

Elite Policies and Global Corporate Power: A Neoliberal Field Guide

How to Bomb, Corner, and Bet Your Way to Riches:

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In author and editor Michel Chossudovsky's excellent book, "[The Global Economic Crisis](#)," he quotes democracy's bête noire emeritus, Henry Kissinger, who stated in that plain and bloodless manner, "Control oil and you control nations; control food and you control people."

This cynical insight could be the mission statement of global corporate power bent on the total control of the world's food and fossil fuel. As Chossudovsky and writers including James Petras and Michael Hudson variously illustrate, this goal is pursued largely through three techniques perfected in the killing fields and bombed out urban craters of the developing world, in the maquiladoras and sweatshops of the Third World, and in the borderless ether of global finance.

[The Global Economic Crisis: The Great Depression of the XXI Century](#)  (click to order from GR)

Sometimes characterized as a neoliberal class war by the rich on the poor, elite policies are funded by Fortune 500s, implemented domestically by bought governments, and abroad by a two-tiered alliance of military power and perverted Bretton Woods institutions. Their proven strategies for success include illegal wars of aggression, building commodity monopolies, and rampant financial speculation. If there were ever a field manual made for neoliberal exploitation, these three models, and their representative case studies, would comprise its core chapters. Here are a few cases worth considering.

Blinded on the Road to Damascus: Warmongers at Work

When Abby Martin interviewed dissident writer William Blum on her Russia Today program, "Breaking the Set," she asked him why he focused so squarely on foreign policy. With his inimitable frankness, Blum replied that it was because that was where the most damage is done. So let's start there. Although engineered famines compete with war, nothing seems to quite match warfare in its capacity to extend its cruel hand into the past, present, and future. Like nothing else, war obliterates the cultural heritage of the past, slaughters and displaces the living, and deforms the unborn. Past, present, future—no generation untouched, no soil uncontaminated.

While militaries get all the press, the defense corporations that supply their arsenals too frequently skirt the media's roving eye. Corporations like Lockheed Martin, Northrop Grunman, Boeing, and General Dynamics comprise the American quarto of elite weapon

makers. Generals at the Pentagon peruse their brochures over apple balsamic salads, checking off their preferred items: Hellfire missiles and military aircraft from Lockheed Martin, the latest in gun systems and ammunition from Alliant Techsystems and ArmaLite, Predator and Reaper [drones](#) from General Atomics, F-15 fighter jets from Boeing and Abrams tanks from General Dynamics. The list goes on. We know little about it in the States.

But if you live in Damascus, for instance, you may find yourself an unwitting “early adopter” of some of this leading-edge technology, like a Raytheon Tomahawk missile blasting its way through Syria’s antiquated missile-defense systems into your local hospital or perhaps into your living room. If you live in Waziristan, you may have already grown accustomed to the buzz of MQ-1 Predator drones in the high sky, surveilling your neighborhood for energetic youth bearing the hallmarks of terror. You are savvy enough to know, however, that should your neighbors be hit by a “signature strike,” you shouldn’t attempt to rescue any potential survivors lest you find yourself blown apart by a “double tap” strike, which targets first responders (or, friends of terrorists, according to Pentagon and CIA logic).

It’s no coincidence that Raytheon’s stock price [hit](#) a 52-week high on rumors of war with Syria. But aren’t these arms makers seeing their remits reduced? Sequestration? Don’t kid. Austerity? For whom? Northrup Grumman shares are [up](#) by 56 percent this year despite the theatrical claims of deficit reduction emanating from beltway bean counters. Northrup also enjoyed a tidy income spike of \$38 million year over year. The message is clear: war is coming, one way or another, one place or another. For these corporations, war is good. War is bounty. War is a new guest wing on the CEO’s Monticello-like mansion. And a fresh coup in some remote and abstracted nation.

Jilted in Java: Speculating the World to Death

Many needless nonmilitary crises are [caused](#) by financial speculation. The collapse of the U.S. housing market was perpetrated largely by greed-driven derivatives trading and speculation. Likewise, the unnecessary spikes in commodity prices before the 2008 crisis owed much to the same speculative frenzies. When the price of wheat and rice and corn and oil double overnight for no good reason other than futures and options trading, billions are negatively affected—from the billons living on \$2 a day, who suddenly can’t afford basic foodstuffs through no fault of their own, to the Western commuter who finds the rising price of gas unsustainable or sees his equity evaporate over a weekend.

