

A guided tour of Geneva's corporate criminals

How activists turned up the heat on big business at the WTO ministerial

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During the recent World Trade Organisation (WTO) ministerial in Geneva (30 November to 2 December 2009), protesters put the spotlight on some of the corporate criminals in town¹. With little going on inside the ministerial, they organised daily guided tours to banks, agricultural and energy traders to show that there's more to Geneva than international organisations, humanitarianism and luxury watches – and more to trade negotiations than conflicts between the US and India. Because it is companies that benefit and quite often also co-write global trade rules. And many of them can be found in Geneva.

Some 130 multinationals have chosen the city for their headquarters², many of them specialised in trading, shipping, trade finance and other services linked to the business of trade. Geneva is home to three of the five biggest oil traders in the world (Vitol, Trafigura and Mercuria), the second largest shipping company (Mediterranean Shipping Company) and giant agricultural traders like Cargill, Bunge and Louis Dreyfus. Geneva is also considered the number one city for trade finance, offering financial services related to the financing of trade. The University of Geneva has even developed a Masters programme in International Trading, Commodity Finance and Shipping³ – together with the Geneva Trading and Shipping Association (GTSA), a lobby group for the Geneva based trade community⁴. So, there were plenty of places to visit.

Day 1: Corporate criminals from the world of finance

Day one of the protests against the WTO focused on the financial crisis and on liberalisation policies as one of the root causes. So, the guided tour targeted some of the financial players in town. Around 140 banks, 80 of which are in foreign hands, make Geneva the number two Swiss banking city after Zürich⁵. These banks have specialised in financial services for exporters and importers – from



Guarantees, loans, risk assessment to export credits. In fact, Geneva is considered the world leader in this business of “trade finance”, handling between 40 and 60% of all transactions⁶.

Despite the icy rain, around 50 people left the WTO protests to visit some of these bankers. Accompanied by a large police platoon that lined up in front of every bank in sight, they stopped at three showcases: UBS, HSBC and Citibank.

UBS, the biggest Swiss bank, was chosen for its contribution to the financial crisis through the investment of colossal sums in speculative stocks and the US sub-prime real estate market. After the

1 The term 'corporate criminals' does not imply that the respective companies have been legally convicted of crimes. It rather points to systematic violations of human rights through corporations that are rarely legally persecuted because they take place in an architecture of impunity put in place by neoliberal policy instruments. These kinds of corporate crimes range from the destruction of the natural environment and the plundering of public goods to the expulsion of communities from their lands and causing harm to people's health (Enlazando Alternativas, 2009, European Union and Transnational Corporations. Trading Corporate Profits for Peoples' Rights).

2 http://www.whygeneva.ch/index.php?option=com_content&task=view&id=800&Itemid=204.

3 <http://www.tradingmaster.ch/modules/trading.html>.

4 <http://www.gtsa.ch/index.php?c=10&lg=en>.

5 <http://www.schweizer-banken.info/de/bank/ge/genf/index.htm>.

6 http://whygeneva.ch/index.php?option=com_content&task=view&id=836&Itemid=226&lang=en.

collapse of these markets, UBS faced bankruptcy, but was saved by the Swiss government with an injection of millions of Swiss Francs. The second stop was UK-based bank HSBC. Javier Echaide from Attac Argentina explained how, in the '90s, HSBC benefited from illegitimate debt operations that resulted in the appropriation of the public treasury in many Latin American countries. He explained that the bank also financed privatisation processes that were responsible for violating the economic and social rights of many people in countries like Argentina or Peru.



Finally, the guided tour stopped at Citibank. It is part of Citigroup, the largest US bank holding company which has contributed to the sub-prime crisis through high interest rate lending in low income communities across the US. In the '90s, Citibank was also one of the key drivers behind the WTO's GATS agreement on the liberalisation of services through its successful lobbying of the US government⁷. Ever since, Citi and other services heavyweights have been pushing to have the agreement strengthened and expanded⁸. Myriam van der Stichele from Somo, the Dutch Centre for Research on Multinational Corporations explained that GATS has already imposed extreme deregulation on the financial sectors of many WTO member countries, which studies have shown makes it impossible for government to re-regulate⁹.



