

A Guide to the Enron Collapse: A Few Points for a Clearer Understanding

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"You know what the difference is between the State of California and the Titanic? This is being webcast, and I know I'm going to regret this, but at least the lights were on when the Titanic went down,"
--- then Enron Chief Executive Officer (CEO) Jeffery Skilling's cold, but ironic comments at an industry strategy conference in 2001.

"You must cut costs ruthlessly by 50 to 60%. Depopulate. Get rid of people. They gum up the works."
--- Skilling again, this time at an industry strategy conference in 1997.

With the sordid collapse of Enron and the multitudes of journalists, politicians, economists, academics, and Wall Street types that have remarked on it, many people have still been asking for a basic, overall guide to understanding Enron and some of its implications. This article attempts to contribute in that way, though, given the enormity of the story, it is a far from comprehensive account. It tries to give a picture of what has gone on so far, and, following the pattern of the many excellent alternative press writers following this story, it attempts to broaden the debate from the standard, narrow financial or scandal-based story you can read in newspapers like the New York Times (though it has some of that too).

It is broken down as follows (click on any of the sections listed below to go directly to that section):

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A. What happened? A Short, Condensed version

- Enron, a very complex company heavily involved in energy trading and distribution, was the 7th largest

corporation in the U.S. (16th largest in the world). Despite its enormity and its massive profits before last year's fall, it [managed to pay no taxes in 4 of last 5 years.](#)

- Jeffery Skilling, who had replaced Kenneth Lay as Enron CEO in December 2000, abruptly quit in August 2001 and Lay took over, resuming his old CEO post.
- Enron, mostly through the workings of its former Chief Financial Officer Andrew S. Fastow, had thousands of offshore partnerships, an accounting mess, and hid over 1 billion in debt through some of them. It is this complex arrangement that led to its downfall when this hidden debt information was disclosed in October 2001
- Enron admitted it had previously inflated its profits by hiding debt. Consequently, their share price collapsed, which led to the company's credit rating being slashed, leaving it unable to borrow its way out of trouble.
- Enron's Chair of the Board and CEO Kenneth Lay dishonestly told employees and others that Enron stock was "an incredible bargain" even after he had been warned of "potential scandal" by an Enron executive.
- Enron's bankruptcy is the largest collapse in corporate history and has included thousands of job losses.
- Employee's retirement savings that were tied to Enron stock were essentially wiped out. As the stock was plummeting, employees were unable to sell their stock for weeks due to what Enron disclosed as "a management change"
- Enron's accountant, Andersen (formerly Arthur Andersen) did not disclose how bad Enron's financial situation was, saying its books were good until Enron failed.
- Andersen and Enron shredded thousands of documents connected to Andersen's audits of Enron. Andersen executive David Duncan is implicated and was fired for orchestrating the shredding, but he later refused to testify to Congress. It later came out that Enron had been shredding documents up to early January 2002
- Eleven Congressional committees, plus the justice department and the Securities Exchange Commission (SEC) are investigating the collapse of Enron and the role of Andersen.
- One of the biggest stories coming out of this (and explored in this guide) is that Enron and Andersen were both very connected to the Bush Administration, the Republican Party, and, to a lesser though substantial extent, the Democratic Party.
- Bush fibbed about his friendship with Ken Lay, insinuating that Lay was more of a supporter of Democrat Ann Richards than Bush during the race to be governor of Texas in 1994. As well, he said that he didn't 'get to know' Lay until after that election. But in fact, Lay donated three times more to Bush than to Richards and records reveal that the Bush/Lay relationship goes back to the time of Bush Senior's Presidency.
- Ken Lay quit as Enron CEO on January 23, 2002
- Two days later, in an apparent suicide, former Enron Vice Chairman J. Clifford Baxter was found dead in his car.
- On January 28th, Enron named a new CEO, Stephen Cooper, 55, managing principal of New York-based restructuring firm Zolfo Cooper.

- *****late update***** On February 3rd, a report (known as ['The Powers Report'](#)) was released by a special committee of Enron's board which has now raised "the specter that that at the foundation of the company's downfall was a series of multimillion- dollar crimes." These include false valuation of assets, bogus deals, and millions pocketed during this time.
- *****late update***** On February 3rd, Ken Lay, through his lawyer, stated that he refused to testify at his much anticipated upcoming Congressional hearing, based on his opinion that he won't get a fair hearing.

