How has centralization of unaccountable money or power
in the global economy provided a special policy edge for special interests
in US or international policy? What are the implications of this influence?

The centralization of power, as exists with monarchies and dictatorships, has a long history of concentrating money in the hands of a few privileged elite. Today, with power becoming more concentrated in the hands of multinational corporations, the senior executives who run them, and the major investors who are majority stock owners in these corporations, the pillars of democracy are under assault. With trade agreements which have diluted governmental power, the monopolistic ownership of media outlets by corporations, the lowering of employees' wages and increased personal debt, massive unemployment and underemployment, the growing schism between the few privileged who are amassing obscene wealth versus the growing masses of people whose purchasing power is steadily decreasing, all societies across the globe are under threat of a complete "world order" which dominates and oppresses through massive concentrations of wealth in the hands of the few who wield corporate power. Ten thousand years ago, primitive man faced peril from the harsh and brutal forces of nature—the forces of Mother Nature and the animal kingdom. Today, the greatest threat to humankind is not nature, rather it is himself. Stated more succinctly, avarice is the enemy from within. In psychological terms, narcissistic personality disorder---the psyche that is obsessed with control and power, a fear of dependence, and the externalization of blame---will be our complete undoing. It is a pandemic in masculine leadership the world over.

In today's global economy, trade agreements have become a way for multi-national corporations to gain unprecedented control and power while simultaneously subtracting power from democratic governments (Cavanagh & Broad, 1996; Kobrin, 1998; Rauber, 1998; Vallianatos & Durbin, 1998). Kobrin (1998) informs us that power is shifting from governments to economic markets with a resulting "loss of control over economies and economic actors, and the preservation of democratic processes has become a real concern" (p. 104).

Trade agreements between the U.S. and a foreign country give substantial rights and privileges to corporations without also requiring them to be responsible to societies and the environment (Cavanagh & Broad, 1996; Kobring, 1998). Ralph Nader, founder of Public Citizen, and Lori Wallach, a public interest lawyer who works for Public Citizen, have written:

> Approval of these [trade] agreements has institutionalized a global economic and political situation that places every government in a virtual hostage situation, at the mercy of a global financial and commercial system run by empowered corporations. This new system is not designed to promote the health and well-being of human beings but to enhance the power of the world's largest corporations and financial institutions (Nader & Wallach, 1996, p. 93).

The most noted free trade agreements passed in the United States have been the 1989 CFTA (U.S.-Canada Free Trade Agreement) and the 1994 NAFTA (North-American Free Trade Agreement) legislation which removed most barriers to free trade between the U.S., Canada and Mexico. According to Public Citizen ("NAFTA", 2007), a non-profit consumer advocacy organization, the original promoters of NAFTA argued that the agreement would create hundreds of thousands of high wage jobs and enhance the environment while the opponents argued that it would create a lowered wage system for workers, threaten democracy and pose threats to the environment, health and food industries. To date, the opponents' arguments have largely come to fruition. In fact, NAFTA has given multinational corporations enormous power by allowing them to bring lawsuits against governments and receive cash compensation if the public interest laws interfere with their ability to trade freely and make profits. All of this can be negotiated within a secret tribunal away from public knowledge and scrutiny. Public Citizen ("NAFTA", 2007) states that it is misleading to describe NAFTA as a trade agreement, rather it is really "an investment agreement" which gives foreign investors the right to relocate jobs and factories abroad, and to privatize and deregulate essential products and services, such as water, energy and health care.

According to Rauber (1998), corporations' desire to dominate the world was about to come to reality if the Multilateral Agreement on Investments (MAI) had passed in the late 1990s. Described as "NAFTA on steroids" (Kobrin, 1998), the originators of the MAI, members of the Organization for Economic Cooperation and Development (OECD) sometimes called "the rich nations club," began meeting in 1995 in a clandestine location unbeknownst to the public. The secret meetings had been occurring for two years before someone leaked a draft copy of the MAI in January 1997 disclosing the members' attempts at "secret negotiations where plots are hatched for corporate oligarchies to rule the world" (p. 106). Posing a serious danger for social justice, equal opportunity, the environment and democratic governments, the MAI was planned to provide for virtually unfettered international investment and the resolution of disputes between multinationals and the governments in the countries where they conducted business (Kobrin, 1998). The developed countries were at the negotiating table and the developed countries were excluded. The first disturbing part of the MAI was its broadly interpreted definition of "investment" which included direct investment such as corporations, factories; real estate, portfolio investment such as stocks and bonds;

intellectual property such as patents and trademarks; and contract rights and concessions rights, including the right to exploit government-owned natural resources.

