

[Unprecedented action] Corporatists/Bankers Unite against WikiLeaks

by Mark LeVine via stan - Al-Jazeera *Saturday, Jan 1 2011, 5:42am*

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[The author makes an interesting observation, which lends weight to the Corporatist/Banker elite controlled 'World Order' conspiracy theory. Ed]

When your Swiss banker throws you overboard, you know you've made some very powerful enemies.

Long famed for hiding money for EVERYONE from Nazis and drug lords to spies and dictators, the Swiss government's banking arm has decided that WikiLeaks and Julian Assange are just too hot even for it to handle. [Take special note.]

And so the PostFinance, which runs the country's banks, declared in early December that it had "*ended its business relationship with WikiLeaks founder Julian Paul Assange*" after accusing Mr. Assange of - gasp! - providing false information about his place of residence.

This move followed similar moves by credit card companies MasterCard and Visa, as well as PayPal and Amazon.com, to no longer process WikiLeaks payments and, in Amazon.com's case, to cease hosting its data.

As I write this, Bank of America has joined the crescendo of corporations taking aim at WikiLeaks, refusing to process payments for it any longer because of "our reasonable belief that WikiLeaks may be engaged in activities that are, among other things, inconsistent with our internal policies for processing payments."

And soon after, none other than Apple joined the chorus, pulling the plug on a WikiLeaks app only days after it went on sale on its iTunes website. Every sector of the corporate economy, it seems, is out to get WikiLeaks.

Zeroing in on "neocorporatism"

Should CIA agents, mafia bosses and other fellow Swiss banking customers who have likely been even less than forthright in their personal representations than Assange is alleged to have been also worry about the loyalty and discretion of their Swiss bankers?

Probably not. And that's because the world's criminals, autocrats and spooks are very much part of the global political economic system, even if sometimes on opposite sides.

But WikiLeaks both operates outside the system, seeking "Matrix"-style, to use technology - the internet - to "destroy" it by prying it open to public scrutiny, exposing the constant conspiracies of the powerful against the rest of society.

This task, Assange argues, is the most important way to help free the system's millions of often complicit - if not quite willing - victims and in so doing, "change or remove... government and neocorporatist behaviour".

As a political theorist, Assange leaves something to be desired. "Neocorporatism" describes a system in which capital and labour are enmeshed in an integrated but ultimately dependent relationship with a powerful and autonomous state apparatus - an update of the triangular relationship that enabled unprecedented economic growth and gains for the working class in the West in the decades after World War II.

Ideologically, this kind of close working relationship between government, big business and organised labour is the antithesis of the neoliberal system WikiLeaks seeks to combat.

But Assange is right that there is something "neo", if not exactly new, in the way the corporate sector is behaving today and its relationship with government. It lies in the embrace - or better, re-embrace - of finance capitalism and militaristic empire and the military industrial complex that sustains it.

Whether preying on unwitting consumers in middle America or preying on suspected insurgents in the Middle East, these are two of the most secretive sectors of the American economy. They depend on the public knowing as little as possible about their inner workings to secure the greatest possible freedom of action, power and profits.

The power of secrecy

Assange's abandonment by the Swiss banking system and its American corporate cousins is thus not surprising. Few industries have used secrecy and lack of disclosure more effectively than the banking, financial services and credit card industries.

Indeed, their secretive business practises are central to their constant ability to rake in enormous profits at the expense of working and middle class Americans through monopolising trading systems, charging morally usurious interest rates and fees, and engaging in other practises that would make even the most cold-hearted lone shark blush.

If the grand bargain between workers, capitalists and governments enabled the first two post-World War II generations to move from high school right into the middle class, this road was irreparably damaged by the 1980s, when the neoliberal Right first came to power.

As the United States entered its long and painful era of deindustrialization American foreign policy became more aggressively militaristic; and so joining the military as opposed to GM or Ford became one of the few routes to secure any kind of stable economic future (as long as you stayed in the military).

Not surprisingly, profits from the financial sector surpassed that of manufacturing in the early 1990s and haven't dropped since. But these profits and the economic growth they generated have relied disproportionately on government and consumer debt and a hollowing out of the manufacturing sector, which together helped make the US the "sick man of the globe", as one senior corporate economist.

For their part, GM, Ford and Chrysler simultaneously focused most of their energies on producing comparatively profitable gas-guzzlers like SUVs while establishing financial services arms that quickly became responsible for a substantial share of their profits (in some years upwards of 90 percent of profits are so derived).

