

# GLOBALIZATION IN YOUR BACKYARD

|   |   |
|---|---|
| 1.....INTRODUCTION                      | 7..... Women's Movement                 |
| 2.....THE GOVERNMENT                    | 8..... Intellectuals                    |
| 3.....BUSINESS                          | 9..... Anarchists                       |
| 4.....ACTIVISTS AND INTELLECTUAL GROUPS | 10.....Issues: World Trade Organization |
| 5.....ENVIRONMENT                       | 11.....Democracy                        |
| 6.....HUMAN RIGHTS GROUPS               | 12.....Mergers                          |

## 1 INTRODUCTION

We seem to hear the word everywhere, people talk about living in a small world, and we automatically think of **GLOBALIZATION!!** But, what is it? What do they mean? Is it recent? Is globalization a mystical cult where no one is allowed to enter, or is it a funky palace for everyone to enjoy?

Globalization, contrary to popular belief, is not only about the economy, it is also about culture, immigration/ emigration, human rights, the environment, and much more. Basically it's the idea that our planet is getting smaller because countries are more and more open to each other... Today we automatically think of the Internet as one of the causes of globalization. However, looking back in time, at the beginning of the century airplanes seemed to shrink the planet drastically by making the transatlantic voyage so much shorter. However, many feared the impacts of such innovation.

This being said, we must keep in mind that what most of the people refer to today when they think of "globalization" is the economy. The world economy is certainly rolling at an incredible pace. Imagine, in 1999, some CAN\$8.12 trillion in goods and services were exchanged worldwide, that means CAN\$15,444.05\* in goods were bought and sold **every minute!**

There are many points of view and many unknowns to economic globalization and its consequences. The only certainty is that it has been around for a long time, but accelerating at an unprecedented rate today! [Governments](#) want to promote their countries so they can sell more goods and create jobs. [Activists and intellectuals](#) advise us that these trading agreements come with many consequences, and some even announce the end of cultural identity. [Businesses](#) see great opportunities in opening new markets for their services and in establishing themselves in other countries. All these different movements and opinions create emerging [issues](#) for the planet and its citizens. (Click on the links to see what each actor has to say!)

\* *Currency converted by using the [Bank of Canada](#) yearly averages for the corresponding years everywhere on this document.*

## 2 THE GOVERNMENT

Governments play the key role in international relations, trade negotiations, and promotion of business. Although different from business, the Canadian Government works to create jobs in Canada and to open new markets for our products abroad. The competition is fierce out there. Try to imagine this: in the year 2000, developed countries exported the equivalent of CAN\$5.94 trillion, while developing countries exported less than half the amount for the same year, CAN\$2.82 trillion ([WTO](#) numbers).

The reason the amount is smaller for developing countries is not necessarily because they export less. Rather, they tend to export more than developed countries. However, developing countries export raw materials that will be used by developed countries for production. When raw materials are transformed into finished products, their value is increased.

Why promote ourselves internationally? Well, because most countries today want to keep their local economy alive to protect them from foreign competition. As a defense mechanism, governments use “[Tariff barriers](#)” as a protective wall (they’re a tax imposed on foreign products to make them more expensive than locally made products). Conversely, countries who lower their tariff barriers to other countries want something in exchange. That’s the basis of trade negotiations. Usually, the Canadian government negotiates to export raw materials to as many countries as they can.

*The first free trade agreement, from the 18<sup>th</sup> century, is a good example of how it all happens. Great Britain’s population loved Porto (a wine derivative), but they had to pay a high importation tax – a tax imposed by the British government. So, the Brits made an agreement with Portugal in 1703, that any products coming to Britain would not be taxed, and vice versa. Portuguese Porto exports had lower prices than British production while Britain could send all*

*their products to Portugal without being taxed. The first official free trade agreement of modern times! Today, the agreements are more complex, but the idea remains the same: opening the borders and eliminating tariff barriers.*

### WHY TRADE?

[Trade negotiations](#) are particularly important for [Canada](#) because we are an “Export Country.” This means that we mainly produce raw materials that are exported to other countries. Canada is very rich in minerals (iron, petroleum and diamonds) and natural products (hydro-electricity and wood). We then export to “import countries,” like the US and Britain, that concentrate the major part of their economy on the production of finished products – that they will eventually sell and export to the rest of the world – including us.

