POLITICS OF GLOBALIZATION

EDITED BY
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SAGE

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List of Abbreviations

AAA	Agricultural Adjustment Act
ABB	Asea Brown Boveri
ACC	Anti-capitalist Convergence
AGM	Anti-globalization Movement
AIDS	Acquired Immunodeficiency Syndrome
AITUC	All India Trade Union Congress
APEC	Asia-Pacific Economic Cooperation
BKS	Bharatiya Kamgar Sena
BRIC	(Brazil, Russia, India and China)
CAFO	Concentrated Animal Feeding Operation
CIA	Central Intelligence Agency
CITU	Centre of Indian Trade Unions
CSO	Civil Society Organization
CSR	Corporate Social Responsibility
ECB	European Central Bank
EGL	English as a Global Language
EQIP	Environmental Quality Incentive Program
EU	European Union
FDI	Foreign Direct Investment
FTA	Free Trade Agreement
FTAA	Free Trade Area of the Americas
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
GPU	Global Processing Unit
IBM	International Business Management
IBSA	India, Brazil and South Africa
ICANN	Internet Corporation for Assigned Names and Numbers
ICITAP	International Criminal Investigation Training Assistance Program
ICT	Information and Communication Technologies
IFLA	International Federation of Library Associations and Institutions
IMF	International Monetary Fund
INTUC	Indian National Trade Union Congress
IT	Information Technology
KLA	Korean Library Association

LIS	Librarianship and Information Science
LPG	Liberalization, Privatization and Globalization
LPM	Landless People's Movement
NAFTA	North American Free Trade Agreement
NATO	North Atlantic Treaty Organization
NGO	Non-governmental Organization
NSS	National Security Strategy
NYPD	New York Police Department
OPEC	Organization of Petroleum Exporting Countries
PNAC	Project for the New American Century
POMS	Public Order Management System
PSE	Public Sector Enterprises
SFNM	Small Farms of the New Millennium
STW	Stop the War
SWF	Sovereign Wealth Fund
TCC	Transnational Capitalist Class
TCS	Transnational Capitalist State
TIA	Total Information Awareness
TNC	Transnational Corporation
TUC	Trade Union Council
UN	United Nations
UNDP	United Nations Development Programme
UNEP	United Nations Economic Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations Children's Education Fund
UNKRA	United Nations Korean Reconstruction Agency
UNSC	United Nations Security Council
USDA	US Department of Agriculture
USIS	United States Information Service
USMGK	United States Military Government in Korea
VRS	Voluntary Retirement Scheme
WB	World Bank
WSIS	World Summit on the Information Society
WTO	World Trade Organization
WWF	World Wide Fund for Nature

Acknowledgements

The 21st century momentum of globalization is markedly different from 20th century globalization and involves a new geography of trade, weaker hegemony and growing multipolarity. This presents major questions: Is the rise of East Asia, China and India just another episode in the rise and decline of nations, another reshuffling of capitalism, a relocation of accumulation centres without affecting the logics of accumulation? Does it advance, sustain or halt neoliberalism? The rise of Asia is co-dependent with neoliberal globalization and yet unfolds outside the neoliberal mould. What is the relationship between zones of accumulation and modes of regulation? What are the ramifications for global inequality? The book discusses trends in trade, finance, international institutions, hegemony and inequality, and social struggle. It also discusses what the new trends mean for the emerging 21st century international division of labour.

The volume integrates the works of the contributing authors into a holistic comparison and contrasts the politics of globalization. Significantly, this collection covers the applied aspects of *problem-universal* and *problem-specific*. It provides some new insights of guidance for sociologists and social activists concerning the things that can be done to mitigate the theoretical and applied crisis of the discipline. It also gives a guideline to social scientists to perform or set the roles that attend the theory–practice dilemma. The essays provide numerous logical languages, strategies and suggestions to be a 'do-gooder' thinker, and the urge to develop knowledge sociology and practical sociology in order to serve humanity.

The American decline and growing multipolarity represent a reorganization of capitalism, not a crisis of capitalism. The crisis of capitalism, foretold since 1848, has been over 150 years in the waiting. The classic 'gospel of crisis' underestimates the ingenuity of capitalism and the ability of actors to turn crisis to advantage and underrates the heterogeneity and biodiversity of capitalism. What saves capitalism, ultimately, are *capitalisms*. More precisely, 'capitalism' in the singular is too crude a category. Capitalisms in the sense of different philosophies and institutions to organize relations between markets, governments and society may be the framework of the politics of the new globalization. The failure of the Washington Consensus, mismanagement of the

Asian and Latin American crises by the IMF and the structural weaknesses of the US economy lead countries to explore alternative policy frameworks.

