

What Is Obama Up To, With His TPP and TTIP? What Will Remain of Local National Governments?

By <u>Eric Zuesse</u> Global Research, April 26, 2015 Region: <u>USA</u> Theme: <u>Global Economy</u>, <u>History</u>

The motivation behind U.S. President Barack Obama's trans-Pacific trade-deal TPP, and his trans-Atlantic trade-deal TTIP — the motivation behind both of these enormous international trade-deals — is the same, and <u>Democratic U.S. Senators Elizabeth Warren and Sherrod</u> <u>Brown are correct</u>: it is not at all progressive. It is instead to transfer political power away from the public in a democracy, and for that power to go instead to the international aristocracy (i.e., to go as far away from any national democracy as is even possible to go).

This is to be done by switching the most fundamental thing of all: the global power-base itself. Instead of that power-base being democratic votes of the national publics, who elect their political representatives who determine the laws and regulations, that national democratic political system becomes instead the exact opposite: the global aristocratic stockholder votes of the international aristocracy who elect the corporate directors of international companies, who will, in their turn, then be selecting the members to the international-trade-panels which, in TPP and TTIP, will, in their turn, be determining the rules and enforcements regarding especially workers' rights, product-safety, and the environment.

The international aristocracy's weakening of these national rules will enable lowering wages of the public, who are the people who don't control international corporations but who control only their own personal labor, which goes down in value to the lowest hourly wage in the entire international trading-area. This new system will also enable minimizing regulation of the safety of foods and other products and thus maximizing the ability of international corporations to avoid any expenses that companies would otherwise need to devote to raising the safety of their products. Those expenses (the liabilities of dangerous products) will thus be increasingly borne only by the products' consumers. Risks to investors (which is the thing that aristocrats seek most to avoid) are consequently reduced — shifted more onto the public. It will also enable environmental harms to become virtually free to international corporations that perpetrate them, and to become likewise costs that are borne only by the general public, in toxic air, water, etc. Thus, yet another category of risks to investors will be gone. This will increase profit-margins, which go only to the stockholders — not to the public.

Profits will thus become increasingly concentrated in international corporations and the families that control them, and losses will become increasingly socialized among consumers and workers — and just generally to livers and breathers: the public. 'Government' will increasingly be merely the spreader and enforcer of risks and penalties to the public; and, this, in turn, will enhance yet further the 'free-market' ideal of there being less and less, or 'smaller,' government; i.e., of there being less and less of 'democratic' government. That's what the aristocracy's 'small government' jag has really been all about: it's about cost-

shifting, from aristocrats, to the public.

Thus, the maximum percentage of the costs — for product-safety, workers' rights, and the environment — become borne by the public, and the minimum percentage of costs become borne by the stockholders in international corporations. In turn, aristocrats will be able to pass along to their designated heirs their thus ever-increasing dominance and control over the general public. Thus, the concentration of wealth will become more and more concentrated in fewer and fewer families, a gradually smaller hyper-aristocracy. This is what's happening, and it will happen now a lot more if TPP and TTIP pass. (According to the most detailed study of the matter, as of 2012, the <u>"World's Richest 0.7% Own 13.67 Times as Much as World's Poorest 68.7%."</u> So: the world is already extremely unequal in its wealth-distribution. TPP and TTIP are designed to increase that inequality.)

Furthermore, President Obama and the Republican Party in Congress (which support him on this, and on all other matters that are of highest concern to America's aristocracy, such as the defeat of Russia, China and the other BRICS nations — for example, by Obama's <u>yanking</u> <u>Ukraine away from Russia's aristocracy and into control instead by America's aristocracy</u>) are ensuring that America's aristocracy will be increasingly on top internationally, and these trade-deals are additionally taking advantage of America's being the top power across both of this planet's two major oceans: the Atlantic, and the Pacific.

In other words: the United States, with the TPP & TTIP, will be in the extraordinary position of basically locking in, perhaps for the next century, the U.S. aristocracy's participation in both of the two major international-trade compacts. This commercial lock-in will retain the American aristocracy's control over the national aristocracies of almost all of the other major industrial nations — encompassing virtually all of the northern hemisphere, which is where most of this planet's land-mass is located.

Consequently: not only will the global aristocracy control the global public, but the U.S. aristocracy will also control the other aristocracies in ways that will increase their collective power against any non-member national aristocracy; and, so, America's Empire will be increasingly the biggest global Empire that the world has ever known, by exploiting the publics everywhere, and not only within merely one country.

