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Sand in the wheels

Weekly newsletter - n°95 – Wednesday 12 September 2001.

TO THE VICTIMS OF VIOLENCE

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After the tragic events in New York and Washington

by ATTAC France

On the day after the terrible events that have shaken the United States, Attac joins the American people in their mourning. The air suicide attacks that hit New York and Washington partake of a blind terrorism that no cause can justify.

This crime, which is becoming an historic trial for the American nation, and beyond the deep

emotion it arouses, nevertheless reflects processes that have been under way for decades, the state of the world, its growing inequalities and unresolved crises, and thus the despair and suffering that result from them. It also reflects the specific role played by the United States on the international arena. But it does so in the worst possible way, by assimilating a people to a State, and by assassinating thousands of innocents.

Because we are part of those who, in a struggle against the devastating social effects of the neo-liberal policies conducted for several decades now,



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aspire to a better world, one that is democratic and respectful of others and that ensures a durable future for the planet's peoples and nations; because we believe that peace is linked directly to wealth being shared fairly throughout the world, we most strongly condemn terrorist acts, and in particular those that have just been committed in New York and Washington. And we do this all the more strongly because terrorism has always been used to halt and to end democratic freedoms.

ATTAC France attacfr@attac.org

Paris, 12th September, 2001

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Dear all

by Lori Ann Burd

This is the first chain e-mail that I have ever sent and I am sorry that I can't connect with each one of you individually. I have some thoughts on what happened this morning that I really need to share, so please bear with me.

What happened this morning was a tragedy that I cannot begin to comprehend. The huge loss of life and limb is beyond my imagination, beyond my nightmares, beyond all reason. My condolences go out to all those who are suffering the loss of family or friends.

I think this tragedy is also an amazing opportunity to do some reflection; on ourselves as individuals, and on ourselves as Americans. We need to stop and ponder why this happened. Why would a human being plan and commit these acts. After all aren't we all the children of mothers, aren't we all human beings with basic ideas of rights and wrong? Don't we all just want to live our lives in peace and prosperity? I do not think the people who wrecked havoc on the east coast this morning are that different from us, we all live under the same sky and have the same basic needs. But these are people who are fed up with America and what it stands for. We have been told that we are individuals with certain rights as Americans. Those rights have come to mean that we should have unlimited access to whatever we want materially and politically. We have gone into other countries time and time and again, destroying the lives of so many, either by funding fascist military regimes or creating so called economic reforms. We have denied access to basic medical supplies and clothing to countries who refuse to accept our

politics. We still have military bases in places most people have never heard of, occupying and destroying remote corners of the world. We have torn down ancient and pristine forests, cut holes in mountains for minerals, dug in sacred spaces for oil. We have put millions of people to work in sweat shops so we can have more cheap stuff.

No, I don't think that any of us want these travesties to go on, but as Americans, our taxes perpetuate this insanity. In our quest for more (more power and more stuff) we have done a lot of damage and caused so much suffering and death. But these things are not as exciting as buildings being blown up. The sensationalist corporate media knows they will not get anywhere with that, so they only report on what people like to hear and the big scary explosions, not the daily pain.

What happened today is a tragedy, but we are living in a time when so much tragedy goes ignored by Americans. It is time for us to wake up to the consequences of our "progress". It is time for us to start caring about something other than being comfortable. We need to end the cycles of violence within ourselves and the rest of the world. If we are to speak of progress, let it be for all people, not just wealthy amerikkkans. We can do this by being conscious consumers, not buying things that were made in sweat shops, getting eco-friendly products. We can vote for sane policies. We can protest and write letters. We can be creative and not accept everything we are told. We can try to learn to empathize with people very different from ourselves, and maybe then we will learn that they are not so different. Perhaps if we did that, then people would not be so enraged at our nation, and we can prevent future tragedy.

Thank you so much for taking the time to read this. I love you all very much and send my blessings and prayers,

Lori Ann Burd. US Student.
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September 11th.

