

Introduction

Barbarism Inc.

Gill Hubbard and David Miller

George You can literally watch the world's water supply dripping away moment by moment.

Ruth But that's just someone's opinion.

George That's not an opinion it's a scientific hypothesis. Let's just say they're half right, which chances say they are. But even if they're only half right we're not doing any of the things we should be doing in order to prevent it, much less reverse the trend.

Ruth But it's all so pessimistic. If it happens we'll die. In the meantime can't we be happy?

George Happy?

(Excerpt from episode of American TV series
Six Feet Under)

Replace the world's water supply with any other natural resource – oil, rainforest, soil, fish stocks, minerals, fossil fuel, wildlife, the ozone shield – and the picture stays the same. The trajectory of the global capitalist economy at the beginning of the twenty-first century is on a collision course with nature. Some of us used to joke that if corporations could bottle and sell the air that we breathe they would do it. Well, now nobody is laughing.

Our ecological system is in peril. Scientists estimate that a reduction of 70 per cent of greenhouse gas emissions over this century is necessary to prevent the worst effects of climate change, including flooding, hurricanes and droughts. Yet the Kyoto pact, which is part of the United Nations Framework on Climate Change, only requires developed countries to reduce greenhouse emissions by 5.2 per cent by 2012. And the United States, which is the world's biggest polluter – spurting out 5,795.6 million metric tonnes of carbon dioxide¹ – has refused to sign the pact.

Climate change with its calamitous consequences is just one of the issues that the eight richest countries in the world have failed to tackle. The summit of these eight countries – Britain, Canada, France, Germany, Italy, Japan, Russia and the United States – will meet (or by the time that you read this book, will have met) in July 2005 in Scotland. The G8 (in its original form as the G6) met for the first time in 1975. They have had 30 years to alleviate the misery and poverty endured by people in some of the poorest parts of the world. Yet at the beginning of the twenty-first century:

- A child every 15 seconds dies from lack of safe water.
- Most of the estimated 30,000 daily human deaths are preventable. Of the 20 countries with the highest child mortality rates, 19 are in Africa, the only exception being Afghanistan.
- Half of the people living in sub-Saharan Africa are living on less than a dollar a day, which is half the level of subsidy given to European cows.
- One billion people – approximately one-third of the world's urban dwellers and a sixth of all humanity – live in slums.
- While at least a billion people on the planet subsist on the equivalent of a dollar a day or less, the concentration of

wealth among a handful of people at the top has set new records. In March 2004 *Forbes* magazine listed a record 587 individuals and family units worth US\$1 billion or more, an increase from 476 in 2003. The combined wealth of billionaires also reached record levels – a staggering US\$1.9 trillion, an increase of US\$500 billion in just one year.

These figures suggest that the G8 either have a penchant for keeping the majority of the world's population in a perpetual state of impoverishment, or head a global system that is out of control. How much longer should we let them decide the fate of our planet?

The G8 have consistently imposed a neo-liberal economic model that benefits the rich and powerful at the expense of the most destitute people in the world. This type of economics is characterized by privatization, deregulation and trade liberalization.

Take the case of trade liberalization. An increase in international trade for the world's poorest countries has not led to any real reduction in poverty in these countries. The United Nations Conference on Trade and Development reported that the majority of people in countries that opened up their markets for free trade are still surviving on less than US\$1 a day. In other words, the people who gain most from relaxing import and export controls in the developing world are the multinationals.

The G8 continue to demand that poor countries open up their borders so that transnational corporations can swoop down and bleed public services dry. Like vultures, the corporations circle over the developing world, waiting to feed off the profits. The International Monetary Fund (IMF) and World Bank insist that to qualify for debt relief or loans poor countries must privatize public utilities including water, gas, electricity, transport,

hospitals and schools. Privatization has increased the costs of these essential services, which means that poor people can no longer afford them. Privatization of public services has clearly exacerbated the effects of poverty in many developing countries. Take the case of sub-Saharan Africa. The Organisation for Economic Co-operation and Development drew the following conclusion on the privatization of public utilities:

In the absence of proper regulation, profit-maximising behaviour has led privatised companies to keep investments below the necessary levels, with the result that rural communities and the urban poor were further marginalised in terms of access to electric power and water supply.²

UK corporations are conspicuous in the scramble for African public services. For example, Johannesburg City Council in a public-private partnership with Northumbrian Water and its French parent Suez Lyonnaise des Eaux has recently installed pre-paid water meters. Those who cannot afford to pay are left with no other choice than to draw their water from dirty rivers. These people then become most at risk of succumbing to life-threatening ailments such as cholera and diarrhoea. Residents are resisting by ripping up pipelines.³

