

The True Cost of Low Prices

**The Violence of
Globalization**

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Chapter 1

Awakening to the Hidden Violence

The United States is the wealthiest, most powerful, and technologically advanced country in the history of the world. Our abundance results from our freedoms, democracy, and blessings of God. God has truly blessed America above other nations. Why would so many flock to our shores if that wasn't true?

Haven't we been told this in many ways: that we are simply the best country to come along in history so far because of God's special favor? America does have greater wealth than any country in history and is the most powerful nation on earth. But this wealth and power are not a result of God's special blessing. They are the result of the way the powerful have organized the political, economic, legal, and military structures.

Many of us believe that poverty exists in the world because the poor are lazy, have too many children, and are just not very bright. Many have little understanding of how we have accumulated so much wealth or how the international financial institutions, with the help of the military, pave the way for multinational corporations to continue to suck the life of the poor. We do not see a link between the vast accumulated wealth in the developed countries and the hunger, disease, and deprivations of



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A Cambodian girl.

all kinds in poor countries. We do not hear much about structural injustice from our pulpits. The media do not portray the brutality of the economic, political, legal, and military structures that serve us so well.

Control of the Media

Approximately fifteen hundred television stations, twelve thousand radio stations, and seventeen hundred of our newspapers are owned by corporations. The owners are Westinghouse (CBS), General Electric (NBC), Disney (ABC), and others. Corporations control the biggest networks, or 70 percent of the prime time TV markets, plus most cable channels. They also have vast holdings in radio, publishing, movie studios, and other media sectors. The mass media are aware of the needs of their advertisers, such as Nike, Budweiser, Exxon, and General Motors. Advertising is a \$200 billion industry. The media know to respect the political

interests of those who pay them. Corporations will not want to run their ads during exposés of pollution by multinational corporations in Third World countries, abuse suffered by workers in Central America, working conditions of children who supply products for our home, unfair treatment of women who sew our clothing, exposure to pesticides by workers who harvest our food, demonstrations in the Third World countries against the policies of the international financial institutions, and so on.

You might expect fair treatment of these subjects on PBS. You might be surprised. Consider these facts:

- ♦ During an eight-month period, only 6 percent of the guests invited to discuss environmental issues on PBS's *News Hour* represented environmental groups. Other guests were government or industry representatives.
- ♦ During a six-month period, only 3 percent of the sources quoted on public television's economics coverage represented labor, consumer, or public interest groups.
- ♦ During an eight-month period, virtually all of the sources for stories on Central America on PBS's *News Hour* were former or current officials of the U.S. government or U.S.-allied governments rather than Central American human rights activists, labor representatives, environmentalists, or other Central American citizens.¹

There are literally hundreds of millions of stories that can be told about how people suffer horrible tragedies due to injustice. We would respond to their suffering if we were bombarded with their stories and the stories of the many heroes and heroines who are rescuing the sick, hungry and abandoned. We would respond if we knew the people who suffer so much and if we knew of the joy experienced by those heroes. We would respond also if we were shown the connection between how they suffer and the

policies of the international financial institutions that force them to work in the garbage dumps and to die of malnutrition.

Guatemala is a good example of the media's failure to inform us of violence committed on our behalf and with our help. Chris Schweitzer of the Silk Hope Catholic Worker Community has written about how we have been sheltered from many truths by the media. In "Information in the Land of Oz" he cites one example:

During the 1980s, over 200,000 civilians were killed or disappeared in Guatemala. In 1999, the Guatemalan Historical Clarification Commission released a report revealing the U.S. government's support for killing and human rights violations. President Clinton later apologized for the United States' role. How did the mass media ignore this violence, with soldiers trained and funded by the United States leveling 662 villages after raping, torturing, and killing the residents?

The U.S. government has worked hard for the last 100 years to maintain pro-business governments in Latin America. U.S. corporations, such as Goodyear, RJ Reynolds, Del Monte, United Brands, US Steel, Phillip-Morris, and others were and still are very vested in the cheap labor, natural resources, and limited human and labor rights offered by Latin American governments. Corporations and governments in this country need to keep the public in the dark about the violence that the U.S. government supports. If the majority of U.S. citizens discovered that thousands of non-violent, often church-based, teachers and organizers were being killed in Guatemala with the help of U.S. tax dollars, it is likely that a public outcry demanding an end to the government-supported oppression in Latin America would have resulted.²

U.S. Aid to Poor Countries

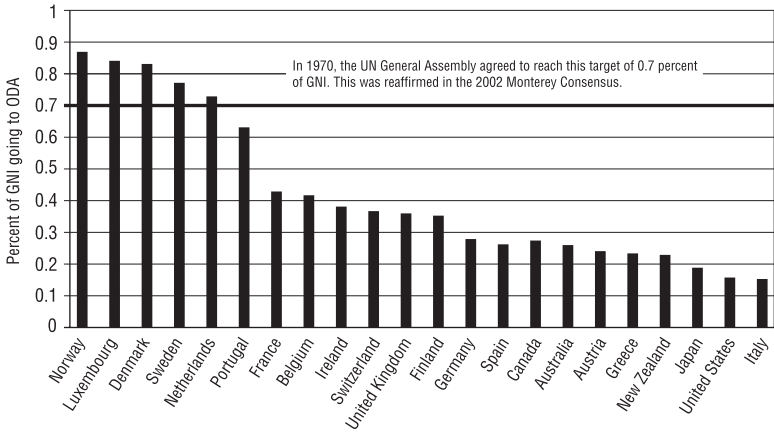
The media have led us to believe that the United States is the most generous nation in the world. One study found that two-thirds of U.S. citizens thought that the United States is the most generous when it comes to giving foreign aid to poor countries.³ An editorial in the *New York Times* questioned: “Are we stingy?” The *Times* answered “Yes,” referencing a poll that showed that most Americans believed that the United States spends 24 percent of its budget on aid to poor countries. It actually spends well under a quarter of 1 percent.