The Argentine Crisis

by Julio C Gambina

Argentina has had more than three years of recession and all the international economy analysts have the crisis under review. What's more, some people are asking themselves when "cessation of payment" will be declared, on a public debt climbing to 147,000 million dollars by



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the end of the year 2000 and taking up 22% of public expenditure in interest (11,000 million dollars). The amount of the debt exceeds 50% of gross domestic product (GDP) when the valuation is at the rate of one peso to one dollar; in these circumstances devaluation would raise the present percentage and exacerbate both the external problems and their impact within the country. There is in fact a massive contrast; since rather more than 31% are unemployed, with even more on short time and 14% of the population below the poverty line, while big business shows higher earnings than in previous financial years. This is the case with Repsol-YPF, with the undertakings running privatised public services, the giant commercial centres and the great transnational banks which own the Management Company for Retirement and Pension Funds (AFJP) which together constitute the dominant sector of the economy and are accumulating great profits, wealth and power.

The country has become extremely dependent on the inflow of international capital since the Convertibility Law came into force (April 1991) making one peso equal to one dollar. Under this regime the government no longer has the power to issue currency; and therefore to finance its needs it has had recourse to increasing its indebtedness and to allowing investment capital into the country, irrespective of its purpose. Privatising public undertakings and purchasing local businesses proved to be the purpose of much of the capital that flowed in, principally from Europe and the US, though also from Latin America, especially Chile. The Argentine government favoured this procedure and the external debt did in fact fund the private commercial deficit, with regard to both goods and services, and counterbalanced the outward flow of capital. According to official calculations there are about 100,000 million pesos outside the country belonging to Argentinians. In this way, the decade of the nineties saw a large movement of capital, both inflows and outflows and carefully financed by the government and charged to the account of the National Budget, subject to paying regressive taxes since the principal tax is VAT which primarily affects fixed income sectors. Under the regime privatising state retirement pensions, the government hands over between 4,500 and 7,000 million annually to the AFJP (Pension Fund), being together with the interest on the debt the two principal causes of the fiscal deficit. Without either one of these two items the public accounts would be in surplus.

To restore its capacity to attract capital from abroad, the government agreed last December to so-called "financial armour plating", an arrangement for loans amounting to 39,000 million dollars for 2001 and 2002, granted by the International Financial Organisations, private banks and the governments of some developed capitalist countries. Next was a "mega-exchange" of debt amounting to almost 30,000 million dollars at very high rates (between 12% and 14%), renegotiating medium (2008) and long (2031) term maturity dates. Currently there are negotiations going on inside the IMF for extended credit of between 6,000 and 9,000 million. The principal barrier to "aid" is building up inside the North American administration which in the wake of the Mexican crisis following on the Asian, Russian and Brazilian, between 1994 and 2000, has not been in agreement with the policies pursued by the IMF. The position has been made clear by the well advertised, early resignation of Stanley Fisher, vice-president of the IMF and US government representative on that lending organisation.

The question at issue is the possible ring fencing of North American contributors' funds to make good the "absence of capitalism" in countries like Argentina. The phrase comes from an article published by the 'Heritage Foundation' in April last (Ana Eiras,, and Brett D. Schaefer), which suggests giving financial aid in exchange for boosting economic deregulation measures; those particularly emphasised being:- dollarisation; reduction of public expenditure; leaving Mercosur, promoting free trade (American Free Trade Area) and the reform of Justice, all this to favour the legal security of the right of property and international investors. At the same time it was suggested that the Bush administration "should help Argentina to adopt the necessary reforms", in conjunction with specialists "from the FBI and the US Department of Justice".

Argentina has been implementing procedures for the regressive restructuring of domestic capitalism since the times of the military dictatorship in 1976, procedures which were speeded up after 1991. The policy is still in force today, demanding a still greater reduction in the quality of life experienced by the majority of the population, completing the privatisations of the bank, and the public authorities covering health, social security and education. Making this possible involves "naturalising" the adjustment process and this relies on an executive power which up to now has kept the other powers, the parliamentary and the



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judicial, in check. In this endeavour it is no longer able to achieve the subordination of society as a whole since nowadays days this is developing intense resistance. The destiny of the Argentine is at stake there.