Perhaps it is not surprising that UK companies have their finger in the privatization pie. Despite evidence showing that privatization has nothing to offer poor people but more hardship and misery, the UK government has championed the privateers by investing heavily in an international privatization programme. According to *War on Want*,⁴ the Department for International Development (DFID) has used its aid budget to usher in privatization. Consultants from accountancy firms such as PricewaterhouseCoopers and Ernst and Young, with

their beady eyes on services ripe for privatization, line up to receive their reward from the government aid budget. For example the Adam Smith Institute, which was the British think tank behind privatization of public services in the 1980s, has received over £34 million from DFID's aid budget in the past six years for projects including running pro-privatization propaganda campaigns in southern Africa.⁵

Much closer to home, public services are being privatized without any evidence to suggest that this will lead to improvements. Indeed, all evidence points in the other direction. We only have to look at the British train service as proof that privatization has been a disaster. Since privatization, this key part of our transport infrastructure has had escalating costs, deteriorating performance and a poor safety record.⁶

But it is not just the enforced privatization agenda that is responsible for so much human hardship. Neo-liberal economists from the pulpits of the World Bank and IMF also lay down strict budgetary constraints on public spending as a condition of receiving aid and loans. In doing so, they prevent countries in the developing world from hiring doctors, nurses and health workers and purchasing much needed medicines to fight diseases such as HIV/AIDS.

An estimated 40 million people in the world have HIV/AIDS, and 28 million of them live in sub-Saharan Africa. More children die in sub-Saharan Africa now than a decade ago. One in six children in sub-Saharan Africa dies before the age of five compared with one in 143 in industrialized countries. This is largely as a result of HIV/AIDS. Children who do survive are often orphaned. The United Nations estimates that 11 million children in sub-Saharan Africa have lost at least one parent to the disease, and predicts that by the end of the decade there will be 20 million.

The issue of HIV/AIDS did not even reach 2004's G8 agenda; instead, it was discussed for two hours over a 'working lunch'. The G8 endorsed coordinated international research for an HIV/AIDS vaccine, yet the United Nations estimates that Africa alone needs US\$10 billion to fight HIV/AIDS each year. The World AIDS Campaign is still waiting for the G8 to honour the United Nations Global AIDS Agreement that it signed three years ago. Those people with HIV/AIDS need the money now to pay for the drugs that will keep them alive today – tomorrow may be too late.

The landscape of Africa is receiving particular attention in 2005. Immediately after being handed the presidency of the G8, Tony Blair announced a Commission for Africa. Africa has debts of £171 billion. Its products account for only 2 per cent of world trade. The threat of famine in countries such as Ethiopia is twice as bad now as it was 20 years ago, when millions of people around the world gave money to Band Aid and Live Aid while rock stars played to audiences in Britain and the United States. The song 'Feed the world' became an instant Christmas hit. So what has Tony Blair got in store for the people of Africa?

Despite his declaring himself the saviour of Africa, weapons are being sold with the blessing of the Labour government on an unprecedented scale. For instance, the government of South Africa is purchasing warships and military aircraft to the value of US\$4.8 billion from the UK and other European suppliers.⁷ The UK has also sold arms to Egypt, Ghana, Kenya, Sierra Leone and Zambia.

Tony Blair also seems to think that privatizing public services is the answer to many of Africa's problems. In 2002, DFID created the Emerging Africa Infrastructure Fund in order to provide finance to private companies that seek to own and control public services in African countries.

And since the Blair government has been in office, Britain has still not fulfilled the promise made over 30 years ago to the United Nations to increase aid to 0.7 per cent of national income. (Britain currently gives 0.34 per cent, which is approximately £3.83 billion.) This means that Britain owes developing countries, many of them African, a staggering £10 billion in aid.⁸ On the other hand, Britain reserved £3.8 billion for the Iraq war, the costs of which are still rising. An opinion poll reported in the *Guardian* shows that 60 per cent of the British public say that money spent on the Iraq war would have been better spent on tackling poverty in poor countries.⁹

The G8 expound the gospel of globalization. Like a phalanx they march across the globe, pushing into the gutter anyone or anything that stands in their way. The term ‘globalization’ has a specific meaning. It is the accelerated integration of capital, production of goods and services, and markets on a global scale. Globalization is a process that is driven by the logic of corporations competing with one another for natural and human labour resources, and for markets in which to sell goods and services. This logic extends to rivalries between nation states, which is why globalization is also characterized by war.

Globalization has had three main phases. The first phase lasted from the early nineteenth century until the outbreak of the First World War. This was characterized by largely unlimited opportunities to exploit resources and markets worldwide. This was, of course, only after countries had been colonized, which meant murder, torture, displacement and the subjugation of local populations across all continents. Britain was the supreme superpower in this first phase. Through the double standard of protecting its own corporations and markets while at the same time demanding free and open trade from other countries, Britain’s geopolitical reach was far and wide.