(To keep up-to-date on government investigation events as they unfold, see [C-Span's coverage](#), to read critical news and views on Enron as new revelations appear, see AlterNet's ['EnronGate'](#) pages)

B. Enron's access to the halls of power in the U.S. – a brief snapshot

Enron had incredible access to the White House and Congress, with Enron contributing and Chair Ken "Kenny Boy" Lay being counted as a good friend of President Bush's. They also almost certainly had more access to Vice President Dick Cheney's energy policy than any other organization, having met with Cheney or his aides 6 times over the course of 2001 alone.

It is worth noting that though the core of Enron's connections to power were with the Republican Party, there is little doubt that Enron's corrupting influence permeated the Democrats as well. Beyond Bush and Cheney, a few examples of the many other key connections include:

Tom DeLay Texas House Republican majority whip - DeLay has received \$28,900 from Enron in campaign contributions and his Political Action Committee, 'Americans for a Republican Majority' received over \$50,000 from Enron between 1995 and 2000. According to the New York Times, his former chief of staff, Ed Buckham, and former 'Americans for a Republican Majority' head Karl Gallant, have both been Enron lobbyists. DeLay has consistently been one of the fiercest proponents of energy deregulation in Congress, including leading the 2001 push for House energy legislation that was favored by Enron and other energy companies. DeLay is also Congress' greatest opponent of Campaign Finance Reform

Wendy Gramm and the Commodity Futures Trading Commission (CFTC) –In 1993, then CFTC head Wendy Gramm allowed for the exemption of energy derivatives (a type of complicated financial instrument) from government oversight, a move backed by Enron which was beginning an expansion of its derivatives business and wanted to avoid being watched. Five days after her 1993 ruling she resigned from her government post and soon after took a position on the Enron board, which she holds to this day. The ruling created the type of 'regulatory blackhole' that eventually contributed to Enron's collapse.

Linda Robertson, senior U.S. Treasury official under President Clinton – Robertson, who later became the head of Enron's Washington office, was paid by Enron to fly to its corporate headquarters to talk with company management while she was still at the U.S. Treasury Department. At the time, Congress and the Clinton Administration were discussing adding rules for oversight of certain derivatives contracts, and Enron saw Robertson as a key bridge between Congress and the White House. The finalized law exempted energy trading from oversight, while other financial areas were not exempted.

Karl Rove, Bush's top political advisor – just last year, Rove sold between \$100,000 and \$250,000 in Enron stock after pressure accusing him of a conflict of interest.

The entire U.S. Attorney's Office in Houston was removed from Enron Investigation – this is because too many of them have personal ties to current or former Enron employees, a move seen as highly unusual and

telling of Enron's influence. As well, U.S. Attorney General John Ashcroft has also withdrawn himself from the justice department investigation, because he has ties to Enron including having received large campaign contributions during his 2000 bid for a Missouri Senate seat.

C. Potential 'smoking guns' and criminal implications

Things to watch for with potential to blow up into scandals or criminal charges

Though this crisis is less about who broke the rules than about the validity and acceptability of the rules themselves, there are some potential 'smoking guns' and/or criminal implications:

Vice President Dick Cheney's Silence – Cheney has consistently refused to give details of his six known contacts with Enron officials while developing [U.S. National Energy Policy](#) during 2001. This is an industry friendly plan which the House Government reform committee has commented includes 17 policies "virtually identical to positions Enron advocated." Connected to this, he has refused to disclose who sits on his Energy Policy advisory committee. This secrecy is leading many to speculate that there may be some very explosive revelations that Cheney is hiding. The [General Accounting Office \(GAO\)](#), the investigative arm of Congress, is seriously considering launching a lawsuit.

Enron executives' insider information and Ken Lay's lies to his employees regarding Enron's financial state - Why were Enron's top executives tipped off in time to bailout, while Enron workers were left with nothing? For example, why did Enron Chair Ken Lay tell employees in late September 2001 that Enron stock was 'an incredible bargain' when he had already heard strong warnings from an Enron executive that a potential scandal was on the horizon? And, perhaps more importantly, why did Enron have in place a weeks long ban on employees selling their stock options exactly at the time that the stock was in its biggest freefall?

Andersen's shredding of papers – beyond the morality of shredding key documents at anytime knowing what Andersen knew about the Enron situation, did Andersen knowingly do this illegally after they were subpoenaed by Congress to hand over the papers?

