalesce in an instant to let them know it." For the 40 government leaders assembling in Davos, "this is not a comforting picture."

In Europe, democratically elected leaders in Italy and Greece had been removed and replaced with economists and central bankers in a technocratic coup only months earlier, largely at the behest of Germany. Mario Draghi, the head of the European Central Bank (ECB), was perhaps "the most powerful leader in Europe," though an Occupy movement had sprung up at the headquarters of the ECB in Frankfurt as well.

During the Forum, Occupy protesters outside clashed with police. Stephen Roach, a member of the faculty at Yale University and a chairman of Morgan Stanley Asia, wrote an article in the Financial Times describing his experiences as a panelist at the "Open Forum," held on the last day of the Davos gathering, in which citizens from the local community could participate along with students and Occupy protesters. The topic he discussed was "remodeling capitalism," which, Roach wrote, "was a chance to open up this debate to the seething masses." But the results were "disturbing" as "chaos erupted immediately" with chants from Occupy protesters denouncing the forum and calling for more to join them. Roach wrote that it was "unruly and unsettling" and he "started thinking more about an escape route than opening comments."

Once the discussions began, Roach found himself listening to the first panelist, a 24-year-old Occupy protester named Maria who expressed anger at "the system" and that there was a "need to construct a new one based on equality, dignity and respect." Other panelists from the WEF included Ed Miliband from the U.K., a UN Commissioner, a Czech academic and a minister from the Jordanian dictatorship. Roach noted that compared to Maria from Occupy, "the rest of us on the panel spoke a different language."

Having spent decades as a banker on Wall Street, Roach confessed that "it as unsettling to engage a hostile crowd whose main complaint is rooted in Occupy Wall Street," explaining that he attempted to focus on his expertise as an economist, "speaking over hisses." He explained that all of his "expert" insights on economics "hardly moved this crowd." Maria from Occupy, Roach wrote, got the last word as she stated, "The aim of Occupy is to think for yourself. We don't focus on solutions. We want to change the process of finding solutions." As "the crowd roared its approval," Roach "made a hasty exit through a secret door in the kitchen and out into the night." Davos, he wrote, "will never again be the same for me. There can be no retreat in the battle for big ideas."

In October of 2013, The Economist reported that "from anti-austerity movements to middle-class revolts, in rich countries and in poor, social unrest has been on the rise around the world." A World Economic Forum report from November 2013 warned of the dangers of a "lost generation" that would "be more prone to populist politics," and that "we will see an escalation in social unrest." Over the course of 2013, major financial institutions such as JPMorgan Chase, UBS, HSBC, AXA and others were issuing reports warning of the dangers of social unrest and rebellion. JPMorgan Chase, in its May 2013 report, stated that Europe's "adjustment" to its new economic order was only "halfway done on average," warning of major challenges ahead. The report complained about laws hindering the advancement of its agenda, such as "constitutional protection of labor rights… and the right to protest if unwelcome changes are made to the political status quo."

The 2014 meeting of the World Economic Forum drew more than 40 heads of state, including then-president of Ukraine, Viktor Yanukovich, as well as Mexico's Enrique Pena Nieto, Japanese Prime Minister Shinzo Abe, British Prime Minister David Cameron, Brazilian Presient Dilma Rousseff, Iranian President Hassan Rouhani, Israeli Prime Minister Benjamin Netanyahu and Nigeria's Goodluck Jonathan. U.S. Treasury Secretary Jacob Lew and prominent central bankers such as Mario Draghi and Mark Carney also attended alongside IMF Managing Director Christine Lagarde and World Bank president Jim Yong Kim.

As the meeting began, a major report by the World Economic Forum was published, declaring that the "single biggest risk to the world in 2014" was the widening "gap between rich and poor." Thus, income inequality and "social unrest are the issue[s] most likely to have a big impact on the world economy in the next decade." The report warned that the world was witnessing the "lost generation" of youth around the world who lack jobs and opportunities, which "could easily boil over into social upheaval," citing recent examples in Brazil and Thailand.

Brazilian President Dilma Rousseff is due to attend the annual Davos meeting this week. But just prior to that meeting, violent protests erupted in the streets of Brazil in opposition to austerity measures imposed by President Rousseff, recalling "the beginnings of the mass street demonstrations that rocked Brazil in June 2013." One wonders whether Rousseff will be attending next year's meeting of the WEF, or whether she will still even be president.