Obama <u>told graduating West Point cadets</u>, on 28 May 2014: "China's economic rise and military reach worries its neighbors. From Brazil to India, rising middle classes compete with us, and governments seek a greater say in global forums." In other words: part of these future military officers' jobs will be to help make sure that the BRICS, and other countries that have lower per-capita wealth than in America, stay poor, so that America's aristocrats can send jobs there instead of pay America's own workers to do it — in other words: get America's workers competing against ones in poor countries, rather than get America's investors competing against ones in poor countries. He's telling America's military that they are soldiers in this international class-war, paid by the public, but working actually for America's aristocracy and not for the public, but *against* America's public — to drive down their wages, food-safety, etc.

This is the way toward a certain type of world government by the super-rich for the superrich, keeping them and their appointed heirs in control over the assets of the entire globe both its natural and its human resources — and using as the local agents throughout the world the local aristocrats, who will be the people who will keep their local publics in line and working for the ever-increasing intensification of the planet's wealth, in the hands of, first, the global aristocracy, and, second, America's aristocracy as being the *globally dominant* aristocracy.

What will remain of local national governments will then become mere shells.

Benito Mussolini, who was inspired by Vilfredo Pareto (whom Mussolini called "the Karl Marx of fascism"), who was also the founder of modern economic theory and especially of its Welfare Criterion, which shapes so much of the rest of economics and especially all costbenefit analyses (such as of proposed means to restrain global warming), explained as follows the "corporationism" that he held to constitute fascism:

The corporation plays on the economic terrain just as the Grand Council and the militia play on the political terrain. Corporationism is disciplined economy, and from that comes control, because one cannot imagine a discipline without a director. Corporationism is above socialism and above liberalism. A new synthesis is created.

Following below this article will be Mussolini's essay on that issue, in which he sets forth what he claims is a post-capitalist, post-socialist, ideology, and which the also self-described post-capitalist post-socialist Barack Obama (as an agent for the global aristocracy) is increasingly putting into actual practice — especially via TPP & TTIP.

Regarding specifically international-trade deals, Mussolini's master, Pareto, said that the free market should reign supreme and untrammeled by the State in all regards, not only *within* nations, but also, and even especially, *between* nations. As I noted in this regard, in my recent book on the historical development of fascism, up to and including our own time:

"Pareto was consistently a free-market purist, since at least 1896. For example, in his 1 September 1897 'The New Theories of Economics' in the Journal of Political Economy, he stated: 'Were I of the opinion that a certain book would contribute more than any other to establish free trade in the world at large I would not hesitate an instant to give myself up heart and soul to the study of this particular work, putting aside for the time all study of pure science.' He also said there: 'We have been able vigorously to prove that the coefficients of production are determined by the entrepreneurs in a régime of free competition precisely in the same way as a socialist government would have to fix them if it wanted to realize a maximum of ophelimity [his invented term for 'welfare' in order to obscure the actual value-base so as to enable economists to pretend to be value-free even as they ranked things in benefit/cost analyses that are, in fact, applying his pro-aristocratic or 'fascist' theory] for its subjects." [And notice there Pareto's slip-up, referring to the government as having not 'citizens' but instead 'subjects' - the underlying aristocratic assumption, that the public are 'subjects' instead of real 'citizens'.] Pareto always challenged whether a socialist government would be able to achieve that, but he was here saying that the free market would do it naturally, just like the physiocrats had said that 'natural law' should reign instead of any tampering with it.

Pareto set Adam Smithian economics, and the economics of the French physiocrats who had laid the foundation for Smith's economic theory, upon a basis that subequent economists could then develop mathematically in a way that would hide the theory's essential fascism — the modernized (i.e., *post*-agrarian) form of feudalism.

Barack Obama and congressional Republicans are simply carrying this fascist operation to the next level. As for congressional Democrats, they are split on it, because (at least until the new economic theory that I put forth in my new book) no one yet has formulated an economic theory for a democracy; current economic theory has been designed instead specifically for a fascism — an aristocratically controlled State. Consequently, the few progressive Democrats that still remain in Congress are experiencing difficulty to communicate easily and readily to the public what the real political and economic stakes are in Obama's proposed TPP and TTIP: the transfer of national democratic sovereignty over to an international fascist aristocracy, which will be dominated by American aristocrats. Without that transfer, of democratic national sovereignty to international fascist bodies that represent global corporate management, these deals would be nothing.

