

The World Economic Forum

Beginning January 31, the Swiss-based World Economic Forum will hold its first annual meeting ever in the United States in New York City at the Waldorf-Astoria hotel. Some 3,200 business leaders, politicians, journalists and academics will meet behind closed doors to set an agenda for the global economy. Thousands of protesters are expected to converge in the New York. To help make sense of it all, the New York City Independent Media Center offers this factsheet on the World Economic Forum.

For complete coverage visit www.nyc.indymedia.org

What is the World Economic Forum?

The WEF is a private member organization comprising representatives from 1,000 of the world's largest corporations including Microsoft, Monsanto, Nike, General Motors and, until recently, Enron. Originally formed in 1971 as the European Management Forum, the Swiss-based group has grown into a major global agenda setter and a leading proponent of corporate globalization. Until this year, the organization held its annual meeting in the Swiss mountain resort town of Davos.

The exclusive meeting is open to members - who pay upwards of \$30,000 in annual dues - as well as selected politicians, journalists and academics. President George W. Bush and British Prime Minister Tony Blair are both expected to be among the 3,200 in attendance. While the WEF helps set global economic and trade agendas that affect the entire world, the group predominantly includes European and American businesses. The member breakdown by continent is Europe, 43 percent; North America, 26 percent; Asia, 13 percent; Central/South America, 7.5 percent; Middle East, 4.5 percent; Africa, 4.3 percent; Australasia, 2.2 percent.

Why is the Forum meeting in New York?

"As the world's financial capital and the site of the recent terrorist attacks, there could be no better place than New York City to confront [post 9/11] issues," said WEF founder Klaus Schwab on Nov. 7. City and state officials welcomed the decision with hopes that the meeting will help stimulate New York's lagging economy.

Protesters claim the meeting was moved to New York in an effort to muffle protest and dissent. "We are offended that at such time of crisis, the world's richest and powerful are descending upon the ruins of New York to plot and schmooze," read a statement by the Anti-Capitalist Convergence. Even before 9/11, many suspected years of protest in Davos would cause the WEF to seek a new home for its annual meeting in a less protest-prone venue.

"City and World Economic Forum officials also note that one factor working in their favor is the diminished furor, particularly after Sept. 11, of the American anti-globalization movement," reported the *Washington Post*. In contrast, activists predict the New York action will be the largest anti-corporate American protest since April 2000, when tens of thousands took to the streets of Washington D.C. to protest the World Bank.

What impact will the meeting have on NYC?

The economic impact of the meeting on the city remains to be seen. While the business leaders and foreign dignitaries are among the world's wealthiest individuals, the city must spend millions in security costs. In Davos, a town of only 13,000 permanent residents, police spent \$5.4 million last year in security. In New York, which has a police force of 40,000, the security budget has not been released but, in an interview with the *New York Post* former Philadelphia Police Chief John Timoney predicted "it is going to cost the city a fortune in security." The *New York Times* has reported a military-like force would be ready. "Law enforcement officials said the Police Department's response would have to include almost military-style tactics," the *Times* reported Jan. 11th. "All of the department's tools and the lessons learned about security since Sept. 11 will have to be put to use, officials said." The police department has also been prepping officers by staging mock demonstrations where "protesters" attack police and attempt to overturn cars.

While the area near the meeting's headquarters at the Waldorf Astoria may be turned into a "frozen zone," the city reportedly will not build any fences or gates around the hotel as seen at recent protests in Genoa and Quebec City. Members will also attend functions elsewhere in the city. On Feb. 2nd, for example, the Forum will have to abandon the plush Waldorf ballroom to make way for a previously planned wedding. According to the *Washington Post*, the New York Stock Exchange has agreed to open its doors to host a party for 3,000 that Saturday night.



Who is protesting the WEF?

Scores of organizations have planned protests, marches and counter summits to take place the week of Jan. 30 - Feb. 4. These include the Students For Global Justice, AFL-CIO, Another World Is Possible, Anti-Capitalist Convergence, Public Citizen, Public Eye of Davos and International ANSWER.

The World Economic Forum is seen by many as the corporate architect of the recent wave of economic globalization. Representatives from WEF set the foundation for the formation of the World Trade Organization, the highly contentious global economic body that was the focus of the Seattle protests in 1999.

In addition, WEF's growing clout is beginning to challenge even that of the United Nations which concerns many critics since the Forum is a private entity accountable to only its members. "Should a Forum that is dominated by corporate interests be encouraged to take on the role of mapping out future frameworks for global governance?" asked Australian scholar Peter Goodman in his article "The WEF: Capital's First International?" For protest groups, the answer is clearly no.

While many activists agree in their objections to the WEF, debate has arisen over what tactics should and should not be used in a city still recovering from the devastating attacks in New York.

What is the connection between the World Economic Forum and the World Bank, International Monetary Fund and World Trade Organization?

The IMF and World Bank were both formed following World War II ostensibly to help stabilize the international economy and to provide loans to struggling nations. The institutions, which are run by member nations, have advocated for the neo-liberal economic model that has been criticized widely for the inequality it produces both within countries and between first and third world nations.

The World Economic Forum dates to the early 1970s and was directly responsible for paving the way for the World Trade Organization. The IMF, World Bank and WTO all have power to implement policy and affect economic regulations while the WEF is a private group that can set the corporate agenda on trade.

How effective has the WEF been?

Since Swiss professor Klaus Schwab organized a small meeting of European corporate chiefs in 1971, the annual meeting has grown rapidly in size and scope. It was originally known

as the European Management Forum. In 1982, the first Informal Gathering of World Economic Leaders took place in Davos. A year later the inaugural Davos Governors' Meetings were held. In 1986, the organization became known as the World Economic Forum and has since become the foremost annual corporate gathering in the world. Its impact on global economic policy has likewise been profound.

"The Forum has been remarkably successful - since 1971 the 'state of the world' has dramatically improved for many of the participating corporations. WEF strategizing drove the neo-liberal agenda in the 1980s, bringing together politicians from the 'pretender' states of the newly industrializing world, as well as from the OECD states, to map out an agenda with transnational business executives." writes Peter Goodman, an Australian professor at University of Technology Sydney.

What happened at previous WEF meetings?

Until the late 1990s, the World Economic Forum attracted little attention outside the financial elite. But that changed when annual protests began in Davos as activists demanded more accountability to this leading agenda-setting organization. Demonstrations grew to include over 1,000 people two years ago spurring Swiss officials to ban protests in 2000.

But that did not prevent "hacktivists" from decoding the WEF computer server to gain credit card numbers, travel information and private cell phone numbers for over 1,000 attendees including Yasser Arafat, Madeline Albright and Bill Gates. In September 2000, WEF held a regional meeting in Melbourne, Australia. There 10,000 protesters converged forcing delays in the meeting as one-third of the delegates were prevented entry into the meeting center. WEF protests have also occurred in

What is the connection between the WEF and the World Social Forum?

The World Social Forum formed last year Porto Alegre, Brazil, as a counter summit to the WEF annual meeting. Some 10,000 activists, educators, unions and workers from around the world met to discuss alternatives to the neo-liberal economic model. " 'Another World Is Possible' was the event's official slogan," reported Naomi Klein last year. "After a year and a half of protests against the World Trade Organization, the World Bank and the International Monetary Fund, the World Social Forum was billed as an opportunity for this emerging movement to stop screaming about what it is against and start articulating what it is for." As many as 60,000 people are expected to attend this year's Forum which meet again from Jan. 31 to Feb. 5. For full coverage visit www.brasil.indymedia.org.



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