Free trade agreements are very important to governments and most private enterprises. Agreements like the [North American Free Trade Agreement \(NAFTA\)](#), the [European Economic Community](#) (now a part of the EU) and the [Asia-Pacific Economic Cooperation \(APEC\)](#) provide the signatories with a wider market, create jobs and increase revenues for the country.

**The Role of Government:** Team Canada was created by Jean Chrétien in 1994 to go abroad and promote Canadian business. The team has helped create some C\$30.1 billion in business over six of these missions. This is important when you consider that every C\$1 billion in exports is equivalent to 11,000 jobs in Canada. The Government also conducts international negotiations and fosters the expansion of Canada’s international trade. Basically, each country around the table tries to get the best deal, like a tug-of-war, using a lot of sales niches and some concessions

## INTER-GOVERNMENTAL AGREEMENTS

These free trade agreements make many of the countries involved feel connected. This leads to the creation of different unions and political blocs on the planet. The theory is that a union (a big bloc of countries) is stronger than many individual countries. The most current example in Europe, which is forming the [European Union \(EU\)](#). However, there are many more associations all around the planet, such as the [African Union - formerly known as the OAU](#), the [Organization of American States \(OAS\)](#), the [Association of South-East Asian Nations \(ASEAN\)](#), and many others.

The best way to know all the associations and free trade agreements is by going on the [Team Canada Inc.](#) website under the section: Understanding the Global Marketplace. However, not all is rosy under the sun according to some governments. Free trade and union agreements are not always advantageous to all the countries in the agreement, or for everybody in the country.

## TO LEARN MORE...

Inter-Governmental Agreements

[African Union](#)

[Organization of American States \(OAS\)](#)

[Association of South-East Asian Nations \(ASEAN\)](#)

[European Union \(EU\)](#)

Free Trade Agreements

[International Confederation of Free Trade Unions \(ICFTU\)](#)

[North American Free Trade Agreement \(NAFTA\)](#)

[Asia-Pacific Economic Cooperation \(APEC\)](#)

[Free Trade Area of the Americas \(FTAA\)](#)

[European Free Trade Association](#)

Canadian related websites

[Government of Canada](#)

[Prime Minister's Office \(PMO\)](#)

[Department of Foreign Affairs and International Trade \(DFAIT\)](#)

[Industry Canada](#)

[Team Canada Inc.](#)

## 3 BUSINESS

[AOL-Time Warner](#) is the largest media corporation. In the year 2000, with the 60 titles they own, they reported earning 24% of the ad revenue created in the United States. They offer services in 16 countries, in 8 languages and have some 6 million members outside the US. The group also owns CNN which is viewed in 151 million homes *outside* of the US, in 212 countries and territories. This is the new face of globalization.

Is globalization good for all businesses? The answer is not a simple yes or no. The differences in success are mostly explained by the different sizes of the businesses. Small and Medium Enterprises (SME) usually suffer from free trade agreements and globalization and larger multinational corporations usually benefit from them.

As it is explained in the “[government](#)” section, free trade agreements are negotiated by the government not only on behalf of the business community but also to improve the quality of life of a country’s citizens. The argument that is often presented is that a country’s revenue is increased and jobs are created as a result of free trade agreements, this translating directly into an increased quality of life for citizens.

## **BIG IS BEAUTIFUL**

Larger companies are able to create more jobs and gain more economic possibilities than smaller enterprises. Smaller businesses are often not ready to compete on an international level in the harsh arena of globalization. Yet even larger enterprises merge together (e.g. Time-Warner-AOL) to have a bigger weight and a better chance in international competition. These mergers often create larger revenues than some countries’ Gross Domestic Products (GDP). For example, [AOL-Time Warner group has a revenue \(US\\$106 billion\)](#), comparable to [India’s GDP \(US\\$139 billion\)](#).