This transfer is called <u>Investor-State Dispute Settlement</u>, or ISDS. It is really an emerging, and distictively fascistic, world government. It is not at all democratic, and it is a creeping form of international government which, to the extent that it becomes imposed, reduces national sovereignty. The prior, progressive, type of world-government proposal, which had been fashionable after World War II in order to make a WW III less likely, was based instead upon the idea of an international federation of *independent democracies*. ISDS has nothing in common with that, the original vision for world government. It is instead pure fascism, on an international scale.

In the first decades after World War II, Franklin Delano Roosevelt's vision of an ultimately emerging democratic world government predominated, aiming for an emerging democratic United Nations, which would evolve to encompass in an increasingly equalitarian way more and more of the world; but, after Republican control started becoming restored in the U.S. with Dwight Eisenhower and his installation of the Dulles brothers to control and shape future U.S. international policies, things moved increasingly in the direction of a U.S.aristocracy-based control over the world (especially with the Allen Dulles CIA coup in 1953) Iran); and Barack Obama is thoroughly in that fascist, overwhelmingly Republican, tradition, even though he is nominally a 'Democrat.' Some analysts even consider Obama to be a CIA operative from early in his life. (The CIA, when Eisenhower came into office, placed the CIA's pro-Nazis into control; and, afterward, this control has only become more deeply entrenched there.) The British journalist Robert Fitch seems to have figured Obama out even as far back as <u>14 November 2008</u>, right after Obama was elected to become President. Basically, Fitch described Obama as a fascist who had determined to rise to power by fooling progressives into thinking he was one of them. He was portraying Obama as a Manchurian-candidate, Trojan-Horse, Republican-in-Democratic-rhetorical-clothes, conservative operative. He had Obama right, even that early.

As regards not what economic theory but instead empirical economic studies indicate would likely be the result from both the <u>TPP</u> and the <u>TTIP</u>: one independent economic analysis has been done for each of these two international-trade deals, and both of them come up with the same conclusion: the publics everywhere will lose wealth because of them, but aristocrats, especially in the United States, will gain wealth because of them. They'll probably do what they were designed to do.

As regards what some of Obama's defenders say about his trade-deals, namely that Investor-State Dispute Settlement is merely a detail and the overall deal is good: that's like saying that a person's health is good but the brain or the heart needs to be fixed or maybe even replaced. These people know it's a bad deal; that's why they support it. They're being paid by the aristocracy.

Would Hillary Clinton Be Any Better?

What, then, about Obama's intended successor? Would she be any different? Here's the record concerning that:

On 23 February 2008, Hillary Clinton stood before microphones and cameras, and harangued in angry tones, "Shame on you, Barack Obama!" alleging that two of his campaign's flyers lied about her positions.

One of the flyers said that her proposed health-insurance mandate would penalize Americans who didn't buy health insurance. It was true but she tried to deny it. (Only after Obama was elected did he copy her plan by merely adding the individual mandate to his own.) The other flyer which Hillary was complaining about, quoted Newsday's characterization of Hillary's NAFTA view in 2006: "Clinton thinks NAFTA has been a boon to the economy." Hillary now was also claiming that this was a lie. Many in the press blindly supported her accusation against Obama here, because "a boon" was Newsday's phrase, not hers. However, again, it was she, and not Obama, who was lying. Her 2003 Living History (p. 182) actually did brag about her husband's having passed NAFTA, and she said: "Creating a free trade zone in North America — the largest free trade zone in the world would expand U.S. exports, create jobs and ensure that our country was reaping the benefits, not the burdens, of globalization." This was one of, supposedly, her proudest achievements, which were (p. 231) "Bill's successes on the budget, the Brady bill and NAFTA." But Hillary was now demanding that Obama apologize for his flyer's having said: "Only Barack Obama fought NAFTA and other bad trade deals." That statement was just a fact, notwithstanding what Hillary, and many of the major U.S. "news" media, were now alleging. (Obama was saving his worst to be delivered to the nation only after he would become President — and, especially, after he would be re-elected and then he could be free to go far-right, which was his genuine inclination even at the start, though he couldn't achieve the goal if he didn't first deceive about what his goal actually is, so that he could maybe get into position to achieve it.)

On 20 March 2008, the day after Hillary finally released her schedule during her White House years, the *Nation's* John Nichols blogged "Clinton Lie Kills Her Credibility on Trade Policy," and he said: "Now that we know from the 11,000 pages of Clinton White House documents released this week that [the] former First Lady was an ardent advocate for NAFTA; ... now that we know she was in the thick of the maneuvering to block the efforts of labor, farm, environmental and human rights groups to get a better agreement; ... now that we know from official records of her time as First Lady that Clinton was the featured speaker at a closed-door session where 120 women opinion leaders were hectored to pressure their congressional representatives to approve NAFTA; now that we know from ABC News reporting on the session that 'her remarks were totally pro-NAFTA' and that 'there was no equivocation for her support for NAFTA at the time'; ... what should we make of Clinton's campaign claim that she was never comfortable with the militant free-trade agenda that has cost the United States hundreds of thousands of union jobs?"

