

Corporate Media Bias in America: It sounds like "Apple Pie" and "Motherhood"

Wall Street Journal and New York Times Attack Journalism

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Global Research, April 11, 2007

11 April 2007

Region: <u>USA</u> Theme: Media Disinformation

This article addresses two of the writer's favorite corporate media targets – the Wall Street Journal's far-right editorial page and New York Times on every page. Both broadsheets were recently in attack mode taking on two Latin American leaders deserving praise but never getting any other than occasional backhanded kinds from papers devoted to one dual core mission – supporting the power elite and their own bottoms lines. First, the Journal.

Readers need a strong stomach and nerves of steel venturing onto the Wall Street Journal's editorial page any time, but especially on days when self-styled "Latin American expert" Mary Anastasia O'Grady's columns appear. This writer has tangled with her a time or two before. In a response last fall, it was suggested she one day risks a serious back problem, the result of her permanent position of genuflection to the far-right extremists she pledges allegiance to. Based on her latest offering, nothing has changed, but readers be warned. Those accepting how she views Latin America won't ever know the way it really is.

Her latest April 9 column titled "Sharp Left Turn in Ecuador" makes the case. It demands another go at her at least to set the record straight she never does except for those preferring her kind of vitriol and fiction to fact. First off, a reminder of O'Grady's background to understand where she's coming from. She earlier worked as an options strategist for Advest, Inc., Thompson McKinnon Securities, and Merrill Lynch & Co. She was also employed once at the far-right Heritage Foundation think tank that never met a regressive corporate-friendly policy or US war of aggression it didn't support or a populist progressive independent head of state it didn't denounce as a threat to national security or worse.

O'Grady was also awarded the private media Inter-American Press Association's (IAPA – for private media corporations) Daily Gleaner Award for editorial commentary in 1997 and received an honorable mention in IAPA's opinion award category for 1999. In addition, she won first prize in the 2005 Annual Bastiat Prize for Journalism. The prize was established and run by the International Policy Network (IPN – a UK based NGO) to "encourage and reward writers whose published works promote the institutions of a free society" according to how its patron saint, 19th century French-born Frederic Bastiat, saw things. He had a deep distrust of government in any form and thought regulation and control were inefficient, economically destructive and morally wrong, or as IPN puts it: It supports "limited government, rule of law brokered by an independent judiciary, protection of private property, free markets, free speech, and sound science."

It sounds like apple pie and motherhood, but IPN doesn't explain those things are in the eye of the beholder, and high-sounding language can easily brush over policies of another kind.

One nation's free markets doesn't mean they're fair and private property rights have no right infringing on the public commons. They're for everyone equally, not just the elitist ones IPN refers to reflecting its membership encouraging what it calls "better public understanding of the role of the institutions of the free society in social and economic development."

O'Grady launches her attack with what she calls "the constitutional crisis that Ecuador finds itself in today (facing a) modern day plunder frenzy (pitting) President Raphael Correa, an outspoken admirer of Venezuelan Hugo Chavez, against members of Congress who wish to preserve the country's institutional balance of power. At stake is the future of democracy, with 13 million Ecuadoreans facing the prospect of life under a soft dictatorship allied with the Venezuelan strongman."

It's enough to take your breath away, and a little translation is in order to set the record straight O'Grady never does. Remember where she's coming from, who she writes for, and above all whom she represents – the nation's power elite, not the people of Ecuador who elected Correa last November in a run-off presidential election. He decisively bested bible-toting, billionaire oligarch and banana tycoon Alvaro Noboa 58% to 42% in a race pitting progressive populism against more of the same meaning status quo in a country long ruled for the interests of capital with no regard for the public welfare.

Correa took office January 15 making impressive promises he's so far trying to keep. That arouses O'Grady's ire so she oxymoronically refers to "non-democratic Ecuador" while admitting, at the same time, Correa "was elected fair and square." The people of Ecuador, 70% of whom live in poverty, were crying for change as do most others in Latin America where free elections are as rare as an early Chicago spring, and "demonstration" fake ones are nearly all they get. They're stage-managed to look democratic but usually turn out leaving power in the hands of the powerful, never the people they rule with disdain and indifference. Today they're run the same way in the US in the age of George Bush gifted his office twice through "electoral engineering," winning it neither time fair and square like Correa did in spite of great efforts to prevent it.

Early on, Correa campaigned like George Bush never did promising real change including using the country's oil revenue (Ecuador is the hemisphere's fifth largest producer) for critically needed social services Ecuadoreans never got before from right wing governments unwilling to provide them. He promised a "citizens' revolution" beginning by drafting a new Constitution in a Constituent Assembly with a national referendum on it scheduled for Sunday, April 15 following the same pattern his ally Hugo Chavez chose in 1999 following his first election as Venezuela's president in December, 1998. With popular support for it overwhelming (85% according to government polls, likely very accurate), it's virtually certain to pass, again arousing O'Grady's ire calling this democratic process a "power grab" intended to "rewrite the highest law of the land, crush the opposition and make himself (Correa) ruler for life (sparking a) constitutional crisis." For the kleptocracy maybe, not for the long-exploited people.