Free trade increases competition between companies, making it harder, for many, to succeed on an international level. The best way to defend themselves is to group together in [international associations](#) – “bigger is better.” By grouping together they most often have better chances of survival against larger companies.

Beyond the competition between themselves, businesses also need to be represented in government decisions and discussions involving trade agreements. In Canada, most do this through the [Canadian Chamber of Commerce](#). Businesses are concerned not only by international trade agreements, but also by national agreements. Often international trade agreements take away trade barriers, while [inter-provincial barriers](#) still exist, making competition against foreign companies harder because products from other countries are minimally taxed while products from another province are fully taxed. (See section on Internal Trade Policy of the [Canadian Chamber of Commerce](#)).

## **TO LEARN MORE...**

[Canadian Chamber of Commerce](#)  
[international associations of SMEs](#)

## **4 ACTIVISTS AND INTELLECTUAL GROUPS**

There are many different types of activist groups that have all kinds of different points of view and different perspectives on globalization and its impacts on the world, the economy, the environment and people.

We’ve divided this section to try and represent all the different groups that are active during demonstrations, on the web and in other places. The first are the [Environmental](#) groups, such as Greenpeace and the Sierra Club.

Then, [Human Rights](#) groups which take a hard-line against companies establishing themselves in developing countries and exploiting the poor as cheap labor so they can gain more profits.

Closely related to the human rights groups is the [women's movement](#) which fights for the rights of women all over the world.

Many non-governmental organizations (NGOs) partake in direct and indirect actions to help others in difficulty. NGOs are involved in all sectors of Sustainable Development; some are involved in human rights while others advocate freedom of speech in totalitarian countries. The [intellectual elite](#) is very often closely related to NGOs. They try to bring to the public eye such questions as globalization, world trade, human rights and all kinds of other issues by writing books and articles, giving public speeches and participating in policy development within the government.

Finally, [Anarchist](#) groups. Having a section for these groups is essential as they are often the ones that are portrayed in the media, leaving other groups little media coverage. The Black Bloc and Punk groups often occupy the center spotlight because they believe in more active confrontations with the police or other representatives of the *status quo*. Their philosophy is often misunderstood, so it is important to take a closer look at all these groups.

This section is unable to cover every single point of view, however, we have tried to make links to as many sites as possible to give you all the information you need.

## 5 ENVIRONMENT

“Scientists have detected a 40% reduction in the average thickness of Arctic ice over the past 40 years; at the current rate of warming, the Arctic could be ice-free in summer by mid-century, which could severely affect the flow of the Gulf Stream and the climate of northern Europe,” says [Worldwatch Institute](#).

Such facts and figures worry many people, young and old, about the future of our planet. Why are we destroying our environment? What is happening? What is the future of our planet and of our children? The true, and very scary, answer is that we don't know.

As a result of the trade agreements, the progress achieved at the national level for the protection of the environment are compromised since these international agreements in many cases take priority over national legislation. That is also true with the numerous multilateral environmental conventions (MECs) negotiated in the last 20 years. On the international stage the UN is investing significant effort towards ensuring that MECs are acknowledged in trade agreements.

“In the 25 years between 1970 and 1995 the world lost 10 per cent of its natural forest cover, or an annual loss of 15 million hectares - an area larger than Greece or Bangladesh. Some 36 hectares are lost every minute - equivalent to 37 football pitches,” says [People and the Planet](#).

“Since the 1990s, and in particular since the creation of the World Trade Organization (WTO), trade-related environmental measures have been under threat by the international trading regime, including the WTO's dispute settlement procedure, North American Free Trade Agreement (NAFTA), etc. As a result, [Greenpeace](#) has increasingly confronted international trade rules and practices that undermine global environmental standards, the precautionary principle, and human health and well being of people, particularly the poor.”