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In our own back yard

by Chris Mooney

WALKING PAST HAYWARD Place, a 37,000-square-foot city block on lower Washington Street, you might wonder why it's still just a parking lot, when for decades the city has been trying to develop the Downtown Crossing area. But you'd never guess that the lot currently lies at the center of a multimillion-dollar investment dispute between the US government and a Canadian corporation under the North American Free Trade Agreement (NAFTA). The highly secretive suit would likely enrage taxpaying Bay Staters, if they only knew it existed. That's because the Canadian company, a developer called Mondev International, hopes to use NAFTA to get around a Massachusetts law that protects the public treasury from potentially costly lawsuits. This particular law does not have universal support, and the issue is probably one no anti-NAFTA protester ever imagined. Still, an important principle is at stake. In trying to circumvent the statute, Mondev has challenged the state's autonomy. And it has done so by exercising rights that no Massachusetts citizen or American corporation possesses — rights reserved only to foreign corporations under NAFTA.

Throughout the 1990s, Hayward Place was the subject of a tangled legal dispute between Lafayette Place Associates (LPA), a Mondev subsidiary, and the City of Boston. LPA had already developed the nearby Lafayette Hotel (now the Swissôtel) and the failed Lafayette Place mall; it had also held an option to buy the Hayward Place parcel from the city. But by the time it tried to exercise that option and develop the site, land values had increased and the city was reluctant to sell. In 1992, LPA filed suit against the city and the Boston Redevelopment Authority, claiming that its contractual rights had been deliberately thwarted. After various legal maneuvers, however, the developer finally seemed to have hit a dead end by March of 1999, when the US Supreme Court refused to hear LPA's

appeal of an unfavorable Massachusetts Supreme Judicial Court ruling. This " [put] an end to the matter, " the Boston Globe reported a few months later.

Only it didn't. " You talk to people here in Boston who remember the whole thing, " says Massachusetts state representative Byron Rushing, " but they don't know what happened. " What happened is that in May 1999, Mondev International filed a \$50 million suit against the US government under Chapter 11 of NAFTA, a section that lays out strong property-rights and other protections for foreign investors. The suit alleges " damage to Mondev's investments " arising from the Supreme Judicial Court ruling and from the US Supreme Court's refusal to hear LPA's appeal. The Supreme Judicial Court had invoked " sovereign immunity " for the Boston Redevelopment Authority, thereby classifying the agency as an arm of the state and rendering it impervious to Mondev's suit. But NAFTA's Chapter 11, Mondev argues, trumps Massachusetts's sovereign-immunity statute. And Chapter 11 lets the company sue the US directly over actions taken by state and municipal actors. This process is known as investor-state arbitration.

Mondev's suit is one of the first four NAFTA Chapter 11 cases against the US. The cases take several years to arbitrate and none has yet been decided, though US investors have already won several similar claims against the Canadian government. But Mondev's case could prove a key test of the new, highly controversial Chapter 11 protections that NAFTA affords foreign investors. Further, it tests the limits of the United States' political sway over the other NAFTA members. If the agreement's only economic superpower loses a NAFTA case to Canada, not only would it be embarrassing, but it would encourage further scrutiny of NAFTA within the US.

Even as cases like Mondev's wend their way through specialized, corporate-style arbitration outlets like the International Center for Settlement of Investment Disputes at the World Bank, a few critics have caught on, objecting that the broad rights NAFTA gives to investors come without corresponding responsibilities, and that the Chapter 11 process belittles and weakens state and local governments. And, they note, the proposed Free Trade Area of the Americas agreement — NAFTA cubed — would likely extend Chapter 11 privileges to extra-national corporations throughout the hemisphere.



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DESPITE THE groundbreaking nature of the Mondev case, the Boston media have all but ignored it. It's not really their fault: because of the commercial arbitration protocols provided in NAFTA, the case is highly secret. " A lot of us have been trying for a long time to get more information on these cases, " notes Howard Mann, an international-law expert and associate at the Canada-based International Institute for Sustainable Development.

