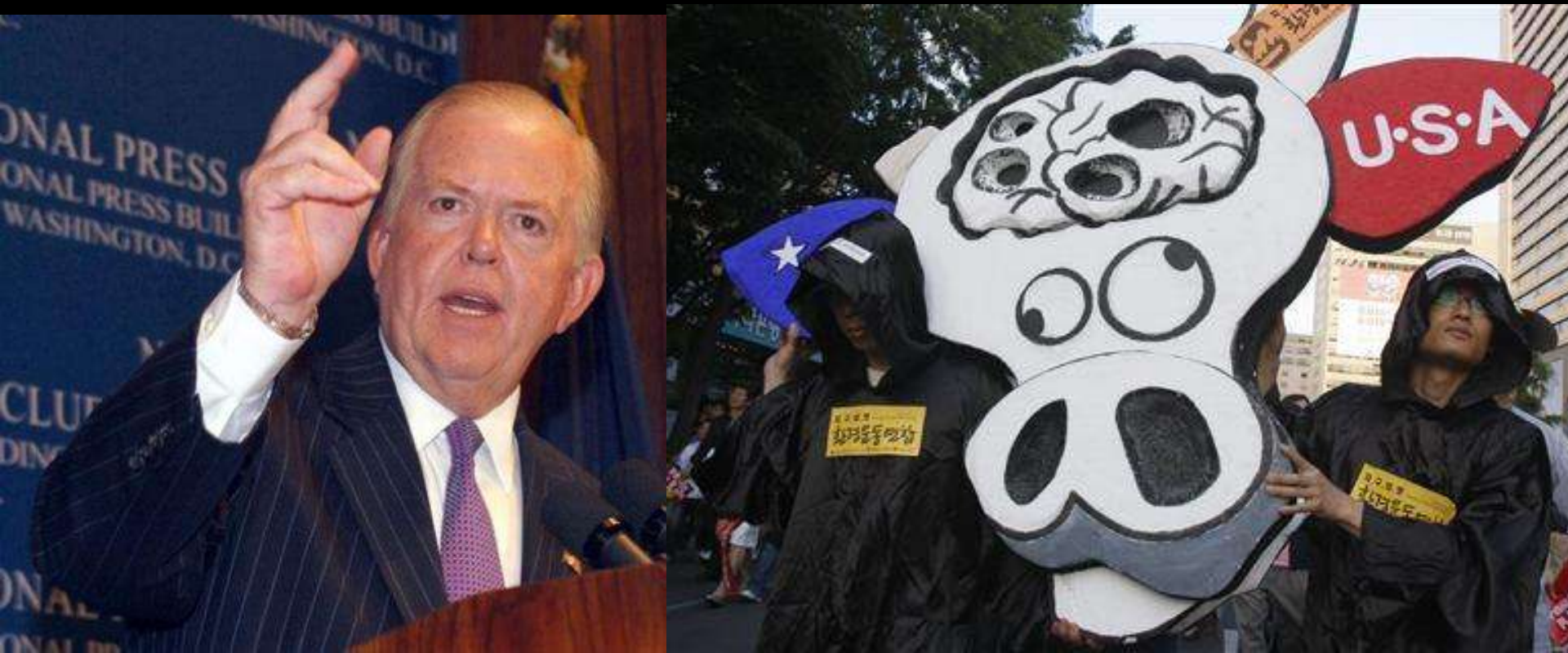
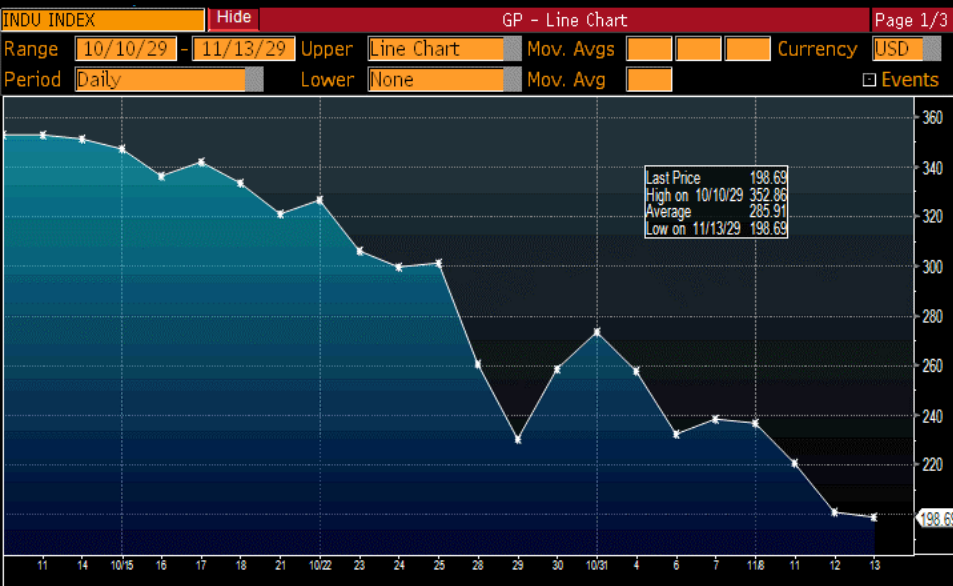


