

## Live 8: Corporate Media Bonanza

Disinformation Campaign and Public Relations Stunt on behalf of the G8

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Live 8, “the greatest concert” ever aired live, has been presented to World public opinion as an “awareness campaign” in solidarity with Africa. Its stated objective was to put pressure on the Group of Eight leaders (G8) to increase foreign aid flows and cancel the debt of the World’s poorest countries.

In the words of its promoter Bob Geldof, Live 8 has provided a “unique opportunity” to save a continent from a humanitarian disaster.

The Live 8 concerts organized in the eight major industrial countries (as well as in South Africa), however, were not intended to raise money for the World’s poorest countries.

In fact quite the opposite.

Live 8 is a multimillion dollar undertaking, which will result in huge profits for its corporate sponsors including AOL Time Warner, the US based media giant, the Ford Motor company, through its Swedish affiliate Volvo and Nokia, the cell phone company, not to mention Britain’s EMI Music Group, which has entered into a highly lucrative arrangement with the Live 8 organizers.

AOLTime Warner controls the US broadcasting rights which it has licenced to the Walt Disney Company for broadcast TV on ABC and a myriad of affiliated TV and radio stations, including Premiere Radio Networks, XM Satellite Radio and Viacom’s MTV Networks (for cable TV). AOL also holds the exclusive online rights for the event on the internet.

TV air-time has been auctioned off around the world. Millions of dollars of advertising revenues are expected from the broadcasting of the event, not to mention the repeats, the video-clips, the internet broadcasting and the DVDs, which will be available commercially.

According to the producers, Live 8 will go down as “the biggest global broadcast in history”. The organizers expect –through TV, radio and the internet– to reach some 5.5 billion people,

or 85 per cent of the world's population. The advertising industry places the number of potential viewers at a conservative two billion, approximately one third of the World's population.

By far this is largest media advertising operation in history, which will line the pockets of the promoters, producers, corporate sponsors, not to mention the royalties accruing to the performers and "celebrities". A small percentage of the proceeds might accrue to charitable organizations involved in developing countries but this is not the stated objective of Live 8.

The Ford Motor Company has used the event to promote its "up-market" Swedish car division Volvo, with advertising spots during the US broadcast.

Volvo has also provided for artist transportation to and from the London and Philadelphia concerts as well as a VIP entertainment suite at the Philadelphia concert. (See <http://www.adage.com/news>, June 30, 2005).

"The event, said company spokesman Soren Johansson, "fits with the DNA of the company" and "appeals to people's emotions." One of Volvo's TV spots features 'Volvo for Life' award-winner Rosamond Carr, "who operates an orphanage in Rwanda, and two others talking about Volvo's values and their reasons for Live 8 involvement." (Ibid)

Moreover, Vonage, the US based phone company is said to have spent "'six figures' to become a primary sponsor of Premiere Radio Networks' coverage". And will also run a Live 8 schedule on MTV Networks.

#### The EMI Deal

In a multimillion dollar agreement with the Live 8 organizers, Britain's EMI Music Group has secured the exclusive rights on the DVDs of the concerts in six of the G8 countries including the US, France, Britain, UK, Italy and Germany:

"An EMI spokeswoman said that once sales had paid for the advance, Live 8 would pay a 'very generous royalty rate' to Live 8 on the rest of the sales."

In the words, of Bob Geldof, "I hope this will be the biggest-selling DVD of all time."

Meanwhile, the event has contributed to boosting stock market values with EMI's share price triple its 2003 level.

#### Distorting the Causes of Global Poverty

The concerts are totally devoid of political content. They concentrate on simple and misleading clichés.

They use poverty as a marketing tool and a consumer-advertising gimmick to increase the number of viewers and listeners worldwide.

Live 8 creates an aura of optimism. It conveys the impression that poverty can be

vanquished with the stroke of the pen. All we need is good will. The message is that G8 leaders, together with the World Bank and the IMF, are ultimately committed to poverty alleviation.

In this regard, the concerts are part of the broader process of media disinformation. They are used as a timely public relations stunt for Prime Minister Tony Blair, who is hosting the G-8 Summit at Gleneagles, Scotland. Tony Blair is presented as stepping up his campaign to convince other G8 nations “to take action on poverty”.

### The G8’s Debt Forgiveness Proposal

Live 8 fails to challenge or comprehend the G8 policy agenda which directly contributes to creating poverty, nor does it question the role of the World Bank, now under the helm of Paul Wolfowitz, the neo-conservative architect of the invasion of Iraq,

In addressing the issue of debt forgiveness, Live 8 does not even acknowledge the impacts of IMF-World Bank “economic medicine” imposed on the World’s poorest countries on behalf of Western creditors.

