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## ***ECOFEMINIST ANALYSIS***

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### **The Globalization of Neoliberalism, its Consequences, and Some of its Basic Alternatives<sup>1</sup>**

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For a good twenty years now we have been told that there is no alternative to neoliberal globalization and that, in fact, none is needed. Over and over again, we have been confronted with the TINA concept: “There Is No Alternative!” By definition, the TINA concept prohibits all thought. It follows the rationale that there is no point in analyzing and discussing neoliberalism and so-called globalization, because they are inevitable.

Some go so far as to suggest that neoliberalism and its globalization—meaning, a specific economic system that developed within specific socio-historical circumstances—is nothing less than a law of nature. In turn, “human nature” is supposedly reflected by the characteristics of this economic system: egotistical, ruthless, greedy and cold. This, we are told, works towards everyone’s benefit.

The question remains, though, why Adam Smith’s “invisible hand,” which supposedly guides the economic process towards the common good,<sup>3</sup> has become a “visible fist?” While a tiny minority reaps enormous benefits from today’s economic liberalism, the vast majority of the earth’s human and non-human population, and the earth itself, suffer hardship to an extent that puts their very survival at risk.

All over the world, media outlets—especially television broadcasters—avoid addressing the problem. A common excuse is that it cannot be explained.<sup>4</sup> The real

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<sup>1</sup>This paper is based on a lecture given at a panel discussion with Ferdinand Lacina, Austrian Ex-Minister of Finance, and Ewald Nowotny, President of the BAWAG-Bank during the “Dallinger Conference,” AK Wien, November 21, 2005. The original German title is: “Alternativen zur neoliberalen Globalisierung, oder: Die Globalisierung des Neoliberalismus und seine Folgen.”

<sup>2</sup>Thanks to Gabriel Kuhn for translating this from German.

<sup>3</sup>Hans Christoph Binswanger, *Die Glaubensgemeinschaft der Ökonomen* (München: Gerling Akademie Verlag, 1998).

<sup>4</sup>Maria Mies and Claudia von Werlhof (eds.), *Lizenz zum Plündern. Das Multilaterale Abkommen über Investitionen “MAI” Globalisierung der Konzernherrschaft – und was wir dagegen tun können* (Hamburg: EVA, 2003), pp. 23–25, 36–41.

reason is the media's corporate control, which is a necessary component of neoliberalism.

Unfortunately, understanding of this situation still evades the public. In most Western countries—for example, in Austria, where I live—“neoliberalism” is not commonly accepted as a term, and even “globalization” struggles to find recognition.<sup>5</sup> In Austria, a curious provincialism reigns that pretends the country was somehow excluded from everything happening around it. The logic seems to be that if there is no word for it, there is no problem, either. Unnamable, unspeakable, unthinkable: non-existing.

### What Does the “Neo” in Neoliberalism Stand For?

The political economy of neoliberalism began in Chile in 1973. Its inauguration consisted of a U.S.-organized coup against a democratically elected socialist president and the installment of a bloody military dictatorship notorious for systematic torture. This was the only way to turn the neoliberal model of the so-called “Chicago Boys” under the leadership of Milton Friedman—a student of Austrian-born Friedrich von Hayek—into reality.<sup>6</sup>

The predecessor of the neoliberal model is the economic liberalism of the 18<sup>th</sup> and 19<sup>th</sup> centuries and its notion of “free trade.” Goethe's assessment at the time was: “Free trade, piracy, war—an inseparable three!”<sup>7</sup>

At the center of both the old and new economic liberalism lies “self-interest and individualism; segregation of ethical principles and economic affairs, in other words: a process of ‘de-bedding’ economy from society; economic rationality as a mere cost-benefit calculation and profit maximization; competition as the essential driving force for growth and progress; specialization and the replacement of a self supply—economy with profit-oriented foreign trade (‘comparative cost advantage’); and the proscription of public (state) interference with market forces.”<sup>8</sup>

Where the new economic liberalism outdoes the old is in its global claim. Today's economic liberalism functions as a model for each and everyone, all parts of the economy, all sectors of society, and of life/nature itself. As a consequence, the once “de-bedded” economy now claims to “em-bed” everything, including political power. With this comes a new, “economic ethics” that mocks everything from so-called “do-gooders” and altruism to having a notion of responsibility.<sup>9</sup>

<sup>5</sup>Hans Salmutter (ed.), *Wie viel Globalisierung verträgt unser Land? Zwänge und Alternativen* (Wien: ÖGB Verlag, 1998); Nikolaus Dimmel and Josef Schmee (eds.), *Politische Kultur in Österreich 2000–2005* (Wien: Promedia, 2005).

<sup>6</sup>Naomi Klein, *The Shock Doctrine: The Rise of Disaster Capitalism* (New York: Metropolitan Books, 2007).

<sup>7</sup>Johann Wolfgang v. Goethe, *Faust 2* (Stuttgart: Reclam, 2001).

<sup>8</sup>Maria Mies, *Krieg ohne Grenzen. Die neue Kolonisierung der Welt* (Köln: PapyRossa, 2004), p. 34.

<sup>9</sup>Arno Gruen, *Der Verlust des Mitgeföhls. Über die Politik der Gleichgültigkeit* (München: dtv, 1997).

This goes as far as claiming that the common good depends entirely on the uncontrolled egoism of the individual and, especially, on the prosperity of transnational corporations. The allegedly necessary “freedom” of the economy—which, paradoxically, only means the freedom of corporations—hence consists of a freedom *from* responsibility and commitment to society. In turn, the rational cost-benefit calculation aimed at maximizing profit not only serves as a model for corporate production and the associated service industry and trade, but also for the public sector, which had until now escaped such demands (and in fact, was historically defined by this exemption). The same goes for the sector of reproduction, especially the household.

Neoliberal economics demands that profit must be maximized within the shortest possible time against the fewest possible obstacles, preferably, through speculation and “shareholder value.” Today, global economic interests outweigh not only extra-economic concerns but also national economic considerations.<sup>10</sup> A “level playing field” is created that offers the global corporate players the best possible conditions—a playing field without legal, social, ecological, cultural or national “barriers.”<sup>11</sup> This is rationalized by alleging that corporate well-being equates with the well-being of small enterprises and the general population as a whole. We are now witnessing completely new phenomena: Instead of a democratic “complete competition” between many small enterprises enjoying the “freedom of the market,” only the big corporations have the opportunity to win. In turn, they create new market oligopolies and monopolies of previously unknown dimensions. The market hence only remains free for them, while it is rendered “unfree” for all others, who are condemned to an existence of dependency (as enforced producers, workers and consumers) or excluded from the market altogether if they have nothing to sell or buy. About 50 percent of the world’s population falls into this group today, and the percentage is rising.<sup>12</sup> Antitrust laws have lost all power since the transnational corporations set the norms and determine today’s rules of trade, prices, and legal regulations. Speculation with an average 20 percent profit margin<sup>13</sup> edges out honest producers who become “unprofitable.” Money becomes too precious for comparatively non-profitable, long-term projects, or projects that “only” serve *a good life*. Money instead “travels upwards” and disappears. In fact, since Nixon’s separation of the dollar from the gold standard in 1971, money has been “emancipated” from productive capital and forms its own “fiscal bubble,” multiplying the money volume produced by the many.<sup>14</sup> Moreover, these days, like governments, most of us are in debt.

<sup>10</sup>Saskia Sassen, *Losing Control?: Sovereignty in an Age of Globalization* (New York: Columbia University Press, 1996).

<sup>11</sup>Mies and von Werlhof, 2003, *op. cit.*, p. 24.

<sup>12</sup>Susan George, speech at the Meeting of Opponents and Propagators of Globalization, Conference of the World Economic Forum, WEF, Salzburg, February 7, 2001.

<sup>13</sup>Elmar Altvater, *Das Ende des Kapitalismus, wie wir ihn kennen* (Münster: Westfälisches Dampfboot, 2005).

<sup>14</sup>Bernard Lietaer, *Jenseits von Gier und Knappheit*, “Interview mit Sarah van Gelder,” online at: [www.transaction.net/press/interviews/Lietaer0497.html](http://www.transaction.net/press/interviews/Lietaer0497.html); Margrit Kennedy, *Geld ohne Zinsen und Inflation* (Steyerberg: Permakultur, 1990).