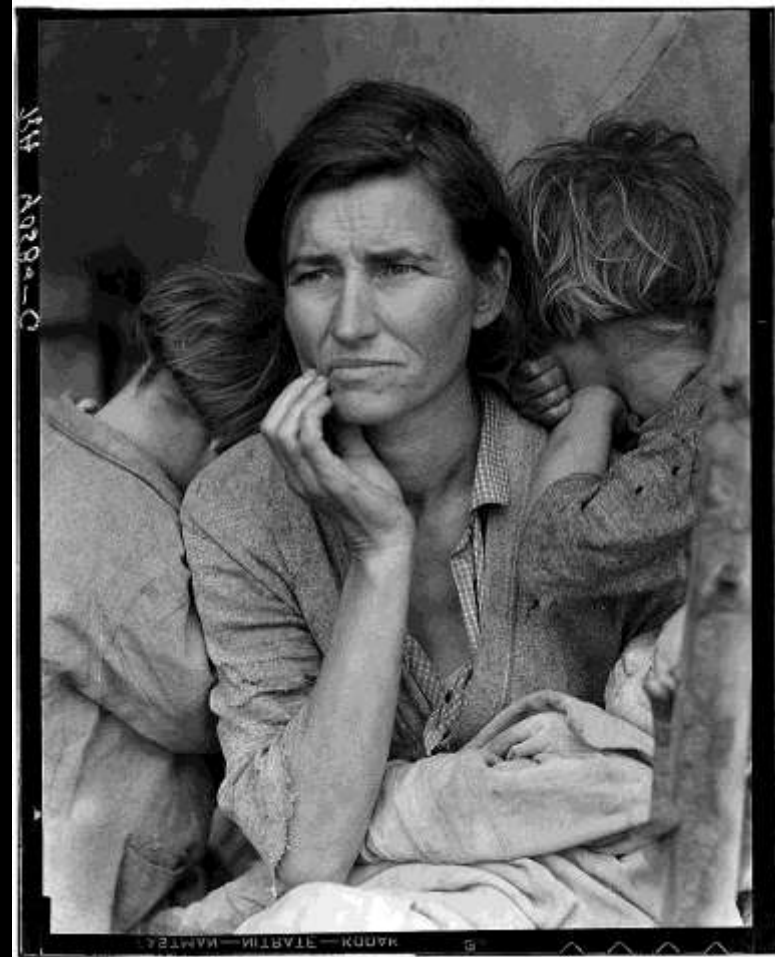
THE PERILS OF PROTECTIONISM



October 1929



Smoot-Hawley Tariff Act 1930



- Tariffs or full boycotts on 20,000 imported goods raised to historic levels
- Opposed by 1,028 economists
- World trade plunged 60% 1929-1932
- US Industrial Production fell over 35%



BUY AMERICAN*

* May not apply if we can make more money
sending jobs to China

LeftWingConspiracy.com



BRITISH JOBS FOR BRITISH WORKERS

- × NO to migrant workers
- × NO to factory closures
- × NO to sending British jobs abroad
- ✓ YES to putting British workers first!

Stimulus Bill “Buy American” provisions

- All iron and steel used in stimulus-funded infrastructure – *must be American*.
- All manufactured goods in public works projects – *must be American*.
- Microsoft urged to layoff foreigners first.
- No foreign worker visas permitted on stimulus-funded infrastructure.
- 100,000 Homeland Security uniforms – *must be American*.
- \$20 billion for computerizing medical records – *must be American*.
- Additional Congressional powers in raising duties.
- Protests from Canada, Brazil, Australia.
- EU and Japan will file complaint with the World Trade Organization.



