

Women's International League for Peace & Freedom

CHALLENGING CORPORATE POWER, ASSERTING THE PEOPLE'S RIGHTS

Glossary

The following are common terms in a discussion of corporations and democracy, with definitions you won't find in Webster. We welcome dissenting and alternative definitions you may develop and/or additional terms you identify as important in your study group discussions. This is a work in progress.

CAMPAIGN FINANCE REFORM — as currently pursued, about limits rather than about basic change to electoral policies that we the people define.

CAPITALISM — an economic/political system in which the major means of production and distribution are privately held and operated for profits; characterized by the concentration of wealth, power and property, with labor and nature seen as resources.

CHARTER — issued by states, the provisions and permission by which corporations operate; though no longer enforced, let alone revoked, charters are still under state authority and little known or used laws continue to exist around them.

COMMERCE CLAUSE OF THE CONSTITUTION (Article 1, Sec. 8[3]) — prohibits states from passing tariffs that “hinder” the flow of goods between states, thus favoring big commercial interests over small local enterprises; recently referred to as “the first NAFTA.”

CONTRACTS CLAUSE OF THE CONSTITUTION (Article 1, Sec. 10[1]) — in effect makes contracts private laws between individuals, protected from state interference; thus was much labor legislation ruled unconstitutional prior to 1937, when the National Labor Relations Act was ruled constitutional (though largely negated by Taft-Hartley ten years later.)

CORPORATIONS — in the U.S., a legal entity established as subordinate to the people's representatives, to serve specific purposes in limited ways; in a 19th century judicial counter-revolution, this corporate entity gained the illegitimate authority on which it has built the limited liability and virtually limitless rights and power it holds today.

DEMOCRACY — a process or society in which the people define their lives, arrangements and institutions; rule by the ruled, which is incompatible with capitalism and with corporate power and wealth as they exist today.

FIRST AMENDMENT RIGHTS — “Congress shall make no law... abridging the freedom of speech, or the press; or the right of people peaceably to assemble.” The negative wording offers protection from public law but not private; e.g., the Constitution does not prohibit employers from denying workers free speech and assembly.

FOURTEENTH AMENDMENT — “No state shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any PERSON of life, liberty or property without due process of law.” (emphasis added) This was added to the Constitution in 1868 to protect freed slaves; however, the 1886 Santa Clara decision made corporations persons with constitutional protections under the Fourteenth Amendment. Supreme Court Justice Hugo Black pointed out that “Of the cases in this court in which the Fourteenth Amendment was applied during the first fifty years after its adoption, less than one-half of one percent invoked it in protection of the Negro race, and more than fifty percent asked that its benefits be extended to corporations.”

FREE MARKET — an economic theory in which investment and production for profit operate without government restrictions but in practice are publicly subsidized in a variety of ways.

FREE SPEECH — denied to workers on company property; equated with campaign spending in a 1976 Supreme Court decision; corporate rights to advertise, as defended by the ACLU!

PATRIARCHY — a hierarchical system of organizing institutions and relationships, historically but not exclusively male-designed and operated; characterized by dominant and subordinate values assigned to human differences, with power exercised over others based on these rankings. Corporate capitalism on a global scale is a particularly virulent form of patriarchy.

PERSONHOOD — the legal status of human beings granted to the corporate entity by the Supreme Court in Santa Clara County vs. Southern Pacific R.R., 1886; from “personhood” flows much of the illegitimate power and authority to govern accumulated by corporations since then.

POPULIST MOVEMENT — late 19th century efforts by Knights of Labor, Granges and others who established a mass education process, advocating a society in which the people defined their own institutions; Populists offered the most radical and widespread, though ultimately unsuccessful, resistance and alternatives to date to what they understood was a corporate usurpation of the authority to govern.

PRIVATE PROPERTY — property that deprives or excludes the public from use or entry.

PROGRESSIVES — early 20th century reformers who conceded power to corporations, ushering in the regulatory system and era aimed at moderating the behavior of corporations, as distinct from we the people defining and controlling our relationship to them.

SOCIAL RESPONSIBILITY — a behavior and capability within the nature of people, not in the nature of artificial entities; it is we people who are responsible for the creation and impact of institutions intended to serve us.

