OMNI US CORPORATIONS NEWSLETTER #4, Oct. 9, 2011, Compiled by Dick Bennett for a Culture of Peace (#1 August 7, 2008; #2 Feb. 11, 2010; #3 July 21, 2011). Here is the link to all OMNI newsletters:
http://www.omnicenter.org/newsletter-archive/

See: Newsletters on US Capitalism

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OCCUPY WALL STREET: ECONOMIC CONVERSION FROM MILITARY TO CIVILIAN ECONOMY
NationofChange Day 3: Live Coverage of October 2011 Protests in Freedom Plaza

This month of October 2011 marks the eleventh year of our country’s longest war in Afghanistan and the onset of the 2012 US federal budget, which provides unlimited funds for war and corporate greed, while withholding funds for basic human needs. On October 6th, a protest assembled at Freedom Plaza in Washington, D.C. with the goal of “nonviolently resisting the corporate machine by occupying Freedom Plaza to demand that America's resources be invested in human needs and environmental protection instead of war and exploitation.” READ | DISCUSS | SHARE
http://www.nationofchange.org/day-3-live-stream-october-2011-protests-freedom-plaza-1317962615

OBAMA THE CORPORATIONS’ CANDIDATE
Noam Chomsky, Al Jazeera English
Chomsky writes: “Elections have become a charade, run by the public relations industry. After his 2008 victory, Obama won an award from
the industry for the best marketing campaign of the year. Executives were euphoric. In the business press they explained that they had been marketing candidates like other commodities since Ronald Reagan, but 2008 was their greatest achievement and would change the style in corporate boardrooms. The 2012 election is expected to cost $2bn, mostly in corporate funding. Small wonder that Obama is selecting business leaders for top positions."
READ MORE  http://www.readersupportednews.org/opinion2/277-75/7649-focus-is-the-world-too-big-to-fail

Noam Chomsky.  “American Decline: Causes and Consequences”
RSN, August 26, 2011, Chomsky.info
A thumbnail history of US since end of WWII.
: "Corporate power, by now largely financial capital, has reached the point that both political organizations, which now barely resemble traditional parties, are far to the right of the population on the major issues under debate."
READ MORE  http://www.readersupportednews.org/opinion2/277-75/7183-focus-american-decline-causes-and-consequences

US PRESIDENTS ON CORPORATE POWER

SEC UNLAWFUL SUPPRESSION OF INVESTIGATIONS

“Matt Taibbi Exposes How SEC Shredded Thousands of Investigations”
Nation of Change Tuesday 23 August 2011, Progressive Journalism

Video Report: “An explosive new report in Rolling Stone magazine exposes how the U.S. Securities and Exchange Commission destroyed records of thousands of investigations, whitewashing the files of some of the nation’s largest banks and hedge funds, including AIG, Wells Fargo, Lehman Brothers, Goldman Sachs, Bank of America and top Wall Street broker Bernard Madoff. Last week, Republican Sen. Chuck Grassley of Iowa said an agency whistleblower had sent him a letter detailing the unlawful destruction of records detailing more than 9,000 information investigations.”
http://www.nationofchange.org/matt-taibbi-exposes-how-sec-shredded-
Six Extreme Right-Wing Attacks by ALEC
Lisa Graves, Center for Media and Democracy
Excerpt: "The Center for Media and Democracy has analyzed and made available over 800 ALEC model bills to allow other reporters and the public to track corporate influence in state legislatures across the country (and in Congress) Here is a quick summary of six of the many 'hot' topics on the ALEC corporate-politician agenda this year."

RECENT RISE OF POWER OF RICH
“Plutocracy and the Debt Ceiling Debate,” By Sam Pizzigati, July 21, 2011
http://www.ourfuture.org/blog-entry/2011072921/plutocracy-and-debt-ceiling-debate

Looking for a lesson in the goings-on in D.C. these days? Here's one: The more our nation's wealth concentrates, the more our democratic give-and-take becomes all take -- by the rich.

Once upon a time in America, back a century ago, our nation's rich paid virtually nothing in taxes to the federal government. And that same federal government did virtually nothing to better the lives of average Americans.

But those average Americans would do battle, over the next half century, to rein in the rich and the corporations that made them ever richer. And that struggle would prove remarkably successful. By the 1950s, America's rich and the corporations they ran were paying significant chunks of their annual incomes in taxes - and the federal projects and programs these taxes helped finance were actually improving average American lives.
America's wealthy, predictably, counterattacked -- and, by the 1980s, they were scoring successes of their own.

Today, the rich and their corporations no longer bear anything close to their rightful share of the nation's tax burden. The federal government, given this revenue shortfall, is having a harder and harder time funding initiatives that help average working families. The result: a "debt crisis."

This "debt crisis" in no way had to happen. No natural disaster, no tsunami, has suddenly pounded the United States out of fiscal balance. We have simply suffered a colossal political failure. Our powers that be, by feeding the rich and their corporations one massive tax break after another, have thrown a monstrous monkey wrench into our national finances.

Some numbers -- from an Institute for Policy Studies report released this past spring -- can help us better visualize just how monumental this political failure has been.