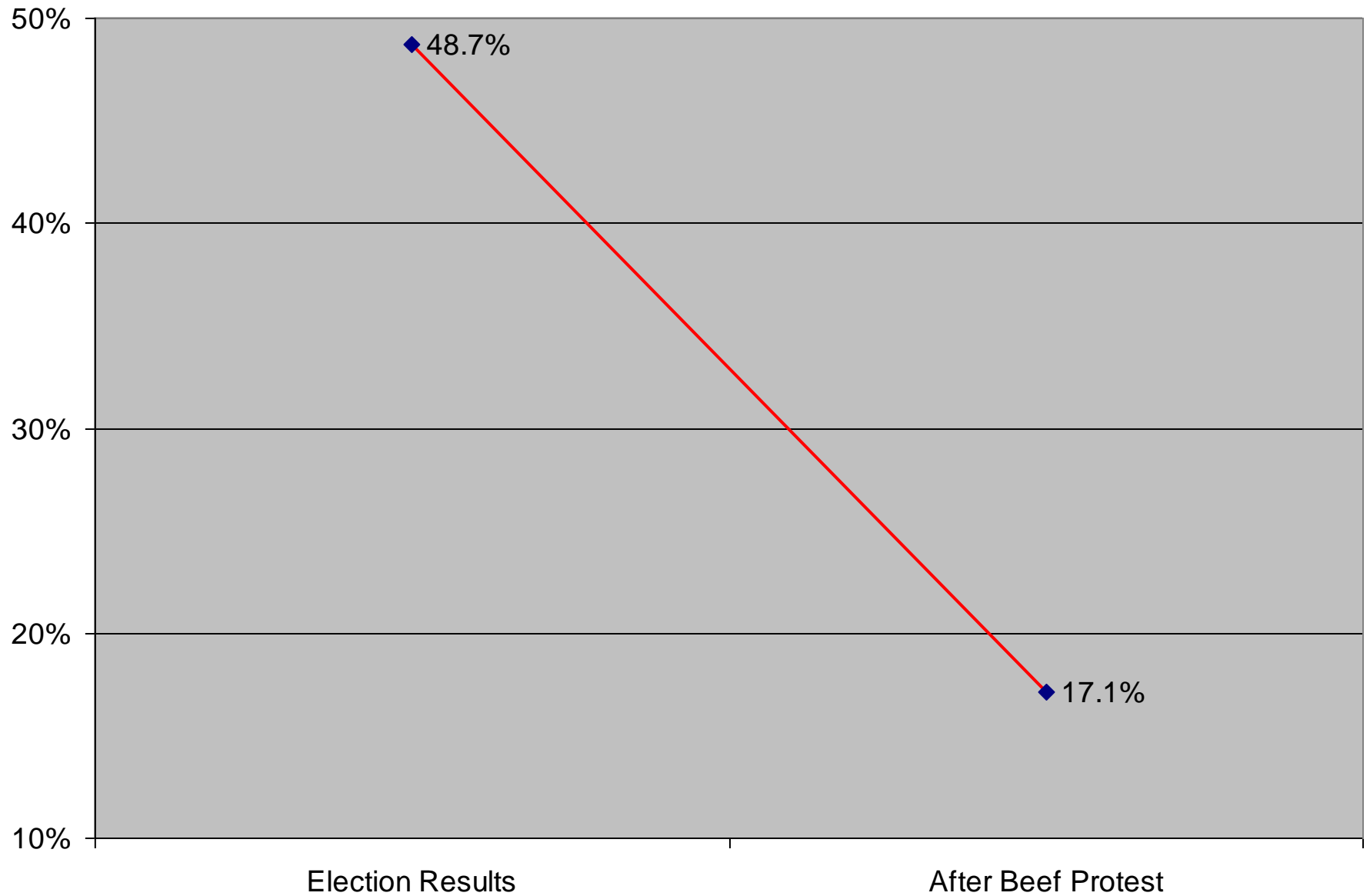
April 10, 2008: Aretha Vinson, dies in Portsmouth, Virginia.



May 10, 2008: Korean broadcaster MBC falsely reports Mad Cow Disease as cause.



The fastest drop in the history of the world



Sacked to satisfy the mob.



