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More Wonderful “Free Market” Reforms From Those Corporate Pirates

Kevin Carson

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Well, here’s another example of the sort of “democracy, ...free economy, and trade” that Bush is promoting, according to Dr. Eamon Butler (via yesterday’s Progressive Review).

From Uruknet:

The American Administrator of the Iraqi CPA (Coalition Provisional Authority) government, Paul Bremer, updated Iraq’s intellectual property law to ‘meet current internationally-recognized standards of protection.’ The updated law makes saving seeds for next year’s harvest, practiced by 97% of Iraqi farmers in 2002, and is the standard farming practice for thousands of years across human civilizations, to be now illegal... Instead, farmers will have to obtain a yearly license for genetically modified seeds from American corporations.). These GM seeds have typically been modified from seeds

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developed over thousands of generations by indigenous farmers like the Iraqis, and shared freely like agricultural ‘open source.’”

From Grain:

When former Coalition Provisional Authority administrator L. Paul Bremer III left Baghdad after the so-called “transfer of sovereignty” in June 2004, he left behind the 100 orders he enacted as chief of the occupation authority in Iraq. Among them is Order 81 on “Patent, Industrial Design, Undisclosed Information, Integrated Circuits and Plant Variety.” This order amends Iraq’s original patent law of 1970 and unless and until it is revised or repealed by a new Iraqi government, it now has the status and force of a binding law. With important implications for farmers and the future of agriculture in Iraq, this order is yet another important component in the United States’ attempts to radically transform Iraq’s economy...

Multiply this specific example many times over, and that’s the kind of systematic looting by crony capitalists that passed for “free market reform” under Bremer. Check out Naomi Klein’s account of the CPA racket’s attempts, administered by a gaggle of bright young things from the Heritage Foundation, to auction off state assets at fire-sale prices.

Unfortunately for Bremer and the Young Republican alumni in the Green Zone, such insider deals were illegal so long as Iraq was administered by Coalition forces. Getting a compliant Iraqi government in place to sign over the farm to Rummy’s and Cheney’s cronies was the hidden agenda behind the much-vaunted “transfer of sovereignty” last summer. As Klein put it, “International law prohibits occupiers from selling state assets

themselves, but it doesn't say anything about the puppet governments they appoint.”

On June 30 the occupation would officially end—but not really. It would be replaced by an appointed government, chosen by Washington. This government would not be bound by the international laws preventing occupiers from selling off state assets, but it would be bound by an “interim constitution,” a document that would protect Bremer’s investment and privatization laws.

The real ace up Bremer’s sleeve was Article 26 of the Constitution, which stated that “[t]he laws, regulations, orders and directives issued by the Coalition Provisional Authority ... shall remain in force” under the interim government, until the “sovereign” puppet regime was replaced by general elections.

Bremer had found his legal loophole: There would be a window—seven months—when the occupation was officially over but before general elections were scheduled to take place. Within this window, the Hague and Geneva Conventions’ bans on privatization would no longer apply, but Bremer’s own laws, thanks to Article 26, would stand. During these seven months, foreign investors could come to Iraq and sign forty-year contracts to buy up Iraqi assets. If a future elected Iraqi government decided to change the rules, investors could sue for compensation.

My biggest problem with Naomi Klein’s account is her tendency to take the Rumsfeld-Bremer cabal’s use of “laissez-faire” and “free markets” at face value. Here’s what Freeman, Libertarian Critter had to say about it a while back:

The problem with lefties whose heart may be in the right place is that they believe the spokespeople of state corporatism who falsely claim to support free enterprise. This is one of the main reasons why notions of free trade and free markets are villanized by the left, or at least the generally non-authoritarian lefties who stand a chance at being converted to free market advocacy if only they could see the light on this issue. Hearing Republicans and corporate executives promote free markets rings about as hollow as similar promotions of spreading freedom and democracy in the middle east.

I recently had a brief online discussion with a leftie who is hostile towards what is often referred to as free trade. When I tried to explain the difference between what he calls free trade and genuine free trade, he responded by essentially implying that advocates of genuine free trade should come up with a new term for it since the masses equate free trade with the type of state corporatist crap that is now taking root in Iraq. He claimed that most people are too stupid and/or ill informed to make the distinction between free trade and what could be called imperialist trade, therefore the term is lost to those who advocate genuine free trade. It's such a shame that the perversion of language is so pervasive in despotic societies that are hostile to freedom.

The term "free market" should burn the tongues of corporate mercantilists like Bremer every time they utter them with their filthy mouths. Those of us who believe in genuine free markets—voluntary association and free exchange between producers, without the state's privileges enabling some to live at the expense of others—should reclaim the term free market for ourselves. Every time a left-wing critic of corporate rule

parrots the neoliberal use of "free market" or "free trade" without ironic quotation marks, we should contest the legitimacy of the term. Every use of these terms that we allow to pass unchallenged serves to strengthen the ideological hegemony of the enemy class. We must take back our own language from our class enemies.