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Day 2: Corporate criminals from the world of food and agriculture

On the second day of the WTO Ministerial, protests focused on agriculture and the food crisis. In the morning, dozens of peasants from La Via Campesina blocked the gates to the WTO building with a human chain shouting "Down, down WTO!". The guided tour in the afternoon targeted big agribusiness companies to draw attention to their responsibility for hunger, poverty and the destruction of family farming in the world. And there were many potential places to visit as



nearly one third of global agricultural trade takes place in Geneva. The city is Number One for trade in grains and oil seeds, leads the world trade in sugar together with London and handles more than 20% of the worldwide trade in cotton¹⁰.

About 150 people joined the tour. Some took the bus, some went by bike and others hopped on trailers pulled by tractors through the city to the first stop – Bunge. The US agri-giant is one of the biggest in the world with activities stretching from the field to the supermarket shelf across more than 30 countries. Bunge is one the world's largest oilseed processors, its largest corn-miller and the largest processor of soy in Brazil¹¹. It also produces agrofuels on an industrial-scale. In 2007 and 2008, in the midst of the global food crisis, Bunge's profits skyrocketed.

7 Sell, Susan (2000): Big Business and the New Trade Agreements: The Future of the WTO?, in: Stubbs, Richard/ Underhill, Geoffry (eds.), Political Economy and the Changing Global Order, Oxford; Juhasz, Antonia (2002): Servicing Citi's Interests. GATS and the Bid to Remove Barriers to Financial Firm Globalization, http://www.thirdworldtraveler.com/Banks/Citis_Interests.html.

8 Wesselius, Erik (2002): GATS and Corporate Political Power, <http://www.tni.org/article/gats-and-corporate-political-power>.

9 Van der Stichele, Myriam (2009): End WTO Deregulation of Finance, http://somo.nl/publications-en/Publication_3013/view; Public Citizen (2009): The Connection between the World Trade Organization's Extreme Financial Service Deregulation Requirements and the Global Economic Crisis, http://www.citizen.org/hot_issues/issue.cfm?ID=2044.

10 <http://www.gtsa.ch/index.php?c=4010&lg=en>.

11 <http://www.bunge.com/about-bunge/key-facts.html>.



Marta Cecilia Ventura from the National Coordination of Indigenous Peoples & Campesinos (CONIC) in Guatemala reproached Bunge for the massive environmental destruction and the displacement of indigenous communities in Latin America linked to its work. “We will not accept any more deaths as a result of the policies of this company”, she added. The demo sang a version of the Beatles song “Can’t Buy Me Love”:

Lyrics of “Can’t buy the world”

*Our seeds are not for sale my friend,
just to keep you satisfied.
Cargill and Monsanto,
well, we know that you just lie.
stop GMO corporations,
business can’t buy the world.*

Chorus:

*Can’t buy the world, listen while we tell you so.
won’t kill the world, GMO Nooooo!*

*Food sov-er-eign-ity for all,
and all basic human rights.
forest and fields are dying,
so we won’t give up the fight.
we don’t care too much for Lamy,
bullies can’t rule the world*

Chorus:

*Can’t rule the world, listen while we tell you so.
xan’t rule the world, no no no, NOOOOO!*



From Bunge, the demo continued to Cargill. The largest US private company operates in nearly every sector of the food and agriculture industry – from producing, trading and processing seeds, fertilisers, animal feed, grains, cotton and agrofuels to providing marketing and financial services for farmers¹². Cargill has been accused of using its dominant position in many of these markets to exploit producers. “First Cargill squanders its pesticides and seeds for dumping prices, but once farmers need more pesticides and have none of their own seeds left, prices rise and Cargill creates a modern form of slavery,” Javiera Rulli from Grupo de Reflexión Rural in Paraguay told the crowd. She criticised Cargill for its environmentally and socially destructive production practices, notably in the soy industry, and for trying to legitimise these practices in the Round Table on Responsible Soy and other greenwash initiatives.