Enron's shredding of papers – it has come out as true that Enron was shredding papers relating to their finances up to early January (which is over two months after a formal SEC investigation on Enron began), this could activate serious criminal charges against Enron employees.

Ken Lay's letter to Federal Energy Regulatory Commission (FERC) Chair Curtis Hebert - Hebert told the New York Times that Ken Lay wrote him saying that if Mr. Hebert changed his views on electricity deregulation, Enron would continue to support him in his new job. Hebert refused the offer and has since been replaced as FERC Chair by Pat Wood, a friend of both Lay's and President Bush's.

Robert Rubin, President Clinton's former Treasury Secretary - Rubin contacted U.S. Undersecretary of the Treasury for Domestic Finance Peter Fisher to ask if he was going to call the bond-rating agencies to question their plans to downgrade Enron's credit rating. Rubin, who is now a top executive at Citigroup, made this evident attempt to use his connections to influence government because Citigroup had loaned Enron \$800 million to try to keep it from collapsing, and a downgrade meant that Enron bonds would be seen as riskier. As a result, people would be less likely to invest, and Enron would have been more likely to collapse, leaving Citigroup on the lurch (which eventually did happen).

U.S. Secretary of the Army Thomas White's Enron connections and possible abuses – According to a New York Times report, former employees have said that while Thomas was vice chair of Enron Energy

Services from 1998 to 2001, the subsidiary used “aggressive projections and aggressive accounting to overstate its earnings by hundreds of millions of dollars.” The employees said that they were unsure if White knew about this (though if not, he should have) and the Democrats are pressing for Thomas to testify to Congress about his role. Thomas made tens of millions during his time at Enron.

Arthur Levitt & Harvey Pitt, heads of the Securities Exchange Commission (SEC) – SEC chair Levitt tried to pass a rule in 2000 separating accounting and consulting fees, because of fear that many firms may overlook certain accounting irregularities similar to Enron’s because they don’t want to lose out on potentially massive consulting fees. The accounting industry fought back with Pitt as one of their star lawyers, Congress threatened to cut the SEC budget, and Levitt backed down. Pitt’s reward came later, as President Bush named him SEC Chair on his platform of deregulation.

D. The economic crisis exposed by Enron’s fall

1. The free market is shaken

The ‘free’ market ideology of unregulated markets, tax breaks for the rich that allegedly ‘trickle down’ to the poor, and privatization of the public sector has been brought into question by this collapse. This ideology, championed by the likes of Enron, Bush, Congress, and many intellectuals and media pundits, has taken over our economic and social planning, but is leading directly to problems exemplified by the Enron disaster. Effective regulation and oversight, restrictions on campaign financing, and an arms length approach of government in dealing with business may have prevented this. It is worth quoting at length writer [Thomas Frank's recent comments in Salon.com](#):

“Enron was the peerless darling of the all those who believed that free markets were the acme of existence. Its wreckage is as good a place as any to sit down and take stock of the deregulated, privatized state into which we've been so rudely hustled over the last decade. And here is what it looks like: Top management walking off with hundreds of millions of dollars while employees lose their jobs, investors lose millions and customers get to look forward to more rolling blackouts. Profiteering. Bought politicians. Stock market bubbles that eventually burst. Workers thrown out on the streets. Left to its own devices, this is what the free market does.”

2. The myth of deregulation is Exposed

The mantra of deregulation has taken the hardest hit, especially energy deregulation, as the California power crisis and now Enron’s fall have brought under the microscope all of those deregulatory actions that have taken place over the past ten years. Proper regulation of energy supply, energy derivatives, and accounting procedures very likely would have prevented this disaster.

Enron made off like bandits in the California energy crisis, as the massive rise in costs of energy translated into massive profits for suppliers like Enron. A cartel of companies including Enron is also being investigated by California state investigators for holding back the supply of power through plant shutdowns in order rapidly raise the cost and earn mega-profits. Tellingly, California’s two publicly owned utilities, in Sacramento and in Los Angeles, have both been immune to the crisis, a sign of the value of public ownership and regulation.

3. Campaign Financing

Campaign Finance Reform has been given a big boost in the wake of the Enron/Andersen scandal, as the

lavish amounts of funds going to Enron and Andersen have been uncovered. With Enron having spent over \$6,000,000 throughout Washington over the past decade, including being George Bush's top contributor over that period and Andersen being Bush's 5th largest contributor in the 1999-2000 election cycle, a lot of heads have been turned in recognition of the corrosive nature of financing campaigns.