Indeed, the growth and power of the Davos Class has grown with – and spurred – the development of global unrest, protests, resistance movements and revolution. As Davos welcomes the global plutocrats to 2015, no doubt they'll be reminded of the repercussions of the "market system" as populations around the world remind their leaders of the power of people.

"Hypocrisy is the homage that vice pays to virtue".

François de La Rochefoucauld (1613-1680); thanks to David Pidcock

THE GLOBAL STAKES OF THE UKRAINE CRISIS. THE FAILURE OF WESTERN CIVILIZATION

Prof. John McMurtry; Global Research

Url of this article: http://www.globalresearch.ca/the-global-stakes-of-the-ukraine-crisis-the-failure-of-western-civilization/5432144 crisis in ukraine3

War party bigotry and hate may be enough to drive neo-Nazis leading Kiev in the Ukraine civil war. But the reverse blame of Putin and Russia by corporate media and states has a deeper interest. It propels the geostrategic economic and military war of movement through East Europe to Russia. It is the indispensible big lie to mask their set up for foreign financial predation. A big pay-off matrix looms in Ukraine for US-led arms corporations and military services, agribusiness and GMO's, speculator funds on debts and currency, monopoly providers of privatized social services, Big Oil frackers for newly discovered rich deposits, junk food suppliers like Poroshenko in US-frankenfood alliance, and – last but not least – the IMF money party waging a war of dispossession by financial means.

The IMF enforces the global money-sequence cancer system by its defining policy commands on debt-impoverished countries to open them up to foreign feeding on their domestic markets and fire-sale enterprises, drastically reduced workers' wages and benefits, stripped public pensions, healthcare and education, sell-off of historic infrastructures to pay ever more bank-created debts, and – in general- multiplying transnational money demand and profit invading their life functions at all levels. The IMF and Wall Street have been cumulatively hollowing out Africa, Latin America, South-East Asia, South Europe and the US itself in these ways over 35 years. Now it is the turn of the once social democratic Europe, state by state, beginning with the most indebted and helpless. Ukraine on the outskirts of Europe next to Russia is where the military option has been required to strip it and its former Slavic economic union with Russia. This historic relationship has been the last line of life defence in the way, a conservative but sharing ethos of resource-rich societies with Putin as a superior leader facing the US-EU's many-times more powerful economic levers and lethal arms to bully him and Russia into submission.

To take the naturally rich Ukraine for transnational bank and corporate looting, the public must be sold the story of Putin as the villain. Only then can debt screws be applied and the country opened to long-term and full-spectrum financial, foreign and oligarch control beneath the people's notice. The IMF is already in motion to ensure that the Kiev coup state provides all of this. Few observe the underlying fact that the crushing bank debt eating societies alive across the world is all debt money created by big private banks with no legal tender to back 97% of it. Ukraine is the latest nation to fall into the deadly trap without a sound. Here public money for public need is ended, although it created the US itself. As Ben Franklin has testified, to regain public money issue was the prime reason for the American Revolution. Public banking was also what made modern Canada from 1938 to 1974 by public investment money without private debt-servicing loaned by the public Bank of Canada for construction of Canada's material and social infrastructures from the St Lawrence Seaway to public pensions and universal healthcare.

The same is true of almost every society that has economically succeeded in the modern world. . The Depression and the War especially taught the world's real leaders something about public banking as the only thing that works for real social development. Germany in peace, China, India, Japan in their most prosperous periods have all relied on public investment banking in some form. But the Wall Street counter-revolution happened invisibly in 1974 by Bank of International Settlements policy to stop governments from lending their own money for their public investments – the BIS being a coterie of bank heads meeting in Switzerland led by Wall Street bankers and with no accountability to any public interest or body. On the contrary, against their constitutional rights, all governments have been made accountable to the Wall Street system which runs the US Treasury and the IMF by the revolving door method. This silent BIS policy destroyed public investment free of the self-multiplying debt charges now eating away at every level of the Western economy including sovereign public investment. Ukraine, with few noticing, has just been privatized at the bank debt and investment level by the US-led coup state. Its arrangements with the IMF now loaning money on Wall Street permanent debt-servicing terms have replaced the $20 billion it had from Russia on payable public terms along with 30% cut-rate oil and gas.