Many other activist groups take action to protest these agreements that, according to them, support climate change, and increase smog in cities, rapid deforestation, and the disappearance of thousands of animal species yearly.

Some environmentalists like Joseph Romm, write that climate change, oil spills, acid rain, deforestation, and ozone layer depletion is a direct threat to human life, and so it should be considered as a threat to national security. By being considered a threat to national security, governments would not only have to include it in their policies but make it a priority.

### TO LEARN MORE...

[Association "FOR SUSTAINABLE HUMAN DEVELOPMENT"](#)

[Earth Charter](#)

[Global Education Associates](#)

[Legacy International](#)

[Society for Conservation and Protection of Environment \(SCOPE\)](#)

[TEMA](#)

[TRANS Youth Association](#)

[World Information Transfer \(WIT\)](#)

[The Wittenberg Center for Alternative Resources](#)

[World Safety Organization \(WSO\)](#)

[Worldwatch](#)

[People and the Planet](#)

### OTHER SOURCES:

[United Nations Environment Program](#)

[Environment Canada](#)

[Canada-Chile Agreement on Environmental Cooperation](#)

[Canadian Ice Service](#)

[Canadian Wildlife Service](#)

[Clean Air](#)

[Climate Change](#)

[National Pollutant Release Inventory](#)

[North American Agreement on Environmental Cooperation](#)

## 6 HUMAN RIGHTS GROUPS

The date is December 10, 1948. The United Nations General Assembly agrees to the [Universal Declaration of Human Rights](#). In 1975, in Helsinki, the Western powers meet with the Eastern powers. As a part of the Warsaw pact, the Western and Eastern powers agree to respect and uphold human rights in their territories.

In 1948, human rights were made universal. Yet the promise of the agreement has been broken by many, and still today international NGOs like [Amnesty International](#) fight to bring to justice human right violators.

Groups watching human right violations have not existed for a long time. One of the first and most popular was the Czech [Charter 77 group](#). Some 230 intellectuals signed the manifesto promising to make their government uphold human rights. For many years, until the fall of Communism in 1989, the Charter 77 group sent information denouncing the Czechoslovakian government's violations of the charter to

western contacts. In many cases, due to international pressure some of the Czech political prisoners were released.

With the fall of Communism, many people think that human right violations have stopped, or that slavery is a thing of the past. The truth is that there are still many dictatorial governments which violate the human rights of their citizens, and communist governments still exist, like in China. However, most reports of human right violations today denounce western industry settled in foreign countries that use the local population as cheap (slave) labor – for example, Nike in Thailand.

Today, NGOs like [the Red Cross](#), [Reporters Without Borders](#), [Doctors Without Borders](#), and many others, go directly into the field to help people. Others send election observers, and many others work like the Charter 77 group, denouncing their own governments.

Human right violations occur more often in developing countries. This is partly due to multinational and supranational corporations taking advantage of these countries' dependence on international trade and aid. Many of these governments are ready to close their eyes to human right violations to encourage these companies to come into their country and create revenue through trade, and ultimately to gain support and aid from foreign and richer governments. Also, many governments suppress their own people with [torture and killing squads](#), to consolidate power and stay appealing to foreign investors.

**The [Human Rights Watch](#) 2001 annual report announces frightening numbers:**

- **They estimate that still today, even with growing forces against it, some 250 million children worldwide work for a living, and that 50 million of these children under the age of 12 work under hazardous and grueling conditions.**
- **In the United States 300,000 children work on farms in what Human Rights Watch values to be dangerous conditions, facing long hours of work and the risk of pesticide poisoning, heat sicknesses, injuries and life-long disabilities. These children represent 8% of the children working in the US, but account for 40% of the labour related deaths.**

## 7 WOMEN'S MOVEMENT

There are many subdivisions in the women's movement, one of which is against globalization who comes growing numbers at every anti-globalization protest. Women are concerned about a number of issues that are related to globalization that affect them, their children and their family.