And, it must be said, Enron and Andersen are not alone in this corporate benefit scheme: A quick look at the [Centre for Responsive Politics \(CRP\)](#) information on campaign financing shows the true corrosive nature of U.S. politics. As but one example, UPS gave \$1,755,065 in the last election cycle, 65% to Republicans. You name the corporation - it is worth going to the CRP site (www.opensecrets.org), typing in a Congress person or Presidential Candidate, and seeing who really butters their bread. It isn't voters who are, that's for sure.

4. Wall Street's Role Uncovered

Of course, Wall Street had to have a role in all this right? Simply put, the big investment banks play two contradictory roles: one as investment bankers for the big corporations; the other, in the words of William Greider, "as stock analysts whipping up enthusiasm for the same companies' stocks." A scheme like this is bound to cause stock analysts to fudge a bit on the strength of a company they are investing with. The contradictory, and ultimately corrosive, nature of this dual role is spelled out with this fact: of all of the stock analysts following Enron, only one recommended that Enron stock be sold last fall as it was collapsing.

As well, William Greider also points out ("[Crime In the Suites](#)", [The Nation February 4th, 2002](#)) the potential conflict of interest in the recent convergence of government insured commercial banks and investment banks. This has potentially serious repercussions because if commercial banks are lending government insured money, the government is exposed to serious risk if the loans default. This had the possibility of coming true with the fall of Enron.

According to Greider: "JP Morgan Chase and Citigroup provided billions to Enron while also stage-managing its huge investment deals around the world and arranging a fire-sale buyout by Dynergy that failed...Instead of backing off and demanding more prudent management, these two banks lent additional billions during Enron's final days, perhaps trying to save their own positions (we don't yet know). Instead of warning other banks of the rising dangers, Chase and Citi led the happy talk." Luckily, it appears that the government won't be on the hook for JP Morgan's or Citigroup's collapsed assets in Enron. But it is a fair warning of the potential for trouble ahead.

5. Enron and the case against Social Security privatization

The reality that the life savings of many Enron employees were wiped out when Enron collapsed calls for the serious reconsideration of the idea of allowing taxpayers to keep part of their Social Security payments to invest in private accounts. Given the volatility of the economy today, people are beginning to see the insecurity of playing the stock market in order to see their retirement savings grow. Enron and its employees' losses highlight this fact and also serve as a warning. As [Bob Ray Sanders wrote in the Miami Herald](#), "Think of those who lost their life savings on one company's failure, and imagine what it would be like if millions of people retired and realized that one-third, or half, or any portion, of their retirement money had disappeared." This massive loss of retirement nest eggs is quite plausible if large portions of Social Security are privatized.

6. This also about our culture of greed

Though Enron, Andersen, Wall Street, and Washington are at the heart of this fiasco, we can not escape that on some level it is also about us and the culture of greed we have created. Enron, in many ways, is a reflection of our belief in everlasting stock returns, that anything goes in the search for a profit, and that the 'new economy' was never ending, if we just let the market decide our fate. It is about the cutthroat society we have cynically proclaimed to be 'inevitable'. It is about the 'values' we hear so much of from 'leaders' looking for cheap political capital being stripped to their core and exposed to simply mean money.

It is time we take a look at this crisis and used it as a mirror, one which lets us see that it reflects our own moral crisis. If do this, maybe next time we will see it coming.

E. How Enron's History of Wrongdoing Stretches Beyond Their Collapse

It is important to see Enron more broadly than just the breakdown in 2001. Even if it had not gone through the financial scandal and collapse, Enron deserved to be exposed for its strong-arm tactics backed up by government clout, and its exploitation of people and resources around the world. In fact, due to its human rights abuses internationally, Enron is the only company in history to be the subject of a [full Amnesty International Report](#). Beyond the now famous California energy crisis set off by Enron's (and others') greed, here are a couple of examples of their nastiness:

Dabhol Power Plant in India – Many have heard the accusations that Vice President Cheney tried in 2001 to use his political muscle to help Enron, which was facing nonpayment by the Indian government, to sell its interest for \$2.3 billion to settle this dispute over Enron's investment in the Dabhol Power plant. Or they know that the [National Security Council \(NSC\)](#), Bush's 'nerve center' for international crises and strategy, had a Dabhol Working Group that acted as a 'concierge service' for discussions between Ken Lay and India's national security adviser, Brajesh Mishra. Or that [US Trade Representative \(USTR\) Robert Zoellick](#), the Bush Administration's negotiator of trade deals through the World Trade Organization (WTO) and the Free Trade Area of the Americas (FTAA) who had also been a paid advisor for Enron before joining Bush, was to go to India on behalf on the NSC's Dabhol Working Group in September 2001.