The consequences of neoliberalism are:

- Small, medium, even some bigger enterprises are pushed out of the market, either forced to fold, or they are swallowed by transnational corporations, because their performances are “below average” compared to returns from more risky but potentially much higher-yielding speculation. The public sector, which has historically been defined as a sector of not-for-profit economy and administration, is “slimmed” and its “profitable” parts (“gems”) handed to corporations (“privatized”). As a consequence, social services that are necessary for our existence disappear. Small and medium private businesses—which, until recently, employed 80 percent of the workforce and provided “normal working conditions”—are harmed by these developments as well. The alleged correlation between economic growth and secure employment is false. Where economic growth only means the fusion of businesses, jobs are lost.<sup>15</sup>
- If there are any new jobs, most are “precarious”—i.e., only available temporarily and poorly paid. Because one job is no longer usually enough to make a living,<sup>16</sup> the working conditions in the North become akin to those in the South and the working conditions of men akin to those of women—a trend diametrically opposed to what we have always been told. Corporations now leave for the South (or East) to use cheap—and particularly female—ununionized labor, a practice that has occurred since the 1970s in the “Free Production Zones” (FPZs, “world market factories” or “maquiladoras”), where most of the world’s computer chips, sneakers, clothes, and electronic goods are produced.<sup>17</sup> The FPZs lie in areas where century-old colonial-capitalist and authoritarian-patriarchal conditions guarantee the availability of the cheap labor needed.<sup>18</sup> The recent shift of business opportunities from consumer goods to armaments is a particularly troubling trend.<sup>19</sup>

As a result of the development of new information and communication technologies, the so-called “Third Industrial Revolution,” service industries are also “outsourced” and located in the FPZs. Many jobs have disappeared entirely due to computerization.<sup>20</sup>

<sup>15</sup>Mies and von Werlhof, 2003, *op. cit.*, pp. 7–21.

<sup>16</sup>Barbara Ehrenreich, *Nickel and Dimed: On (Not) Getting By in America* (New York: Metropolitan Books, 2001).

<sup>17</sup>Folker Fröbel, Jürgen Heinrichs and Otto Kreye, *Die neue internationale Arbeitsteilung. Strukturelle Arbeitslosigkeit in den Industrieländern und die Industrialisierung der Entwicklungsländer* (Reinbek: Rowohlt, 1977).

<sup>18</sup>Maria Mies, Veronika Bennholdt-Thomsen, and Claudia von Werlhof, *Women, the Last Colony* (London: Zed Books 1988, German edition 1983).

<sup>19</sup>Michel Chossudovsky, *War and Globalization: The Truth Behind September 11* (Ottawa: Global Outlook, 2003).

<sup>20</sup>Fröbel, Heinrichs, and Kreye, 1977, *op. cit.*

The combination of the principles of “high tech” and “low wage”/“no wage” (always denied by “progress” enthusiasts) guarantees a “comparative cost advantage” in foreign trade. This will eventually lead to “Chinese salaries” in the West. But a potential loss of Western consumers is not seen as a threat, because a corporate economy does not care whether consumers are European, Chinese or Indian.

The means of production become concentrated in fewer and fewer hands, as finance capital—rendered precarious itself—controls asset value ever more aggressively. New forms of private property are created, not least through the “clearance” of public property and the transformation of formerly public and small-scale private services and industries to a corporate business sector. We are seeing this today with education, health, energy, and water supply/disposal, fields that have long been at least partly excluded from the discipline of profit. New forms of so-called “enclosures” emerge from today’s total commercialization of formerly small-scale private or public industries and services, of the “commons,” and of natural resources like oceans, rainforests, and regions of genetic diversity and geopolitical interest (e.g., potential pipeline routes).<sup>21</sup> We are also witnessing frantic efforts to bring the new virtual spaces and communication networks under private control.<sup>22</sup>

With decreasing access to the means of production, the dependence on scarce and underpaid work increases. The destruction of the welfare state also destroys the notion that individuals can rely on the community to provide for them in times of need. Our existence relies increasingly on private—i.e. expensive—services that are often inferior and much less reliable than public services. We are now experiencing undersupply formerly only known by the colonial South. Thus, the old claim that the South will eventually develop into the North is proven wrong. It is the North that increasingly develops into the South as the latest form of “development” becomes a world system of underdevelopment.<sup>23</sup> Development and underdevelopment go hand-in-hand.<sup>24</sup>

It is usually women who are called upon to counterbalance underdevelopment through increased work (“service provisions”) in the household. As a result, the workload and underpay of women takes on horrendous dimensions: they do unpaid work inside their homes and poorly paid “housewifized” work outside.<sup>25</sup> Yet, commercialization does not stop at the home’s doors either. Even housework

<sup>21</sup>Ana Isla, “The Tragedy of the Enclosures: An Eco-Feminist Perspective on Selling Oxygen and Prostitution in Costa Rica,” 2005, available online at: [http://www.wrm.org.uy/countries/CostaRica/Eco-feminist\\_Perspective\\_Costa\\_Rica.pdf](http://www.wrm.org.uy/countries/CostaRica/Eco-feminist_Perspective_Costa_Rica.pdf).

<sup>22</sup>John Hepburn, “Re-Conquering the Commons – Old and New Ones,” speech at the Other Worlds Conference, University of Pennsylvania, April 28-29, 2005.

<sup>23</sup>Andre Gunder Frank, *Capitalism and Underdevelopment in Latin America* (New York: Monthly Review Press, 1967).

<sup>24</sup>Mies, 2004, *op. cit.*

<sup>25</sup>Mies, Bennholdt-Thomsen, and von Werlhof, 1988, *op. cit.*

becomes commercially co-opted with hardly any financial benefits for the women who do the work.<sup>26</sup>

Not least because of this, women are increasingly forced into prostitution,<sup>27</sup> one of today's biggest global industries. This illustrates two things: a) how little the "emancipation" of women actually leads to "equal terms" with men; and b) that "capitalist development" does not imply increased "freedom" in wage labor relations, as the Left has long claimed.<sup>28</sup> If it did, then neoliberalism would mean the voluntary end of capitalism once it reached its furthest extension. This, however, does not appear likely.

Instead, today hundreds of millions of quasi-slaves exist in the "world system,"<sup>29</sup> with the redistribution of wealth shifting ever faster from the bottom to the top. The gap between the rich and the poor has never been wider, and the middle classes are disappearing.

It becomes obvious that neoliberalism marks not the end of colonialism but, to the contrary, the colonization of the North. This new "colonization of the world"<sup>30</sup> points back to the beginnings of the "modern world system" in the "long 16<sup>th</sup> century,"<sup>31</sup> when the conquering of the Americas, their exploitation and colonial transformation allowed for the rise and "development" of Europe.

Social, cultural, traditional and ecological considerations are abandoned and give way to a mentality of plundering. All global resources that we still have—natural resources, forests, water, genetic pools—have turned into objects of "utilization." Rapid ecological destruction through depletion is the consequence. If one makes more profit by cutting down trees than by planting them, then under the prevailing economic logic, there is no reason not to cut them.<sup>32</sup> Neither the public nor the state interferes, despite global warming and the obvious fact that the clearing of the few remaining rainforests will irreversibly destroy the earth's climate, because the entire earth's ecosystem depends on them. Yet, the impact on global climate is only one of many negative effects of deforestation.<sup>33</sup> And as we move ever closer to the precipice

<sup>26</sup>Claudia von Werlhof, *Frauen und Ökonomie. Reden, Vorträge und Betrachtungen aus den Jahren 2002–2004* (Mechernich: Gerda Weiler Stiftung, 2004).

<sup>27</sup>Ana Isla, "Women and Biodiversity as Capital Accumulation: An Eco-Feminist View," *Socialist Bulletin*, Vol. 69, Winter 2003, pp. 21–34; Isla, 2005, *op. cit.*

<sup>28</sup>Immanuel Wallerstein, "The Rise and Future Demise of the World Capitalist System: Concepts for Comparative Analysis," *Comparative Studies in Society and History*, Vol. 16, No. 4, 1974, pp. 387–415.

<sup>29</sup>Kevin Bales, *Disposable People: New Slavery in the Global Economy* (Berkeley: University of California Press, 1999).

<sup>30</sup>Mies, 2004, *op. cit.*

<sup>31</sup>Wallerstein, 1974, *op. cit.*; Andre Gunder Frank, *ReOrient: Global Economy in the Asian Age* (Berkeley: University of California Press, 1998); Maria Mies, *Patriarchy and Accumulation on a World Scale: Women in the International Division of Labour* (London: Zed Books, 1986).

<sup>32</sup>Lietaer, 2006, *op. cit.*

<sup>33</sup>August Raggam, *Klimawandel. Biomasse als Chance gegen Klimakollaps und globale Erwärmung* (Graz: Gerhard Erker, 2004).

of ecological collapse, we would do well to acknowledge and defend the intrinsic value and rights of the climate, animals, plants, humanity and the general ecology over and above the interests of the corporations. But for that to happen, we have to turn the allegiance to the market on its head.

Considering the perpetual praise of the market—what can be described as “market fundamentalism”—the task is enormous. People believe in the market as if it was a god, and there seems to be a sense that nothing could ever happen without it. Total global maximized accumulation of money/capital as abstract wealth has become the sole purpose of economic activity.