Chung, Woon-chan



Kim, Soung-yee

July 11, 2008: Park, Wang-ja is shot in the back by a North Korean soldier.



There are no candlelight vigils in South Korea for Park, Wang-ja.

**AVERAGE WORLD PRICE OF BEEF AROUND THE WORLD:
\$4 PER KILO**



**AVERAGE WORLD PRICE OF BEEF IN KOREA:
\$20 PER KILO**

**AVERAGE WORLD PRICE OF RICE AROUND THE WORLD:
\$1 PER KILO**



**AVERAGE WORLD PRICE OF RICE IN KOREA:
\$4 PER KILO**

US government support for large agricultural corporations (\$billions)

Feed Grains	2,841
Upland and ELS Cotton	1,420
Wheat	1,173
Rice	1,130
Soybeans and products	610
Dairy	295
Peanuts	259
Sugar	61
Minor Oilseeds	29
Tobacco	18
Wool and Mohair	12
Vegetable Oil products	11
Honey	3
Other Crops	160
Total	8,022

Source USDA 2006 Fiscal Year Budget

November 8, 2008: Marcelo Lucero is murdered by anti-immigrant thugs.



Anti-immigrant teens



Anti-immigrant Moms



BROKEN BORDERS





Winner of 1996 Republican
New Hampshire Primary ...

...says 1965 Immigration
Act led to this.



**Buy
American**

**Vote
Obama**

“When it comes to South Korea, we've got a trade agreement up right now. They are sending hundreds of thousands of South Korean cars into the United States - that's all good, but we can only get 4,000 to 5,000 into South Korea. That is not free trade. We've got to have a president who is going to be advocating on behalf of American businesses and American workers.”

Barack Obama
Final Presidential Debate
October 15, 2008



Acquiring Company: LG Investment & Securities

Target Company: Petro Bank



Country: Poland

LG's Sale Profit: 50%



Acquiring Company: SsangYong Cement

Target Company: Riverside Cement



Country: United States

SsangYong's Sale Profit: 250%

The background of the slide is a blurred image of a Korean 100,000 won banknote. The top half of the image shows the upper portion of the note, including the portrait of a historical figure and some Korean text. The bottom half shows the lower portion, featuring the Bank of Korea logo and the number '100,000' in a large, stylized font.