It wasn't until 1996, two years after NAFTA became law, that multinational corporations in the US and Canada even became fully aware of Chapter 11. Not unlike the bankruptcy-law provision of the same name, NAFTA's Chapter 11 provides a sort of last recourse for down-and-out companies seeking to get back on their feet. The difference is that NAFTA protects foreign investors from what they consider unfair regulatory treatment on the part of host nations, and in this way grants unparalleled remedies for aggrieved corporations that haven't necessarily gone bankrupt unparalleled in American bankruptcy law.

For example, suppose a Canadian lumber company with a foreign branch in Oregon doesn't like a state environmental law. Under NAFTA Chapter 11's broad property-rights standard and very loose definition of " investment, " the company might be able to sue the US government directly over Oregon's law for actions " tantamount " to expropriation. That's roughly analogous to what happened with the first NAFTA Chapter 11 case, though the countries were reversed: the US-based Ethyl corporation sued Canada over an environmental ban on Ethyl's product, the gasoline additive MMT. Canada settled the case in 1998, consenting to withdraw the regulation and pay a \$13 million settlement to Ethyl — an action that, not surprisingly, sparked a grassroots backlash in British Columbia and other provinces. In the wake of Ethyl's success, other US companies, along with Canadian corporations such as Mondev, filed similar suits.

As might be expected, these cases captured the interest of publicity-rousing environmental groups. The Ethyl case and its US analogue, a \$1 billion suit by the Canadian corporation Methanex over a California state plan to phase out use of the gasoline additive MTBE, have led to widespread cries that NAFTA's Chapter 11 inverts the " polluter pays " principle — establishing instead a " pay the polluter " standard. The Mondev case, by contrast, is concerned with the specialized legal

concept of sovereign immunity; it doesn't lend itself to such easy sloganeering. " An urban-renewal project doesn't have quite the same public interest as protecting the groundwater, " observes Robert Stumberg, director of the Harrison Institute for Public Law at Georgetown University and a close Chapter 11 watcher. " And also, sovereign immunity is one of those fundamental but arcane funny legal concepts that's not cuddly like protecting public health. "

But the principle threatened by the Mondev suit is at least as important in its way: the case challenges the rights of Massachusetts within the federal system. One section of NAFTA explicitly requires the US, Canada, and Mexico to ensure that " state and provincial governments " comply with the agreement, and to take " all necessary measures " to ensure that state laws don't conflict with it. According to Mondev International, one conflicting law is the Massachusetts Tort Claims Act, the provision that the Supreme Judicial Court used to kill the Lafayette Place Associates suit.

That law provides for " sovereign immunity, " a controversial legal concept with origins in English common law that was retained by the American colonies and, later, the states. Originally, it held that " the king can do no wrong " ; when kings became a thing of the past, immunity was transferred to state governments. In the 1999 US Supreme Court ruling *Alden v. Maine*, the 5-4 majority upheld and even strengthened state sovereign immunity, arguing that the federal Fair Labor Standards Act could not force states to be sued without their consent. " The immunity of a sovereign in its own courts has always been understood to be within the sole control of the sovereign itself, " wrote Justice Anthony Kennedy in the majority opinion.

According to the court majority, sovereign immunity isn't just an ancient defense of arbitrary rule. Kennedy argued that state governments would face possible financial hardship if such suits were unconditionally allowed: " It is indisputable that, at the time of the founding, many of the States could have been forced into insolvency but for their immunity from private suits for money damages. " But in a blistering dissent, Justice David Souter argued that there was no real consensus on the meaning or scope of sovereign immunity at the time of the founding.

Whether the Boston Redevelopment Authority should have been granted sovereign immunity in the original case over the Hayward Place property



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is a tangled legal question. But no matter what you think of sovereign immunity, it's indisputable that NAFTA provides Mondev with the chance to circumvent a democratically enacted Massachusetts law — a privilege that neither Massachusetts citizens nor American corporations have and that Mondev retains solely by virtue of being a foreign corporation. Mondev can't use NAFTA to get the Massachusetts sovereign-immunity statute overturned, but if it wins its case it will have effectively placed itself above, or beyond, the law. Because NAFTA makes this result possible, it weakens a state's ability to govern within its borders, thus shifting the federal balance of power between state and national government.