This most far-reaching change of all has been erased from view by the official story – the delivery of Ukraine by the US-led coup into the ever-devouring funnels of the Wall-Street-and-company private banking system. With all the permanent new debt servicing of an already broken country spending its future debt on fighting a US-manufactured civil war fueled by neo-Nazi war thugs, Ukraine will be bled dry. A revealing example of how IMF debt bondage leverages transnational corporate control of Ukraine's greatest resources is the new IMF $17 billion loan on the condition that Ukraine opens up its peerless vast stretches of black soil and fertile lands to the biotech cycles of Monsanto, Dupont, Deere and factory looting of the earth. Similar plans are also in motion for Big Oil racking of Ukraine's large newly discovered gas deposits (fracking is prohibited in Russia).

The transnational corporate and bank looting of Ukraine is the shadow reason for the US block against any reasonable truce in the civil war that it has created. This is why a jackal government like Canada's Harper's refuses to respond to any diplomatic correspondence from Russia, blocking information flows, and proclaiming inflammatory falsehoods. The profound common life interests at stake are exactly what the war party is out to make impossible to act on. Ukraine is a prime agricultural land source of the world and Europe's biggest landmass, and it is set for US-EU financial and corporate takeover. Ukraine is also facing the same ultimate crisis as every country and people – its government being mutated into a corporate satrap to ensure the country as an unlimited profit site at least costs and accountability for foreign corporate and local oligarch profit. It is a paradigm case of the carcinomic global dispossession that knows no growth but its own. But it is also the leading current case of armed resistance against this takeover. Donbas, Putin and Russia are alone in stopping the life-devouring system's advance East, with Syriza in Greece the newly elected resistance within Europe.

All face the same stripping of collective life capital bases to grow the global money sequences of the atypical few with no life function. Ukraine is the new major feeding zone opening towards Russia. Here as much as Greece, public assets are on the privatization block. Slash-and-burn budgets are set to service new unpayable debts to foreign banks, with far more rich natural and soil wealth to marketize and expropriate for debt servicing. Ukraine also has large and untapped fossil-fuel deposits, and it provides new strategic military control up to Russia's main border and colossally rich natural resources on the other side. Yet the operation of reverse blame goes from Iraq to Libya to Syria to Ukraine to Russia in one society destruction to the next. With one-way pervasive media abuse, cumulatively destructive sanctions, and incremental arming of neo-fascist-led Ukrainian forces, vast global power, treasure and most of all direction are at stake which affect all humanity. The line is drawn on the global disorder's runaway aggression and trail of social ruin. Or it is stopped by intelligent mass resistance that does not let up.

This resistance has grown stronger. A new truce was formed for February 15 by the EU, Kiev-Ukraine and Russia for this reason. Predictably all voices of the official story warn that "Russia and the separatists" will not obey its terms. Yet when we examine the record of international law and agreements, life-protective promises and agreements, who always overrides them at will? The track record tells us very plainly, but the record is always excluded from the ruling story. What is presupposed instead is the most inane of all moral equations unconsciously assumed as first principle of judgement in international affairs: the US = Good and its Enemy = Evil. Search for any exception to this inner logic of the official narrative in any major conflict across the globe in 50 years. What is never stated are the actual facts of "lawless aggression", "gross violations of international law" and "innocent civilians terrorized and murdered". That the US is by far the knock-down leader on all counts of war crime, killing, terror and, in general, violence against human life of every kind is taboo to understand. While always accusing others of violating "the international laws and norms of the community of nations", it repudiates and sabotages them without evident exception.

Consider the systemic violations and subversions across the spectrum. The US government has refused to ratify the International Criminal Court to uphold the law against war crimes and crimes against humanity, and it has publicly repudiated the Court's right to investigate US criminal violations including the "supreme crime" of initiating a war of aggression. While it perpetually invokes international laws to accuse others, it repudiates any life-protective law whatever in its actions. In truth, the US (and its key ally Israel) has systematically undermined virtually all international laws to protect human life – treaties and conventions against landmines, against biological weapons, against international ballistic missiles, against small arms, against torture, against racism, against arbitrary seizure and imprisonment, against military weather distortions, against biodiversity loss, against climate destabilization, and even international agreements on the rights of children and of women.