After the Second World War, we gave 2.79 percent of our Gross National Income (GNI) to rebuild Europe. By 1960, we were giving 0.52 percent of our GNI in foreign aid. By 2004, it was 0.16 percent. This puts the United States next to last on the list of developed countries and their contributions of humanitarian aid to poor countries, according to data published by the Organization of Economic Cooperation and Development (see the chart on the following page).

In terms of total dollars, Japan gave the most foreign aid from 1992 to 2000. In 2001, the United States reclaimed its position of first in terms of donor aid. We were in first place mainly due to the depreciation of the yen and our grant of \$600 million to Pakistan for security purposes after 9/11. However, in terms of foreign aid as a percentage of GNI, the United States is actually next to last among Western donors. How did most of us come to accept the lie that we are the most generous nation in the world? It has been told to us over and over again on TV and radio and by politicians and TV pundits.⁴

How the stories are shaped and where they are placed are crucial to the impact. Much of what is reported in this book has been reported in the media in the United States. But you have to read very carefully. For example, a front-page headline

Official Development Assistance (ODA) as percent of Gross National Income (GNI) in 2004



Source: Organization for Economic Cooperation and Development, 2005

in the *Philadelphia Inquirer* said that President Aristide of Haiti was mentally unbalanced and had been hospitalized in Montreal. This headline was published just days prior to a Congressional vote on U.S. support for Haiti. Two weeks after the vote, there was a short story on page 14 saying that the CIA had fabricated the false report and that Aristide had never been treated for mental illness as reported. Why was there no headline about how the CIA purposely lied to the American people and Congress to manipulate the politics of the poorest country in our hemisphere?

Another example is torture in Iraq. The media courageously reported on the horrors of torture inflicted on Iraqis by our soldiers. The government contended that these were isolated incidents not sanctioned by higher command. The media did a fairly good job in trying to connect the dots to shed light on the denials of higher-ups. But did they give us the whole story?

In chapter 6, you will read that in the 1950s and 1960s, the CIA paid for research to be performed in psychology departments in a half dozen universities in order to determine the most effective torture techniques. Manuals were developed by the CIA and distributed to teach the techniques that were used in Vietnam and in Latin America in the 1980s and 1990s. The same techniques were used in Abu Ghraib and Guantanamo. Yet the only place I learned of the decades-long systematic policy of torture supported by our government was in the *National Catholic Reporter* and in *Disturbing the Peace* by James Hodge and Linda Cooper. The major media never really connected the dots. It is not because they were unaware of the manuals and reporting in publications such as the *National Catholic Reporter*, as you will see in chapter 6. Two recently published books, *Torture: Religious Ethics and National Security* by John Perry and *Truth, Torture, and the American Way* by Jennifer Harbury, have also documented decades of a systematic policy of torture, apparently authored and sanctioned by the CIA. Yet the media present the issue as if there are two sides to the story, giving some credence to the government's position that the problem was low-level people who acted in violation of U.S. policy.

How and where information is presented and what parts of the story are left out have a tremendous impact on the reader or viewer. The news and commercials are effective in shaping our values. They are created by very bright people who know how to get our attention and influence our wants and needs. We human beings can be counted on to seek pleasure and avoid pain. Instinctively, we fear danger and seek safety and comfort. The TV commercial writers know how to hook us and then they reel us in. If we watch enough TV, the commercials will program quite a few of us to want what the sponsors want us to want. Many of us want pain relievers, fashionable cars, Bud and Coke, and vacations to the Caribbean. We want to look younger, to

lose weight, and to buy gadgets of all kinds to save time and to make life easier. While America is the richest nation in history, many feel that they do not have enough. The commercials get us going to the malls, to the sports stadiums, and to the movies they push. We fly on airlines, eat in restaurants, and buy the clothes pushed by the commercials. The ads really do work.

Jane Eisner reported in the *Philadelphia Inquirer* (September 12, 2004), on the “commercialization of childhood.” Research found that brand-name messages have pervaded the classrooms and the bedrooms of children. The typical first grader can name two hundred brands and acquires an average of seventy new toys a year. American children view an estimated forty thousand commercials annually. Teen purchasing power has risen so rapidly that teenagers spend, on average, one hundred dollars a week. Commercials now shape their parents’ consumer habits to such an extent that one industry estimate says 67 percent of car purchases are influenced by children.

Corporations are driven to sell better quality products at the lowest price in order to maximize profit, to provide shareholders with a good return, and to expand. Advertising is essential to create wants. It aims at our values. It smothers our spiritual values. Detachment is a fundamental step on the path to spiritual awakening and growth. The media keep us wanting and spiritually sleepy so that we do not “see” very well.

Catholic social teaching throughout the twentieth century condemned unbridled capitalism and unregulated competition and stressed the rights of workers to organize and be paid a just wage. It condemned sinful structures that oppress and take advantage of the poor. It called for a transformation of society. But you will not hear much about structural injustice and institutionalized violence and the need to transform society from those who benefit the most from the inequities.