As profound as these implications are, it's difficult to organize around an issue as esoteric as sovereign-immunity law, which is one reason the case has been so invisible. Another is the lack of information. Unlike the Methanex case, this one isn't open to the public; indeed, " it's shrouded in mystery, " according to Stumberg. Though the US government — itself vulnerable to complaints about secrecy — tries to make each NAFTA case public, this can't be done without the agreement of the investor who filed the complaint, because all aspects of NAFTA arbitration require agreement between the disputing parties. Mondev has not consented to a public case, which means that although evidence has been submitted, the only widely available document is Mondev's original notice of arbitration (see www.naftalaw.org).

But none of this makes the case any less significant. Among other distinctions, Mondev happens to be the first NAFTA case to turn the Supreme Court's refusal to hear an appeal into a cause of action against the United States. Mondev claims that the Supreme Court failed to correct a previous NAFTA violation by the Massachusetts Supreme Judicial Court. Indeed, Mondev's suit and another pending NAFTA case against the US, the Loewen Group case, both arose from the everyday workings of the US judicial system. In the Loewen matter, a Canadian funeral-home corporation operating in Mississippi lost a jury verdict and objected to the amount it would be required to pay to file an appeal. The Loewen Group claimed the appeal bond was so large that it effectively prevented the company from appealing at all, which violated the terms of NAFTA. " Before NAFTA, no one would have thought that there was any way to attack the normal operations of the judicial system, " observes Robert Benson, a professor at Loyola Law School in Los Angeles.

Though it's not the central claim of Mondev's case, invoking NAFTA to challenge the US Supreme Court's refusal of appeal has staggering implications. The Court decides, on average, some 50 cases per year; it turns away thousands. Will each refusal that involves a Canadian or Mexican company become potential grounds for a NAFTA claim? And if a mechanism like Chapter 11 is extended throughout the hemisphere under the Free Trade Area of the Americas agreement, will that right also be extended to Brazilian corporations, Argentinean corporations, and companies from all other FTAA countries?

FOR THE time being, though, the worst-case scenario for Massachusetts is this: Mondev wins its case and the US government, stuck with a penalty of \$50 million, turns around and blames Massachusetts for the verdict. Certainly there would be strong incentive to do so. Would the government ask Massachusetts to amend its Tort Claims Act to prevent further monetary damages under NAFTA? Or might it even suggest that Massachusetts ought to pay the \$50 million? After all, surely the taxpayers from the other 49 states shouldn't be expected to pay for a law passed in Massachusetts — should they?

When demonstrators converge worldwide to protest NAFTA, the FTAA, and the WTO, this is not the kind of menace they usually have in mind. But it's a real and, potentially, a very expensive one. It shows, too, how important it is for legislators, not just protestors, to get involved in fending off NAFTA's dangers.

Toward that end, State Representative Byron Rushing has been pushing to create an interdepartmental government committee that would keep Massachusetts legislators abreast of NAFTA cases and other ways in which international trade agreements, like the WTO, could affect state laws. Of course, Massachusetts legislators wouldn't have the power to affect NAFTA proceedings directly — the cases, after all, target the federal government and therefore are appropriately managed by the State and Justice Departments. But Massachusetts representatives could invite testimony by federal officials and perhaps change the way they deal with NAFTA cases.

A similar committee, the first in the nation, is already in place in California, where the state senate impaneled it in response to concerns over the Methanex case. The Mondev case should make Massachusetts equally vigilant. " We obviously

have been using this as an example of why we need to have some agency inside of state government that is reporting to the legislature on what's going on," Rushing says. He adds that the committee could realistically be in place by the next legislative session. After all, Massachusetts has already shown an inclination to play a role in international issues: witness the Massachusetts Burma Law that was found to be pre-empted by the Supreme Court in 2000.