But one thing remains generally overlooked: The abstract wealth created for accumulation implies the destruction of nature as concrete wealth. The result is, in Johann Galtung’s words, a “hole in the ground,” and next to it a garbage dump with used commodities, outdated machinery, and money without value. However, once all concrete wealth (which today consists mainly of the last natural resources) is gone, abstract wealth will disappear as well. It will, in Marx’s words, “evaporate.” The fact that abstract wealth is not real wealth will become obvious, as will the fact that modern economic activity has really not created lasting wealth. In the end it is nothing but monetary wealth (and even this mainly exists virtually or on accounts) that constitutes a “monoculture” controlled by a tiny minority.

The nihilism of our economic system is evident. The whole world will be transformed into money—and then it will “disappear.” After all, money cannot be eaten. What no one seems to consider is the fact that it is impossible to *re-transform* commodities, money, capital and machinery into nature or concrete wealth. For example, the “peak” in oil production has just been passed—meaning humanity is beyond exploiting 50 percent of all there is. Ironically, though, the prospect of some resources coming to an end only accelerates the economic race. The material limits of such a politics become clearer each day: the global ecological, economic, monetary, social, and political collapse<sup>34</sup> it inevitably leads to has already begun.

How else can we understand the fact that in times when civilization has reached its alleged zenith, a human being starves every second?<sup>35</sup> How can such a politics be taken seriously? It is in every sense a crime. Unfortunately, the facade of trivial “rationality”—what Hannah Arendt called the “banality of evil”—behind which it operates, still makes it invisible to many. This is a result of the enormous crisis of spirit and soul that accompanies the material crisis that many of us remain unaware of; namely, the annihilation of matter through its transformation into commodity, which we, in delusion, call “materialism” (I call it “patriarchy”).<sup>36</sup> The original

<sup>34</sup>Jared Diamond, *Collapse: How Societies Choose to Fail or Succeed* (New York: Viking, 2005).

<sup>35</sup>Jean Ziegler, “Das tägliche Massaker des Hungers,” *Widerspruch*, No. 47, Zürich, 2004, pp. 19–24.

<sup>36</sup>Claudia von Werlhof, “Losing Faith in Progress?: Capitalist Patriarchy as an ‘Alchemical System,’” in Veronika Bennholdt-Thomsen, Nicholas Faraclas and Claudia von Werlhof (eds.), *There is an Alternative: Subsistence and Worldwide Resistance to Corporate Globalization* (London: Zed Books, 2001), pp. 15–40.

richness of mat(t)er (“mother earth”) is now giving way to a barren wasteland that will remain unrecognized by many as long as their belief in “progress” blocks their views. The last phase of patriarchy and capitalism not only lacks sense, but it will soon extinguish life as well: *kaputalism*.

Neoliberalism and its “monetary totalitarianism” proves that the notion that capitalism and democracy are one is a myth.<sup>37</sup> Politicians of all parties have abandoned politics in favor of economy, because the corporations dictate politics, and where corporate interests are concerned, there is no place for democratic convention or community control. Public space disappears. The “*res publica*” turns into a “*res privata*,” or—as we could say today—a “*res privata transnationale*” (in its original Latin meaning, “privare” means “to deprive”). Only those in power still have rights. They give themselves the licenses they need, from the “license to plunder” to the “license to kill.”<sup>38</sup> Those who get in their way or challenge their “rights” are vilified, criminalized, and to an increasing degree, defined as “terrorists,” or, in the case of defiant governments, as “rogue states”—a label that usually implies threatened or actual military attack, as we can see in the cases of Yugoslavia, Afghanistan and Iraq, and possibly Syria and Iran in the near future. U.S. President George W. Bush has even pushed the idea of “preemptive” nuclear strikes should the U.S. feel endangered by weapons of mass destruction,<sup>39</sup> a policy to which the European Union did not object.<sup>40</sup>

Neoliberalism and war are two sides of the same coin.<sup>41</sup> So-called “free trade,” piracy, and war are “an inseparable three”—perhaps more so today than ever. War is considered not only “good for the economy,”<sup>42</sup> but it is its driving force and can be understood as the “continuation of economy with other means.” War and economy have become almost indistinguishable.<sup>43</sup> Wars over resources<sup>44</sup>—especially oil and water—have already begun, the Gulf Wars being the most obvious examples. Militarism once again appears as the “executor of capital accumulation”<sup>45</sup>—potentially everywhere and enduringly.

<sup>37</sup>Renate Genth, “Die Bedrohung der Demokratie durch die Ökonomisierung der Politik (feature),” *Saarländischer Rundfunk*, March 4, 2006.

<sup>38</sup>Mies and von Werlhof, 2003, *op. cit.*; Mies, 2004, *op. cit.*

<sup>39</sup>Michel Chossudovsky, *America’s “War on Terrorism”* (Ottawa: Global Outlook, 2005).

<sup>40</sup>Michel Chossudovsky, “Nuclear War against Iran,” *Global Research*, Center for Research on Globalization, Ottawa, January 13, 2006.

<sup>41</sup>Elmar Altvater, Michel Chossudovsky, Arundhati Roy, and Claude Serfati, “Globalisierung und Krieg,” *Sand im Getriebe, Internationaler deutschsprachiger Rundbrief der Attac-Bewegung*, No. 17, Sonderausgabe zu den Anti-Kriegs-Demonstrationen, February 15, 2003; Mies, 2004, *op. cit.*

<sup>42</sup>Hazel Hendersen, *Building a Win-Win World: Life Beyond Global Economic Warfare* (San Francisco: Berrett-Koehler, 1996).

<sup>43</sup>Claudia von Werlhof, “Vom Wirtschaftskrieg zur Kreiswirtschaft: Die Waffen der “Neuen-Welt-Ordnung,” in Mies, 2004, *op. cit.*, pp. 40–48.

<sup>44</sup>Michael T. Klare, *Resource Wars: The New Landscape of Global Conflict* (New York: Henry Holt and Co., 2001).

<sup>45</sup>Rosa Luxemburg, *Accumulation of Capital* (London and New York: Routledge, 2003).

Human rights and rights of sovereignty have been transferred from people, communities and governments to corporations.<sup>46</sup> The notion of the people as a sovereign body has practically been abolished. The political systems of the West and the nation state as guarantees for and expression of the international division of labor in the modern world system are increasingly dissolving,<sup>47</sup> with nation states developing into “periphery states” according to the inferior role they play in the proto-despotic “New World Order.”<sup>48</sup>

### Neoliberal Politics in Action

The logic of neoliberalism does not remain in the economic sphere alone. Instead, it enters and transforms politics and hence—since the events in Chile in 1973—creates global injustice. The executors of neoliberal injustice are Western governments; corporate entities like the International Chamber of Commerce (ICC), the European Round Table of Industrialists (ERT), the Organization for Economic Cooperation and Development (OECD), the European Services Network (ESN), the U.S. Coalition of Service Industries, USCSI, etc.; and the post-World War II Bretton Woods institutions like the World Bank, the International Monetary Fund (IMF), and the World Trade Organization (WTO), the successor to the General Agreement on Tariffs and Trade (GATT), which was abolished in 1994.<sup>49</sup>

The characterization of capitalism as a “natural law” receives massive support in the neoliberal era. This helps not only to globalize capitalism’s power, but also to accelerate the globalization of neoliberalism. Once neoliberal “reforms” gain a certain momentum, it becomes impossible for the people affected to keep up with what is happening, because the reforms are decided and implemented behind their backs. Once the consequences kick in (which usually happens after a short delay), those responsible are long gone, or there is no legal remedy.<sup>50</sup> Protest and resistance are always late, because everything has already become irrevocable reality—it appears as if a “natural” catastrophe has taken place.

The same politicians who say globalization is inevitable and that their “reform politics” are the solution and not the problem, are the ones who have, in fact, introduced and enforced global neoliberalism. They have done this inside nation states as well as by participating in the bodies of the E.U., the WTO, the World Bank and the IMF. They have never honestly explained why they have put these policies in place and continue to do so.

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<sup>46</sup>Tony Clarke, “Der Angriff auf demokratische Rechte und Freiheiten,” in Mies and von Werlhof, 2003, *op. cit.*, pp. 80–94.

<sup>47</sup>Sassen, 1996, *op. cit.*

<sup>48</sup>Michael Hardt and Antonio Negri, *Empire* (Cambridge: Harvard University Press, 2001); Noam Chomsky, *Hegemony or Survival: America’s Quest for Global Dominance* (New York: Henry Holt and Co, 2003).

<sup>49</sup>John Perkins, *Confessions of an Economic Hit Man* (San Francisco: Berrett-Koehler, 2004).