Ann Tickner wrote in *Gender and International Relations* that “international politics is a man's world, a world of power and conflict in which warfare is a privileged activity.” Many political thinkers, like her, believe that modern and old politics are ruled by men, and that it is because of them that international relations are focused on military apparatus and power. In Tickner's opinion, men incarnate violence and create warfare, and to create a more peaceful world we need to include more women in politics.

However, many criticize this by stating that women dictators, such as [Indira Gandhi](#), were no less of dictators because they were females.

Others, like the [Women's Forum](#) that was organized during the People's Summit in Quebec city, last April, accuse globalization of being sexist because they do not include women and their concerns into the discussions of free trade agreements. Groups like this one share surprising statistics about women all around the world:

- **The international sex trade generates an estimated \$7 billion in revenue for organized crime.**
- **The work women do at home in all America represents more than CAN\$11 billion in annual income. This is not a revenue that women in America receive.**
- **Women produce 80% of the food in the world's poorest areas, and 95% in some regions.**
- **70% of the 4.5 billion people living on less than US\$2 per day are women and children. ([Fédération des femmes du Québec](#))**

Trade agreements allow for companies to settle in poorer countries where the labour force will be less expensive. The employees of these companies, in countries where there are no laws for labour, often work extremely long days, in very poor conditions and get the equivalent of US\$1 per day. Many of these workers are women and children, who also endure sexual harassment.

### TO LEARN MORE...

[www.ffq.qc.ca/](http://www.ffq.qc.ca/)  
[www.amnesty-usa.org/women/](http://www.amnesty-usa.org/women/)  
[www.equalitynow.org/brochure\\_eng\\_action.html](http://www.equalitynow.org/brochure_eng_action.html)  
[www3.sympatico.ca/truegrowth/womenstrat1.html](http://www3.sympatico.ca/truegrowth/womenstrat1.html)  
[www.imadr.org/pub/web/hanochi.html](http://www.imadr.org/pub/web/hanochi.html)  
[www.web.net/~vsw/index.html](http://www.web.net/~vsw/index.html)  
[www.swc-cfc.gc.ca/](http://www.swc-cfc.gc.ca/)

## 8 INTELLECTUALS

Intellectuals are very important to the globalization debate. Most take opposition to governmental or business behaviour in the context of globalization. Some are very well known, such as Naomi Klein and John Ralston Saul, while others stick to intellectual conversations in cafés.

[Noam Chomsky](#) is probably the most well known of all the intellectuals in the movement. He has published a great number of books and articles, as well as giving a great number of conferences around the world. Recognized as one of the biggest critics of the American Government, he has written about democracy (and the lack of), multinational corporations invading countries, the situation in Latin America, the Middle East, Europe and Asia, as well as criticized the mainstream media in one of his most well known books: *Manufacturing Consent*.

Also, very well known in Canada is Maude Barlow who gained recognition through the critique she wrote about the Multilateral Agreement on Investment (MAI), *MAI: The Threat to Canadian Sovereignty*. Maude Barlow is an active member of the [Council of Canadians](#) which acts as a non-partisan critical voice on issues of international and national interests.

Many other intellectuals participate to the debate over globalization. One of the most well known intellectuals is Dr. Tobin from Yale University. He developed the Tobin Tax, which would be a 1% international tax on all currency exchanges. The tax would slow down international markets, and provide more aid to underdeveloped countries – by retransferring the funds to them. This system has very large support from anti-globalization activists and intellectuals around the world, and on August 28, 2001, Lionel Jospin, Prime Minister of [France](#), gave his support to the Tobin Tax.

Examples like the Tobin Tax are making themselves more and more present in the activist movements. Groups like the ASSOCIATION FOR THE TAXATION OF FINANCIAL TRANSACTIONS FOR THE AID OF CITIZENS (ATTAC) are making a large difference in the protest movement and gaining government support by demanding clear substantive changes and proposing solutions (e.g. the Tobin Tax).

In this way, the intellectual elite plays the role of leader of the anti-globalization movement. It is thanks to them that many protesters know about the issues being dealt with, about the details of the agreements and their impacts on society, and especially about the impacts of multinational corporation penetration in foreign countries.