The big-lie system runs to the moral DNA of the US state. Its record of continual war crimes and crimes against humanity by direct or proxy violation should be foremost in the minds of those observing what happens next in Ukraine. It can only continue if NATO-country public opinion does not join the dots in the ultimate failure of Western civilization.

ENCRYPTION RISKS LEADING TO 'ETHICALLY WORSE' BEHAVIOUR BY SPIES, SAYS FORMER GCHQ CHIEF

Melanie Newman; Bureau of Investigative Journalism

The increasing use of encryption technologies in everyday emails and messaging services risks "ethically worse" behaviour by the intelligence agencies, a former head of GCHQ has predicted. Sir David Omand warned there would be greater intrusion on individuals' privacy, not less, if agencies are unable to intercept communications – because they will be forced into more direct spying methods. He explains that would risk inadvertent interception of third parties, which would be an ethically worse position than mass surveillance.

US companies such as Apple and Google are introducing more sophisticated encryption options to their customers while signalling their unwillingness to co-operate in full with government demands to obtain their users' data.

One way of getting around problems of reading encrypted messages on services such as Whatsapp and iMessage is to hack directly into people's computers, phones and other devices, and monitor the messages as they are written.

Speaking at a public discussion at the London School of Economics on the post-Snowden world on Tuesday night, Sir David called for a debate on "network exploitation" – the term used by GCHQ for hacking.

National Security Agency whistleblower Edward Snowden leaked documents in 2013 that revealed mass communications surveillance by US and UK intelligence agencies. Sir David, who was director of GCHQ from 1996-97, said: "One of the results of Snowden is that companies are now heavily encrypting [communications] end to end. "Intelligence agencies are not going to give up trying to get the bad guys. They will have to get closer to the bad guys. I predict we will see more close access work."

"Close access" means surveillance techniques that require physical proximity to the target. It could mean physical observation, bugging their room, or directly hacking into their mobile phones or computers.

Sir David said: "You can say that will be more targeted but in terms of intrusion into personal privacy – collateral intrusion into privacy – we are likely to end up in an ethically worse position than we were before." Sir David also tried to reassure the audience that GCHQ's work was not all "offence". His former employer's remit also includes defensive work such as protecting the UK from cyber attacks.

However, another panel member at the debate, Gus Hosein, executive director at campaigning NGO, Privacy International, argued GCHQ was placing less emphasis on that role than in the past. While GCHQ had previously been expected to inform companies such as Apple if it found flaws in its software – vulnerabilities- "they're not going to do that any more", Hosein said. He added: "They're going to harvest these vulnerabilities, treat them like arms, pull them out and use them in a widespread manner that will not necessarily be targeted."

But Sir David urged the audience to visit Apple's and Microsoft's websites. He said: "Look at the list of software defects that have been reported to them – zero day defects that have to be fixed, "You'll find that large numbers of these have been reported by GCHQ… GCHQ has found flaws in software that is essential for the running of society. Don't run away with the idea that it's all offence."

The Bureau was unable to see any reference to GCHQ reports on the companies' websites.

Apple and Microsoft declined to comment on the numbers of zero day vulnerabilities reported to them by GCHQ.

Zero day vulnerabilities

GCHQ and some of its contractors employ researchers to uncover previously unknown software defects, known as "zero day vulnerabilities".

An advertisement posted on various websites in October 2014 for a security-cleared software vulnerability researcher in Cheltenham, where GCHQ is based, said the successful applicant "will be involved in challenging cyber software security problems, both defeating and developing new & advanced security techniques" to "support key defence & government programmes".

The agency could also purchase these flaws, in which there is a burgeoning market with hackers selling the rare vulnerabilities they uncover to criminals and governments, sometimes for huge sums. The defects may then be used to improve cybersecurity or to access systems belonging to other individuals, organisations or nations.

New documents from US National Security Agency (NSA) whistleblower Edward Snowden, published by Der Spiegel last weekend, reveal that at a hacking workshop in 2010, GCHQ staff worked out they could access Apple's iPhone while the user was downloading PDFs via the Safari browser.

