

Trade Is Not Meant to Boost Economies

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Theme: Global Economy

"There was free trade in Africa . . . before the colonialists came."—George Ayittey

Most everyone believes that trade is an unqualified good, but no one can identify any solid, concrete benefits it has produced in spite of the fact that it has been going on for at least five millennia. Throughout most of those years, it was all free trade, so trade agreements are not a necessary condition for trade. These agreements must have some other purpose.

When anyone asks, what's wrong with expanding trade?, the answer is, the people doing the trading. In fact, trade has always been a nefarious activity that people are given a laundered version of, a version washed clean of its malevolent nature. But its evil nature is not difficult to identify..

The view of trade most people are familiar with is the Marco Polo version. Marco Polo loaded some European made goods on boats and then camels, I suppose, and trekked across Asia Minor to China where he swapped those goods for goods like fine silk and rare spices and hauled them back to Europe where they were sold for a huge profit. Other traders did similar things. But that is the sanitized tale. In truth, trading was dangerous and vicious. Traders often were subjected to extortion by the peoples whose lands had to be traversed. Other times these traders were merely robbed. And I suspect they did their share of cheating themselves whenever they had opportunities to. Honesty was not a word in a trader's vocabulary! It still isn't.

All this led to a search for safer trade routes. Routes by sea was an obvious possibility. Portuguese navigators sailed around the tip of Africa. Then Columbus tried sailing west from Spain and the world changed. He ran into an unknown continent where he found silver and valuable crops. A new age was awakened. Colonization was born.

It was a brutal age. Aboriginal tribes were exterminated and enslaved. Trade no longer involved swapping goods for goods, it became kill, conquer, and pillage. The word 'trade' came to mean plunder.

In the newly claimed colonies, plantation agriculture was developed to grow and harvest the newly found crops. But that farming required labor. So the "traders" went right to work. The British developed the procedure known as triangular trade. Ships laden with goods made in England sailed to Western Africa where they were swapped for human beings who were kidnapped in central Africa. The ships, when laden with people, sailed to America where the people were sold into slavery. Slavery in America was a consequence of trade. What a benign economic activity! It's still going on today. Ask a garment worker in Bangladesh. To many, free trade has come to mean free labor.

Those principally responsible for this abominable practice were Western Europeans, the people who resided in what was often called Christendom. These are the very same peoples who inflicted the holocaust on Europe's Jews in the twentieth century. Now, with the United States leading the way, they are trying once again to enslave the world. Free trade is the principal policy in the pursuit of internationalism. As Henry Charles Carey has said, "By adopting the 'free trade,' or British, system, we place ourselves side by side with the men who have ruined Ireland and India, and are now poisoning and enslaving the Chinese people."

Free trade agreements are always sold to the public with promises of an increase in exports and jobs. But they never deliver those promised results. Since 1985, the United States has entered into 20 free trade agreements. Instead of being boosted, the American economy since then has declined. Why haven't exports increased dramatically? Why haven't the jobs materialized? Part of the answer lies in the countries with which the agreements have been made. Eleven have been made with poor Latin American nations who were never likely to buy many American exports. Four are with small Muslim nations who are also unlikely to ever be large buyers of American made products. Why then has America sought trade agreements with them? What beside trinkets do they make that Americans want and what beside agriculture do American hope to sell them? In selling these nations agricultural products, whom are we creating jobs for? Migrant workers? That's not the kind of job creation Americans need!

An examination of what the US exports to Canada and Mexico demonstrates why NAFTA has never fulfilled its promise of increasing exports and jobs.

Motor vehicles, spare parts, and accessories are exported to both countries, but are offset by imports. The exports of these countries are a legacy of the policies which American car companies set up plants in Canada and Mexico whose products are shipped back and forth across the border, These policies not only did not create American jobs, they created Canadian and Mexican jobs instead. Aside from automotive related produces, the US exports industrial and electrical machinery, plastics, and chemicals which are not products that ordinary consumers are ever likely to buy.