Acquiring Company: MBK Partners

Target Company: Hanmi Capital

Country: Korea

MBK's Sale Profit: 223%

Lone Star: 1998-2005

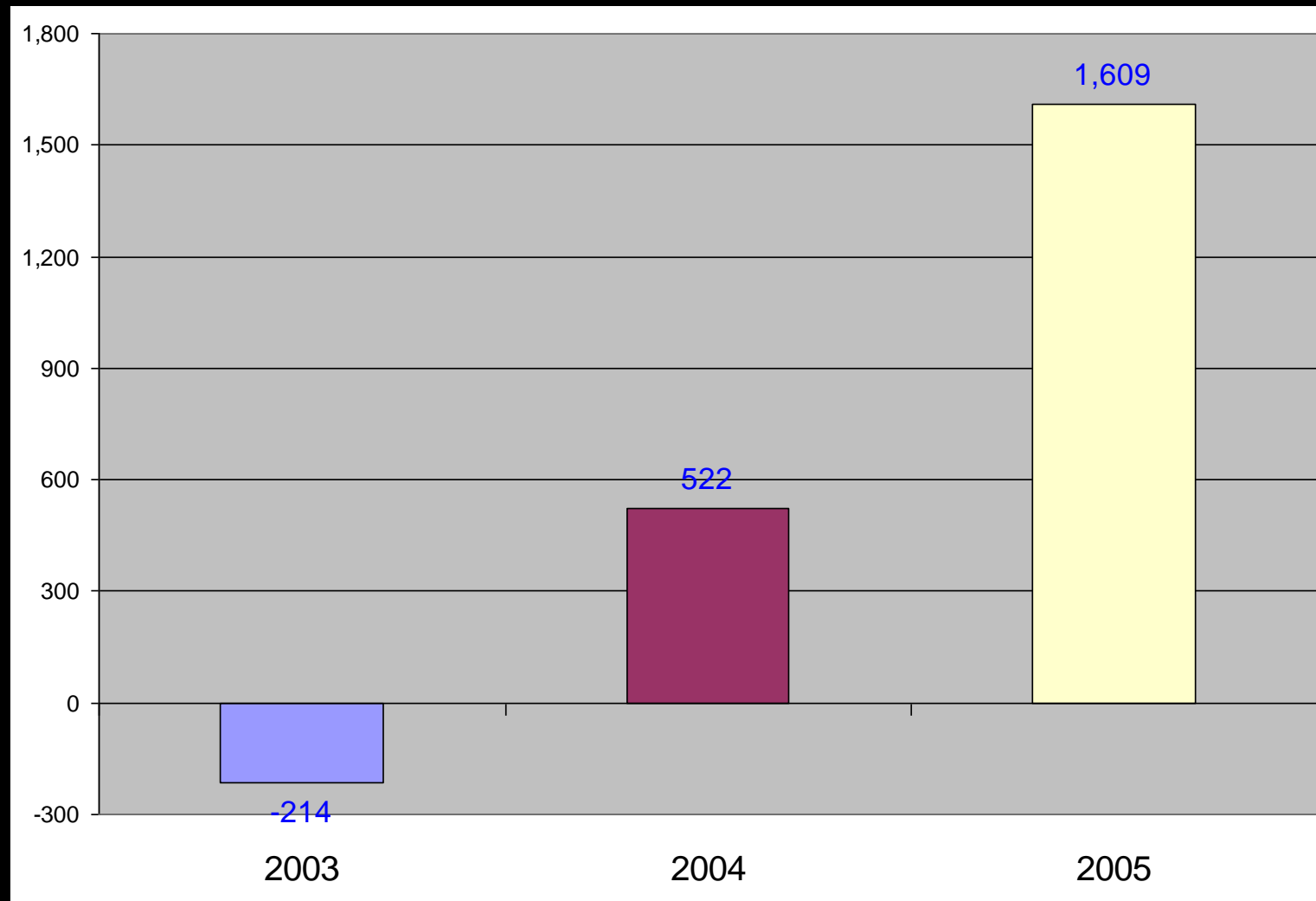
- 1998: After the Asian Currency Crisis, Lone Star becomes one of the first customers of KAMCO, Korea's restructuring asset disposal agency.
- August, 2003: Encouraged by the Korean government, Lone Star buys a controlling stake of Korea Exchange Bank (KEB), which is suffering from Hynix debts and the Credit Card Crisis.
- 2003-2005: Lone Star turns KEB from a KRW 214 billion loss to a 1.6 trillion profit.

Korea Exchange Bank:

Buyout rejected by numerous international banks

- BNP Paribas
 - Citigroup
- Credit Suisse First Boston
 - HSBC
- JPMorgan Chase
- Standard Chartered
 - Bank One
- Newbridge Capital