However, the scandal and abuse involved in this case goes much further into the past. When local villagers protested against the original construction of the plant because of its threat to the environment and their livelihood, Enron, among other mistreatment, paid "abusive state forces for the security they provided to the company." According to [Human Rights Watch](#), "Dabhol Power Corporation benefited directly from an official policy of suppressing dissent through misuse of the law, harassment of anti-Enron protest leaders and prominent environmental activists, and police practices ranging from arbitrary to brutal. The company did not speak out about human rights violations and, when questioned about them, chose to dismiss them altogether."

As well, Enron's bankruptcy leaves the U.S. Government run [Overseas Private Investment Company \(OPIC\)](#) exposed to more than \$1 billion in risks related to projects sponsored by Enron, with the Dabhol collapse accounting for \$340 million of this. OPIC is an agency which offers corporate welfare loans of taxpayer money to companies for overseas projects (especially privatization projects). Thus, U.S. taxpayers are ultimately on the lurch for this money which had been used to sponsor human rights abuses overseas.

Bolivia – The Overseas Private Investment Corporation (OPIC) also gave Enron a \$200 million loan to construct a very controversial natural gas pipeline right through Bolivia's San Matias Integrated Management Area, which is the only protected area for the world's largest intact dry tropical forest. Enron contends that it is a 'secondary' forest due to some previous logging and should be allowed to work there. Republican Ron Paul, the lone Texas Congressman actively opposed the project, said: "Big business is in cahoots with government

on this one. Government wants to subsidize the attack on the environment.”

Enron Is Not Unique – Let’s be clear - Enron is not an example of the ‘one bad seed’ among many virtuous corporations; it is only that they got caught. Many groups such as Corp Watch, the Multinational Monitor, Public Citizen, and this organization knew long ago about the nastiness pervading Enron, but few in power or in the media wanted to listen while they were flying high. This is also certainly the case for a large number of other corporations and the question is: why do we have to wait for another Enron-like collapse for the public to be able to hear about it?

F. Enron Internationally – pushing the WTO/GATS Agenda

Enron’s domestic zeal for the free market dogma of deregulation, privatization of the public sector, and access to markets translated directly into the international realm. Before it collapsed, Enron was one of the most powerful companies pushing for new global trade rules through the [World Trade Organization \(WTO\)](#) , especially the [General Agreement on Trade in Services \(GATS\)](#). The GATS is a body of rules in the WTO which is designed to open up cross border trade and investment in services. The current GATS negotiations are to expand the scope of the rules to include virtually all services, ranging from healthcare and education to energy, water, financial, accounting, and transportation services. If the proposed GATS rules are adopted, they will radically restructure the role of government regarding public access to essential social services worldwide, handing them over to corporate control.

Naturally, the GATS negotiations attracted Enron because in order to globally market its energy and, for a short time, its water privatization services, Enron needed favorable GATS rules to promote the deregulation of services in other countries and provide conditions for the privatization of public services. They did this through a big business lobby group called the US Coalition of Service Industries (USCSI).

US Coalition of Service Industries (USCSI)

Composed of most of the largest for-profit service corporations headquartered in the U.S., the [U.S. Coalition of Service Industries \(USCSI\)](#), along with similar services coalitions in Europe, Japan, Canada, and Hong Kong, plays a key role in shaping the agenda for the GATS negotiations. The USCSI’s vast connection to the U.S. government, including meetings with key government departments like Commerce and the US Trade Representative (USTR) and its strong representation throughout the [International Trade Administration’s Industry Sector Advisory Committees \(ISACs\)](#), gives it unparalleled access to those who make the decisions on US trade policy. It was as a key member of the USCSI that Enron positioned itself to play a major role in the upcoming GATS negotiations.