Cargill has also been a relentless promoter of free trade and one of the driving forces behind the US position in the WTO's agriculture negotiations. It was former Cargill Vice-President, Dan Amstutz who as US Chief Negotiator for Agriculture during the Uruguay Round from 1987 to 1989 drafted the original text of the WTO's Agreement on Agriculture¹³. This agreement intensified and sealed the liberalisation of agricultural markets and the conversion from peasant to corporate agriculture.

12 <http://www.cargill.com/products/index.jsp>.

13 Byeong-Seon Yoon (2006), Who is threatening our dinner table? The power of transnational agribusiness, Monthly Review 58:6, <http://www.monthlyreview.org/1106yoon.php>.



The last stop of the guided tour was a Migros supermarket in the Geneva suburb of Carouge. Migros is the biggest supermarket chain in Switzerland, controlling 50% of the food market. Valentina Hemmeler Maiga from the Swiss Via Campesina member Uniterre explained how the company uses this market power to lower producer prices. For example, a farmer is paid only 60 Swiss cents for a litre of milk, which is then sold by Migros for 1,65 Swiss francs. Overall, producer prices in Switzerland have fallen 15% over the last 15 years while consumer prices have risen 12%.

Similar developments could soon take place in the global South, Dharmendra Kumar, the director of FDI Watch in India explained. European supermarket giants like Tesco, Carrefour and Metro are currently trying to enter the Indian retail market with the help of a free trade and investment agreement between India and the EU. This would pose a direct threat to the 40 million small shop owners and street vendors as well as the 700 million farmers in India. Opening worldwide retail markets for corporate retail is also on the agenda in the WTO negotiations where this sector falls under the category of distribution service under the GATS agreement.

Day 3: The climate criminals

But Geneva is not only a centre of trade in agricultural raw materials. The city ties with London as Europe's top oil trading hub with an estimated third of the global trade managed there¹⁴. Gas, coal, agrofuels and more recently carbon trading emission certificates rank high in the portfolio of Geneva's traders. Only days before the start of the UN climate talks in Copenhagen, there was every reason to pay some of these carbon-emitting businesses a visit.

The first stop was the little known Swiss multinational Mercuria Energy Trading in the middle of the city's shopping zone. It ranks itself as one of the world's five largest energy traders and is the 10th biggest Swiss company¹⁵. Mercuria trades with oil, gas, coal and carbon emissions and is a big player on the global agrofuels market¹⁶. Only recently, it signed a \$50 million deal with the Malaysian firm Carotech, which will supply Mercuria with 60,000mt of biodiesel from palm oil plantations in 2010¹⁷. Similar plantations exist in Colombia, the largest palm oil producer in Latin America where Mercuria has also opened an office. The company is also a member of the Roundtable of Sustainable Palm Oil (RSOP).



In front of Mercuria's headquarters, Diego Cardona from the Global Forest Coalition in Colombia described how the global expansion of plantations for the production of agrofuels has led to a massive and often violent displacement of indigenous communities. He saw the root causes of this in the Western consumption model. Farmers from La Via Campesina took a similar line and staged a protest action to expound how the conversion of agricultural land for the production of agrofuels –

used for running cars in the global North – has contributed to the explosion of food prices and the intensification of the food crisis. The demo sang a version of the Christmas classic “Jingle Bells”.

14 <http://www.gtsa.ch/index.php?c=4010&lg=en>.

15 http://www.stocks.ch/top_ranking/index.asp?inRanking=25.

16 http://www.mercuria.com/aboutus/introduction.php?mercuria_siteType=2&mercuria_flash=1.

17 http://www.mercuria.com/media/mercuria_media.php?mercuria_siteType=2&mercuria_flash=1&IID=195&mode=.