A GCHQ team then developed an "exploit" – a piece of software or data which exploits weakness in a computer system or programme – to access data stored on the phones.

"The WARRIORPRIDE exploit has result in extraction of the target's address book, sms, call logs, notes, WLAN [wireless local area network] logs, bookmarks, map query history, Safari browsing history and some images," the Snowden file says.

Revelations of these practices have angered some cybersecurity experts and civil liberties campaigners as well as Apple itself. They argue that the security and privacy of everyone using an iPhone was put at risk by this hacking programme, because a defect was left open for potential abuse by criminals and authoritarian governments for several years before the company changed its systems.

In the UK, the body responsible for information security and assurance is CESG (Communications-Electronic Security Group), which is an arm of GCHQ. Its role includes ensuring that the public sector IT is secure, securing on-line communications between the government and citizens as part of the UK's "digital strategy" and working with industry to protect national infrastructure against cyber attacks.

** This article was updated on January 28 after Sir David Omand contacted us to clarify and explain his remarks. The headline has been amended to say "Encryption risks leading to 'ethically worse' behaviour" instead of "Encryption will lead to 'ethically worse' behaviour". We have also added a paragraph to explain Sir David's belief that the security services would be put in an "ethically worse" position as a result of more encryption, not that they would set out to be "ethically worse" in their motives.*

WHY PUBLIC BANKS OUTPERFORM PRIVATE BANKS: UNFAIR COMPETITION OR A BETTER MOUSETRAP?

Ellen Brown; Common Dreams

(More on the advantages of public banking and how TTIP might destroy that hope as well. Of course all the profits from such banks come back to the public as dividend - Ed)

The Bank of North Dakota is the nation's only state-owned bank. Under the TPP and TTIP, however, publicly-owned banks on both sides of large oceans might wind up getting sued for unfair competition because they have advantages not available to private banks.

Public banks in North Dakota, Germany and Switzerland have been shown to outperform their private counterparts. International private competitors have responded by pushing for regulations limiting the advantages of the public banking model, but public banking advocates are pushing back.

In November 2014, the Wall Street Journal reported that the Bank of North Dakota (BND), the nation's only state-owned bank, "is more profitable than Goldman Sachs Group Inc., has a better credit rating than J.P. Morgan Chase & Co. and hasn't seen profit growth drop since 2003." The article credited the shale oil boom; but as discussed earlier here, North Dakota was already reporting record profits in the spring of 2009, when every other state was in the red and the oil boom had not yet hit. The later increase in state deposits cannot explain the bank's stellar record either.

Then what does explain it? The BND turns a tidy profit year after year because it has substantially lower costs and risks then private commercial banks. It has no exorbitantly-paid executives; pays no bonuses, fees, or commissions; has no private shareholders; and has low borrowing costs. It does not need to advertise for depositors (it has a captive deposit base in the state itself) or for borrowers (it is a wholesome wholesale bank that partners with local banks that have located borrowers). The BND also has no losses from derivative trades gone wrong. It engages in old-fashioned conservative banking and does not speculate in derivatives.

Lest there be any doubt about the greater profitability of the public banking model, however, this conclusion was confirmed in January 2015 in a report by the Savings Banks Foundation for International Cooperation (SBFIC) (the Sparkassenstiftung für internationale Kooperation), a non-profit organization founded by the the Sparkassen Finance Group (Sparkassen-Finanzgruppe) in Germany. The SBFIC was formed in 1992 to make the experience of the German Sparkassen – municipally-owned savings banks – accessible in other countries.

The Sparkassen were instituted in the late 18th century as nonprofit organizations to aid the poor. The intent was to help people with low incomes save small sums of money, and to support business start-ups. Today, about half the total assets of the German banking system are in the public sector. (Another substantial chunk is in cooperative savings banks.) Local public banks are key tools of German industrial policy, specializing in loans to the Mittelstand, the small-to-medium size businesses that are at the core of that country's export engine. The savings banks operate a network of over 15,600 branches and offices and employ over 250,000 people, and they have a strong record of investing wisely in local businesses.

In January 2015, the SPFIC published a report drawn from Bundesbank data, showing that the Sparkassen not only have a return on capital that is several times greater than for the German private banking sector, but that they pay substantially more to local and federal governments in taxes. That makes them triply profitable: as revenue-generating assets for their government owners, as lucrative sources of taxes, and as a stable funding mechanism for small and medium-sized businesses (a funding mechanism sorely lacking in the US today).