Author Amy Chua, in her book *World on Fire*, pointed out several useful examples of the dangers of speculation, drawn from the finance-fueled collapse of the Asian Tigers in the late nineties. Let’s say you’re a tofu maker in Java. One day, unbeknownst to you, thanks to some clever price manipulations on the Chicago and London commodities exchanges, the price of soybeans triples. After some hand-wringing conversations with your wife, you pull your children out of school and put them to work so that you have enough money to buy the beans that you turn into tofu. Fortunately, the price of fuel is steady; you need about 100 liters a day of fuel to light your pressure cookers. Then the Indonesian government announces, with great fanfare and optimism, that it has rescinded its fuel subsidies based on the sage advice of the IMF, which promises that “free trade” will deliver an economic boom. Your wife walks in to the room. “Welcome to bankruptcy,” she says.

Far from Indonesia, Goldman Sachs, Morgan Stanley, and Bank of America are all heavily invested in some or all of the various trading boards, from Chicago’s CME to the NYSE to London’s International Commodity’s Exchange (ICE) and International Petroleum Exchange

(IPE). Ever since the deregulation of futures under the Clinton administration, houses like Goldman have been able to stake huge commodity positions, even employing a derivative especially formulated for commodity indices. Over the last decade, money has [poured](#) into commodities futures, generating the price bubble that eventually wrecked small farmers and lined the pockets of banking behemoths like Goldman and JPMorgan.

Swindled in Addis Ababa: Cornering the Market

Instead of gun running or commodity swindling, some imperialists prefer the rather more serene methodology of agricultural dispossession. In market terms, this might be known as a monopoly, in that it dispossesses people of their market opportunities. Corporations like Monsanto, Archer Daniel Midlands (ADM), and ConAgra, use standing international institutions like the International Monetary Fund (IMF) and the World Bank to smuggle their products into developing markets. The IMF Structural Adjustment Programs (SAPs) have always conditioned loans on the “liberalization” of the local economy. This often meant not only the acquisition of domestic industry by foreign capital, but also the eradication of protectionist measures designed to shelter fledgling domestic businesses, like small farmers, from infusions of competitive foreign products with absolute advantage.

This opening up to “free trade” instances two fairly cruel events. First, the dumping of Western agribusiness commodity surpluses on poor countries. The laws of the WTO stipulate unfettered market access for global agribusiness under the principles of free trade. Naturally, there are no agribusiness titans in Kampala dying to penetrate the American peanut market, so this trade is usually a one-way highway from the overflowing grain silos of the West. Generally, this “food aid” paradoxically leads to a loss of food security in a once self-sufficient land. Instead of producing beans or maize for local consumption, farmers are either pushed out of business or find themselves producing Arabica coffee beans for export to trendy Western cafes (while the government takes loans to import corn and other essential foodstuffs).

Second, and this is even more invidious, say you are a small farmer in an African country. As Chossudovsky has [outlined](#) numerous times in relation to Ethiopian agriculture, perhaps you’ve just marginally survived a terrific drought (brought on in part by climate change owing to the outsized and indiscriminate consumption habits of the Western world). Suddenly, with all the serendipity of a Countrywide lender approaching a unwitting mark, an NGO or perhaps an agribusiness agent himself is standing at your door, arms extended, cupping a handful of seeds for which he requires no recompense. You gratefully accept, thinking God has granted you a fresh bounty for your suffering.

A year later things have changed. You discover that either the seeds are “terminator seeds” that go sterile after their first harvest; or you discover that replanting the seeds requires a sizeable outlay of cash to the true owner of the seed, Monsanto. You are told that Monsanto owns the intellectual property rights to the seed variety, which is conjured in a laboratory in Missouri, building a new genetic form based on several existing strains, some of them drawn from your own backyard, hewed over millennia of local hybridization, which cost nothing, and the benefits of which were shared throughout the community.

Not only that, but you’ve got to purchase costly pesticides to ensure you achieve the promised yields at harvest. You might need a pre-emergent herbicide to kill the weeds and a post-emergent fungicide to kill the mold, and significantly more water, since the seed, although touted as drought-resistant, may requires more water at planting to achieve a

healthy stand. You can't afford all this, your crop collapses, your farm fails, and you think—suicide or lifelong shame? 270,000 thousand Indian farmers [chose](#) the former. It should be an oft-repeated trope that once the IMF enters a developing economy, it ceases to develop.