<sup>50</sup>Claudia von Werlhof, “Speed kills!,” in Dimmel and Schmee, 2005, *op. cit.*, pp. 284–292.

This behavior seems to apply to all political parties that attain some kind of power or nestle in its proximity,<sup>51</sup> even those who not long ago espoused alternatives and held opposite views. Whatever the reason for their turnabout, one thing is clear: The politicians do not suffer from the misery they create and justify every day. They act as employees of corporations and take care of the everyday political business the corporations can't or won't do themselves.

Since the 1980s, the Structural Adjustment Programs (SAPs) of the World Bank and IMF have acted as the main enforcers of neoliberalism. These programs are levied against the countries of the South, which are vulnerable to such extortion because of their debts—debts these countries were often tricked into assuming by economic saboteurs from the West who bribed corrupt leaders.<sup>52</sup> Meanwhile, numerous military interventions and wars are used to take possession of the remaining assets, secure resources, install neoliberalism globally, crush resistance movements, and facilitate the lucrative business of reconstruction.<sup>53</sup>

In the 1980s, Ronald Reagan and Margaret Thatcher introduced neoliberalism in the U.S. and the U.K. In 1989, the so-called “Washington Consensus” was formulated. It claimed to lead to global freedom, prosperity and economic growth through “deregulation, liberalization and privatization.” This has become the credo and promise of all neoliberals. But this promise has come true only for the corporations.

In the Middle East, the Western support for Saddam Hussein in the war between Iraq and Iran in the 1980s, and then attacks on Iraq in the Gulf War of the early 1990s, announced the permanent U.S. presence in the world's most contested oil region.

In continental Europe, neoliberalism began with the crisis in Yugoslavia, which occurred as a result of World Bank and IMF Structural Adjustment Programs. The country was heavily exploited, fell apart, and was beset by a civil war over its last remaining resources.<sup>54</sup> Since the NATO war in 1999,<sup>55</sup> the Balkans have been fragmented, occupied, and placed under neoliberal control. The region is of main strategic interest for future oil and gas transport from the Caucasus to the West.<sup>56</sup> The reconstruction of the Balkans is exclusively in the hands of Western corporations.<sup>57</sup>

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<sup>51</sup>Dimmel and Schmee, 2005, *op. cit.*

<sup>52</sup>John Perkins, 2004, *op. cit.*

<sup>53</sup>Michel Chossudovsky, *The Globalization of Poverty: Impacts of IMF and World Bank Reforms* (London: Zed Books, 1998); Mies, 2004, *op. cit.*; Bennholdt-Thomsen, Faraclas, and von Werlhof, 2001, *op. cit.*

<sup>54</sup>Chossudovsky, 1998, *op. cit.*, pp. 243–264.

<sup>55</sup>Wolfgang Richter, Elmar Schmähling, and Eckart Spoo (eds.), *Die Wahrheit über den NATO-Krieg gegen Jugoslawien* (Schkeuditz: Schkeuditzer Buchverlag, 2000); Richter/Schmähling/Spoo (eds.), *Die deutsche Verantwortung für den NATO-Krieg gegen Jugoslawien* (Schkeuditz: Schkeuditzer Buchverlag, 2000).

<sup>56</sup>For example the “Nabucco” gas pipeline is supposed to start operating from the Caspian Sea through Turkey and the Balkans by 2011, Lietaer, 2006, *op. cit.*

<sup>57</sup>“Twelve years have passed since the dissolution of the COMECON (the economic agreement of the communist Eastern European countries) in June 1991. During this time the big Western European corporations have managed to appropriate the most profitable former publicly owned enterprises and distribute

Many European Union contracts—e.g., the Maastricht Contract and the Amsterdam Contract—are blatantly neoliberal.<sup>58</sup> They declare Europe a neoliberal zone and leave no alternative. All governments, whether left, right, liberal or green, accept this. There is no analysis of the connection between the politics of neoliberalism, its history, its background, and its effects on Europe and other parts of the world. Likewise, there is no analysis of its connection to the new militarism.

If we take the example of Austria, approximately 66 percent of its population voted for joining the E.U. in 1995 without having received any information about what this actually meant. The first consequence was the so-called “austerity package,” an SAP equivalent that started redistributing the wealth to the rich. Tax reforms, privatizations, and the reform of the pension system followed. Finally, the rising value of the Euro caused an inflation of more than 30 percent and an accompanying loss of income overnight (a fact that is still officially denied). Since then, unemployment rates have risen, and working conditions continue to deteriorate across the country.<sup>59</sup> Eighty percent of all laws regulating life in Austria are now passed in Brussels. The Austrian government’s actual power is minimal, and it has practically given up its responsibility for the population. However, more than ten years after joining the E.U., there is still no public debate on the effects of neoliberalism in the E.U. or Austria’s contribution to the E.U.’s foreign adventures.

### **Alphabets of Treachery**

When the WTO was founded in 1995, the E.U. member states unanimously adopted all WTO agreements on neoliberal enforcement. These agreements included: the Multilateral Agreement on Investments (MAI), the General Agreement on Trade in Services (GATS, not to be confused with the GATT, the General Agreement on Tariffs and Trade, the umbrella organization that was the predecessor to the WTO), the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), and the Agreement on Agriculture (AoA) which has since been supplemented by the Agreement on Non-Agricultural-Market Access (NAMA). All these agreements are crafted to advance a rapid global implementation of corporate rule.

The MAI, for example, demanded a total liberation of all corporate activities (defined as “investments”). These activities were to be freed of all interference, legal bindings, or state regulations, and the agreement was intended to first apply to the 29 OECD member countries before being extended to all 150 countries assembled in the WTO.<sup>60</sup> Although it proved impossible to implement the MAI in the form it was planned, most of its contents were later implemented by other means.

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the access to the newly opened markets among themselves.” Hannes Hofbauer, trans. Claudia von Werlhof, *Osterweiterung: Vom Drang nach Osten zur peripheren EU-Integration* (Wien: Promedia, 2003), p. 7.

<sup>58</sup>Carla Boulboulé, “Das MAI vor dem Hintergrund der Maastrichter und Amsterdamer Verträge,” in Mies and von Werlhof, 2003, *op. cit.*, pp. 108–115.

<sup>59</sup>*Armutsbericht* (Wien: Sozialministerium, 2005).

<sup>60</sup>Mies and von Werlhof, 2003, *op. cit.*

Information about the MAI was leaked to the public in 1997, but many political bodies, like the Austrian Ministry for Economy, tried to play it down and accused its critics of “cowardice” (since they were supposedly “afraid of something new”), “xenophobia” (towards the multinationals!) and “conspiracy theories.”

To a large degree, the contents of the MAI have been implemented through bilateral treaties and the North American Free Trade Agreement (NAFTA), which was signed by the U.S., Canada and Mexico in 1994. The attempt to turn all of the Americas into a Free Trade Zone, the FTAA, has so far failed, due to the resistance of most Latin American governments.

Negotiations of the GATS have also been kept secret since the late 1990s. The GATS facilitates total corporate “privatization” and “commercialization” of life, and the transformation of all of life’s dimensions into “trade-related”—meaning “commercial”—services or commodities.<sup>61</sup> The GATS can be understood as a global process of successive “liberalizations” of services. Suggestions are collected from all WTO member countries, and resulting demands are directed back at them. It is often impossible to gain insight into what these demands actually contain, though generally it is free-market access for foreign players to specific areas of services, like telecommunication, transport, tourism, and insurance. “Sensitive” areas like education, health or water supply are supposedly excluded from the negotiations, though efforts are underway to transfer them to the private sector.

In Austria, for example, the medical universities, which since 2002 have accepted private investment, advocate for the privatization of health services and the privatization of education at the tertiary level.<sup>62</sup> Such privatizations have been occurring internationally for years. Many in Austria saw these developments as an expression of the Conservative-Right “Black-Blue”<sup>63</sup> coalition government rather than the outside imposition of neoliberal policies. These measures abolished free university access, ended democratic student rights, and eliminated tenured jobs. Instead, university fees and authoritarian corporate structures were introduced—the latter demonstrating a well-hidden neoliberal absolutism. Funding for the humanities was cut, and an academic “evaluation” system modeled after private business criteria was implemented.<sup>64</sup> The re-organization and economization of academic research and teaching in the name of higher investment possibilities and the profitability of the transnational education industry are now in full swing. At Austrian universities, good research has been redefined as research that brings money—a true declaration of intellectual bankruptcy.<sup>64</sup>

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<sup>61</sup>*Ibid.*, pp. 7–21.

<sup>62</sup>Claudia von Werlhof, “Speed kills!” *op. cit.*, pp. 284–292.