Hugely Successful Turnaround



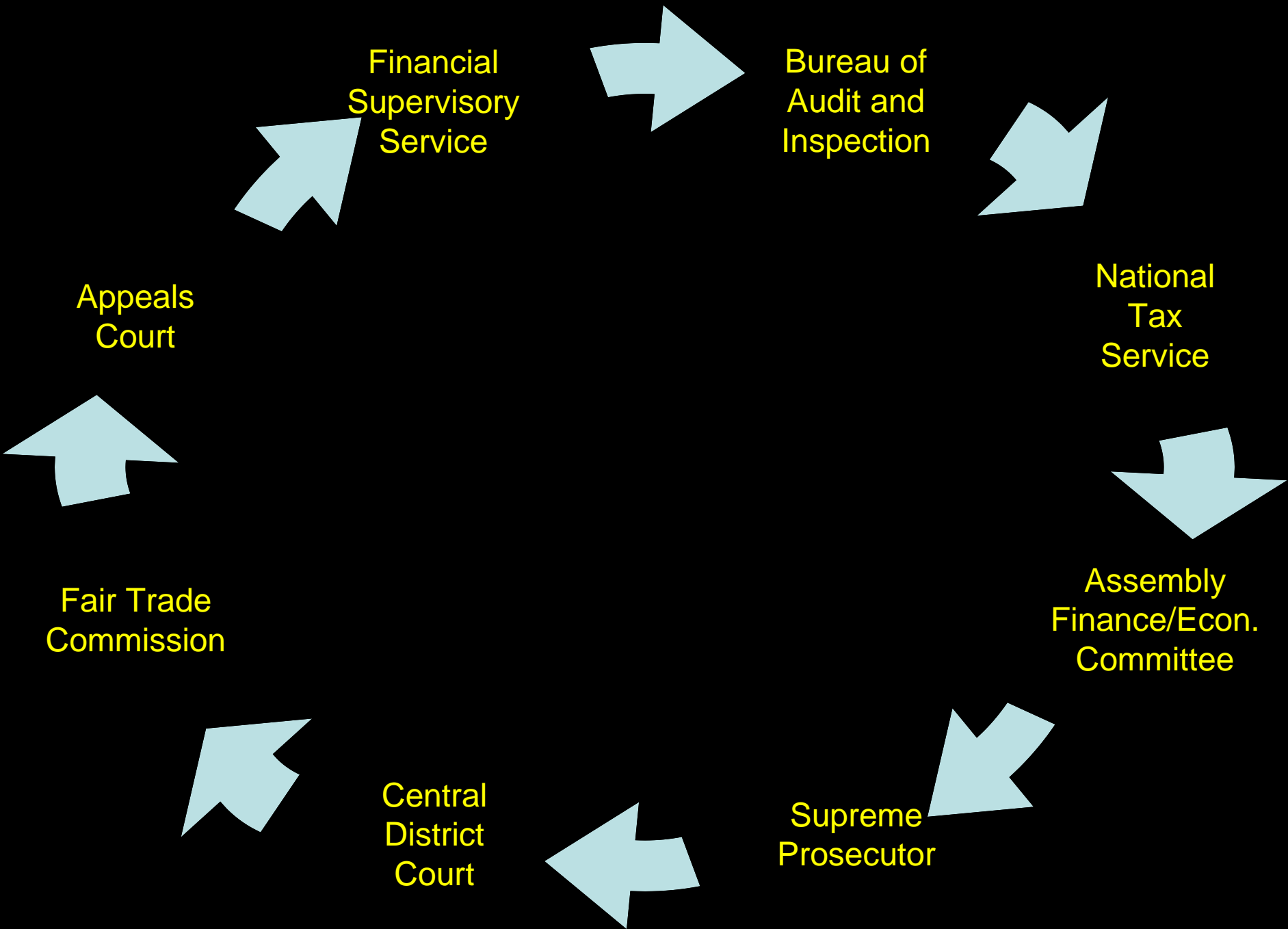
Net Profit/Loss in KRW Billions

Lone Star Fiasco: 2006

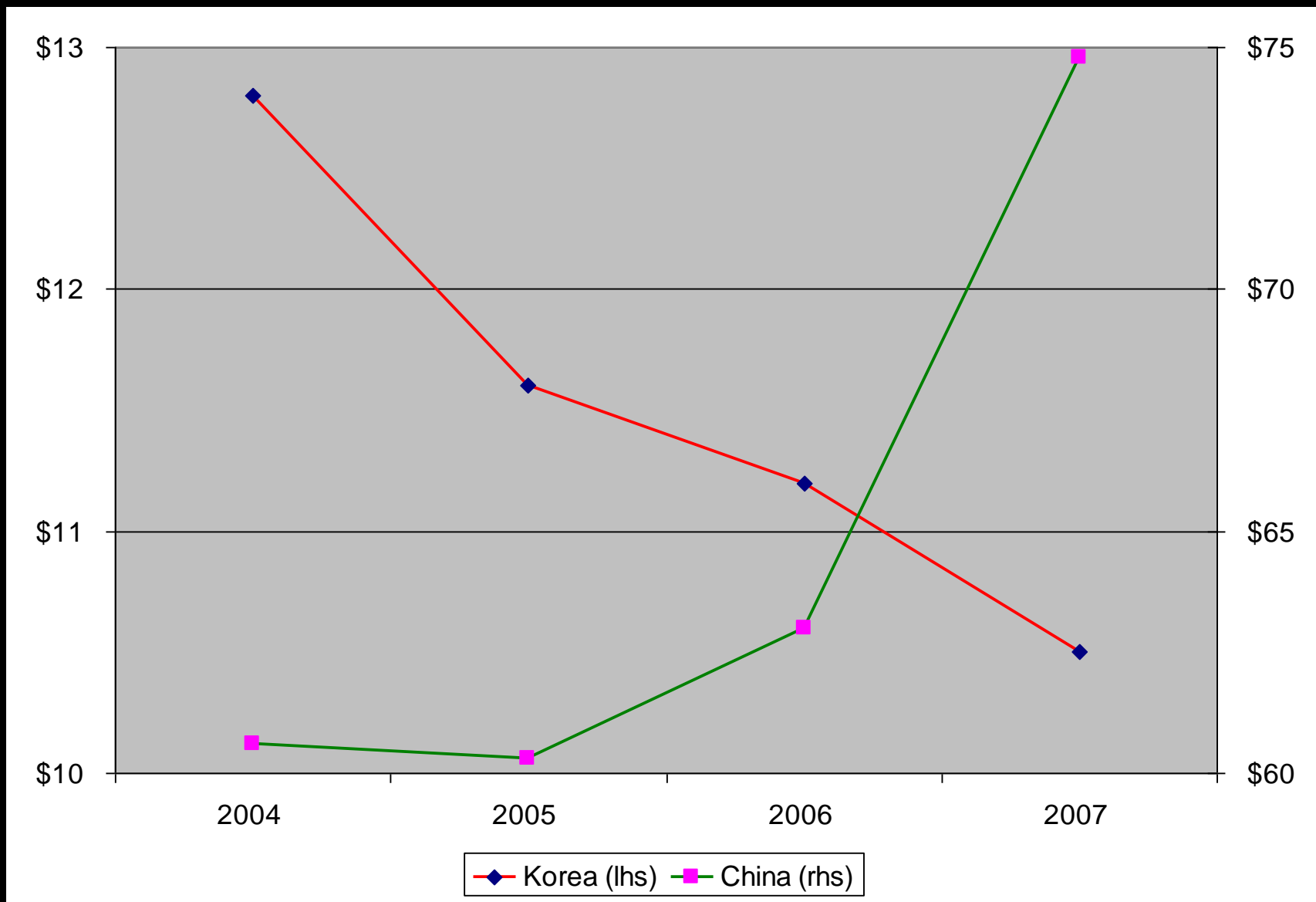
- March 23, 2006: Kookmin Bank enters talks to finalize purchase of KEB from Lone Star.
- March 30, 2006: Korea's Board of Audit and Inspection (BAI), National Tax Service, and National Assembly's Financial & Economic Committee ask Korea's Supreme Prosecutor to launch a probe of Lone Star. Over the next nine months, the Prosecutors raid 91 offices and private homes, including Citigroup, who was a consultant in KEB's sale to Lone Star.
- May, 2006: National Assembly passes bill to force Lone Star to pay taxes before exiting Korea.
- June 19, 2006: BAI says Lone Star's 2003 purchase of KEB contained some flaws, but clears Lone Star of any impropriety, while leaving the door open to possible sanctions by prosecutors.
- Nov. 16, 2006: After several rejections, the Seoul Central District Court approves prosecutors' requests to seek extraditions for Lone Star Vice Chairman Ellis Short and general counsel Michael Thomson.
- Nov. 20, 2006: South Korean prosecutors indict KEB and Lone Star on charges of unfair stock trading.
- Nov. 23, 2006: Lone Star's sale of KEB to Kookmin Bank is cancelled, based on prosecution.
- Dec. 7, 2006: Prosecutors say Lone Star's purchase of KEB was illegal, saying the fund colluded with KEB to inflate the bank's losses.