### TO LEARN MORE...

[www.ceedweb.org/iirp/](http://www.ceedweb.org/iirp/)

[www.economist.com](http://www.economist.com)

[www.monde-diplomatique.fr](http://www.monde-diplomatique.fr)

[www.zmag.org/chomsky/index.cfm](http://www.zmag.org/chomsky/index.cfm)

[www.transnational.org/tff/people/m\\_chossudovsky.html](http://www.transnational.org/tff/people/m_chossudovsky.html)

[www.nologo.org](http://www.nologo.org)

[www.abc.net.au/specials/saul/default.htm](http://www.abc.net.au/specials/saul/default.htm)

## 9 ANARCHISTS

Anarchists do not believe in authority figures or in hierarchy. Many times during anti-globalization protests we hear references to the “Black Bloc” or to “Punks” as being violent in their course of actions against the police. Although both groups are anarchists, they are different in their intentions.

The Black Bloc, like the rest of protest groups, is composed in large part of white middle class males. Like Marx and Engels, both of whom advocated for an uprising (which would be bound to be violent) from the workers of the world in the *Communist Manifesto*, anarchist thinkers believe in the power of violence.

**“The fact is that anarchists are nonviolent -- that does not mean anarchists won't vandalize things, however, to make a political point. The point made is that in capitalist society, *things matter more than people*. Human beings are considered expendable assets, while property -- along with labor, the engine that drives capitalist wealth -- is considered very valuable.” – from the [Anarchy for Anybody](#) website.**

However, the anarchist society or community belief is not based on violence. Quite the opposite, they believe that authority, in the sense of giving more power to one person versus another, is demeaning and degrades humans. Simply put, they believe in a classless society where every and each one lives in cooperation. For them, to have leaders (Prime Ministers and Presidents) taking decisions for everyone in international meetings is unjust.

Punks are usually the other group that protests for anarchy during international conferences. However, they deal, very often, with a different reality. Punks most often protest directly against the police because they say that they live under police brutality and police violence all year long. For them, international meetings are a direct occasion to manifest their discontentment with the police forces under the watchful eye of the media.

## TO LEARN MORE...

[Le réseau anarchiste francophone](#)

[A16 - Seattle](#)

[A20 - Quebec city](#)

[Znet - Anarchy Watch](#) (has a lot of interesting links)

## 10 ISSUES: WORLD TRADE ORGANIZATION

### THE WHO???

The [World Trade Organization](#) (WTO) was born out of the [General Agreement on Tariffs and Trade](#) (GATT), in 1995. GATT, which was created in 1947, was meant to remain [a treaty](#) on international trade because the representatives of the international arena were unable to come to an agreement on an International Trade Organization. The formation of the Organization would have to wait almost half a century.

GATT eventually passed from a simple to treaty to an organization, and it became a permanent international organization loosely associated with the United Nations. [In 1995 the agreement was officially incorporated into an organization](#): the WTO – it is an organization founded on (and which supports) the General Agreement on Tariffs and Trade. The members of the organization were, and still are today, dedicated to lowering tariff barriers in all countries to promote international commerce through the WTO.

### QUESTIONS OF CONTENTION

Who is the World Trade Organization working for? The rich? The poor? Everyone? Nobody? Themselves?

[Noam Chomsky](#) issues an attack on the WTO in his book, *World Orders Old and New*. “The new World Trade Organization established by the latest GATT agreements will align itself with the World Bank and IMF [International Monetary Fund] in a New Institutional Trinity which would have as its specific function to control and dominate the economic relations that commit the developing world, while industrialized countries will make their own deals... outside normal channels, in G-7 meetings and elsewhere (the Group of 7 – G7 – is composed of the seven strongest economies in the world).” He is saying that the WTO will not be independent, but rather serve the economic interests of the rich by ganging up with the two largest international economic players, the IMF and the World Bank.