<sup>63</sup>In Austria the color black stands for the conservative Peoples Party, the color blue for the extreme right Freedom Party.

<sup>64</sup>Claudia von Werlhof, “GATS und Bildung, in Frauennetz attac,” in Claudia von Werlhof (ed.), *Dienste ohne Grenzen? GATS, Privatisierung und die Folgen für Frauen, Dokumentation des internationalen Kongresses 9-11.5.2003 in Köln* (Frankfurt: attac, 2003), pp. 42–45.

Privatization has been a main feature in Austrian politics for many years now, especially concerning the country's infrastructure. The Cross-Border Leasing (CBL) contracts that have been signed between many Austrian towns and U.S. investors are an example.<sup>65</sup> The contracts gave the towns the so-called "*Barwertvorteil*" ("present value advantage"), a payment the U.S. investors provided from their tax exemptions for direct foreign investment. In return, parts of the towns' infrastructure were "leased" to them. However, these parts were immediately "leased back," because the towns were still expected to maintain the infrastructure—but now for foreign proprietors. No one knows what happened to the payments. What is known is that the U.S. tax loophole that made them possible has been closed, and all CBL contracts were retroactively declared illegal in early 2004.<sup>66</sup> It seems fair to assume that many more such deals and the corruption involved—a characteristic feature of privatization—will eventually be revealed.<sup>67</sup>

The same plunder takes place on a world scale. In Nicaragua, water privatization plans include fines of up to ten months' salary for handing a bucket of water to a thirsty neighbor who cannot afford her own water connection.<sup>68</sup> If it was up to the water corporations—the biggest of which are French and German (Vivendi Universal, Suez, RWE)—the neighbor would be left to die of thirst.

In India, whole rivers have been sold. There are stories of women who came to the river banks with buffaloes, children, and their laundry, as they had done for generations, only to be called "water thieves" and chased away by the police. There are even plans to sell the "holy mother Ganges."<sup>69</sup>

Fresh water (just about 2 percent of the earth's water reserves) is neither renewable nor can be increased and is so essential to local ecosystems that it is absurd to treat it as a commodity that can be traded away.<sup>70</sup> Still, this is happening with horrendous effects. Coca-Cola has left parts of the southern Indian state of Kerala a virtual desert by exploiting its entire groundwater reserves.

Under the intentionally weak corporate definition of the term, even "investments" nowadays count as "services" and are covered in the GATS, which has successfully implemented a legal framework that permits corporations to appropriate public assets and declare public resistance to this theft illegal. This essentially makes

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<sup>65</sup>Werner Rügemeier, *Cross Border Leasing: Ein Lehrstück zur globalen Enteignung der Städte* (Münster: Westfälisches Dampfboot, 2004); Verena Oberhöller, *WasserLos in Tirol. Gemein – öffentlich – privatisiert?* (Frankfurt/Paris/New York: Peter Lang, 2006).

<sup>66</sup>"Tirol: Zittern um Cross-Border-Leasing-Verträge," *Der Standard*, Wien, March 5, 2005.

<sup>67</sup>Maude Barlow and Tony Clarke, *Blue Gold: The Battle Against Corporate Theft of the World's Water* (Toronto: Stoddart Publishing, 2002); Vandana Shiva, *Water Wars: Privatization, Pollution and Profit* (Cambridge, MA: South End Press, 2002).

<sup>68</sup>*Südwind*, Nicaragua: Ausverkauf auf Kosten der Menschen, Flugblatt, November 12, 2003.

<sup>69</sup>Shiva, 2002, *op. cit.*

<sup>70</sup>Barlow and Clarke, 2002, *op. cit.*; Shiva, 2002, *op. cit.*

the GATS the MAI for the whole world.<sup>71</sup> There are also current attempts to reintroduce the MAI on the OECD level.

The so-called “Bolkestein Directive,” which covers workers’ pay and is named after former E.U. Commissioner Bolkestein,<sup>72</sup> is one of the GATS’ latest amendments. It aims at a sort of privatization of salaries within the E.U. When it comes into effect on December 28, 2009, migrant workers in the E.U. will be paid according to the salaries of their countries of origin, irrespective of the salary standards of the countries they work in. Once this directive is in force, all obstacles to “Chinese labor conditions” will be gone, and European trade unions will basically be rendered obsolete, which begs the question as to why the unions have shown so little resistance against neoliberalism.

The GATS can be considered the most radical expression of militant neoliberalism so far, because it formulates its ultimate ambition in a novel way—namely, that *no* social, cultural, public or natural sectors should remain outside of economic control and exploitation. Thus, we must understand the GATS as an attempt to turn absolutely everything in this world into “commodities” or commercial “services” in order to extract profit. This applies to all of nature (animals and plants as much as natural elements and landscapes), the entire human being (including its skin, hair, etc.) and all aspects of human life: work and leisure, sexuality and pregnancy, birth and death, sickness and distress, peace and war, desire and will, spirit and soul.<sup>73</sup> It is worth pondering what will happen when there are no non-commercial areas left and if the division between “life with value” and “life without value” becomes normal social praxis.

This division was first heralded in National Socialism as a quasi futuristic concept.<sup>74</sup> In such a world, human relations in everyday life would be reduced to so-called “human capital.” If this comes about, then life would essentially stop, because eventually there would be nothing more to turn into commodities. So the commodified world—including us humans—would collapse and die. This would mean death—without new life to follow. Since the commodity has no life of its own but is only “life that once was,” it cannot produce new life.<sup>75</sup>

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<sup>71</sup>*Ibid.*, pp. 16–17, 52–65, 148–192; Claudia von Werlhof, “‘Globalization’ and the ‘Permanent’ Process of ‘Primitive Accumulation’: The Example of the Multilateral Agreement on Investment, MAI,” *Journal of World-Systems Research*, Vol. I, No. 3, Fall/Winter 2000. Special Issue: Festschrift for Immanuel Wallerstein, Part II, pp. 728–747.

<sup>72</sup>Klaus Dräger, “Bolkestein’s Hammer: Projekt Dienstleistungsbinnenmarkt 2010,” *Infobrief gegen Konzernherrschaft und neoliberale Politik*, Nr. 19: Täter EU – Raubzüge in Ost und West, Köln, 2005, pp. 17–22.

<sup>73</sup>Frauennetz attac, 2003, *op. cit.*

<sup>74</sup>Franco Ruault, *Neuschöpfer des deutschen Volkes: Julius Streicher im Kampf gegen “Rassenschande”* (Frankfurt/Paris/New York: Peter Lang, 2006).

<sup>75</sup>Claudia von Werlhof, “The Utopia of a Motherless World: Patriarchy as ‘War System,’” in Heide Göttner-Abendroth (ed.), *Societies of Peace: Contributions to 2 World Congresses of Matriarchal Studies 2003 and 2005* (Toronto: Inanna, 2008), forthcoming.

The TRIPS overlaps with the GATS insofar as it tries to co-opt the thought and experience of thousand-year-old cultures. Formerly persecuted cultures now become interesting as a source of corporate profit. “Trade-related” intellectual property rights are established not to protect these cultures’ legacies but to enable their corporate exploitation. The same intellectual property rights are also used to force Western thought and experience onto others, often with violence.

### Appropriating Nature

Patent rights are used to extend the tentacles of corporate ownership. So-called “patents on life” take on special meaning in this context as they provide the legal basis for and have enabled the rapid development of genetic engineering.<sup>76</sup> Under these rules, once a corporation does a genetic manipulation, it has invented something “new” that it can lay a legal claim on. Sometimes, however, a genetic manipulation is not even necessary. The genes of plants, animals, and even humans, are sometimes stolen, claimed as “discovered” and made the corporation’s own legal “property.” This “biopiracy”<sup>77</sup> exploits the profit potentials of all resources by charging others monopoly prices for using them. There is now a patent on “Basmati” rice, and a patent claim to the Indian neem tree was almost granted. Most recently, ETC Group reported that a handful of the largest agricultural biotechnology transnational corporations are rushing to claim patents on hundreds of genes that could be used to develop plants that could better withstand the extremes of climate change.<sup>78</sup>

The best known example of a company selling its “inventions” is the case of Monsanto, the American transnational agribusiness corporation that got its start in pharmaceuticals and chemicals and has produced some of the most toxic and ecologically damaging chemicals on earth.<sup>79</sup> Monsanto tries to make peasants and farmers throughout the world dependent on its genetically modified seeds by stipulating that farmers may only use the seeds once, prohibiting the age-old practice of seed saving.<sup>80</sup> This means that the farmers have to buy new seeds from the company every year. In India, failure of GM seeds in combination with rising farm debt has forced many thousands of peasants to give up farming which, in turn, has led to a shocking number of suicides.<sup>81</sup> The Indian physicist, ecologist and globalization critic Vandana Shiva calls this process “trading our lives away.”<sup>82</sup> In Korea, “WTO kills farmers!” has become a popular slogan in many farming communities.

