

Net Resistance, Net Benefits: Opposing MAI

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Multinational corporations (MNCs) enjoy enormous structural and resource advantages over employees and citizens. Yet when the MNCs and major governments tried to expand those advantages through the Multilateral Agreement on Investment (MAI), they were stymied by a global alliance of activists. MAI opponents made heavy use of electronic mail and the World Wide Web in raising the alert, sharing information and coordinating actions. They worked collaboratively, flexibly and imaginatively towards their goals while MNCs and governments were working secretly and within more traditional hierarchical models.

This article appraises the role of the Internet in the campaign and discusses why it can give activists an edge over hugely better resourced MNCs. It warns against activist groups setting up bureaucracies and provides a number of insights for the ongoing struggle. While the MAI has been defeated in name, there is no doubt that MNCs will try other methods and arenas for achieving its content.

MAI: the MNCs' Agenda

The MAI sought to codify a set of investment "rights" for corporations. Simply put, it was to be a far-reaching constraint on sovereign governments which would seriously limit their ability to regulate with regard to environmental, employment, consumer and other issues where MNCs deemed that such regulations interfered with their "freedom" to compete in the marketplace. In an attempt to remove all barriers to free flow of capital, the agreement would have forced signatory countries to treat foreign competitors and investors as the equals of national companies and investors. This had implications for social welfare, the arts, research, non-profit organisations and much more. It would have jeopardised governments' ability to maintain some control over matters such as local

investment, technology transfer, training and export requirements.

Although there was allowance for exceptions to be listed up front, standstill clauses made no allowance for later exceptions to be made. The intention of the agreement was that exceptions would be limited and eventually rolled back. As an exercise in working towards equalising the investment conditions faced by MNCs across the globe, the MAI would be likely to bring about a "lowest common denominator" in the area of environmental, consumer and labour laws. While the proposal spelt out more certainty for investors, it meant further uncertainty for marginalised workers and the poor who, in many countries, are reliant on subsidised food, also under threat from the proposal. Steven Staples (1999) pointed to one other certainty, that military spending and arms production, as favoured areas under the proposed MAI, would continue to thrive.

Moreover, the proposed agreement would have been binding on signatories for 20 years and had provisions for MNCs to sue governments, for instance for "lost opportunity to profit from a planned investment." The complainant would also have had the right to nominate a tribunal of its choice to hear the case and could opt for a body as corporately sympathetic as, say, the International Chamber of Commerce (Rauber 1998:16-17). The thrust of the legally binding document was certainly that MNCs' privileges would be vastly extended and the rights and jurisdictions of states equally constrained in matters where there was seen to be conflict between the two. It is this assumption that MNCs should be free from accountability to governments which has been noted as the proposed agreement's salient feature (Wheelwright 1998:38) and which critics have attacked as undemocratic (Pilger 1999:242-243).

Further highlighting its undemocratic nature,

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from 1995 the draft MAI was prepared with substantial secrecy by the Organisation for Economic Cooperation and Development (OECD). Even here there was a problem since the OECD represents the 29 wealthiest countries which were attempting to foist on poorer countries an agreement that arguably ran counter to their (admittedly diverse) interests. Indeed it was chiefly aimed at these countries, with *The Economist* (1998) noting "The more significant barriers to foreign investment lie in developing countries."

In this much it was in line with many other trends of globalisation which has been defined and pursued in ways that privilege the market over other values. Already deregulation and privatisation have deepened the gulf between rich and poor both between and within countries. The MAI seemed destined to ensure more of the same but in circumstances where governments had their hands tied in dealing with the ramifications of this, even at a band-aid level.

Electronic Resistance

A wide cross-section of groups opposed the MAI for a variety of reasons (Wood 1999). The opposition included unions, environmental groups and green parties, some other small political parties, church groups, consumer and aid organisations and more. While there was certainly some right-wing opposition, for instance One Nation in Australia and racist groups in Holland, the bulk of the activism came from left-wing and socially progressive groups who generally saw the MAI as an attack on human rights and state sovereignty. They anticipated that it would further erode environmental and worker protection and indigenous people's rights, as well as trammelling the means by which these struggles could continue.

Defending state sovereignty against corporate domination has its down side: governments, after all, frequently act against the interests of citizens and the environment, including when supporting local capitalist interests. Most social justice activists involved in the anti-MAI campaign would oppose both national and global oppression, but feel amply justified in targeting the MAI because it would undermine socially beneficial national legis-

lation while doing little to reduce state-level oppression.