If corporations and households taking in $1 million or more in income each year were now paying taxes at the same annual rates as they did back in 1961, the IPS researchers found, the federal treasury would be collecting an additional $716 billion a year.

In other words, if the federal government started taxing the wealthy and their corporations at the same rates in effect a half-century ago, the federal debt to investors would almost totally vanish over the next decade.

Similarly stunning numbers have come, earlier this month, from MIT economist Peter Diamond and the University of California's Emmanuel Saez, the world's
The bottom line: **After taxes, and after adjusting for inflation, 2008's top 400 had a staggering $38.5 billion more left in their pockets than 1955's most awesomely affluent.**

Multiply that near $40 billion by the annual tax savings the rest of America's richest 1 percent have enjoyed over recent years and you have an **enormous war chest for waging class war, billions upon billions of dollars available for bankrolling think tanks and candidates and right-wing media.**

In the face of these billions, should the rest of us, America's vast non-rich majority, just toss in the towel? Our counterparts a century ago certainly didn't. They challenged their rich, on every battlefront imaginable. They eventually prevailed. They sheared their rich down to democratic size.

We can do the same.

( forwarded by Bob Billig)

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**Michael Ricciardi**
interdisciplinary artist, naturalist, [eBook author](http://www.ourfuture.org/blog-entry/2011072921/plutocracy-and-debt-ceiling-debate)

**Who Runs the World? – Network Analysis Reveals ‘Super Entity’ of Global Corporate Control**


In the first such analysis ever conducted, Swiss economic researchers have conducted a global network analysis of the most powerful transnational corporations (TNCs). Their results have revealed a core of 787 firms with control of 80% of this network, and a “super entity” comprised of 147 corporations that have a controlling interest in 40% of the network’s TNCs.

Two generalized characteristics were identified:

1] A **strongly connected component** (SCC), that is, a set of firms in which every member owns directly and/or indirectly shares in every other member. The emergence of such a structure can be explained as a means of preventing take-overs, reducing transaction costs, risk sharing and increasing trust between “groups of interest.”
The largest connected component contains only one dominant, strongly connected component (comprised of 1347 nodes). This network, like the WWW, has a bow tie structure. What’s more, they found that this component, or core, is also very densely connected; on average, members of this core have ties to 20 other members. “Top actors” occupy the center of the bow tie. In fact, a randomly chosen TNC in the core has about 50% chance of also being among the top holders, as compared to, for example, 6% for the in-section. [emphasis added]

“As a result, about 3/4 of the ownership of firms in the core remains in the hands of firms of the core itself. In other words, this is a tightly-knit group of corporations that cumulatively hold the majority share of each other.”

In examining the details of this core, the analysis also showed that only 737 top holders accumulate 80% of the control over the value of all TNCs (in the analyzed network). Further,

“…despite its small size, the core holds collectively a large fraction of the total network control. In detail, nearly 4/10 of the control over the economic value of TNCs in the world is held, via a complicated web of ownership relations, by a group of 147 TNCs in the core, which has almost full control over itself. The top holders within the core can thus be thought of as an economic “super-entity” in the global network of corporations.” [emphasis added]

Concerning the implications of this super entity, the researchers asked two fundamental questions: First, what are the implications for market competition, and, second, what are the implications for economic stability?

Regarding the first question, the authors assert that no matter the origin of the SCC, due to its high degree of TNC network control, “it weakens market competition”.

It is clear just from the history of anti-trust laws in this country (the U.S.) that concentrated ownership stifles free market competition and innovation, reduces over-all employment, and leads to excessive pricing.

Zoom on some major TNCs in the financial sector. Some cycles are highlighted. Note: data for this analysis comes from the 2007 Orbis database -- prior to the 2008 financial crisis, thus, firms such as Bear Stearns and Lehman Bros. are included.

In regards to the second question, the researchers note that “the existence of such a core in the global market was never documented before and thus, so far, no scientific study demonstrates or excludes that this international ‘super-entity’ has ever acted as a bloc.“

However, there is historical data — such as within the airline, auto and steel industries — supporting this possibility.

“…top holders are at least in the position to exert considerable control, either formally (e.g., voting in shareholder and board meetings) or via informal negotiations.”

Additionally, recent studies (Stiglitz J.E., 2010, Battiston S. et al, 2009) have shown that densely connected financial networks are highly susceptible to systemic risk. Despite the fact that such networks may seem robust in good economic times, in times of crisis however, member firms tend to enter ‘distress mode’ simultaneously. This was seen recently in the 2008 (“near”) financial collapse (note: 3/4 of the network core in this analysis are financial intermediaries).

Source: Planetsave (http://s.tt/138oe)
http://planetsave.com/2011/08/28/who-runs-the-world-
network-analysis-reveals-super-entity-of-global-corporate-control/

Books and Film on Corporate-Military Complex Against Environment:
Rosalie Bertell, *Planet Earth: the Latest Weapon of War*
Barry Sanders, *The Green Zone: The Environmental Costs of Militarism*

END OF CORPORATIONS NEWSLETTER #4