INTERNATIONAL INSTITUTIONS/AGREEMENTS:

BRETTON WOODS — post–World War II treaty that created the World Bank and the International Monetary Fund, supposedly to help particular states out of financial difficulties; eventually the WB turned from the reconstruction of Europe to the development of former colonies, while the IMF became the enforcement arm of the northern-controlled international monetary system. As some nations’ debts have ballooned, “structural adjustment programs” have been imposed on them, designed to reduce the cost of government services and orient the economy to export in order to feed the global trading dominated by the U.S. and its industrialized allies.

ORGANIZATION OF ECONOMIC COOPERATION & DEVELOPMENT (OECD) — an organization headquartered in Paris and composed of the 29 most industrialized nations, a “rich man’s club” that meets periodically to pursue policies to ensure their continued dominance of the global economy.

G-7 NATIONS — the elite of the elite, who meet biannually to ensure that global trade and monetary policies continue to serve the status quo: U.S., Great Britain, France, Italy, Germany, Japan, Canada.

NORTH AMERICAN FREE TRADE AGREEMENT (NAFTA) — a treaty linking the economies of Canada, Mexico and the U.S., removing trade barriers in order to open each country’s resources and labor force to exploitation by the others without restrictions; negotiations underway to include other Western hemisphere states.

GENERAL AGREEMENT ON TARIFFS & TRADE (GATT) — formed in 1947 as part of Bretton Woods agreement, a series of negotiating rounds aimed at reducing and eventually eliminating quotas, duties and tariffs; the Uruguay Round, from 1986 to 1992, redefined “trade” to include not only products but services and intellectual property rights.

WORLD TRADE ORGANIZATION (WTO) — a profoundly un- and anti-democratic body created in January 1995 by governments involved in the Uruguay Round; all WTO members are represented in the Ministerial Conference and in the General Council, which has authority to make rules and implement decisions regarding agreements signed under the GATT. WTO dispute resolution proceedings are secret, binding on member states, and provide no outside appeal or review. The *Wall Street Journal* approvingly called it “another stake in the heart of the idea that governments can direct economies.”

MULTILATERAL AGREEMENT ON INVESTMENT (MAI) — originating in the WTO, this proposal was transferred to the smaller and more elite OECD and secretly negotiated; it would give corporations legal standing equivalent to that of nation states, prohibiting any performance requirements for transnational investors that governments might impose on

behalf of their citizens. Governments can be sued by corporations for actions resulting in loss of profits, considered expropriation. When the proposal was circulated among the 29 OECD members it was leaked to the global public and led to massive protest. It was not passed intact as the MAI, but many of its provisions are in force and more are to come through the WTO.

FAST TRACK — legislation requested by President Clinton to give him authority to ratify global trade and investment agreements with no congressional discussion, simply an up or down vote; defeated twice, with labor unions playing a major role in mobilizing public protest.

SIDE AGREEMENTS — the name says it all: in the face of massive pressure, an inadequate and unenforced add-on to trade and investment treaties, supposedly providing protections for labor and the environment.

STRUCTURAL ADJUSTMENT POLICIES — imposed by creditor nations on debtor nations through the World Bank and International Monetary Fund:

- **PRIVATIZATION** — transferring a variety of public functions and services (from health care and education to social services, prisons and even the military) from governments to for-profit corporations, thus eliminating public involvement in allocating public resources.
- **DE-REGULATION** — the national and global dismantling of policies and laws placing limits on corporate production and trade; the rollback of admittedly pallid environmental, social and labor advances, seen as restraint of trade.
- **INDUSTRIALIZATION** — the process of pressuring debtor nations to abandon subsistence policies for export crops and products that fill corporate coffers, further transferring resources from the poor to the rich within and among societies.
- **END OF WELFARE STATE** — the systematic destruction of values and policies that promote collective well-being through the public arena, turning social service functions into profit-making ventures by corporations.
- **CONSOLIDATIONS/MERGERS/MONOPOLIES** — with industry-wide consolidations, international markets are controlled by fewer firms with a net worth greater than many countries. Some 500 corporations control 70% of global trade.

October 2006