<sup>76</sup>Vandana Shiva, *Stolen Harvest: The Hijacking of the Global Food Supply* (Cambridge, MA: South End Press, 2000).

<sup>77</sup>Barbara Thaler, *Biopiraterie und indigener Widerstand* (Frankfurt/Paris/New York: Peter Lang, 2004).

<sup>78</sup>Rick Weiss, “Firms Seek Patents on ‘Climate Ready’ Altered Crops,” *Washington Post*, May 13, 2008, p. A4.

<sup>79</sup>Donald L. Bartlett and James B. Steele, “Monsanto’s Harvest of Fear,” *Vanity Fair*, May 2008.

<sup>80</sup>Karen Charman, “Seeds of Domination,” *In These Times*, February 10, 2003.

<sup>81</sup>Ashok Kumbamu, “Ecological Modernization and the ‘Gene Revolution’: The Case of Bt Cotton in India,” *Capitalism Nature Socialism*, Vol. 17, No. 4, December 2006, pp. 7–31; Shiva, 2000. *op. cit.*

<sup>82</sup>Vandana Shiva, “Trading our Lives Away: An Ecological and Gender Analysis of ‘Free Trade’ and the WTO,” Research Foundation for Science, Technology and Natural Resource Policy, New Delhi, 1995.

The transnational agro-industrial corporations now even discuss a general prohibition of “traditional” farming methods.<sup>83</sup> Iraqi farmers have been forced to burn all their seeds since the U.S. invasion and use GM seeds instead—this in Mesopotamia, the “cradle of agriculture.”<sup>84</sup> What these developments make clear is that contrary to what its proponents claim, genetic engineering is not about a better life. It’s about installing global monopolies that happen to kill people.

Meanwhile, problems with genetically modified organisms (GMOs) are on the increase everywhere. Genetically modified seeds, for example, are expensive and of poor quality.<sup>85</sup> Contrary to claims made on their behalf, GM seeds often need more, not less, pesticides.<sup>86</sup> They also “pollute,” by spreading their genes via pollination, being mixed in with other seeds, even dropping off passing trucks into farmers’ fields. Thus, they cannot co-exist with non-modified species.<sup>87</sup> We have seen the creation of “super weeds” and “super pests,”<sup>88</sup> and the small amount of food-safety testing done on GM food has produced alarming results.<sup>89</sup>

As this technology spreads, it becomes harder and harder to deny that GMOs cause irreversible destruction to flora and, depending on how it is used, fauna. A new mutation enters the world instead of a new creation. No one seems to know how to prevent this.<sup>90</sup> For example, there is no more natural rapeseed (canola) in Canada. In Argentina and China, millions of hectares are sown with GMO seeds. Emergency deliveries to regions affected by famine now consist almost exclusively of such seeds. Even in Austria, where people take pride in being environmentally conscious, no GMO-free animal feed remains on the market, and GMO rapeseed is being planted despite the negative experiences elsewhere.<sup>91</sup>

Despite the fact that the European public vehemently rejects GM food, the U.S. has succeeded in forcing the E.U. to introduce and use GMO products.<sup>92</sup> Currently, eighteen GMOs have been approved in Europe, including four varieties of corn, three of canola, and one variety of GM soy.

<sup>83</sup> *arte* – TV, US-Firmen patentieren Nutzpflanzen und wollen traditionellen Anbau verbieten, November 15, 2005.

<sup>84</sup> *Junge Welt*, Die grüne Kriegsfront. USA verordnen dem von ihrem Militär besetzten Irak den Anbau von genmanipuliertem Getreide. Millionen Kleinbauern droht der Ruin, Berlin, November 29, 2004.

<sup>85</sup> Manfred Grössler (ed.), *Gefahr Gentechnik. Irrweg und Ausweg. Experten klären auf* (Graz: Concord, 2005).

<sup>86</sup> Charles M. Benbrook, “Genetically Engineered Crops and Pesticide Use in the United States: The First Nine Years,” BioTech InfoNet, Technical Paper No. 7, October 2004.

<sup>87</sup> Karen Charman, “Genetically Modified Outcome: Drifting Pollen May Settle Debate Over Transgenic Food,” *TomPaine.com*, August 12, 2002, online at: <http://www.tompaine.com/Archive/scontent/6157.html>.

<sup>88</sup> Anne Petermann, “GE Trees, Cellulosic Ethanol and the Destruction of Forest Biological Diversity,” *Capitalism Nature Socialism*, Vol. 19, No. 3, September 2008.

<sup>89</sup> Karen Charman, “Spinning Science into Gold,” *Sierra*, July/August 2001.

<sup>90</sup> von Werlhof, 2008, *op. cit.*

<sup>91</sup> Jens Karg, Trügerische Schönheit, *Global News: Das Umweltmagazin von global 2000*, Nr. 1, 2005, p. 7.

<sup>92</sup> Christian Felber, WTO-Entscheidung im Gentech-Streit. USA besiegen EU, *Kurier*, Wien, November 29, 2005.

### **AoA and NAMA**

The AoA, the WTO's Agreement on Agriculture, clearly illustrates the double standard of "free trade." On the one hand, it allows the North to dump its highly subsidized agricultural surplus onto the South, thereby destroying the national markets by undercutting local farmers and forcing them out of business. On the other hand, the AoA uses tax barriers to keep products from the South out of Northern markets. Since 3 billion of the world's people still work as small farmers,<sup>93</sup> the AoA threatens the survival of more than half the world's population.

The AoA not only reconfigures the markets in favor of the agricultural corporations, it also erodes—in combination with the TRIPS—the existential basis of the world's farmers. To begin with, much of their land is acquired by foreign companies. The foreign owners then impose their new seeds and often only focus on commodity production of luxury goods (such as shrimp and flowers) for the markets of the wealthy while ignoring local needs. However, this export production does not help local producers, either, because the profit is always made by others.<sup>94</sup>

Negotiations on the Agreement on Non-Agricultural Market Access, or NAMA, featured strongly at the WTO Summit in Hong Kong in December 2005. Consistent with all other WTO agreements, every nature-related activity—even the control of oxygen—was defined as economically exploitable.<sup>95</sup> One of the most immediate consequences was the loss of living space for indigenous people, whose resistance was then criminalized as they were accused of trying to "expropriate" corporations and of "violating" the corporations' rights.<sup>96</sup>

It is fair to describe all WTO agreements as malicious. When they concern corporate interests (investment, service, intellectual property), all WTO regulations are vague, widely accommodating, and open to interpretation. When they concern challenges to these interests ("obstacles" of whatever sort, or "creeping expropriation"), they become very definite and rigid. The only safeguards in these agreements are for the corporations. Safeguards against corporate expropriation are deemed "protectionism" and harshly condemned. The same goes for customs duties or subsidies, unless they are applied in the interests of the corporations, primarily by the powerful countries of the North. Thus, the corporations' "liberalism" consists of expecting others to drop all guards while retaining the power to effectively sue anyone who jeopardizes their interests.

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<sup>93</sup>Samir Amin, "Die neue Agrarfrage. Drei Milliarden Bäuerinnen und Bauern sind bedroht," *Widerspruch*, Nr. 47, Zürich, 2004, pp. 25–30.

<sup>94</sup>Shiva, 2000, *op. cit.*

<sup>95</sup>Isla, 2005, *op. cit.*

<sup>96</sup>Michael Goldman lays out this process in *Privatizing Nature: Political Struggles for the Global Commons* (London: Pluto Press, 1998).

The WTO offers no legal remedy to aggrieved non-corporate parties. Its so-called “Dispute Settlement Mechanism” is a kind of international kangaroo court that enables the organization to use harsh measures to enforce its agreements and resolutions. At this court, corporations and their representatives can claim the “rights” that the WTO agreements grant them against state governments and other national or communal bodies. And they usually win. Conversely, no state government or other national body—let alone individuals or communities—have the right to sue corporations.

How is it that ordinary people tolerate such a politics? One reason is because nothing is ever explained. Neoliberalism in practice does not bother with ideology. Neoliberalism is a conscious betrayal of the interests of 99 percent of the people on this planet, justifying robbery and pillage. It is, both in intention and effect, a true “weapon of mass destruction”—even when no immediate wars are fought. Some estimate that the number of lives sacrificed to neoliberalism already go into the hundreds of millions.<sup>97</sup>

Because the WTO and its agreements are anchored in international law, violations against WTO agreements are considered violations against a law that stands above all national and regional regulations. As a consequence, legal cases challenging the compatibility of WTO (or E.U.) law with national constitutions have repeatedly been rejected—in Austria as recently as 2005.