A new legislative committee could also help spread public information about NAFTA claims. After California representatives sent a concerned letter to US Trade Representative Robert Zoellick regarding the Methanex case, for example, Zoellick sent back an unprecedented, legally explicit response telling them not to worry, because NAFTA rules "do not have direct effect in US law." For the first time the US government's legal interpretation of NAFTA Chapter 11 became clear to NAFTA watchers; before that the whole matter had been kept so confidential that no one had any idea what Zoellick was thinking. Still, the letter left numerous questions unanswered. For example, what happens if the US loses one of these suits?

WHICH BRINGS us back to Hayward Place, just across the street from the still-incomplete Millennium Place and the still-derelict Paramount Theater, and within range of the smells of Chinatown's restaurants. Mayor Thomas Menino has recently floated plans to locate the homeless Josiah Quincy Upper School on the site, and the city has been soliciting bids. But breaking ground at Hayward Place could be a Pyrrhic victory if the state has to deal with the fallout from a Mondev win.

In all likelihood, Mondev's case won't be decided for some time, possibly years. In the meantime, though, wider awareness of the dispute could help Massachusetts residents ask tough questions about what agreements such as NAFTA have wrought. "We need to start taking a hard look at these processes," says Rushing, "regardless of what position you would take, whether you agree with Mondev or not." NAFTA, Rushing observes, may be a done deal, something we have to live with. But a Chapter 11-style provision in the Free Trade Area of the Americas agreement isn't — yet. "Once you allow these things to be set in place," he says, "changing this will be very, very difficult." Coming to grips with the Mondev case could help us prepare for the real debate — over extending

NAFTA investor protections throughout the entire Western Hemisphere.

Chris Mooney is a staff writer at the American Prospect.

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WTO Tidbits

By the ATTAC work group on International Treaties, Marseille

1) 647 NGOs are invited to Doha by the WTO

647 NGOs have responded positively to the offer to take part in the Ministerial Conference in Doha. To be accepted they had to correspond to the WTO selection criteria.

There is of course no question of their taking any initiatives (like making proposals or taking decisions) in the process. The so-styled "civil society" may also count a certain number of NGOs emanating from entrepreneurial circles.

2) Agreement to delay application of Investment Measures in 8 developing countries

The Commodities Council has granted a delay for the application of these measures in the following countries: Argentina, Columbia, Malaysia, Mexico, Pakistan, Philippines and Romania, and recommends that Thailand should be granted extra delay.

Developing countries had 5 years (1995-2000) to reach conformity. The delay has been extended for 2 more years (until 31/12/2001), and can be extended for two further years (until 31/12/2003) under certain conditions. This will enable local industries to maintain their advantages over imported products, or to limit the quantities of these imports. This is the case, for instance, where the automobile industry is concerned.

3) Towards a South East Europe Free Trade Area on the model of the EU and the WTO

Albania, Herzegovina, Bulgaria, Croatia, Macedonia, Rumania and Yugoslavia, totaling 55 million inhabitants, have signed an Agreement Memorandum for setting up free trade agreements with each other. These 7 countries have promised to harmonize their duty system over the next 6 years. This would lead, via a series of bilateral agreements, to duty-free exchanges for over 90%



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of goods. These agreements are to copy some of the WTO clauses. The EU, which will mastermind the drawing up of the agreements, welcomed the memorandum as an important step towards integrating these countries economically into the EU. Signatory countries indicated their intention to bring their legislation into harmony with that of the EU (in particular, commercial and accounting laws, banking laws and laws governing competition.)

4) Russia's entry into the WTO held up by unexpected demands

The US, the EU and Japan have demanded a review of the Russian trade legislation which is in preparation, with the aim of making sure this is compatible with WTO rules. Moscow fears being forced to make concessions or fresh commitments, and has rejected these demands, stressing that no other country has had to answer such demands before entry.

5) Coca Cola is sued in the US for organizing death squads

The suit engaged by US trade unions on behalf of the Columbian union Sinaltrainal (representing 2300 employees in the food industry, of whom 500 work in Coca Cola bottling factories) claims that Coca Cola and Panamerican Beverages, its principal bottler in Latin America, have mounted a campaign of terror, using paramilitary groups to kill, torture or kidnap trade union leaders in Columbia. The plaintiffs base their case on the century-old Alien Torts Claims Act, allowing foreigners to sue US firms for damages incurred abroad.