Swiss Publicly-Owned Banks and the Swiss National Bank: Marching to a Different Drummer

The Swiss have a network of cantonal (provincially-owned) banks that are so similar to the Sparkassen banks that they were invited to join the SBFIC. The Swiss public banks, too, have been shown to be more profitable than their private counterparts. The Swiss public banking system helps explain the strength of the Swiss economy, the soundness of its banks, and their attractiveness as a safe haven for foreign investors.

The unique structure of the Swiss banking system also helps explain the surprise move by the SNB on January 15, 2015, when it lifted the cap on the Swiss franc as against the euro, anticipating the European Central Bank's move to embark on a massive program of quantitative easing the following week. Switzerland is not a member of the EU or the Eurozone, and the Swiss National Bank (SNB) is not like other central banks. It is 55% owned by the country's 26 cantons or provinces. The remaining investors are private. Each canton has its own publicly-owned cantonal bank, which provides credit to local small and medium-sized businesses.

In 2011, the SNB pegged the Swiss franc to the euro at 1 to 1.20; but the value of the euro steadily dropped after that, and the SNB could maintain the peg only by printing Swiss francs, diluting their value to keep up with the euro. The fear was that once the ECB started its new money printing program, the Swiss franc would have to be diluted into hyperinflation to keep up.

The SNB's unanticipated action imposed heavy losses on speculators who were long the euro (betting it would rise), and the move evoked criticism from the European central banking community for not tipping them off beforehand. But the loyalty of the Swiss National Bank is to its cantons, cantonal banks, and individual investors, not to the big private international banks that drive central bank policies in other countries. The cantons had been complaining that they were no longer receiving the hefty 6% dividend they had been able to count on for the previous century. The

SNB promised to restore the dividend in 2015, and lifting the cap was evidently felt necessary to do it.

Publicly-owned Banks and the Trans-Pacific Partnership

The SBFIC is working particularly hard these days to make information and technical help available to other countries interested in pursuing their beneficial public model, because that model has come under attack. Private international competitors are pushing for regulations that would limit the advantages of publicly-owned banks, through Basel III, the European Banking Union, and the Transatlantic Trade and Investment Partnership (TTIP).

In the US, the current threat is from the TransPacific Partnership (TPP) and its European counterpart the TTIP. President Obama, the Chamber of Commerce, and other corporate groups are pushing hard for fast track authority to pass these secret trade agreements while effectively bypassing oversight from Congress.

The agreements are being sold as promoting trade and increasing jobs, but the effect of international trade agreements on jobs was evident with NAFTA, which hurt US employment more through the competition of cheap imports than helped it with increased exports. Moreover, only five of the TPP’s twenty-nine chapters are about trade. The remaining chapters are basically about getting government off the backs of the big international corporations and protecting their profits from competition. Corporations would be authorized to sue governments that passed laws protecting their people from corporate damage, on the ground that the laws impair corporate profits. The trade agreements put corporations before governments and the people they represent.

Particularly targeted are government-owned industries, which can undercut big corporate prices; and that includes publicly-owned banks. Public banks are true non-profits that recycle earnings back into the community rather than siphoning them into offshore tax havens. Not only are the costs of public banks quite low, but they are safer for depositors; they allow public infrastructure costs to be cut in half (since the government-owned bank can keep the interest that composes 50% of infrastructure costs); and they provide a non-criminal alternative to an international banking cartel caught in a laundry list of frauds.

Despite these notable benefits, under the TPP and TTIP, publicly-owned banks might wind up getting sued for unfair competition because they have advantages not available to private banks, including the backing of their local governments. They have the backing of the government because they are the government. The government would be getting sued for operating efficiently in the best interests of its constituents.

To truly eliminate unfair competition, the giant monopolistic multinational corporations should be broken up, since they have an obvious unfair trade advantage over small farmers and small businesses. But that outcome is liable to be long in coming. In the meantime, fast track for the secretive trade agreements needs to be vigorously opposed. To find out how you can help, go to www.StopFastTrack.com or www.FlushtheTPP.org.

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