O'Grady is right about one thing. Only the country's unicameral legislature can call for a national constitutional referendum, but that's precisely what it did by a vote of 54 – 1 with two abstentions after most opposition Christian Democratic Union (UDC) deputies walked out facing overwhelming popular sentiment for it and their likely defeat.

Here's O'Grady's account of things, all false and pure nonsense: "Mr. Correa (got) the

electoral court (Ecuador's Supreme Electoral Council – TSE) to 'expel' 57 of his opponents (only 43 walked out) from the 100-seat unicameral legislature (they left on their own) and enlist(ed) the police to enforce the expulsions (false – there were none). He then called in his 'militias' (and) in recent days the streets of Quito (the capital) have been flush with violent activists (mass public supporters) sending a message in favor of the Correa plebiscite....Mr. Correa (with) an approval rating of about 60% (around 70%, in fact) seems to believe he has carte blanche to make the law wherever he decides it is." Ecuadoreans will decide it, not Raphael Correa as O'Grady knows but won't say. Her job is delivering red meat for the faithful and pure baloney to her readers for the powerful interests she serves deferentially.

She goes on pathetically calling the people of Ecuador a "mobocracy" in a country led by a "caudillo" (strongman). Disingenuously she says Sunday's referendum is "outside the law" referring to the democratic voice of the people as "lawful plunder." She then improperly quotes her apparent patron saint Frederic Bastiat at the end saying: "Woe to the nation....when the mass victims (the exploited masses) of lawful plunder....in turn seize the power to make laws." In fact, they seized nothing. They're democratically voting for it to get what negates O'Grady's final comment that "The losers, of course, will be the majority of Ecuadoreans." The people feel otherwise.

Here's why. Ecuadoreans look north and elected Raphael Correa to do for them what Hugo Chavez continues doing for the Venezuelan people. Venezuelans showed their admiration by reelecting Chavez in December by a nearly two to one margin over his only serious Washington-backed and financially supported opponent. Correa promised and appears set on delivering the same kind of social democratic agenda Venezuelans now have and embrace. At its core is a true democratic process and kinds of progressive social programs Chavez gave his people. To move forward, he first needs popular approval to rewrite the country's Constitution he surely will get this Sunday.

With it, Ecuador should have a new Constitution later this year which will likely again be put to a popular referendum to let the people decide on it, not the politicians. If it's anything like the 1999 Constitucion de la Republica Bolivariana de Venezuela, it will be a cornucopia of progressive social policies written into law that may include state-delivered health care, education and other benefits for all Ecuadoreans Correa promised to serve. Correa already said he wants freedom from debt slavery under IMF/World Bank Washington Consensus neoliberal rules by renegotiating the country's debt to eliminate the odious part of it, the result of previous governments' corrupt dealings at the expense of the people.

Correa is also negotiating bilateral and other economic deals with Hugo Chavez and other Latin leaders based on Venezuela's Bolivarian Alternative for the Americas or ALBA model. It's the mirror-opposite of FTAA/NAFTA-type one-way pacts sucking wealth from developing states to benefit Global North ones, mostly the US. ALBA is based on sound principles of complementarity, solidarity and cooperation aimed at comprehensive integration among Latin American nations to build their social states in contrast to US-type deals wanting to destroy them for profit. Correa also promised 100,000 low-cost homes, a raise in the minimum wage, and doubling the small "poverty bonus" 1.2 million poor Ecuadoreans get each month. Still more is likely to follow if Correa is true to his word and has constitutional authority to act.

He won't need it to follow through on his promise to close the major US military base at

Manta when the ten year lease authorizing it expires in 2009. O'Grady didn't mention it, but it's got the Pentagon concerned as it's the largest US base on South America's Pacific coast, expensive to build, and one they want to hold onto but likely won't.

Pentagon issues aside, all else terrifies people like Mary O'Grady who feel benefits for ordinary people mean less of them for the rich and powerful ones she represents who give her Wall Street Journal editorial space for it weekly. She knows the side her bread is buttered on, and for her lying is just business as usual and part of the job serving the powerful.

The New York Times Weighs in on Venezuela's Oil Policy

Not about to let the Wall Street Journal one-up it, the New York Times assaulted Hugo Chavez in its April 10 Simon Romero/Clifford Krauss article titled "High Stakes: Chavez Plays the Oil Card." First a brief explanation of the facts, and then the way the Times skews them.

