

THE TRANSNATIONAL CRIME ORGANIZATIONS THE PRESIDENTS DIDN'T MENTION

Yesterday's joint press conference with President Obama and Mexico's President Enrique Peña Nieto was an opportunity for the two leaders to lay out their take on the new limits imposed by Peña Nieto on counter-narcotics partnership.

Peña Nieto repeated what he has elsewhere: Mexico will continue to combat crime, but with a priority on ending violence rather than stopping the flow of drugs.

In a different arena, we have addressed security. We have both recognized the level of cooperation that the U.S. has shown towards the Mexican government. And the strategy in the area of security in our country has a very clear purpose, and that is to fight organized crime in all of its forms, be it drug dealing, kidnapping for ransom, extortion, or any crime perpetrated. We are not going to renounce that responsibility as a government and my administration. We're going to face crime in all of its forms.

But in our new strategy we have emphasized the fact that we will reduce violence. Fortunately systems between Mexicans to fight organized crime and reduce violence are not objectives that contradict each other. There is no clash between these two goals. These are two goals that fall within the framework of one same strategy. And President Obama's administration has expressed his will, as we know, to cooperate on the basis of mutual respect, to be more efficient in our security strategy that we are

implementing in Mexico. [my emphasis]

Obama didn't actually address security partnership in his prepared remarks, but in response to a question, he repeated Peña Nieto's formulation—organized crime—then described what he claimed was the US contribution to organized crime: drug use and the flow of guns and cash from the US.

PRESIDENT OBAMA: Well, first of all, just on the security issue, I think it's natural that a new administration here in Mexico is looking carefully at how it's going to approach what has obviously been a serious problem. And we are very much looking forward to cooperating in any ways that we can to battle organized crime, as President Peña Nieto stated.

And we anticipate that there's going to be strong cooperation, that on our side of the border, we have continued work to do to reduce demand and to try to stem the flow of guns and cash from North to South.

So this is a partnership that will continue. I think that President Peña Nieto and his team are organizing a vision about how they can most efficiently and effectively address these issues. And we will interact with them in ways that are appropriate, respecting that ultimately Mexico has to deal with its problems internally and we have to deal with ours as well. [my emphasis]

But while he mentioned cash, he didn't talk about the form of banking that facilitates organized crime, with multinational structures that permit banks like HSBC or Wachovia to facilitate organized crime for years, with mere wrist-slaps in response from US regulators.

Indeed, because the press conference emphasized trade over security, Obama twice touted the benefits of the Trans Pacific Partnership. Yet TPP will, unless things change, actually make it easier for big banks to capture international markets and speed money across international borders.

Prevent Public Banks and Banking Regulation: These same provisions about state-owned enterprises will affect public banking too. North Dakota is the only state in the US to have a public state bank, although over a dozen states and cities are considering them. Public banks are used to hold taxes that are collected, administer payroll for public employees and provide loans for public projects. The advantage is that all public dollars are managed in a public institution rather than having to pay fees and interest to a private bank. But the TPP would consider public banks to have unfair advantages and therefore violate free trade.

And trade agreements protect big finance by (1) preventing regulation of the finance industry by locking in a model of extreme financial service deregulation; and (2) allowing capital to move in and out of countries without restrictions.

Overall, Obama seemed to be avoiding discussing security at length, perhaps hoping a focus on increasing trade yet further would serve as a carrot to convince Mexico to continue allowing us to infringe on its sovereignty in the name of hunting drug lords.

Even still, it seemed the entire discussion failed to consider that our organized crime lords, the banksters, are as much a part of the problem as Mexico's organized crime lords.