In some countries, most notably France, the cultural industries involved in film and television hotly opposed the MAI since it could be used to dismantle special government support given to keep them viable against overseas cultural rivals. But such motivations for opposing the MAI were less prevalent than global justice concerns, even in France (Tartaglione 1998).

As mentioned, the OECD tried to conduct its MAI negotiations in secret and as far removed as possible from public scrutiny. However, in 1997 a photocopy of the draft was leaked to Global Tradewatch, a citizens' organisation based in the USA. Using e-mail and the web, Global Tradewatch disseminated the information to numerous organisations, commencing a chain reaction which would involve more than 600 groups worldwide. The campaign was immediately under way (Taglieri 1999).

Much of the initial impetus came from well organised groups in Canada where citizens had already had a taste of life under the North American Free Trade

Agreement (NAFTA). This agreement was similar in many respects to the proposed MAI and was certainly designed in the same spirit of shifting towards decreased obligations and increased rights for MNCs. Canadian activists quickly realised from the leaked draft that the MAI had even further scope for environmental and social damage.

As well as the draft MAI being put on the web, where it could be popularly accessed, activists in Canada worked to synthesise and analyse the information available on the MAI to make networking and lobbying easier and more efficient. E-mail and the web proved useful in at least seven different ways:

- **Getting information onto the web.** People could make use of this information in their own time, in their own way, at their own pace and in accordance with their own abilities and concerns. Because information on the web is not linear but can be accessed in different ways, this can suit activists with their own focuses and philosophies. Canadian groups opposing the MAI have been

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praised by activists elsewhere for their particularly useful and informative anti-MAI web sites.

Some MAI web sites

<http://www.avid.net.au/stopmai/> (Australian MAI Community Awareness Site)

<http://mai.flora.org/> (MAI-Not Project, Canada)

<http://www.citizen.org/pctrade/mai/maihome.html> (Public Citizen Global Trade Watch)

<http://attac.org/alterdavos/> (a multilingual document archive)

• **E-mailing other activists.** This was crucial, as the information on the web is only useful if people are alerted to its existence. E-mail is quick, relatively easy and can handle multiple messages, allowing numerous warnings to be sent to other activists who then e-mailed other contacts or networked in other ways. This was done very rapidly so that a momentum built up; without e-mail, activists might not have been able to cope with the OECD's deadline for pushing through the MAI.

• **Countering secrecy.** Maude Barlow of the Council of Canadians said "If we know something that is sensitive to one government, we get it to our ally in that country instantly." She claims that governments will never again be able to conduct such secret trade negotiations, explaining "If a negotiator says something to someone over a glass of wine, we'll have it on the Internet within an hour, all over the world" (Drohan 1998).

• **Forcing governments' hand in regard to information.** Governments' elaborate communication resources often far exceed their willingness to involve citizens in decision making. Australian anti-MAI activists claimed that it was difficult for the federal government to maintain the secrecy they desired once news of the MAI was spread. Activists were able to pressure the government to make relevant documents, such as Hansard and reports of the Joint Standing Committee on Treaties, available on the web.

• **Lobbying.** Activists were able to instigate and deliver sign-on letters to the OECD and to obtain confirmation that they had been printed and delivered by hand to the chairperson. Being able to doc-

ument meetings, phone calls and conversations on the web also made it difficult for politicians and bureaucrats to "fob off" activists.

• **Sharing.** There is much more shared over the net than data and information. Activists were able to document their particular experiences, establish credibility and gain insights, as well as support each other.

• **Discussion and initiation of alternatives.** Many anti-MAI activists have realised the weakness of campaigns which are primarily negative and are using the net to broaden discussion, for example through discussion forums. The Polaris Institute and Citizens' Public Trust, among others, have web sites addressing alternative proposals.

Of course, net activities were just part of the campaign. There were public meetings, campaign meetings, ringing up radio stations, writing to newspapers, fundraising, placing newspaper advertisements, rallies and much more. As with other campaigns, activists worked to the point of exhaustion. Yet, despite the well-deserved victory, the task is not complete (Maclean's 1998), for MAI advocates have resolved to pursue their claims through the World Trade Organisation, an organisation already building a reputation as "a constitution for

corporations" (Shrybman 1999:270).

As activists throw themselves into the fray for the next round, it is worth considering what made the net such a useful tool for activists and what lessons might help with the ongoing struggle against an MAI or its equivalent under different names or perhaps no name at all.

The Net and Activism

Use of the net enormously helped the global citizens' opposition to the MAI. A newspaper article titled "How the net killed the MAI" (Drohan 1998) was widely circulated on the net, suggesting that its assessment resonated with activists. Is there reason to believe that the net is an especially useful tool for activists, or did it just happen to be the standard communication medium at the time?