Hugo Chavez made it clear to foreign investors the old way of doing business in Venezuela is over based on corporate exploitation of the country's resources at the expense of the Venezuelan people. The new rules are fair ones, the same kinds foreign oil and other investors agree to in deals with Global North countries but don't have to in relations with developing ones. Henceforth, if Big Oil and other corporate giants want to do business in Venezuela, they'll have to deal with Hugo Chavez the same way they do with Tony Blair, Angela Merkel and Vladimir Putin – fairly.

On the matter of oil, Chavez wants a bigger share of joint-venture profits Venezuela is entitled to from its own resources and majority state control over Orinoco River basin lucrative oil projects believed to hold the world's largest undeveloped oil reserves. It's where Big US and other oil companies now operate including Chevron, BP Amoco, ConocoPhillips and Exxon Mobil. In February, Chavez announced state oil company PDVSA will become the majority shareholder on May 1 in four basin projects with minimum 60% ownership with foreign joint-venture partners. Earlier, he raised taxes on foreign oil companies and other outside investors requiring them henceforth to pay a more equitable amount of their lucrative profit back to the people of Venezuela.

So far, Exxon Mobil and ConocoPhillips are holding out for a better deal they won't get while Chevron is more willing to go along understanding less of a huge profit is better than none at all. In the end, the holdouts may come around to that view as well. All this has the Times very upset, so it's on the attack as de facto cheerleader for Big Oil.

Mentioning the looming May 1 deadline, it attacks Hugo Chavez with charged language like negotiating with "revolutionary flourish" and his "ambitious" plan (no different from Global North ones) to "wrest control of several major oil projects from American and European companies (with a) showdown (ahead) over access to some of the most coveted energy resources outside the Middle East." If instead of dealing with Venezuela under Hugo Chavez, negotiations were between Big Oil and Canada, Norway, the UK, or even Russia, despite current strained relations between Putin and Bush, it's unimaginable this article would have been written.

In it, the Times refers to empty Chavez threats to cut off oil exports to the US because he wants to diversify into more markets by selling more to countries like China and India. It also sees a problem where none exists if Venezuela's state oil company PDVSA sells its US

refineries quoting oil analyst Pietro Pitts saying "Chavez is playing a game of chicken with the largest oil companies in the world....And for the moment he is winning." The article seems to imply Chavez wants to dismantle the refineries preventing their use to supply US markets while ignoring it hardly matters who owns them as long as they operate which they will under any owner as long as they're profitable.

The article continues with scare-talk saying Chavez's "confrontation could easily end up with everyone losing" meaning if Big Oil leaves and Venezuela and other oil producers come in along with PDVSA, "Venezuela risks undermining the engine behind Mr. Chavez's socialist-inspired revolution by hampering its ability to transform the nation's newly valuable heavy oil into riches for years to come."

Nonsense. If Big Oil leaves, which is very doubtful, it will be the loser and Venezuelan oil production will continue under new joint-venture partnerships. Because the country's potential is so huge, it's highly likely Big Oil's current posture is just its way to hold out as long as possible for the best deal its members can get and in the end take what Hugo Chavez gives the ones agreeing to it. It's too sweet a deal to walk away from, and most likely won't despite their wailing and moaning with help from the New York Times acting as their mouthpiece. And if any do, they'll be willing takers ready to sign deals to pick up where those exiting left off.

Nonetheless, it gets still more heated quoting oil analyst Michael Economides saying "We are on a collision course with Chavez over oil" in an article he wrote comparing "Mr. Chavez's populist appeal in Latin America with the pan-Arabism of Col. Muammar el-Qaddafi of Libya two decades ago" when he was persona non grata in the West, and Ronald Reagan bombed him in 1986 killing his adopted daughter. He continues saying "Chavez poses a much bigger threat to America's energy security than Saddam Hussein ever did" – language so hostile it's practically a declaration of war and 100% nonsense.

But there's more. The Times accuses Chavez of allowing "politics and ideology" to drive the confrontation and seek "to limit American influence around the world, starting in Venezuela's oil fields." Unmentioned is that the "oil fields" belong to Venezuela, not the US, and the Times writers need to brush up on recent Middle East events where American influence is already on life support because of Bush administration blundering. It's made this country persona non grata in a part of the world most crucial by far to US energy security having 60% or more of the world's proved reserves, and with all Muslim nations combined the total is between two-thirds to three-quarters of it.

The Times also dismisses out of hand Chavez's right to view the US as a threat simply because Washington tried and failed deposing him three times, not once as NYT claims. Instead it stresses the US remains Venezuela's largest customer (supplying 10 – 12% of this country's energy needs and isn't likely to cut off). So the scare tactics continue saying if Big Oil pulls out, with it goes vitally needed expertise. Again, nonsense, but it sounds good coming from two reporters who don't know what they're talking about, nor do they understand Big Oil is likely to stay, not leave, whatever deal its members are offered. And, again, if one member does leave, Exxon Mobil being the most likely possibility, another oil giant will come in to replace it to reap the big profits every oil producer should be grateful to get and most are.