The Coca Cola spokesperson in Atlanta denied these facts. "We neither own nor exploit any factories in Columbia".

Coca's net profits for the 2nd quarter went up 22 % (Information from BBC 20/7).

6) Legal proceedings against the US by victims of climate change?

Since the rich countries persist in not fulfilling their obligations to solve the planetary warming crisis, poor countries may well come to the conclusion that, when all else fails, there remains the resort to legal action.

The financial services of the UN Environment Programme estimate the extra economic costs

attributable to planetary warming at more than 300 billion dollars per annum. In the best of cases, the cost for developing countries would be more than 9,300 billions over the next 20 years.

Measuring the future cost of climate change is the challenge insurance companies are having to face. A former director of one of the giants of this sector considers that it will take barely 50 years for climate change to bankrupt the world economy. But things could be a lot worse.

An economist, P. Freeman, quoted in the recent 2001 Report on World Disasters, suggests that these secondary and indirect effects "could be twice as bad as the direct losses." (In many countries, especially the poorest, people haven't the means to buy insurance).

But a last resort possibility exists. A group of small island states, or Bangladesh, for instance, could test the newly forming international legal mechanisms by an innovative suit for damages, state against state.

Per capita greenhouse gas emissions in the US are already the highest in the world. Perhaps the time has come to engage proceedings against this country? Even if existing legal mechanisms prove ineffective, a new international legal forum can always be created.

The US professor of international law, A. Strauss; outlines several avenues. The UN General Assembly could ask advice of the International Court of Justice. Those countries which are already engaged in reducing gas emissions could well consider the US policy of cheap energy as a disguised subsidy, and implement their rights against such subsidies.

There are some useful precedents. There exists a principle under which no state has the right to act in such a way as to harm another state by atmospheric pollution. The next message the G8 receives from its poor cousins might well not be an invitation to a reception or an appeal for more aid. It could take a far more abrupt form: "We're taking you to court to answer for planetary warming."

(A. Simms, Head of the World Economy programme at the New Economics Foundation, Int. Herald Tribune 7/8/2001).

7) How a capitalistic firm makes capital out of anti-capitalism

The angry crowd converged round the station, distributing tracts and shouting slogans against the injustices of a firm. Stickers were put on hoardings, informing passers-by of the address of a ferocious website. The firm was one that had often been the target of activists : Nike.

And what group set up the guerilla-type counter-promotional campaign? Nike itself.

Nike's recent advertising campaign at football championships in Australia adopted both the techniques and the style used against it. Like its opponents, Nike's "campaign" plastered posters with stickers saying "Mr Technology isn't honest". The firm even created a false protest group called "Supporters Fighting for Cleaner Football". But these "actorists" shouted that Nike shoes gave their wearers an unjust advantage. According to the campaign director, "Without changing its social practices, Nike had a chance to mock its critics."

It's the old story of marketing firms appropriating cultural trends. But there's a difference in that Nike is endeavouring to make capital out of anti-capitalism.

On late-night TV news, the 200 or so forms wearing the attractive black hood of the Black Block are better than MTV and reality shows put together! The protesters at Seattle, Quebec or Genoa were a big hit with the 18-35 age group; the public targetted by the police is the same one aimed at by advertisers.

The real activists lost no time in retorting. They daubed the hoardings with slogans like "1.25\$ daily wage", "Not honest, Mr Nike" and "100% slaves at work." The Supporters website only survived for two days.

Although the attempts to appropriate the methods of opponents are more and more desperate, no one should expect these attempts to end. Because the movement represents a real threat to the firm's all-powerful image. (A. Rebensdorf, from AlterNet 7/8/2001).

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Pressroom Workers Raise A Stink At San Diego's Union Tribune

by Liza Zador

After almost two years of working without a new contract, pressroom workers at the Union Tribune News in San Diego are winning the community over in their struggle for fair working conditions and better pay. Their employer, the Copley family, has refused to negotiate a fair contract with Graphic Communications International Union Local 404.