The second phase lasted until about the 1970s. This was a period characterized by the dominance of national economies, and an international economy with strong constraints on trade and capital flows. Keynesian economic policies regulated capitalism both domestically and internationally, following mass action by the working class in Western countries and the experience of the Second World War. This meant that corporations were restricted in their ability to own and control resources and markets within different countries. Import and export controls were the norm, and nation states were able to control what went in and out of their borders.

The third phase started in the late 1970s and continues today. This phase is marked by the ideology of neo-liberalism. Constraints on financial speculation and trade are being rapidly eradicated. This means that corporations are attempting to remove any regulation that gets in their way, including laws on safety of medicines and chemicals, environmental standards and workers' rights. Thus neo-liberalism amounts to a direct attack on the abilities of nation states to decide who owns and controls the resources that lie within their geographical boundaries. Neo-liberalism also poses a formidable challenge to trade unions and to the welfare state, because it is largely these bodies that have managed to offer at least some protection from the unfettered effects of corporate profiteering. Without a welfare safety net people are left to fend for themselves once they are thrown on the scrap heap.

There are three interconnected international bodies that are forcing through globalization in this third phase: The IMF, the World Bank, and the World Trade Organization (WTO). Between them they aim to establish 'global governance' based on the principles of unchecked financial flows and speculation on the stock markets, free trade and privatization.

The purpose of the IMF is to make sure that financial speculation, gambling on currencies and the buying and selling of corporate shares, can go on unchecked. It wants this free-for-all to take place irrespective of the consequences. For example, when the world's gamblers started a run on the baht, the Thai currency, it precipitated the Asian financial crisis of 1997. In a matter of weeks over a million people in Thailand and 21 million people in Indonesia were pushed below the poverty line.

Like grand schoolmasters, the IMF and World Bank tell governments in the developing world what they should do with their economies. The developing countries are being taught to abide by 'structural adjustment programmes', which are now disingenuously called 'poverty reduction strategies'. If governments refuse to do as they are told, detention for the pupil is severe. The IMF and World Bank have refused to provide aid and loans to these countries. In the past, debt relief was denied to seven heavily indebted countries because they had not abided by IMF and World Bank neo-liberal economic programmes. It is not from lack of money that members of the G8 refuse to cancel Third World debt, it is because debt can be used as a way of coercing developing countries to adopt neo-liberal economic practices.

Ethiopia has been a model pupil of the IMF for a number of years. The purpose of the 'Sustainable Development Poverty Reduction Programme' drawn up for the country was to build a free market economic system, yet the IMF admits that things have not been going too well recently. In its 2004 Annual Report¹⁰ the IMF has acknowledged that 'conditions have probably worsened for the majority'. One of the four pillars of the development strategy was 'Agricultural Development Led Industrialization' (ADLI). So how well has the agriculture sector fared under the tutelage of the IMF? The collapse of world coffee prices has 'shattered livelihoods',

and widely fluctuating prices for crops have created enormous hardship for farmers. This is how the IMF describe what has happened to farmers:

Bumper crops in earlier years drove down food prices, with catastrophic effects on farmers' income. Consequently, many farmers could not repay their debt, and did not have the means to purchase and apply modern inputs to this year's crops.

In other words, ADLI has been a total disaster. Yet, the IMF continues to preach that a free market economy is the panacea to Ethiopia's problems.

The purpose of the WTO is to establish free trade so that corporations can do what they want and go where they want without anything or anyone standing in their way. There will be no barbed wire fences or border police blocking the path of transnational corporations. It is the WTO that is imposing Trade-Related Intellectual Property Rights (TRIPS). This is the intellectual equivalent of armed robbery. Our human genes and basic foodstuffs are being patented. Patenting has meant, for example, that the production of cheaper, generic drugs that would keep people with HIV/AIDS alive is being blocked. In other words, pharmaceutical profits are protected and the poor and sick are paying the price.

The 'Battle of Seattle' in 1999 outside the WTO is seen as the beginning of a wave of global protest against the neo-liberal project, although a wave of protest in the developing world had preceded it, from 1994 onwards. It was not only the anti-capitalists who were compelled to protest in Seattle. Governments from developing countries were also outraged by the hypocrisy of the eight richest nations in the world. For example, while they were expected to open up their country's borders to corporations from

abroad, and remove support given to key sectors of the economy, the United States was busy propping up its own agricultural and steel industries through massive subsidies. The United States took a position of ‘Don’t do what I do, but do as I say.’ In other words, it was all right for the United States to flout the free trade rules but not for others.

Protesters outside the WTO in Seattle were there to oppose corporate power and more. They detested the likes of Gap and Nike for exploiting workers in the developing world, and they hated the fact that corporations that were responsible for cutting down rainforests and for polluting the planet were to be given even more powers.