[Maude Barlow](#), of the Council of Canadians, criticizes the WTO for wanting to create the Multilateral Agreement on Investment (MAI) which, she says, is meant to give the equivalent of human rights (thus much stronger rights) to private corporations and businesses established in foreign countries. Although the agreement was never signed because of international protests, many say, like Maude Barlow, that leaders will reintegrate it into other agreements.

“Once the final WTO ruling is made (by retired trade experts and un-elected trade bureaucrats), worldwide conformity is required. A country is obligated to conform its laws to the WTO or face the prospect of perpetual trade sanctions. It is not surprising, therefore, that it is a central goal of the major powers to eventually lodge the MAI in the WTO, the most powerful international body the world has ever known,” wrote Maude Barlow in her book, *MAI: The Multilateral Agreement on Investment and the Threat to Canadian Sovereignty*. Basically, what she means is that if such an agreement was incorporated into the WTO every country in the world – even non WTO members – would have to respect it.

Moreover, this decision would not be democratic because the international population cannot intervene in the decision and WTO members and bureaucrats are not elected... so, this would not only be an unfair decision, according to her, but also an undemocratic one.

The goal of the protests in Seattle in 1999 was to stop the discussions of the World Trade Organization for at least a day. [Protesters](#) view the WTO as a strong non-elected bloc that regulates international trade in an undemocratic way, favoring rich countries (the G7/G8) and making sure developing and underdeveloped countries stay dependent and continue to act as the cheap labour source of developed countries. They say that free trade agreements allow for corporate penetration and, in their view, the destruction of underdeveloped and developing countries.

The World Trade Organization maintains that it is not an international government, but rather an organization that wants to facilitate trade between producers and consumers. In their eyes, they guarantee the openness of the markets in all directions. By making these agreements, and making countries respect them, they are guaranteeing that exporters can have a wide range of buying countries in the international market; also maintaining an open market for foreign companies, making sure they can establish themselves in any country. "By lowering trade barriers, the WTO's system also breaks down other barriers between peoples and nations," as they say on their [website](#).

## TO LEARN MORE...

[World Trade Organization](#)  
[The International Trade Center](#)  
[International Monetary Fund \(IMF\)](#)  
[World Bank](#)

[One World website](#)  
[Noam Chomsky and the WTO](#)  
[Stop the MAI](#)  
[The WTO Watch group](#)  
[The Council of Canadians](#)  
[www.a16.org](#) and [www.a20.org](#)

## II DEMOCRACY

Democracy. We often use the word in association with freedom. Protesters especially advocate freedom of speech and of opinion, as well as what they feel is their right to participate and be informed of decisions from the government. Is this democracy? What is democracy? Does it even exist?

Democratic rights became an issue on several fronts especially during the Summit of the Americas in Québec city in April 2001. During the summit, Heads of States of 34, out of 35 American countries (Cuba was missing), discussed the Free Trade Area of the Americas (FTAA). Cuba was locked out of the discussions because it was not (and is not) considered a democratic state. However, other state democratic systems that were present in Quebec, were put into question, such as: Haiti, Columbia and other Latin American countries.

In Québec city, the people in the streets were fenced out from the conference in what came to be known as the largest security measures ever seen in peace times (6,700 police officers, 5,000 tear gas canisters, rubber bullets, soldiers on stand-by, offensive assault vehicles, and an emptied out prison for arrested protesters). Canada is not the only country where people were locked out and kept away from the meeting

rooms. This also happened in Genoa, Jakarta, Seattle, and many other places where summits were held. This, according to many activists and intellectuals, is undemocratic because our [Constitution](#) gives us the right to peaceful protest – it is a basic democratic right.

The question, for many people, becomes whether or not the people have a democratic right to attend these discussions on free trade agreements. For example, in Quebec, before the summit started, many business owners complained that they had no access to the agreement documents. Members of Parliament in the House of Commons, also, were asking to see the documents since many of them did not have access to the FTAA papers. In addition to protesters, our own elected representatives didn't have access to the information.