The WTO and its agreements act effectively as a global oligarchic constitution. They are the first attempt at installing neo-totalitarian “global corporate governance”—or even a “global corporate government.” Despotism is attempting to establish itself again, but this time globally.

### **European Union Neoliberalism and Militarism**

In Europe, the E.U. functions as the continental equivalent to the WTO. The E.U. constitution treaty—the legal instrument establishing a centralized European government—follows standard neoliberal principles. It is, in fact, the first constitution treaty that includes a legal commitment to a specific economic order—the neoliberal—as well as to engagement in armament and military operations.<sup>98</sup>

Once again, neoliberalism and militarism appear as Siamese twins.<sup>99</sup> Economy is understood as a kind of war (both internally and externally), and military “defense” as part of the economy.

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<sup>97</sup>Ziegler, 2004, *op. cit.*

<sup>98</sup>Gerald Oberansmayr, *Auf dem Weg zur Supermacht. Die Militarisierung der Europäischen Union* (Wien: Promedia, 2004).

<sup>99</sup>Boris Lechthaler, *Friedensvolksbegehren und die EU-Verfassung, Attac EU-AG Stuttgart*, 2005, pp. 30–34.

The draft of the E.U. constitution promises to be part of an effort to secure peace. This follows a peculiar logic that refers to acts of war as “humanitarian intervention” (or, alternatively, as “acts of defense”—even if there has never been an aggression). This emerges at a time when there will soon be deployable nuclear weapons in Europe,<sup>100</sup> since government resistance against harboring nuclear weapons has subsided, especially in France, but also in Germany. Austria keeps silent too. Politicians everywhere have given up the once sacrosanct anti-nuclear stance.<sup>101</sup>

The deceptive self-portrait of the E.U. as an “order of peace” has curious implications. It allows the Austrian government to pretend that Austria is still a neutral country. In fact, the 50<sup>th</sup> anniversary of the country’s neutrality was celebrated in 2005. But in 1998, with little public attention, Section 23f was added to the Austrian constitution which commits Austria to contributing soldiers for military action carried out by the E.U.<sup>102</sup> In 2003, the Austrian government signed a controversial contract to purchase eighteen Typhoon Eurofighters from the Eurofighter Jagdflugzeug GmbH. The significance of these weapons are downplayed as a means to protect Austrian airspace, while the prospect of future Austrian engagement in wars all across the globe is described as a commitment to “peace missions” (carried out, ironically, by E.U. “battle troops”). Military expenses in Austria have grown by 30 percent between 2004 and 2007.<sup>104</sup> Since 2001, Austria has contributed to the European Aeronautic Defense and Space Company, EADS, a European armament giant and a huge power player on the continent.<sup>103</sup>

The people of France and the Netherlands refused to ratify the E.U. constitution, a remarkable rejection considering the fact that the E.U. prevents all general critical discussion and has always played down the constitution’s significance. In Austria and Germany, the people were not even asked. It is a moot point now, since the E.U.’s 2007 Lisbon Declaration turned the declaration into European law, which is approved by the national parliaments only.

A number of important questions bear asking about the crisis of the E.U. Are there limits to the neoliberal politics that the European public will tolerate?<sup>104</sup> How many more than 30 million unemployed or 70 million who now live below the poverty line can Europe handle?<sup>105</sup> And how many more failures of privatization, like that of the British railway system, can be saved by the so-called “Public Private Partnerships,” which channel tax money into corporations? What will happen once

<sup>100</sup>Johann Galtung, *Eurotopia. Die Zukunft eines Kontinents* (Wien: Promedia, 1993), p. 145; Oberansmayr, 2004, *op. cit.*, pp. 114–117.

<sup>101</sup>*Guernica, Zeitung für Frieden und Solidarität, Neutralität und EU-Opposition*, Nr. 1, Linz, 2006.

<sup>102</sup>Oberansmayr, 2004, *op. cit.*, pp. 46–47.

<sup>103</sup>*Ibid.*, pp. 126–133.

<sup>104</sup>*Widerspruch*, Nr. 48, Europa Sozial, Zürich 2005.

<sup>105</sup>Europäisches Netzwerk gegen Armut, *Stimmen der Armut. Arbeit und Arbeitslosigkeit in der EU* (Brüssel: Eapn, 2007).

the assets of all nations have been sold? How far can the E.U. go with its destruction of the middle classes? How is it going to deal with the frustrated young men (including whites) who have lost all perspective? How is it going to deal with an increasing influx of displaced immigrants from the Global South? Do the 2005 revolts in the French suburbs mean that the civil war in the European North has already begun? How is the E.U. going to approach the danger of the extreme Right? What is the E.U. going to do when ordinary citizens can no longer afford oil and gas? How is it going to deal with scarcity of oil and drinking water (as is already the case in Southern Europe due to global warming)? What is it going to do when industry, agriculture, transport, and nuclear power stations can no longer be maintained? How will the E.U., given its proclaimed “ethical values,” explain possible military action not only outside but within the Union? Will it have to justify its own politics by terror?<sup>106</sup> The E.U. is not unaware of these pending problems; it discussed scenarios of poor people’s revolts at the European Security Conference in 2005.<sup>107</sup>

Today, we are facing a possible nuclear war of the West against Iran.<sup>108</sup> This war would be fought to gain Western corporate control over the oil and gas reserves of Central Asia—a control that is today not only challenged by Russia, but India and China as well.

How long will it be possible to appease the population while secretly imposing the neoliberal agenda upon it?

### **Alternatives to the Globalization of Neoliberalism**

The real debate about alternatives to neoliberal globalization began on January 1, 1994 with the uprising of well-organized Indios of the Southern Mexican jungle.<sup>109</sup> Men, women and children of the so-called “Zapatista National Liberation Army,” named after the Mexican peasant and successful leader of the Mexican Revolution of 1910, Emiliano Zapata, occupied without force some central areas of the state of Chiapas. They declared they would fight Mexico’s integration into the neoliberal North American Free Trade Agreement (NAFTA) with the U.S. and Canada. NAFTA was inaugurated the same day. One of the movement’s speakers, the now world-famous “Subcommandante Marcos,” declared that neoliberalism was a “world war waged by financial power against humanity” and an expression of the worldwide crisis of capitalism, not its success. The Indios had decided not to be part of this. Their idea of an alternative life was clear, and they practiced it despite the hostility they received from the government and the military.<sup>110</sup> Their resistance was based on

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<sup>106</sup>Chossudovsky, 2003, *op. cit.*

<sup>107</sup>Genth, 2006, *op. cit.*

<sup>108</sup>Michel Chossudovsky, “Nuclear War against Iran,” *op. cit.*; James Petras, “Israel’s War Deadline: Iran in the Crosshairs,” *Global Research*, December, 2005.

<sup>109</sup>Topitas (ed.), “*Ya basta!*” *Der Aufstand der Zapatistas* (Hamburg: Libertäre Assoziation, 1994).

<sup>110</sup>Sergio Rodriguez (interview by Miguel Romero), “The Zapatista Approach to Politics,” *Viento Sur*, No. 83, 2005, online at: [http://auto\\_sol.tao.ca/node/view/1649](http://auto_sol.tao.ca/node/view/1649).

an indigenous version of “good governance”: direct democracy, egalitarianism, and a non-exploitative subsistence economy entrenched in local independence and a respect for every individual’s dignity<sup>111</sup>—a concept derived from pre-colonial experience (“deep Mexico”) and a cultural and spiritual heritage maintained throughout centuries.

The social movement against neoliberalism did not gather momentum in the North until 1997–98 with the struggle against the ratification of the MAI. The movement’s first success was the failure of the MAI, due to France’s refusal to ratify it.

The movement then spread wide and fast across the globe and mobilized a total of up to 15 million people for protests against the wars in Yugoslavia, Afghanistan, and Iraq. In 2002 and 2003, the struggle focused on the “Stop GATS!” campaign, led by international groups like Attac. “Social Forums” began to be organized, and every year individuals, groups and organizations critical of neoliberal globalization met regionally, nationally, continentally, and globally. The “World Social Forums” gathered up to 100,000 people from all over the world under the motto: “Another world is possible!” Activists also came together regularly at the summits of the WTO, the WEF (World Economic Forum), the G8, and the World Bank. They managed to cause two WTO conferences, in Seattle and Cancún, to fail, which dealt a strong blow to the organization.<sup>112</sup>

Still, euphoria would be out of place. An alternative to neoliberalism is not created through analysis and protest alone but must be practiced. Opinions on how to do this differ. Some discuss “alternatives” that are none: a reform of the WTO; “control” of globalization through NGOs; a return to Keynesianism; a restoration of “social market economy”; or even a revival of socialism. Such ideas ignore reality and trivialize the problem. Neoliberalism shows every day that much more is at stake.