Lyrics of “Rivers dry”

*Rivers dry, deserts spread
our climate's on the blink
trade laws are corrupted
its time to see the link
oh
food is scarce, prices high
water's running out
time to change the trade
laws
and hear us as we shout*

Chorus:

*Stop double UTO
playin' the corporate game
your rules are all corrupt
our climate's not for sale*

Only a few blocs away from Mercuria, the guided tour stopped in front of two of the world's biggest corporate financiers of climate change: JP Morgan and Morgan Stanley. Both US banks have enormous investments in polluting industries including oil, gas, coal, metal and aluminium. They are the two biggest carbon traders in the US and have heavily lobbied for the creation of carbon markets as well as against strong policies to fight climate change¹⁸. “They make money out of pollution – they make profit out of climate change!”, raged Badrul Alam from the peasant organisation Krishop Federation in Bangladesh. One third of his country is likely to be flooded by 2050, millions of people will have to be evacuated.

Another – spontaneous – stop, happened at the bank BNP Paribas, as its doorway was decorated with a work of art about the bank's investments in the coal, oil, gas and metal industries. But then the guided continued as planned to its last stop: Trafigura.

While the name Trafigura is only known to insiders, it is the world's third largest private oil trader after Vitol and Glencore, two other Swiss oil giants. The company has access to over 30 million barrels of storage facilities, trades an average of 2 million barrels of oil and oil products a day and operates in 45 countries¹⁹. In the company office on the bank of the Rhône, emails direct whole fleets of tankers carrying black gold across the globe to the world's refining and storage facilities.

Trafigura recently agreed compensation following allegations that it had dumped toxic waste around the capital of the Ivory Coast in 2006, making thousands of people ill. But the everyday business of oil traders is also very destructive. “Everybody knows that the exploitation of oil and minerals is one of the root causes of climate change”, explained Alexandra Almeida from the group Acción Ecológica in Ecuador. “The local consequences are the pollution of water and the air, the contamination of food, skin diseases and respiratory infections.” She concluded: “As long as the oil flows, the earth is bleeding.”



With so many corporate heavyweights based in Geneva, the tours could have gone on and on. Vitol in Boulevard du Pont d'Arve is the biggest oil trader in the world. The World Business Council for Sustainable Development (WBCSD), one of the oldest industry lobby groups that masquerades behind a “green” image to promote market liberalisation and false solutions to climate change, is in Conches-Geneva. Maybe next time...

18 <http://www.actforclimatejustice.org/n30-day-of-action/dirty-money-and-dirtier-fuels-6-corporate-climate-criminals/>
 19 http://www.trafigura.com/about_us/key_facts.aspx#zeuMiAdIVzJE

If you couldn't join the guided tours, here are some pictures and video clips that will make you wish you had...

Pictures from the finance tour from the Transnational Institute:

<http://www.flickr.com/photos/tni/sets/72157622785033279/>

Pictures from the food and agriculture tour from the Transnational Institute:

<http://www.flickr.com/photos/tni/sets/72157622795084673/>

Pictures from the food and agriculture and the climate tour (and the big demo) from Ronnie Hall:

<http://www.flickr.com/photos/ronniehall/sets/72157622768906757/>

Video clip about demo at Bunge and from Bunge to Cargill from the Council of Canadians:

<http://www.youtube.com/watch?v=fqPORlyb-4M>

Video clip about arrival of tractors in front of Bunge (with French comments):

http://www.dailymotion.com/video/xbd0rg_antiomc-la-caravane-visite-mardi-1_news

WDM videoclip about singing in front of Bunge:

<http://www.youtube.com/watch?v=UvialmXbqbl>

WDM video about Marta Cecilia Ventura's speech in front of Bunge:

<http://www.youtube.com/watch?v=narfKsrvaog>

Video about Raviera Julli's speech in front of Cargill:

http://www.dailymotion.com/video/xbcv7u_antiomc-la-caravane-visite-de-cargi_news

Videoclip with speeches in front of Migros (with French comments):

http://www.dailymotion.com/video/xbdvlv_antiomc-la-caravane-visite-migros-m_news

S2B video clip about climate tour:

<http://www.youtube.com/watch?v=7OkI6Qf6dpo>

Videoclip about singing of climate song (with French comments):

http://www.dailymotion.com/video/xbeof6_antiomc-la-caravane-mercredi-climat_news

Videoclip with speeches in front of climate criminal Mercuria (with French comments):

http://www.dailymotion.com/video/xbdvj6_antiomc-la-caravane-mercredi-climat_news