The next day, ABC's Jake Tapper, at his "Political Punch" blog, headlined "From the Fact Check Desk: The Clinton Campaign Misrepresents Clinton NAFTA Meeting," and he reported: "I have now talked to three former Clinton Administration officials whom I trust who tell me that then-First Lady Hillary Clinton opposed the idea of introducing NAFTA before health care, but expressed no reservations in public or private about the substance of NAFTA. Yet the Clinton campaign continues to propagate this myth that she fought NAFTA." She continued this lie even after it had been repeatedly and soundly exposed to be a lie.

Consequently: the only real difference between Hillary Clinton and Barack Obama is that Obama is a vastly more skilled liar. It's how he has gotten as far as he has. She probably won't; she's the same incompetent now that she was back then.

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Excerpts from George Seldes's 1935 book about Mussolini, Sawdust Caesar:

APPENDIX 15

Capitalism and the Corporate State

by Benito Mussolini, November, 1933

Is this crisis which has afflicted us for four years a crisis in the system or of the system? This is a serious question. I answer: The crisis has so deeply penetrated the system that it has become a crisis of the system. It is no longer an ailment; it is a constitutional disease.

Today we are able to say that the method of capitalistic production is vanquished, and with it the theory of economic liberalism which has illustrated and excused it. I want to outline in a general way the history of capitalism in the last century, which may be called the capitalistic century. But first of all, what is capitalism?

Capitalism is ... a method of industrial production. To employ the most comprehensive definition: Capitalism is a method of mass production for mass consumption, financed en masse by the emission of private, national and international capital. Capitalism is therefore industrial and has not had in the field of agriculture any manifestation of great bearing.

I would mark in the history of capitalism three periods: the dynamic period, the static period, and the period of decline.

The dynamic period was that from 1830 to 1870. It coincided with the introduction of weaving by machinery and with the appearance of the locomotive. Manufacturing, the typical manifestation of industrial capitalism, expanded. This was the epoch of great expansion and hence of the law of free competition; the struggle of all against all had full play.

In this period there were crises, but they were cyclical crises, neither long nor universal. Capitalism still had such vitality and such power of recovery that it could brilliantly prevail.

There were also wars. They cannot be compared with the World War. They were brief. Even the War of 1870, with its tragic days at Sedan, took no more than a couple of seasons.

During the forty years of the dynamic period the State was watching; it was remote, and the

theorists of liberalism could say: 'You, the State, have a single duty. It is to see to it that your administration does not in the least turn toward the economic sector. The better you govern the less you will occupy yourself with the problems of the economic realm.' We find, therefore, that economy in all its forms was limited only by the penal and commercial codes.

But after 1870, this epoch underwent a change. There was no longer the struggle for life, free competition, the selection of the strongest. There became manifest the first symptoms of the fatigue and the devolution of the capitalistic method. There began to be agreements, syndicates, corporations, trusts. One may say that there was not a sector of economic life in the countries of Europe and America where these forces which characterize capitalism did not appear.

What was the result? The end of free competition. Restricted as to its borders, capitalistic enterprise found that, rather than fight, it was better to concede, to ally, to unite by dividing the markets and sharing the profits. The very law of demand and supply was now no longer a dogma, because through the combines and the trusts it was possible to control demand and supply.

Finally, this capitalistic economy, unified,'trustified,' turned toward the State. What inspired it to do so? Tariff protection.

Liberalism, which is nothing but a wider form of the doctrine of economic liberalism, received a death blow. The nation which, from the first, raised almost insurmountable trade barriers was the United States, but today even England has renounced all that seemed traditional in her political, economic and moral life, and has surrendered herself to a constantly increasing protectionism.

After the World War, and because of it, capitalistic enterprise became inflated. Enterprises grew in size from millions to billions. Seen from a distance, this vertical sweep of things appeared as something monstrous, babel-like. Once, the spirit had dominated the material; now it was the material which bent and joined the spirit. Whatever had been physiological was now pathological; all became abnormal.