Under the agreement, the national treatment obligation would prevent foreign countries from being treated unequally with domestic ones. For instance, if your city is privatizing the water supply, no foreign bidder could be excluded from the acquisition of that contract. It would give corporations equal standing with nations and guarantee them the right to directly sue national governments (Rauber, 1998). Additionally, if a corporation lost an opportunity to make profits from a planned investment, this would be legal grounds for compensatory compensation. An example is that a foreign chemical company could sue the U.S. government for damages if efforts to save the local water supply from contamination prevented the corporation from making a profit. Furthermore, the resolution of that dispute would give the corporation the right to appear before an industry-friendly tribunal of the complainant's choice making the outcome of that negotiation biased in favor of the complainant—the corporation. It would be a closed process without an opportunity for citizens of either country to participate or provide commentary. Under NAFTA, the U.S. based Ethyl Corporation sued the Canadian government for $251 million for banning the company's gasoline additive MMT which was suspected of neurotoxicity (Rauber, 1998). Ethyl Corporation argued that Canada was in violation of NAFTA because Ethyl was being barred from making a profit.

The MAI would have exempted a foreign corporation from performance requirements such as regulations which mandate manufacturers to use a certain percentage of recycled materials. The government would be unable to require a corporation to merge with a local company, hire a certain number of local employees, invest a minimum amount in the local community, or to provide the local government or local companies with environmentally beneficial technology (Vallianatos & Durbin, 1998). The agreement would also have ended boycotts and trade sanctions against countries and businesses which violated environmental, labor, and human rights standards (Rauber, 1998). Since the U.S. uses investment policy to promote human rights goals, the MAI would prevent governments from applying these policies to foreign business since this would impede corporations from making their unfettered profits. Had these provisions been in existence in the 1980s, Nelson Mandela might still be incarcerated (Rauber, 1998).

This profound threat to governments' ability to promote social, economic, and environmental justice was the primary reason that the opponents of the MAI were able to garner sufficient grassroots support and bring it to a halt. However, our current U.S. president was buoyed into office largely due to his alliances and financial support from corporations, particularly the oil, defense and pharmaceutical industries. Furthermore, as Lewis (1998) notes, Congressional members have also been bought by special interests, most notably corporations, eroding the constitutional responsibility that Congress has to serve the public interest. After a one year investigation of Congress and its activities, Lewis (1998) found that Congress has betrayed and all but forsaken the American citizenry stating that the political legislative body works more to benefit themselves and their wealthy benefactors than for the American people. The investigation finds that:

> Oftentimes on the most important public-policy issues of our time, at critical forks in the road between the broad public interest of the American people and the narrow, economic agenda of a few vested interests, our elected officials have taken the wrong path (Lewis, p. 2).

This failure in oversight by Congress has affected Americans directly in the air, water and food domains, along with workplace safety, healthcare, consumer goods' prices and taxes. According to the Center for Responsive Politics (2007a), a non-partisan organization which tracks campaign contributions at federal and state levels, the 2004 presidential election was the most expensive in history with contributions to both Bush and Kerry totaling $880.5 million with Bush receiving $367, 228, 801 and Kerry receiving $328,479,245. The Center for Responsive Politics (2007b) reports that the average amount of campaign money received by a House member in the 2004 election was $1,104, 809 and Senate member was $7,206,001. Additionally, the Center (2007c) reports that an all time high of $2.41 billion in 2005 was spent lobbying Congress and federal agencies, with the pharmaceutical industry spending the most money. With these unprecedented political campaign contributions coming primarily from corporations, this incestuous relationship is making it increasingly difficult for politicians to remain loyal to the common good. If this is insufficient evidence of the breakdown in the legislative branch's ability to serve the greater good, consider that the median household income of Americans has risen 7.7 percent between 1975 and 1996 whereas the income of Congressional members has risen 50 percent between 1975 and 1997 (Lewis, 1998). As Lewis (1998) bluntly states, during this two decade timeframe, the income of our public servants has risen six times more than that of their constituents.

As a result of Lewis' (1998) investigation, it was discovered that from 1987 through 1996, the food industry provided Congressional members with more than $41 million in campaign contributions and in exchange, legislation was passed to relax food industry safety standards. Between the same periods, Capital Hill legislators weakened pharmaceutical industry regulations and received $28 million in re-election campaign funds. In 1956, corporate income taxes accounted for 28 percent of all federal tax revenue, however, as of 1998, that rate was 10 percent (Lewis, 1998). Meanwhile, more than $182 million dollars in campaign contributions was given to congressional members by the nation's largest corporations between 1987 and 1996, along with $73 million given by political action committees (PACs). To add insult to injury, it was discovered that between 1991 and 1996, 36 to 40 percent of senior Capital Hill aids from some of the "money" committees such as the Senate and House Commerce Committees left their positions to become registered lobbyists. Over the past three decades, Congress has significantly reduced both the highest income-tax rate and the capital gains tax for the wealthiest Americans. Seven million workers hold at least two jobs which is the highest percentage in more than 50 years. The U.S. now has the largest gap between the haves and have-nots than of any industrialized country with the gap shrinking between 1929 and 1969, but steadily widening since then (Lewis, 1998). According to conservative historian and economist, Edward Luttwak, if the current economic inequalities continue to deepen, the U.S. will be a Third World country by 2020 (cited in Lewis, 1998).