It is not only this veil of secrecy that motivates the protesters to come up to the barricades. Many are concerned that the governments are more interested in signing an agreement that would compromise the environment, human rights or cultural rights and expressions in the name of profit. Many protesters feel that the government is working in the name of private business interest and not in the name of the people who elected them.

The notion of democracy has more than one possible definition, and so, its interpretation can vary. The government has its reasons for keeping documents secret, while the protesters believe that there are important democratic violations that should be brought to the forefront of the discussions.

### TO LEARN MORE...

[Official FTAA website](#)

[CSIS report on anti-globalization movements](#)

[Press Release after Quebec protests: Canada Exports](#)

[Behind the scene on Trade Policy Making: Canada Exports](#)

[CSIS annual report](#)

[Canadian Parliament paper on policy making and lobbying](#)

[Speech from Maria Minna on democracy across the Americas](#)

[Speech from John Manley at the Canadian Society in New York](#)

[Americas meeting in Toronto: on Democracy Clause](#)

[Highlights: Free Trade Promotes Democracy](#)

### PROTESTERS REFERENCES:

[Stop the FTAA](#)

[Global Exchange – views on the FTAA](#)

[Global Exchange – top ten reasons to oppose the FTAA](#)

[Public Citizen Global Trade Watch](#)

[Democracy Watch - Canada](#)

[Citizens for Direct Democracy](#)

[Council of Canadians on the FTAA and Democracy](#)

[Policy Alternatives on the Democracy clause in the FTAA](#)

[International Center for Human Rights and Democratic Development](#)

The Canadian Security and Intelligence Service (CSIS) wrote a paper about the [anti-globalization movement](#), considering it a threat to national security. In the paper, the author explains that Canada is a good venue for international conferences and it also helps to heighten the image of Canada as a business opportunity and a democracy. The author goes on to say that “paradoxically, however, Canada’s positive image could be marred by the occurrence of protests and demonstrations, and especially by associated unfavourable media coverage.”



## 12 MERGERS

Before, during and after the First World War, countries fought for their patch of land. The Austro-Hungarian Empire broke down to several smaller countries along with the Ottoman Empire that ruled over most of the Middle East and Northern Africa. These separations were demanded in the name of culture and of a people: the Czechs, Slovaks, Albanians, Serbs,... (Balkanization)

These countries, on their own, once separated from the Empires, were often too small, too weak, too poor, and too politically inexperienced to deal with international relations and compete in the world market.

During the Cold War most of these countries still desired their independence but needed external support, which they received from the United States (Marshall Plan) or the Soviet Union. Smaller countries actually benefited from the Cold War because the two super powers fought their war through them – so smaller countries benefited from large sums of money being given on either side. The Cold War period (1948 – 1989) saw the world divided into two blocks: the East and the West. Each block strived to be bigger and more powerful than her enemy.

These events in history are repeating themselves today, but in reverse. Today, countries want to bind together into what look like empires so they can be more powerful. But like the small countries at the beginning of the century, many fear that culture and national identity will be lost. If we look at the Hungarian Empire for example, it was very powerful in terms of its economy. However many people felt suppressed by the state that controlled what was taught. Many never learned about the history, language or the culture of their countries before it entered the Empire.

Businesses and countries today are very interested in the military and economic advantages of being a larger force, a bigger unit. The idea is that by merging – as the European Union is doing – it will be a bigger and stronger block. As a bigger block, the European Union will be able to demand more favourable prices on imports, better internal tariffs and as well as have more control in the World Trade Organization.

From the corporate perspective the benefit of merged companies is that it is easy to undersell and eliminate your smaller competitors. Mergers like Time-Warner-AOL represent huge ethical dilemmas, where the mergers are so large they can corner a whole market and make it theirs, then charge any price they would like to.

One of the best Canadian examples is Bell, which had entire control of the phone market (local and long distance). Until competition was allowed in the “long distance market”, long distance phone calls cost a lot more than they do today with an open market. The law in effect forbids Bell to own more than 40% of the market. If it weren't for laws, many of these corporations would try to own entire markets.

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