Of course, I've failed to mention the external cost of agribusiness to the local population. As a report on Argentina recently [noted](#), cancer rates in rural communities there spiked almost simultaneously with Monsanto's introduction of glyphosate, the infamous 'silver bullet' herbicide launched in 1996. While 'Round Up Ready' seeds have helped farmers make unproductive land arable, contamination of the water table and, subsequently, the local population, is frightening. In yawning self-defense, the global giant lamely rehearsed its warmed-over talking points about the safety of its toxins. They've probably had enough of the troublesome Argentines anyway, given that the government threw the IMF out of the country a decade ago. When it comes to smashing protectionist measures, there's nothing quite so helpful as the dangling carrot of a multi-billion dollar IMF loan. Not too dissimilar from the sight of Commodore Perry sailing into Tokyo Bay with a squadron of steaming gunships. One inspired avarice, the other fear, but the result was much the same.

Bamboozled in Baghdad: Two for the Price of None

Of course, sometimes there's no need to involve international lending organizations or the World Trade Organization (WTO) at all. In Iraq, after blowing apart Saddam Hussein's vaunted Republican Guard, the Americans set up camp at Saddam's presidential palace in Baghdad, crafting their neoliberal utopia under the gilded domes and marble columns of the fallen dictatorship. As Vice President Dick Cheney hustled no-bid reconstruction contracts into hands of his Halliburton friends, Viceroy Paul Bremer outlined 100 Orders designed to de-Bathify the government and neoliberalize the economy. Order 81 stipulated the use of "stable" plant varieties, a coded term for GMO seeds delivered on demand from Western agribusiness.

As a rough guide to the kind of money there is in agribusiness, Monsanto banks about a billion dollars a [quarter](#)—clean profit. They netted \$1.48 billion in Q2 this year, coinciding with the infamous "Monsanto Protection Act", which protects GMO seed producers from litigation over health risks. (This legislation received the Midas-like imprimatur of President Obama in March.)

Under the Viceroy (or is that the vizier?), oil, too, was quickly [opened](#) to Western multinationals through Production Sharing Agreements (PSAs) that would apply to the dozens of unbuilt Iraqi oil fields. British Petroleum, ExxonMobil, and other oil conglomerates receive fresh oil exploration contracts when the U.S. occupies a country and shreds existing production arrangements (Often, it's the French or Russians who get screwed in this regard).

One of the unmentionable crimes of Saddam Hussein was the fact that he nationalized Iraqi oil fields in 1972. ExxonMobil, BP, and Shell all have billion dollar production arrangements to [mine](#) Iraqi oil fields—this despite the Iraqi government's unwillingness to sign the hydrocarbon law the Bush administration attempted to push through.

Of course, simply promising the local government a hefty slice of the pie also works. Shell has been wreaking havoc in Nigeria since the 1990s, mostly in the southern Niger Delta region. Various militant organizations have sprung up in largely vain attempts to wrestle

control of their own resources away from the corrupt government and multinational alliance. Notably the Movement for the Emancipation of the Niger Delta and its telling acronym MEND. Nonplussed, Shell has offered scant compensation for its oil spills in the region and last year pocketed \$25 billion, a small rise over 2011, which naturally unsettled greed-soaked shareholders (as opposed to oil-soaked but penniless Nigerian villagers).

As Shamus Cooke recently [wrote](#),

“The essence of neoliberalism can be reduced to the following: government should be used exclusively to help big business and the wealthy with tax cuts, subsidies, privatizations, anti-labor laws, etc., while all government programs that help working and poor people should be eliminated. It’s really that simple.” Sadly, Cooke’s definition of the core of the neoliberal program is spot on—profits, by any means necessary.

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[The Global Economic Crisis: The Great Depression of the XXI Century](#)

In all major regions of the world, the economic recession is deep-seated, resulting in mass unemployment, the collapse of state social programs and the impoverishment of millions of people. The meltdown of financial markets was the result of institutionalized fraud and financial manipulation. The economic crisis is accompanied by a worldwide process of militarization, a “war without borders” led by the U.S. and its NATO allies.

This book takes the reader through the corridors of the Federal Reserve, into the plush corporate boardrooms on Wall Street where far-reaching financial transactions are routinely undertaken.

Each of the authors in this timely collection digs beneath the gilded surface to reveal a complex web of deceit and media distortion which serves to conceal the workings of the global economic system and its devastating impacts on people’s lives.

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