The crisis of legitimacy of the neo-liberal project was exposed again in Genoa at the G8 summit in 2001. As hundreds of thousands of demonstrators took to the streets to declare that another world is possible, the most powerful leaders of the world met behind huge wire fences, protected by armed personnel. The murder by police of Carlo Giuliani, a young Genoese man in his twenties, was a blunt and brutal reminder that violence could and would be meted out on a social movement that was predominantly clad in T-shirts and jeans. But Genoa was also a reminder of the power and strength of this social movement. Since Genoa, the G8 has kept away from meeting in major urban conurbations.

Further witness to the power and seriousness of this social movement is given by the tens of thousands who have gathered to discuss, debate and demonstrate at European and World Social Forums (30,000 in Florence 2002, 60,000 in Paris 2003, 20,000 in London 2004, and over 100,000 at the World Social Forum in Mumbai in 2004). Although people spoke in different tongues the language was the same – it was a language that spoke clearly against war and neo-liberalism. Activists came together to fight for a ‘different world’.

The storm clouds gathering over the corporate-driven globalization agenda on the streets of Seattle and Genoa have been joined by a hurricane – the anti-war movement. The war and occupation of Iraq has already cost thousands of lives and caused untold human misery. The leading medical journal *The Lancet* gives 100,000 deaths as a conservative estimate for the people of Iraq alone. The warmongers within the G8 have witnessed huge protests against their bloodshed. The aftermath of 9/11, far from stopping the anti-capitalist movement in its tracks (which was predicted by the majority of political commentators), has seen a fusion of the struggles against neo-liberalism and war. It was in Florence at the European Social Forum in November 2002 and then at the World Social Forum in Porto Alegre in January 2003 that it was agreed to mobilize across the world on 15 February against the then impending war on Iraq. Millions took to the streets on that day.

The relationship between neo-liberalism and war has never been starker than in the war against Iraq. This war, which was led by the United States with Britain snapping at its heels, has compounded the crisis of legitimacy of global capitalism in at least three ways. The war and occupation of Iraq showed what the ‘Project for a New American Century’ actually means in practice. It means control of oil supplies and it means profits for US corporations. Nowhere has this been more blatant than in awarding the main business contracts for the so-called ‘rebuilding’ of Iraq to US corporations linked to the Bush gang, such as Bechtel and Halliburton. UK corporations were left to peck the crumbs off the table after the hawks had had their fill.

Bush and Blair alleged that this war was about bringing democracy to the people of Iraq, but what it has done is to drive the quest for democracy even further away from the hands of the Iraqi people. How can you have a democracy when there are

no free and fair elections? How can you call it democracy when foreign troops occupy the country? How can it be a democracy when the whole economy is owned by a foreign power?

This war has also led millions to question the type of democracy that is much closer to home. British democracy, which is one of the oldest in the world, is now in the spotlight. Blair used the fact that Saddam Hussein had weapons of mass destruction that could be fired in 45 minutes as a pretext for supporting Bush's war against Iraq. Some people have called this 'spin'; others have referred to it as a 'misrepresentation of the truth', or as 'misleading information', a 'half-truth' or 'deliberately ambiguous'. But let us call it what it really is – a lie. Blair did lie. He lied in parliament and he lied to the people of Britain – and not just about the 45 minutes claim. He is lying still.¹¹

Finally, the war and occupation of Iraq have brought in a wave of horrors. The torture and abuse of Iraqi prisoners demonstrated to the whole world that the elites in the United States and Britain didn't give a damn about the Geneva Convention and cared even less about Iraqi lives. Nagem Salam interviewed a former Abu Ghraib female detainee who was arrested by US forces on 14 September 2003 and detained in Ba'qouba, Tikrit, Abu Ghraib and the Tesfirat transfer station.¹² She describes how 14 Iraqi men were treated in Abu Ghraib:

The soldiers made them all stand on one leg, then they kicked them to make them fall to the ground.... The soldiers also made all the men lay on the ground, face down, spread their legs, then men and women soldiers alike kicked the detainees between their legs.... I can still remember their screaming.... Every day, morning and evening, I saw people tortured and humiliated in the corridor in front of my cell.

And people still remain incarcerated in Guantanamo Bay without recourse to a fair trial. With hands tied behind their backs and blindfolded, they sit isolated in cages not knowing their fate.

Given the failed history of the G8 it is no surprise that people have protested when they meet. The leaders of the eight richest countries in the world may take their photo-opportunities, but there are millions of us ready to point out their hypocrisy and reveal the G8 for what they really are: a rich cabal trying to disguise themselves as pious philanthropists. We will not be fooled. This is why at the Assembly of Social Movements, which was attended by over 1,000 people representing individuals and organizations from different European countries on the last day of the European Social Forum in London 2004, there was agreement to ‘mobilize massively’ for protest during the summit of the G8 in Gleneagles, Scotland 2005.

NOTES

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