Lone Star Fiasco: 2007-2008

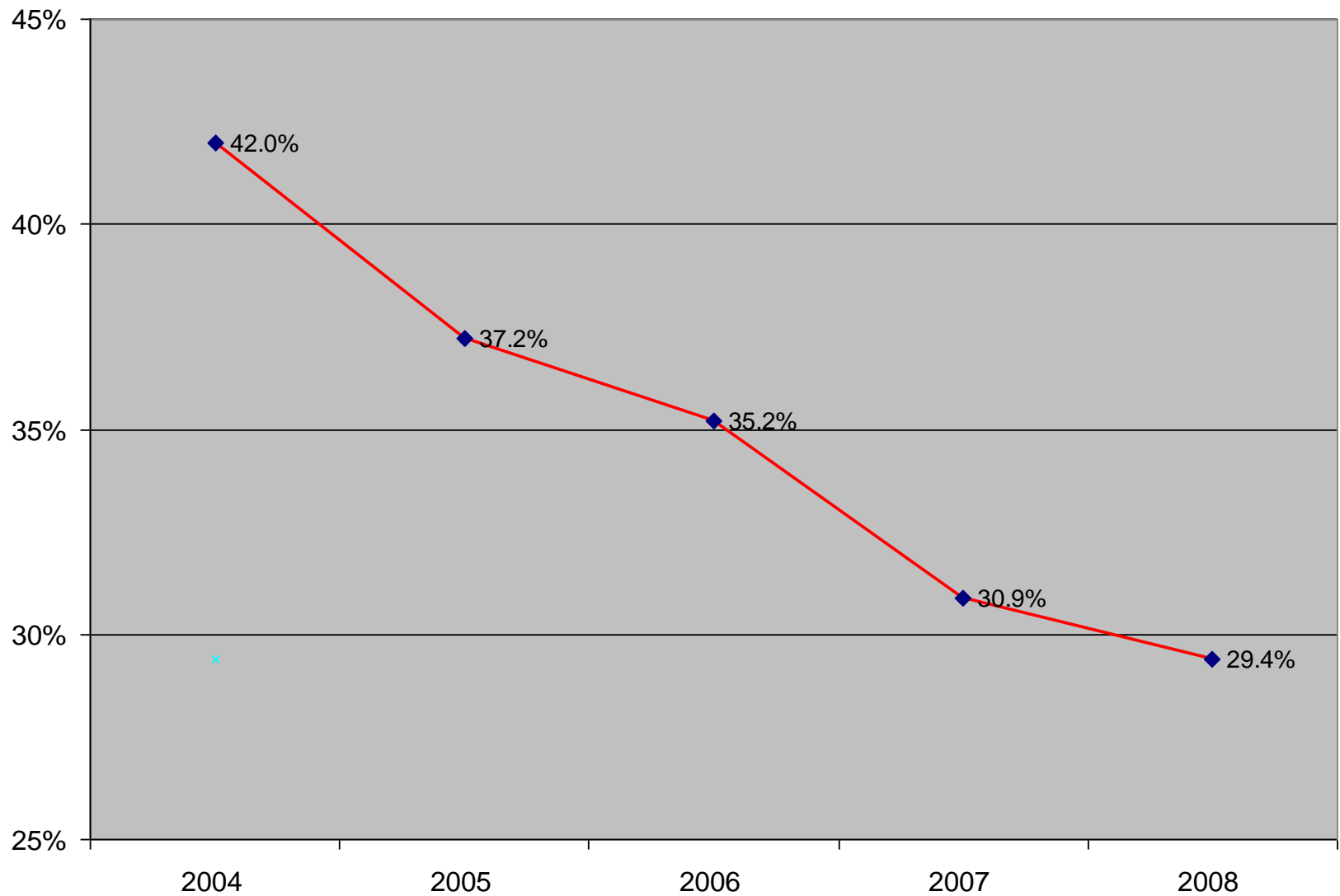
- Sept. 3, 2007: HSBC says it has agreed to buy Lone Star's 51% stake of KEB.
- Jan. 14, 2008: Lone Star Chairman John Grayken comes to South Korea for ten days of questioning by prosecutors.
- Feb. 1, 2008: Seoul Central District Court finds Lone Star guilty of stock price manipulation.
- March 5, 2008: The South Korean Fair Trade Commission rules HSBC's purchase of KEB would not hinder market competition. It adds the final decision lies with the Financial Supervisory Service (FSS) .
- June 25, 2008: Appeals Court overturns Lone Star's first stock price manipulation guilty verdict.
- July 31, 2008: The deadline for HSBC's completion of the Korea Exchange Bank deal passes. Despite Appeals Court verdict, FSS has not approved the sale.
- Sept. 8, 2008: FSS says it may approve the purchase in the near future if no fault is found in documentation.
- Sept. 18, 2008: HSBC says it is terminating the deal to buy KEB from Lone Star.
- November 24, 2008: Appeals Court overturns Lone Star's second stock price manipulation guilty verdict.



Foreign Direct Investment (in \$billions)



Foreign Stock Market Ownership



Beyond the Financial Crisis:

A non-protectionist world

- 1. *Co-ordination*.** Countries can enact stimulus packages, but in co-ordination with each other.
- 2. *Forebearance*.** Stimulus plans should embrace open markets, even if foreigners derive some benefits.
- 3. *Multilateralism*.** The IMF, development banks, WTO, Doha Round, and G-20 should all be working together on a solution.