Scholars and experts tend to narrowly focus on globalization as an economic phenomenon. Even critics of globalization train the spotlight on the economic aspect of current transformations of the global system. As a result, little attention has been given to the political responses to globalization. This volume attempts to fill that gap by theoretical and empirical exploration of how people respond to political aspects of the globalization process. Drawing on a range of theoretical perspectives, the chapters in this volume empirically examine the political responses to globalization. The contributors to this volume analyse the problems and consequences of US hegemony, the capitalistic politics of the globalization process, politics of empowerment, ecology, culture, civil society, dual citizenship and community libraries. These articles make important contributions to advancing our knowledge of how globalization processes are politically constructed.

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Samir Dasgupta

Prologue: New Balance

JAN NEDERVEEN PIETERSE

> Globalization was something the rich countries did to the rest of the world—for the good of all, of course. Now it is beginning to feel like something someone else is doing to them. (Stephens 2007)

The world's most valuable company is PetroChina at USD 1 trillion, double the value of Exxon Mobil. Four of the world's 10 most valuable firms are now Chinese. The Industrial and Commercial Bank of China is the world's largest bank by market capitalization. China has overtaken the US as the premier location for foreign direct investment (2003) and the world's largest exporter of technological products (2006). Japan, Korea and Australia now export more to China than to the US. An article notes in passing, 'America's mass market is second to none. Someday it will just be second' (Uchitelle 2003). 'In 2007 the BRICs' (Brazil, Russia, India and China) contribution to global growth was slightly greater than that of the US for the first time. In 2007 the US will account for 20 per cent of global growth, compared with about 30 per cent for the BRICs' (Gross 2007a). According to its 2005 report *Mapping the Global Future*, the National Intelligence Council, the centre of strategic thinking in the US intelligence community, projects the following trends:

> The likely emergence of China and India...as new major global players, similar to the advent of a united Germany in the 19th century and a powerful United States in the early 20th century, will transform the geopolitical landscape with impacts potentially as dramatic as those in the previous two centuries. In this new world, a mere 15 years away, the United States will remain 'an important shaper of the international order', probably the single most powerful country, but its 'relative power position' will have 'eroded'. The new 'arriviste powers', not only China and India, but also Brazil, Indonesia and perhaps others will accelerate this erosion by pursuing 'strategies designed to exclude or isolate the United States' in order to 'force or cajole' us into playing by their rules. (Kaplan 2005)
>
> [East Asia] is in the process of creating an economic bloc that could eventually comprise both a regional free trade area and an Asian monetary fund. Such a bloc would claim about one-fifth of the world economy, 20 per cent of global trade, and

> $1.5 trillion in monetary (mostly dollar) reserves—about ten times those of the United States. Such an East Asian group would be a third economic superpower. (Bergsten 2004: 91–92)

The free trade area of China and ASEAN established in 2002 is the world's largest with a population of 1.7 billion and Gross Domestic Product (GDP) of USD 2 trillion. 'While East Asia's share of global exports tripled to 19 per cent between 1975 and 2001, exports within the region rose more than six fold in the same period' (Mallet 2003). The re-Asianization of Asia has been ongoing for some time. China opened a 'new silk road' to the Middle East and Eurasia and has taken on a wider role in Latin America and Africa. New trade pacts have taken shape such as the Central Asia Economic Cooperation Organization and the Economic Cooperation Organization of Iran, Turkey and Pakistan. 'New trade corridors show rising trade between Asia and the Middle East, Africa and Latin America. Already, Asian–European trade outstrips Asian–US trade' (Lyons 2007).

These data come at us like a snowball that keeps getting larger as it approaches.[1] Until recently, these changes concerned slow-moving trends, mostly in production, trade, infrastructure and energy. But in the wake of the 2007 credit crisis they have suddenly gone into overdrive, unfolding in international finance, and rather than being tucked away in economic trend reports and newspapers' back pages, have landed on the front pages. While the discussion whether the US sub-prime troubles have sparked credit crunch, a banking crisis, or, more seriously, a solvency crisis is still ongoing, the ramifications have already spread. With the Western banking system amid a double bubble popping—the American housing market and the easy credit bubble—emerging economies have remained largely unaffected: 'Emerging markets weather the financial turmoil' (Chung 2007); 'Emerging market debt is the new safe haven' (Booth 2007). Because of cash buffers built in the wake of the Asian crisis, sovereign wealth funds (SWFs) from China to Singapore emerge as sources of liquidity. In the US sovereign wealth funds first met a closed door, were then eyed with suspicion, and in the next phase welcomed with trepidation (Vail 2007), to be finally enlisted in the rescue of American banks. 'Sovereign funds should lend support to equities,' a comment explains in the inimitable language of international finance: 'The acquisition by SWFs of strategic stakes in global companies has the potential to accelerate restructuring' (Hoguet 2007).[2] Third, because of high petrol prices oil exporting countries emerge as financial hubs.