Generally speaking, media that allow a small number of people to control communication

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to many others, such as mainstream television, radio and newspapers, are useful to powerful interests, including governments and large corporations, especially media owners themselves. The mass media are largely one directional, making control by a few relatively easy. Repressive governments censor the mass media. Prime targets in military coups are radio and television stations.

It is much more difficult for powerful interests to control media such as telephone, fax, e-mail and short-wave radio, which allow individuals to contact each other. Such media can be described by the terms interactive, decentralised, or network. They are more participatory or convivial than mass media and are far more useful for nonviolent struggle (Martin 1996).

Technological form alone does not by itself determine the value of a medium to activists or oppressors; social context is crucial. Militaries regularly use one-to-one media such as CB radio and e-mail. Occasionally a centralised medium can be useful to resisters, such as the case of the radio in the Czechoslovak resistance to the 1968 Warsaw Pact invasion, in which the population was entirely united. Nevertheless, it is more likely that interactive media will be useful to those opposing aggression and repression.

The governments and corporations pushing for the MAI operated on the model of information control: they met in private and restricted information about their activities. This seemingly conspiratorial approach is a prime target for net exposure. The combination of web publication and e-mail messages allowed activists maximum control over the way they exposed MAI deliberations. The mass media, in contrast, were not an especially useful channel for activists, not being under popular control and displaying little interest in the issue. Project Censored, a media watchdog organisation which gives annual awards for the most newsworthy stories which received the least news coverage, judged the push for the MAI as the most under-reported story of 1998 (<http://www.sonoma.edu/ProjectCensored/>).

Mass media coverage sometimes can defuse campaigns by emphasising side issues and

turning a struggle into a spectator sport in which citizen activists are typecast as being on the fringe. It could almost be argued that the mass media's neglect of the MAI allowed the campaign to stay much more focussed on the core issues.

Why should the net have been so beneficial to the anti-MAI campaigners when governments and corporations can use the net too? The reason is that the network form of the campaign meshed much better with the net—which, as its name indicates, is a network—than the bureaucratic structure of governments and corporations. In a bureaucracy, most official communication out of the organisation is tightly controlled at the top.

Uncontrolled lateral e-mail is a potential threat to the organisational hierarchy and often is discouraged in spite of rhetoric about flattened hierarchies, the network organisation and the like. Given that the MAI was being promoted in secrecy, leaks had the potential to undermine the operation. Therefore, employees could not be trusted to communicate without oversight. The bureaucratic structure of the governments and corporate proponents of the MAI meant that they could not obtain the full benefit of the swift lateral networking made possible by the net.

This suggests a lesson for global activists: avoid being bogged down in movement bureaucracies.

If rapid, flexible and innovative responses are needed to oppose the push for corporate globalisation, this can best occur through ad hoc alliances of local groups and networks. To have a few peak organisations speaking for local groups can adversely affect response time, reduce flexibility and increase risk of cooption.

The MAI is only one element in the push for corporate global domination, and not necessarily the most dangerous. Because it was promoted in secret and was a discrete, named proposal, it provided an ideal target for opposition. Other processes of globalisation are more incremental, such as transnational corporate mergers, global marketing strategies and the transfer of production to regions with cheaper labour. Creeping corporate domination is more difficult to oppose than identifiable initiatives such as the MAI. The exis-

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tence of the name "globalisation", in as much as it has become shorthand for the process of global corporate domination, helps in mobilising opposition.

One serious incremental process is commercialisation of the net itself, reducing its value as a public sphere for dialogue on social issues. Can a corporate push for something like the MAI be imagined as an open campaign, using paid staff to promote a corporate cause using the net? This would require a drastic shift from the model of bureaucratic planning. Movement in this direction is conceivable, given the existence of corporate front groups used for antienvironmental campaigning. However, even in these cases, the fake citizens' groups have nothing like the enthusiasm and autonomy of genuine activists.

If creeping corporate domination is a greater danger than overt initiatives, then by the same token it may be that creeping challenges to globalisation may be just as potent in the long run as up-front campaigning, though of course these two interact. One important challenge to globalisation is a gradual shift in values.

The MAI campaign pitted two types of globalisation: that based on large hierarchical organisations operating in secrecy and the other based on a variety of community groups promoting public education and citizen action. The net, for the time being, is far more useful for globalisation of citizens' action.

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this WONDERFUL WORLD

My nail clippings are bookmarks for
fairies.

That belch
was a greeting for whales.

A slap
was your kind of apology
for a husband
& puppydog tales.

Les Wicks