Steady downsizing, the end of year-end bonuses, severe cutbacks on overtime pay, and a merit-based pay system had workers searching for a way to bring more pressure to bear on management. At a press conference, they called for a boycott of the newspaper, which has now been endorsed by religious leaders, unions, and community activists. Twenty-five thousand bumper stickers have been handed out.

CIRCULATION DROPS

Over 45,000 subscriptions have been cancelled as numbers have dropped from 325,000 to 280,000 in eighteen months. Marty Keegan, an organizer with GCIU, says, "This is the largest labor and publicly supported boycott in San Diego's history. Representatives from each community group, religious group and political figures have appealed to the public for a fair end to this struggle. Labor leaders, police, and fire departments have called for a just settlement. The severe decline in subscriptions proves that it's working."

Workers credit a large part of the community awareness of their struggle to an icon they designed: on posters, flyers, and banners a skunk represents the foul way in which management harasses workers. Keegan says, "Call any person in San Diego and mention you saw a poster with a skunk and they can explain what the skunk means: something stinks at the Union Tribune."

Banners and large posters appear daily along major thoroughfares and freeways during rush-hour traffic. They are suspended from freeway overpasses and bridges and usually get positive responses from drivers. Workers have also taken out one-minute radio and television ads appealing to the community for fair play and justice for working families.

Asking the religious community to help bring a fair settlement has had an immediate impact. Religious leaders have appealed to the employer to bring a just end to this bitter conflict.



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Workers have also demonstrated at the newspaper's advertisers. As a result, management has agreed to meet with union leaders, advertisers, and religious leaders to begin discussing a possible end to the dispute.

Most workers believe that it is a matter of a few months before management bows to their demands. After eighteen months of a successful boycott and an awful "stink" surrounding the Copley family, workers finally have something to cheer about. Employers know they have the whole community to answer to now.

Liza Zador is full-time staff at Labor Notes.

'Labor Notes' is a monthly magazine based in Detroit, USA. We are committed to reforming and revitalizing the labor movement. We report news about the labor movement that you won't find anywhere else. News about grassroots labor activity, innovative organizing tactics, international labor struggles, immigrant workers, and problems that some union leaders would rather keep quiet. Subscribe and receive a copy of 'Labor Notes' in your mailbox! Subscription information can be found at our website at www.labornotes.org

Meeting ATTAC worldwide.

If you are interested in one of these rendezvous please click on <http://attac.org/rdv/> Then select the country in which it will take place to find further information.

- Wednesday 12 : ESPANA - BARCELONA / FRANCE - PARIS 11 - CONFLANS STE HONORINE - MONT SOUS VAUDREY - PARIS NORD OUEST - QUIMPER - PARIS 13 - QUIMPER / ITALIA - FIRENZE / SVERIGE - MALMO - VARBERG

- Thursday 13 : FRANCE- REYRIEUX - CHATELLERAULT - NIMES / IRELAND - DUBLIN

- Friday 14 : BELGIQUE BELGIE – BRUXELLES / ESPANA - BARCELONA - MADRID / FRANCE - CANNES - VILLENEUVE SUR LOT - LONS LE SAULNIER - LA FERTE SOUS JOUARRE - QUIMPERLE - METZ - CREST / NORGE – SNASA

- Saturday 15: ESPANA – MADRID / FRANCE – PARIS 11 – PARIS 20 – PARIS CENTRE / NORGE – TROMSO / SVERIGE – STOCKHOLM - LUND

- Sunday 16: ESPANA – MADRID / FRANCE – PARIS 11 – AIX EN PROVENCE / SVERIGE – STOCKHOLM - LINKOPING

- Monday 17: ESPANA – MADRID / FRANCE – LA ROCHELLE – ANGOULEME – ROCHEFORT – CHATEAUBRIANT / NORGE - MOELVEN

- Tuesday 18: FRANCE – PARIS 11 – MONTARGIS – METZ – ST NAZAIRE - VALENCE

- Wednesday 19: FRANCE – PARIS 11 – NICE – PAU – DIE / SVERIGE – MALMO - VARBERG