Some Conclusions Left Out of the Wall Street Journal and New York Times Articles

The Wall Street Journal and New York Times attacked two Latin American leaders unwilling to surrender their nations' sovereignty to ours with Hugo Chavez being boldly vocal about it. Since elected in 1998, Chavez charted his own independent course building a new mass social and political revolutionary movement based on participatory democratic social equity and justice. It began as his Bolivarian Revolution inspired by the vision of 18th century liberator Simon Bolivar to end what Bolivar called an imperial curse "to plague Latin America with misery in the name of liberty." In eight years in office, Chavez went a long way toward achieving it but knows there's much more needed to move things to the next level toward a "new socialism of the 21st century" based on humanistic democratic principles of solidarity and respect for political, economic, social and cultural human and civil rights built from the bottom up.

It's working socially, politically and economically as well with poverty levels falling from a high in 2003 of 62% following the crippling 2002-03 "management lockout/oil strike" and destabilizing effects of the 2002 two-day aborted coup to levels near one-third today because of Venezuela's booming economy. It's grown at least 10% three straight years, including 10 of the last 11 quarters lifting personal incomes, sparking overall consumer demand, and raising corporate profits to high levels that were so impressive for financial firms last year the Financial Times wrote bankers were having a "party" in Venezuela because "rather than 'nationalise' banks, the 'revolutionary' distribution of oil money has spawned wealthy individuals who are increasingly making Caracas a magnet for Swiss and other international bankers."

With comments like that, you'd think the Wall Street Journal and New York Times would take note and praise Chavez instead of condemning him. They don't because Washington diktats demand otherwise. They also ignore Venezuela's impressive drop in unemployment from a high of 20% in early 2003 to 8.4% in December, 2006 and likely to keep falling as Venezuela's economy continues strong.

And one other piece of good economic news just came out showing Venezuela's March inflation rate was a negative – 0.7%, the lowest in 19 years, thanks to government anti-inflation policies like reducing the value-added tax (VAT) from 14% to 11%. Other constructive efforts included government actions to curb speculation in scarce private sector goods and the sale of government savings bonds. In February, the Chavez government, along with Argentina, launched a second round of Bonds of the South amounting to \$1.5 billion. Then in March, PDVSA sold \$5.5 billion worth of bonds that along with the government sale removed cash from the economy serving to reduce inflationary pressures.

These positive developments are happening in a socially democratic state where constitutional law and government policies require redistributing much of the nation's wealth back to the people, and it's lifting all boats. The result is mirror opposite of what happened throughout Latin America when regional GDP from 1980 – 2000 grew 9% under Washington Consensus neoliberal rules and 4% from 2000 – 2005, compared to 82% growth from 1960 -1980 before they were imposed. They're not allowed in Venezuela under Chavez, and the results speak for themselves.

Raphael Correa understands them as a former finance minister and trained economist with a doctorate in economics earned in 2001 at the University of Illinois. He's also a social democrat wanting to do for Ecuadoreans what Hugo Chavez did for Venezuelans and is off to a good start to the chagrin of the Wall Street Journal and Washington. It's editorial writer fears he may succeed making her and her paper look more foolish than they already do.

What counts are Ecuadoreans' feelings, and they'll have a chance Sunday to express them in the nation's first national referendum on whether to draft a new Constitution sure to pass.

The same is true for the New York Times, savaging Hugo Chavez, disingenuously calling him "divisive" and a "ruinous demogogue," and they were just getting warmed up. The Times championed the aborted 2 day coup toppling him briefly calling it a "resignation" and saying Venezuela was "no longer threatened by a would-be dictator." Instead of calling the coup what it was, the Times lied saying Chavez "stepped down (and was replaced by a) respected business leader" (Pedro Carmona) never mentioning he was hand-picked by Washington to do its bidding. He lasted two days, suspended democratically elected members of the National Assembly, and temporarily wrecked the Bolivarian Revolution quickly reconstituted when Chavez returned to office as Carmona fled finding refuge in neighboring Colombia. The Times is never deterred so its latest assault on Chavez's oil policy shows the same mean spirit as all other broadsides it unleashed on the Venezuelan leader from the start.

It's not working as the spirit of social democracy proves it can trump Washington Consensus alternatives of economic ruin and vast human misery from it. Venezuelans know it, and hopefully Ecuadoreans soon will as well. But we'll never hear about it on the pages of the Wall Street Journal and New York Times continuing their drumbeat support for failed policies heading one day for the dustbin of history with room there to spare for these papers sure eventually to follow.

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