Their lending practises, it's worth noting, included the kinds of "liar" home loans, given out with

little concern over the ability of borrowers to pay them, that precipitated the global economic crisis of 2007 till today.

Financialisation and history

None of these practises would have withstood the light of public scrutiny, and it was only the corporatisation - in good measure, financialization - of American politics that allowed them to flourish in the last thirty years. Few enterprises threaten that secrecy as much as WikiLeaks and its laser-like focus on openness, which is why its actions are viewed in Washington as "striking at the very heart of the global economy".

The "financialisation" of the economy represents the increasing dominance of the financial industries in the overall economy, taking over "the dominant economic, cultural, and political role in a national economy".

Crucially, this process isn't unique to the United States; it also happened to previous empires, like the Hapsburg's, Dutch and British empires, at precisely the eras they lost their dominant global position. In all cases, financialism and militarism went hand in hand, as first pointed out by the British historian John Hobson's famous 1902 book *Imperialism: A Study*.

In it, Hobson argued that the monopolisation of the financial sector created a new oligarchy that linked together the large banks and industrial firms together with "war mongers and speculators" which encouraged imperialism to secure markets for the surplus products produced by corporations.

America's rise to global dominance came after the end of the imperial era and so it couldn't blatantly conquer territory to create new markets. But at the moment of its rise policy makers called on the government to use high military spending to ensure overall robust economic growth.

This coincided with rapid expansion of easily obtainable credit, creating two "giant black holes" (in the words of Israeli economists Shimshon Bichler and Jonathan Nitzan) whose potential for expansion was limited only by the willingness of citizens to support the policies that enabled them, despite the long term harm to the economic and political well-being of their societies.

During the first thirty years of the Cold War era, the propensity towards militarism was balanced by the robust manufacturing economy and the tripartite business-labour-government relationship that secured it.

This began to change in the 1970s, when the hugely expensive, and profitable, Vietnam War began to wind own.

As Nitzan and Bichler describe in their hugely important book, *The Global Political Economy of Israel*, beginning in this period "there was a growing convergence of interests between the world's leading petroleum and armament corporations. The politicisation of oil, together with the parallel commercialisation of arms exports, helped shape an uneasy weapondollar-petrodollar coalition between these companies."

What is most crucial about Nitzan and Bichler's analysis is that one of the most important ways that the arms and oil industries were able to earn a disproportionate (as they describe it, "differential") level of profits was through the regular eruption of Middle Eastern energy conflicts, which ensured both relative high oil prices and arms purchases.

McDonald's and McDonnell Douglas

As this process developed, the authors explain that "the lines separating state from capital, foreign policy from corporate strategy, and territorial conquest from differential profit, no longer seem very solid."

New York Times columnist Thomas Friedman puts it more colourfully: "The hidden hand of the market will never work without the hidden fist. McDonald's cannot flourish without McDonnell Douglas - and the hidden fist that keeps the world safe for Silicon Valley's technologies to flourish is called the US Army, Air Force, Navy, and Marine Corps."

This is the "neocorporatism" that Assange and his WikiLeaks comrades have zeroed in on, although today, more than a decade after Friedman wrote the above words, Master Card is more relevant than McDonald's.

The problem is that WikiLeaks alone cannot turn the tide in this conflict.

Assange might well be a "high tech terrorist," as US Vice President Joseph Biden recently called him, given how much terror his actions have struck in the heart of the American political system.

But the US is ultimately only one of a group of powerful countries and corporations whose leaders all share a fundamental commitment to securing as much profit and power as possible for themselves, however much their methods and politics differ.

Indeed, a sober look at the relevant data reveals that the profit share of the financial sectors outside the US has almost always been significantly higher than in the US, meaning that the rest of the world has long been more "financialised" than has the US economy.

As always, capitalism and power have never been as conveniently centred in one country or region as people imagine.

To really have an impact, WikiLeaks needs to inspire a whole generation of leakers in other countries and cultures, who are as willing to risk their freedom as Assange and the other people behind WikiLeaks. The leak culture has started to take root, however only time will tell if it resists the forces working against it's development.

If this doesn't happen - if Assange and his comrades are successfully made into examples by their corporate and political enemies that scare off those who might be inspired by their example - Capital will likely win the world's first "cyber-war", much as it's won most every war before it during modernity's long, bloody and unimaginably profitable history.

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[Exceptional journalism, Mr LeVine -- Ed.]

<http://english.aljazeera.net/indepth/opinion/2010/12/2010122971637433801.html>

Cleaves Alternative News. <http://cleaves.lingama.net/news/story-2269.html>