In Domhoff's (1971) drawing of "The Power-Elite Policy-Making Process," the flow chart reflects how the wealthy corporations and the wealthy senior executives from these corporations give money to foundations such as the Ford and Rockefeller foundation and the policy-planning groups such as the Council on Foreign Relations, who, in turn, funnel money to think tanks such as the Stanford Research Institute. The policy-planning groups, in turn, funnel money and personnel to the President of the United States and to commissions and task forces which, in turn, funnel money to the executive branch of the federal government. What occurs is a process whereby corporations, educational institutions, foundations, think tanks and policy-planning groups have the power to dominate and have control over the public interest. In addition, corporations now own most of the media outlets including television and radio stations, newspapers and magazines. According to Free Press, a national nonpartisan organization which seeks to increase public participation in media policy debates, CBS Corporation owns CBS television and CBS radio, Showtime and the publisher Simon & Schuster, along with 41 radio stations; News Corporation owns Fox Broadcasting and Fox cable, National Geographic, the *New York Post* and book publisher, HarperCollins; Walt Disney owns ABC television and cable networks such as ESPN, A&E, Lifetime and The Disney Channel; Time Warner owns CNN and HBO cable, along with over 150 magazines including *People* and *Time*; and GE owns NBC television (Free Press, 2007). This creates a further tentacle of influence whereby corporations have the power to refuse to air certain types of programming and can decide what type of advertising the public views. While perhaps not overtly censoring, this does allow corporations to prevent the public from being exposed to news that would be counter to the image of the corporation that the business wants the public to perceive. It further allows corporations to decline to inform the public about local, national or international events or trends which would create unfavorable responses from the citizenry. The current presidential administration has threatened several times over the past six years to cut funding for the only remaining public television station, PBS. Only widespread public outcry and backlash has prevented this from occurring. The internet is also under threat of legislation which would allow corporations to charge money for entry into various web sites. This would create a situation where only people with sufficient incomes could access potentially critical information. Net neutrality legislation is crucial for people to be able to access vital information for free.

A lack of unbiased information provided to the general public is a profoundly troubling aspect of the centralization of power with corporations and creates a dangerous threat to democracy. Without an informed citizenry, democracy cannot flourish. Without democracy, there is no liberty. Political and corporate incest produces a pathological situation of control over people and eliminates the transparency and accountability that is crucial for democracy to thrive. Corporations, quite literally, take control of governments and, through substantial lobbying, it weakens the social programs that have been vital to America for the past century. Social Security and Medicare are currently under assault by the current administration for privatization. Since the Iran-Contra affair under President Reagan, increasingly America has sought to depose foreign political leaders and install leaders who are open to allowing American corporations to engage in business in that country. In addition, like Reagan, American presidents are approving military actions in foreign countries through means which circumvent the traditional process of obtaining Congressional approval to go to war. Instead, the executive branch of the American government, in alignment with Republican Congressional members and corporations, is utilizing the CIA, NSA and Pentagon to hire foreign militia (also known as terrorists) to wage the wars that benefit American interests. Today, American interests has become synonymous with “corporate interests” such that the underlying goal is not to benefit the poor and middle class of America, rather it is to garner business deals with foreign countries so that the top wealthiest in America benefit.

Nowhere is this more apparent than in Iraq today where the war has become openly privatized for the first time in American history. Hundreds of corporate consultants working for private corporations whose business is security have been killed in Iraq. In February of last month, Congressman Henry Waxman began hearings on charges of waste and fraud as it pertains to the reconstruction in Iraq (Paltrow, 2007). Halliburton and, its subsidiary, Kellog, Brown & Root, have benefited enormously from the war and Congress has begun investigations into war profiteering. The Special Inspector, Stuart Bowen, whose 70+ audit reports have unearthed billions of dollars that were either mismanaged or simply disappeared. According to Mr. Bowen, more than $8.8 billion in cash was paid for reconstruction efforts, however, most of it was paid to salaries of "ghost employees," employees that were listed by name, but were, in fact, non-existent (Paltrow, 2007). When wars become increasingly privatized, this type of activity becomes more prevalent because there is no accountability when the American government has a majority of individuals who are elected due to the financial backing of corporations.

In summary, when government, corporations and the media are incestuously involved, democracy "by, of, and for the people" is seriously threatened. This is what has been occurring more and more since WWII, but especially since the Reagan era. The only way for American democracy to survive is if a sufficient number of informed citizenry respond to these assaults on civil liberties and the U.S. Constitution. Without this, it is unclear what the destiny of this country will be.

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