These deadly macro-economic reforms have contributed to the impoverishment of millions of people. They oblige countries to close down their schools and hospitals, privatize their public services and sell off the most profitable sectors of their national economy to foreign capital. In return, the G8 promises to increase foreign aid and provide token debt relief. These reforms kill and the G8 is not the solution but the cause. Actor Will Smith addressed the crowds at the concert venues “to snap their fingers” as a reminder that every three seconds a child dies in Africa. What he failed to mention is that the main cause of child mortality in Africa are the deadly macroeconomic reforms.

Bob Geldof sees an increase in foreign aid completely out of context, as a “unique opportunity” to eradicating poverty, when in fact the proposed increase in aid flows by the rich G8 countries will lead to exactly the opposite results.

A large percentage of the debt of these countries is owed to the World Bank, the IMF and the African Development Bank

To address this issue, G8 finance ministers had indeed put forth a proposal which consisted in “foregiving” the outstanding debt owed to these three international financial institutions by the 18 highly indebted countries. The debt forgiveness figure mentioned was of the order of 40 billion dollars. Concurrently, there was a vague commitment to eventually increasing foreign aid flows to the 0.7% of GDP target. ([http://www.g8.utoronto.ca/finance/fm050611\\_dev.htm](http://www.g8.utoronto.ca/finance/fm050611_dev.htm) )

Where is the hitch behind this seemingly reasonable “debt forgiveness” proposal?

The IMF, the World Bank and the African Development Bank, *never cancel or forgive outstanding debts.*

Because they do not forgive debts, the G8 has committed itself to reimbursing the multilateral creditors acting on behalf of the World’s poorest countries.

Where will they get the money?

For each dollar of “debt cancellation” to the international financial institutions, the G8 will reduce the flow of foreign aid to these countries. In other words, the foreign aid earmarked to finance much needed social programs will now go directly into the coffers of the IMF and the World Bank.

There is nothing new in this financial mechanism. It has been used time and again since the onslaught of the debt crisis.

“Social Safety Net” for the IMF and the World Bank

What we are dealing with is not a debt forgiveness program, but a “reimbursement” process which directly serves the interests of the creditors.

The deal constitutes a much needed “social safety net” for the multilateral creditors. It ensures a cash flow towards these institutions, while maintaining the World’s poorest countries in the stranglehold of the IMF and the World Bank. It also prevents these countries from declaring default on their external debt.

President Bush has made it very clear. The money paid to the World Bank on behalf of the countries, will be “taken out of existing aid budgets.”

The “debt forgiveness” program, even if it is accompanied by an increase in foreign aid commitments, will result in a significant compression of real foreign aid flows to the highly indebted countries.

The proposed increases in foreign aid commitments are fictitious since the money is intended for the multilateral creditors. And the deal will only be implemented if the indebted countries promise to carry out the usual gamut of “free market” reforms, under IMF/World Bank supervision.

An added condition emanating directly from the Bush administration pertains to “governance”. It requires these countries to “democratize” on the US model under Western supervision, as well as carry out “free elections” on the example of Iraq and Afghanistan.

## Concluding Remarks

The concerts serve to usefully distract public attention from the US-UK led war on Iraq and the broader relationship between war and global poverty. Not a word is mentioned in the concerts on the fact that George W. Bush and Tony Blair are considered “war criminals” under international law.

Moreover, Live 8 tends to undermine all forms of meaningful and articulate dissent to the G8 policy agenda. With the exception of the South African venue, which included the appearance of Nelson Mandela, the concerts are devoid of a broader understanding and commitment.

Live 8 undermines both the anti-globalization and anti-war movements. It diverts public

opinion and distracts media attention from the G8 protest movement. It also serves to undermine the articulation of more radical voices against the New World Order.

More generally, the event instills an atmosphere of ignorance among the millions who listen to the music and who have the feeling of doing something positive and constructive. But none of the core elements needed to understand the causes of global poverty are presented.

To the Live 8 corporate sponsors, including Bob Geldof, the EMI Group, AOL Time Warner, The Ford Motor Company, Nokia, MTV, the Walt Disney Company, etc. "Put your money where your mouth is."

If you are really committed to poverty alleviation, give the entire proceeds of this multimillion dollar media operation, including the revenues generated by the corporate sponsors, TV networks, advertising firms, royalties accruing to celebrities and performers, to the people of Africa. Let them use this money as they see fit, without interference from donors and creditors.

To the people of Africa. Do not let yourself be deceived by a giant corporate media stunt where poverty is used as a logo, to attract consumers and make money. Default on your debt to the IMF and the World Bank.

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