A look at many of the other corporations buying access through the USCSI reads like a who’s who list of those connected to the Enron scandal. ([Click here for full list, with links to their websites](#)) Andersen is on the coalition, as well as major Enron creditors Citigroup and JP Morgan Chase. General Electric, whose subsidiary GE Capital was a 10% owner of the Dabhol Power Plant in India, is also there. As is PricewaterhouseCoopers, a corporation that like the other ‘big five’ accounting firms, is feeling the repercussions from Andersen’s shoddy oversight and the conflict between accounting and consulting it exposed. To take the connections even further, US VP Dick Cheney, who is on the hot seat in the Enron scandal, has deep connections on the USCSI. He was CEO of the oil company Haliburton before he became Vice President and he also used to be on the board at EDS (the Information Technology services company) before the government-corporate ‘revolving door’ handed that position to former Clinton Commerce Secretary William Daley.

Understanding the role of the USCSI makes clearer the connection between corporate power and trade negotiations. It also shows that those that control the trade agenda are also many of the same organizations that screwed up so royally in the Enron fiasco. It begs the question, can we really trust these corporations when they say that privatization and freer trade will mean greater prosperity for all, when they are many of the same ones who duped us in 2001 during the Enron disaster? It is exactly this sort of thing that helps to understand what all those protesters have been talking about in Seattle and elsewhere.

(NOTE: Interestingly, Enron was inexplicably removed from the USCSI just a couple of weeks ago. It is unknown if this was the choice of Enron to not pay the \$25,000 membership fee, or if the USCSI wanted to distance itself from Enron. Andersen remains in the coalition.)

Meaning for Privatization of Public Services

This has great meaning for the takeover of public utilities throughout the world, as Enron has been very busy in this business. As but one example, Enron took over Portland General Electric (PGE), which had been Oregon's largest public utility. According to Alexander Cockburn and Jeffrey St. Clair in a [recent issue of Counterpunch](#), employees at PGE opposed the takeover due to fear of: less ability to protect the environment; insecurity for PGE workers; and likely soaring prices. The Natural Resources Defense Council (NRDC), which Cockburn and St. Clair argue is often used by corporations to give a 'seal of approval' for 'greening' through 'market oriented solutions', worked with Enron to convince the workers and many environmental groups of how they needed privatization to gain, in the words of NRDC Energy Commissar Ralph Cavanagh, "a robust assortment of public benefits for the citizen's of Oregon."

The employees were convinced, Enron took over, raised its rates, tried to soak ratepayers with the cost of its failed Trojan Nuclear Reactor, put the company on the auction block soon after, and ultimately, employees lost their retirement savings and many lost their jobs due to Enron's collapse. This is what privatization of public services can, and often does, mean to the employees and citizens who rely on them, and the GATS negotiations pushed by the USCSI plan to allow for this on a much broader international scale.

late update It has been reported by [Citizens for Tax Justice](#) that Portland General Electric sent Enron more than \$357 million in federal tax money collected from its ratepayers during the past four years, but its parent company pocketed the money rather than turn it over to the government.

G. A Few Possible Lessons and actions

- **We need a structural overhaul of the system, including:**

- (a) New rules prohibiting firms that do the accounting for a company from doing any consulting for that company

- (b) Through campaign finance reform, a committed effort is needed to get big money out of politics (c) Reregulation and oversight of energy trading and distribution

- **We must punish corporate irresponsibility:**

More effort and diligence is needed in tracking and exposing corporate irresponsibility and government must strengthen the current slap-on-the-wrist punishments. At a start, this includes a continued thorough investigation of the Enron/Andersen by Congress, the SEC, and the Justice Department, with the public not accepting a watered down version from the government.

- **Workers should have more participation and power in management decisions**, especially when pension funds are involved. If this had been in place, Enron possibly wouldn't have collapsed, and the

employees certainly could have salvaged some of their savings. Losing one's entire pension fund is good grounds for demanding employee decision making power to prevent it in the future.

- **We need to struggle against trade agreements** – need to continue to build a strong, widespread struggle against these trade agreements such as the GATS, and expose them for what they really are: mechanisms for exploitation of the world's people, land, resources, and public services. The mandate of these agreements is to allow for the Enron's of the world unrestricted access to privatize which will likely only lead to more Enron's on a global scale. Without this struggle, local and public services will continue to be lost.
 - **Questioning Free Markets/Capitalism** - We need to bring back debate on the costs and benefits of free markets, including rethinking the deregulation, privatization, 'trickle down' approach that permeates the system. Is this approach wise or is it really just an ideological cover for the rich to get richer? Is the Enron collapse a side effect or is it reflective of the inherent nature of capitalism? What are the alternatives?
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Bonus for people in Ontario: [Click here to access "Ontario's energy deregulation & Hydro One privatization: How Enron's collapse shows this is a bad idea"](#)