At this stage, super-capitalism draws its inspiration and its justification from this Utopian theory: the theory of unlimited consumers. The ideal of super-capitalism would be the standardization of the human race from the cradle to the coffin. Super-capitalism would have all men born of the same length, so that all cradles could be standardized; it would have babies divert themselves with the same playthings, men clothed according to the same pattern, all reading the same book and having the same taste for the movies — in other words, it would have everybody desiring a single utilitarian machine. This is in the logic of things, because only in this way can super-capitalism do what it wishes.

When does capitalistic enterprise cease to be an economic factor? When its size compels it to be a social factor. And that, precisely, is the moment when capitalistic enterprise, finding itself in difficulty, throws itself into the very arms of the State; It is the moment when the intervention of the State begins, rendering itself ever more necessary.

We are at this point: that, if in all the nations of Europe the State were to go to sleep for twenty-four hours, such an interval would be sufficient to cause a disaster. Now, there is no economic field in which the State is not called upon to intervene. Were we to surrender — just as a matter of hypothesis — to this capitalism of the eleventh hour, we should arrive at

State capitalism, which is nothing but State socialism inverted.

This is the crisis of the capitalist system, taken in its universal significance. ...

Last evening I presented an order in which I defined the new corporation system as we understand it and wish to make it.

I should like to fix your attention on what was called the object: the well-being of the Italian people. It is necessary that, at a certain time, these institutions, which we have created, be judged and measured directly by the masses as instruments through which these masses may improve their standard of living. Some day the worker, the tiller of the soil, will say to himself and to others: 'If today I am better off practically, I owe it to the institutions which the Fascist revolution has created.'

We want the Italian workers, those who are interested in their status as Italians, as workers, as Fascists, to feel that we have not created institutions solely to give form to our doctrinal schemes, but in order, at a certain moment, to give positive, concrete, practical and tangible results.

Our State is not an absolute State. Still less is it an absolutory State, remote from men and armed only with inflexible laws, as laws ought to be. Our State is one organic, human State which wishes to adhere to the realities of life. ...

Today we bury economic liberalism. The corporation plays on the economic terrain just as the Grand Council and the militia play on the political terrain. Corporationism is disciplined economy, and from that comes control, because one cannot imagine a discipline without a director.

Corporationism is above socialism and above liberalism. A new synthesis is created. It is a symptomatic fact that the decadence of capitalism coincides with the decadence of socialism. All the Socialist parties of Europe are in fragments.

Evidently the two phenomena — I will not say conditions — present a point of view which is strictly logical: there is between them a historical parallel. Corporative economy arises at the historic moment when both the militant phenomena, capitalism and socialism, have already given all that they could give. From one and from the other we inherit what they have of vitality.

We have rejected the theory of the economic man, the Liberal theory, and we are, at the same time, emancipated from what we have heard said about work being a business. The economic man does not exist; the integral man, who is political, who is economic, who is religious, who is holy, who is combative, does exist.

Today we take again a decisive step on the road of the revolution.

Let us ask a final question: Can corporationism be applied to other countries? We are obliged to ask this question because it will be asked in all countries where people are studying and trying to understand us. There is no doubt that, given the general crisis of capitalism, corporative solutions can be applied anywhere. But in order to make corporationism full and complete, integral, revolutionary, certain conditions are required.

There must be a single party through which, aside from economic discipline, enters into

action also political discipline, which shall serve as a chain to bind the opposing factions together, and a common faith.

But this is not enough. There must be the supremacy of the State, so that the State may absorb, transform and embody all the energy, all the interests, all the hopes of a people.

Still, not enough. The third and last and the most important condition is that there must be lived a period of the highest ideal tension.

We are now living in this period of high, ideal tension. It is because step by step we give force and consistency to all our acts; we translate in part all our doctrine. How can we deny that this, our Fascista, is a period of exalted, ideal tension?

No one can deny it. This is the time in which arms are crowned with victory. Institutions are remade, the land is redeemed, cities are founded.

Here are two excerpts from the Seldes book's APPENDIX 9, "the Labor Charter," a document that dates from 22 April 1927:

Art. 2. Labor in all forms, intellectual, technical and manual, is a social duty. In this sense, and in this sense only, is it protected by the State. From the national point of view all production is a unit; its objects are unitary and can be defined as the wellbeing of the producers and the development of national strength.

Art. 7. The Corporate State considers private initiative in the field of production the most efficacious and most useful instrument in the interest of the nation. Private organization of production being a function of national interest, the organization of the enterprise is responsible to the State for the direction of its production. Reciprocity of the rights and duties is derived from the collaboration of the productive forces. The technician, office employee and worker is an active collaborator in the economic undertaking, the direction of which is the right of the employer, who has the responsibility for it.

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