Neoliberalism is an apocalypse, a “revelation,” because the reality it creates makes it impossible for neoliberalism to justify itself. Nor can we consider the corporations harmless “players.” There is no ambiguity. As a consequence, the perpetrators of neoliberal politics simply lie about what is happening. The only good thing about neoliberalism is that it reveals the truth about “Western civilization” and “European values.” This means that people now have the chance to draw the right conclusions about what is really needed.

What is really needed, of course, is nothing less than a different civilization. A different economy alone, or a different society or culture will not suffice. We need a

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<sup>111</sup> Claudia von Werlhof, “Questions to Ramona,” in Corinne Kumar (ed.), *Asking We Walk: The South as New Political Imaginary*, Vol. 2 (Bangalore: Streelekha, 2007), pp. 249–268.

<sup>112</sup> Vandana Shiva, “From Doha to Hong Kong via Cancún: Will WTO Shrink or Sink?,” 2005, online at: [web-mail2.uibk.ac.at/horde/imp/message.php?index=22627](http://web-mail2.uibk.ac.at/horde/imp/message.php?index=22627).

civilization that is the exact opposite of neoliberalism and the patriarchal capitalist world system it is rooted in. The logic of our alternative must be one that completely undermines the logic of neoliberalism.<sup>113</sup>

Neoliberalism has turned everything that would ensure a good life for all beings on this planet upside down. Many people still have a hard time understanding that the horror we are experiencing is indeed a reality—a reality willingly produced, maintained and justified by “our” politicians. But even if the alternative was half implemented—no more plundering, exploitation, destruction, violence, war, coercion, mercilessness, accumulation, greed, corruption—we would still be left with all the damage that the earth has already suffered.

The earth is not the paradise it was 500 years ago, 200 years ago, or even 100 years ago. The devastation has been incredible: enormous volumes of our drinking water are disappearing due not only to the melting of the glaciers and polar caps but also because we are polluting and drawing down groundwater sources much faster than they can replenish; our climate is increasingly unstable, causing catastrophes that have already killed millions and threaten much greater numbers; depletion of the ozone layer means that our atmosphere is no longer protected against ultraviolet radiation; we are currently witnessing species’ extinction rates of between 100 to 10,000 times that of prehuman levels;<sup>114</sup> most cultures and their knowledge are destroyed; most natural resources exhausted. And all this happened within what amounts to a nanosecond of the earth’s history.

We have to establish a new economy and a new technology; a new relationship with nature; a new relationship between men and women that will finally be defined by mutual respect; a new relationship between the generations that reaches even beyond the “seventh”; and a new political understanding based on egalitarianism and the acknowledgment of the dignity of each individual. But once we have achieved all this, we will still need to establish an appropriate “spirituality” with regard to the earth.<sup>115</sup> The dominant religions cannot help us here. They have failed miserably.

We have to atone for at least some of the harm and violence that has been done against the earth. Nobody knows the full extent of the damage, and if it is even possible. What is certain, however, is that if we are to have any chance of succeeding, we need a completely new “cultura” for this: a “caring” relationship with the earth based on emotional qualities that have been suppressed and destroyed in the name of commodity production and “progress.” We need to regain the ability to feel, to

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<sup>113</sup>Claudia von Werlhof, “Capitalist Patriarchy and the Negation of Matriarchy: The Struggle for a ‘Deep’ Alternative,” in Genevieve Vaughan (ed.), *Women and the Gift Economy: A Radically Different World View is Possible* (Toronto: Inanna, 2007), pp. 139–153.

<sup>114</sup>E.O. Wilson, “Vanishing Point: On Bjorn Lomborg and Extinction,” *Grist*, December 12, 2001, online at: <http://www.grist.org/advice/books/2001/12/12/point/>.

<sup>115</sup>Claudia von Werlhof, “The Interconnectedness of All Being: A New Spirituality for a New Civilization,” in Kumar, 2007, *op. cit.*, pp. 379–386.

endure pain, to lose fear, and to love in ways that seem inconceivable today.<sup>116</sup> If this happens, then a new life on and with our earth might really be possible.

Fortunately, there are signs pointing in the right direction. In many regions in the South, indigenous movements have arisen following in the footsteps of the Zapatistas.<sup>117</sup> The Indios in Latin America have returned to ways of agriculture and subsistence that had been practiced by millions for centuries and produced a diversity of concrete wealth. Indios have also established mini-markets to trade products they themselves do not need. By doing this, they secure both the social and ecological survival of their immediate (and extended) environment.<sup>118</sup> The global peasants' movement, "Via Campesina," defends the rights of small farmers all across the world. It counts millions of members today. The "localization"<sup>119</sup> of politics and economy is on the rise everywhere. New communities, as well as new "commons" and new cooperatives, are being formed. Local councils organize and network regionally. In India, this is called "living democracy"—a democracy that includes the earth and that we can hence call an "earth democracy."<sup>120</sup>

In the North, thousands of local networks exist in which "free money" replaces money that comes with interest, accumulates value, and serves as a means for speculation rather than trade.<sup>121</sup> A "solidarity economy" and a "green economy" attempts to expand globally and challenge the prevailing "profit economy."<sup>122</sup> In the North as well as in the South, people experiment with so-called "participatory budgets" in which the inhabitants of neighborhoods or whole towns decide on how to use tax money. There are also discussions of the concept of an economy of gift-giving in a post-capitalist and post-patriarchal society.<sup>123</sup> In any case, fundamentally new communal experiences beyond egoism are sought. Communities are being created in which people support each other, allowing every individual to think, feel, and act differently.

<sup>116</sup>Günther Anders, "Die Antiquiertheit des Menschen," Vol. 1: *Über die Seele im Zeitalter der zweiten industriellen Revolution* (München: Beck, 1994); Genevieve Vaughan, *For-Giving: A Feminist Criticism of Exchange* (Austin: Anomaly Press, 1997).

<sup>117</sup>Gustavo Esteva, "Mexico: Creating Your Own Path at the Grassroots," in Bennholdt-Thomsen, Faraclas, and von Werlhof, 2001, *op. cit.*, pp. 155–166.

<sup>118</sup>Veronika Bennholdt-Thomsen and Maria Mies (eds.), *The Subsistence Perspective: Beyond the Globalized Economy* (London: Zed Books, 2000); Veronika Bennholdt-Thomsen, Brigitte Holzer, and Christa Müller (eds.), *Das Subsistenzhandbuch. Widerstandskulturen in Europa, Asien und Lateinamerika* (Wien: Promedia 1999).

<sup>119</sup>Helena Norberg-Hodge, Local Lifeline: Rejecting Globalization – Embracing Localization, in Bennholdt-Thomsen, Faraclas, and von Werlhof, 2001, *op. cit.*, pp. 178–188.

<sup>120</sup>Vandana Shiva, "Globalization and Poverty," in Bennholdt-Thomsen, Faraclas, and von Werlhof, 2001, *op. cit.*, pp. 57–66; Vandana Shiva, *Earth Democracy* (Cambridge, MA: South End Press, 2006).

<sup>121</sup>Bernard Lietaer, *The Future of Money: Creating New Wealth, Work and a Wiser World*, New Edition (New York: Century, 2002).

<sup>122</sup>Brian Milani, *Designing the Green Economy: The Post-industrial Alternative to Corporate Globalization* (Lanham: Rowman & Littlefield, 2000).

<sup>123</sup>Genevieve Vaughan (ed.), "The Gift, Il Donno," *Athanor*, Anno XV, nueva serie, No. 8, 2004; Vaughan, 2007, *op. cit.*

No alternatives have ever come from “the top.” Alternatives arise where people, alone or in groups, decide to take the initiative in order to control their destiny.<sup>124</sup> From the bottom of society,<sup>125</sup> a new feeling of life, a new energy, and a new solidarity spread and strengthen each and every one involved. As a result, people are able to free themselves from the notion of “individuality” that reduces them to “sentient commodities” or, even worse, “functioning machines.”

These examples of resistance and alternatives do truly undermine neoliberalism and its globalization. People who are engaged in them reach a completely different way of thinking. They have lost faith in “development” and have seen through the game. To them, “development” has become an affront or an object of ridicule.

Of course there are alternatives to plundering the earth, to making war and to destroying the planet. Once we realize this, something different begins to take shape. It is mandatory to let it emerge before the hubris’ boomerang finds us all.

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<sup>124</sup>David Korten, *When Corporations Rule the World* (San Francisco: Berrett-Koehler, 1996); David Korten, *The Great Turning: From Empire to Earth Community* (San Francisco: Berrett-Koehler, 2006).

<sup>125</sup>Maria Mies, *Globalisierung von unten. Der Kampf gegen die Herrschaft der Konzerne* (Hamburg: Rotbuch, 2001).

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