power within a power, a state within a state. His theory proposes that these new sovereigns are nothing short of this: they represent the power not of the natural persons which make up the nations' peoples, nor of their elected representatives, but the power of the legal, paper-person recognized in law. The corporations themselves are, then, the new sovereigns. And in their efforts to be treated in law as equals to the citizens of each separate state, they call this national treatment, they would travel the sea and wherever they land ashore they would be the citizens here and there. Not even the privateers of old would have dared impose this concept upon the nation-states.

Mr. Speaker, can we claim to know today what this rapid progress of global transformation will portend for democracy here at home? We understand the great benefits of past progress. We are not Luddites here. We know what refrigeration can do for a child in a poor country, what clean water means everywhere to everyone, what free communication has already achieved. But are we going to unwittingly sacrifice our sovereignty on the altar of this new God, progress? Is it progress if a cannibal uses a knife and fork?

Can we claim to know today what this rapid progress of global transformation will portend for national sovereignty here at home? We protect our way of life; our children's futures; our workers jobs; our security at home, by measures often not unlike our airports are protected from pistols on planes, but self-interested ideologies, private greed and private power? Bad ideas escape our mental detectors.

We seem to be radically short of leadership where this active participation in the process of diffusing America's power over to, and into, the private global monopoly, capitalist regime, today pursued without questioning its basis at all.

An empire represented not just by the WTO, but clearly this new regime is the core ideological success for corporatism.

The only step remaining, according to Harvard professor Paul Krugman, is the finalization of a completed multilateral agreement on investment which fails at the OECD. According to OECD, the agreement's actual success may come through, not a treaty this time, but arrangements within corporate governance itself, quietly being hashed out at the IMF and the World Bank as well as the OECD. In other words, just going around the normal way to accomplish things. We are not yet the united corporations of America, or are we?

The WTO needs to be scrutinized carefully, debated with hearings and public participation where possible. We can, of course, as author Christopher Lasch notes, peer inward at ourselves as well when he argued the history of the 20th century suggests that totalitarian regimes are highly unstable, evolving towards some type of bureaucracy that fits neither the classic fascist nor the socialist model. None of this means that the future will be safe for democracy, only that the threat to democracy comes less from totalitarian or collective movements abroad than from the erosion of its psychological cultural and spiritual foundations from within.

Mr. Speaker, are we not witness to, though, the growth of a global bureaucracy being created, not out of totalitarian or collectivist movements but from autocratic corporations which hold so many lives in their balance? And where shall we redress our grievances when the regime completes its global transformations? When the people of each nation and their state find that they can no longer identify their rulers, their true rulers.

When it is no longer their state which rules?

The most recent U.N. development report documents how globalization has increased in equality between and within nations while bringing them together as never before.

Some are referring to this globalization's dark side, like Jay Mazur recently in Foreign Affairs, and I am quoting him, ''a world in which the assets of the 200 richest people are greater than the combined income of the more than 2 billion people at the other end of the economic ladder should give everyone pause. Such islands of concentrated wealth in the sea of misery have historically been a prelude to upheaval. The vast majority of trade and investment takes place between industrial nations, dominated by global corporations that control a third of the world's exports. Of the 100 largest economies of the world, 51 are corporations.''

With further mergers and acquisitions in the future, with no end in sight, those of us that are awake must speak up now, or is it that we just cannot see at all: believing in our current speculative bubble, which nobody credible believes which can be sustained much longer, we miss the growing anger, fear and frustration of our people; believing in the myths of our policy priests pass on, we miss the dissatisfaction of our workers; believing in the god progress, we have lost our vision.

Another warning, this time from Ethan Kapstein in his article Workers and the World Economy of the Foreign Affairs Magazine, while the world stands at a critical time in post war history, it has a group of leaders who appear unwillingly, like their predecessors in the 1930s, to provide the international leadership to meet the economic dislocations.

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Worse, many of them and their economic advisors do not seem to recognize the profound troubles affecting their societies. Like the German elite in Weimar, they dismiss mounting worker dissatisfaction, fringe political movements, and the plight of the unemployed and working poor as marginal concerns compared with the unquestioned importance of a sound currency and balanced budget. Leaders need to recognize their policy failures of the last 20 years and respond accordingly. If they do not respond, there are others waiting in the wings who will, perhaps on less pleasant terms.

We ought to be looking very closely at where the new sovereigns intend to take us. We need to discuss the end they have in sight. It is our responsibility and our duty.

Most everyone today agrees that socialism is not a threat. Many feel that communism, even in China, is not a threat. Indeed, there are few real security threats to America that could compare to even our recent past.

Be that as it may, when we speak of a global market economy, free enterprise, massage the terms to merge with managed competition and planning authorities, all the while suggesting we have met the hidden hand and it is good, we need also to recall what Adam Smith said, but which is rarely quoted:

''Masters are always and everywhere in a sort of tacit, but constant and uniform, combination, not to raise the wages of labor above their actual rate. To violate this combination is everywhere a most unpopular action and a sort of reproach to a master among his neighbors and equals. We seldom, indeed, hear of this combination because it is usual and, one may say, the natural state of things. . . . Masters, too, sometimes enter into particular combinations to sink wages of labor even below this rate. These are always conducted with the utmost silence and secrecy till the moment of execution. . . .''

Thus, now precisely whose responsibility is it to keep an eye on our masters? That is the question we need to think about.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. PAUL (at the request of Mr. ARMEY) for today and the balance of the week on account of family illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. LAFALCE) to revise and extend their remarks and include extraneous material:

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. FALEOMAVAEGA, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

Mr. INSLEE, for 5 minutes, today.

Mrs. MINK of Hawaii, for 5 minutes, today.