The US. exports of agricultural products to Mexico constitute the 3rd largest US agriculture export market. Just imagine the number of jobs for migrant laborers that has created. But wait! Those exports also put the small Mexican farmer out of business. What do you believe he did? His choices were stark. He could join a drug carted or migrate to America as an illegal alien. Isn't that a boon to America? Come to think of it, the cross border drug trade is the largest free trade market America participates in. It involves no subsidies or tariffs. Any supporter of free trade must admire it!

As Michael Badnarik has says, "NAFTA and GATT have about as much to do with free trade as the Patriot Act has to do with liberty." Trade is an instrument of control. Mayer Rothschild is reputed to have said, "Give me control of a nation's money and I care not who makes it's laws." Give one country control of another country's trade, and the country whose trade is controlled will do whatever the controlling country wants. Such countries are ripe for extortion. Now that Mexico's small farmers have been eliminated, Mexico's supply of food is dependent on its relations with the United States. Tell it to fight our war on drugs inside its borders and it will regardless of how many innocent Mexicans are killed. America doesn't care about the murder of Mexicans! Or the murder of Muslims, Iragis, Pakistani, Ukrainians,

Libyans, Afghans, Palestinians or anybody else. America wants control.

Even Adam Smith knew that much good was never done by those who affected to trade for the public good. Free trade is the principal behind internationalism. The establishment of free trade agreements is a critical and progressive step towards greater economic integration and the creation of a world government. Then that government comprised of Edi Amins, Pol Pots, George Bushes, Tony Blairs, and others will rule over a world enveloped in a new Dark Age. But the existence of such a government does not guarantee peace or prosperity, for killing, as it is now, will be the predominant problem solving device. Murder is not a solution to any problem; it exacerbates it.

Truth is like nature. It can't be altered without consequence. Like pollution, any lie is an affront to nature. Human beings cannot escape the consequences of their lies. Hitler told the Germans they were the master race. They mastered nothing. The Jews call themselves God's chosen, but what they have been chosen for is yet to be determined. America calls itself exceptional. Exceptional at what? Seeing wrong, being wrong, and doing wrong?

The nefarious nature that trade has exhibited throughout history has not abated. J. P. Singh writes,

"Since the foundation of GATT, the U.S. and Western Europe have manipulated the developing world on most trade measures. They have made lofty promises while creating imperial preferences for cheap products from the developing world in the 1950s, instituted quotas on manufactured imports like textiles that would have increased jobs and growth since the 1960s, provided tariff-free access in exchange for quantitative restrictions since the 1970s, ignored or side-stepped dispute settlements that went against their interests since the 1990s, enforced draconian provisions on intellectual property in this century, and hardly made any progress on the 'Doha Development Agenda' that was launched in 2001."

You see, the cheating continues.

Marco Polo did not travel to China to boost the economy of Venice or create Venetian jobs; he did it just to get rich. When Apple imports its cellular phones from China, it doesn't care about creating American jobs; it cares only about profits. When Monsanto wants French farmers to sow genetically modified seeds, it does not seek to boost French jobs; it seeks only to sell seeds. All traders everywhere merely seek profits. As Adam Smith says, "I have never known much good done by those who affected to trade for the public good."

Traders want profits and empires want control. That's all there is to it, and it's called capitalistic free enterprise and has no patriotic, national, or social motives. It is not meant to boost economies or increase jobs. It never was.

John Kozy is a retired professor of philosophy and logic who writes on social, political, and economic issues. After serving in the U.S. Army during the Korean War, he spent 20 years as a university professor and another 20 years working as a writer. He has published a textbook in formal logic commercially, in academic journals and a small number of commercial magazines, and has written a number of guest editorials for newspapers. His online pieces can be found on http://www.jkozy.com/ and he can be emailed from that site's homepage.

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