> When financial market bubbles burst, a transfer of assets from the weak and under-capitalised to the strong and liquid invariably follows. The unprecedented scale of the credit bubble that burst last August [2007] suggests that the extent of the resulting wealth transfer will beggar belief. (Plender 2008)

China had been discreetly moving out of dollar assets and converting its dollar reserves into energy assets in Africa, Latin America, Canada and Iran. 'Chinese mining and energy companies have been investing in everything from copper in Afghanistan to tungsten in Tasmania' (Dyer and Tucker 2007). But the financial turbulence of 2007 has changed this pattern. The China Investment Corporation has invested USD 1 billion in Bear Stearns, USD 3 billion in Black-stone and USD 5 billion in a 10 per cent stake in Morgan Stanley. The China Development Bank invested USD 3 billion in Barclays and the Industrial and Commercial Bank of China has taken a USD 5.5 billion share in 20 per cent of Standard Bank of South Africa, a major transaction between two emerging markets institutions and the largest foreign direct investment in Africa (Gnodde 2007). China's State Administration of Foreign Exchange has bought shares in Australia's three largest banks at USD 176 million each. China's Social Security Fund is in talks with Carlyle, Kohlberg Kravis Roberts & Co. (KKR) and TPG Capital (formerly Texas Pacific Group). The overall strategy is clearly one of buying into overseas financial intermediaries (*Financial Times* 2007).

According to the chairman of the China Investment Corporation, 'the fund sees a unique opportunity in the credit crisis in developed markets' (Anderlini 2007). In the 'Big Red Checkbook' several trends come together: the declining dollar (down 23 per cent against major currencies since 2002) depreciates Chinese dollar reserves at the same time that it makes American assets relatively cheap. Combine China's massive current account surplus—or the trillion dollar question—with a turbulent financial environment and, besides converting dollars into assets, buying into financial intermediaries and financial savvy becomes a necessity.

Besides Asian SWFs, the other major investors to step into the breach are holders of petrodollars. The Abu Dhabi Investment Authority has taken a USD 7.5 billion share in Citigroup; Dubai and Qatar funds bought a 48 per cent share of the London Stock Exchange; the Kuwait Investment Authority invested USD 700 million in the Industrial and Commercial Bank of China; to pick a few out of a swath of investments by Middle East funds, again typically in financial intermediaries such as Merrill Lynch. Emerging economies seek to avoid the mistakes of Japan in the 1980s—buying cultural prestige objects that were economically vulnerable. The trend in 21st century international finance is that emerging markets are no longer targets or bystanders but become insiders and market-makers. Financial markets provide liquidity, pool information and share risk; when sovereign wealth funds buy into Western financial powerhouses they become information insiders and market-makers.

This is the case also aside from the SWF purchases. For some time growth rates in the global South have been significantly higher than in the North and most countries achieve this while running current account surpluses. Initial

public offerings in the BRIC represent 39 per cent of the total of Initial Public Offers (IPOs) in the world in 2007, and have been to a large extent internally financed (Authers 2008).

Niall Ferguson draws parallels between the bankruptcy of the Ottoman empire in the 1870s, which necessitated the sale of Middle Eastern revenue streams to Europeans, and the current shift in the balance of financial power: 'Today the shift is from the US—and other western financial centres—to the autocracies of the Middle East and east Asia…Debtor empires sooner or later have to do more than just sell shares to satisfy their creditors' (Ferguson 2008; cf. Ferguson 2004). The references—to satisfying eastern autocracies—are ominous. Ferguson has advocated the extension of American empire on the argument that, like its British predecessor, it brings the world democracy and development.

In fact the nearest parallel is what happened in the 1997–98 Asian crisis.

> The significant difference is that the debacle in Asia was followed by truly appalling losses in output and employment whereas the US is merely at risk of recession rather than slump. Not only is hypocrisy an issue here. There is folly when people in current-account glass houses throw protectionist stones. (Plender 2008)

What are at issue are also deeper patterns. It is common for imperial and metropolitan centres to invest in emerging centres to reap profits from their value streams. According to Giovanni Arrighi, wars often played a crucial role.

> But once wars escalated, the creditor-debtor relation that linked the mature to the emerging centers was forcibly reversed and the reallocation to the emerging centers became both more substantial and permanent…The mechanisms of the reversal varied considerably from transition to transition. In the Dutch–British reversal, the key mechanism was the plunder of India during and after the Seven Years' War, which enabled Britain to buy back its national debt from the Dutch and thus start the Napoleonic Wars nearly free from foreign debt. In the British–US reversal, the key mechanism was US wartime supply of armaments, machinery, food, and raw materials far in excess of what Britain could pay out of current incomes. But, in both cases, wars were essential ingredients in the change of the guard at the commanding heights of world capitalism. (Arrighi 2007: 234)

The *reversal of the creditor–debtor relation* is now unfolding between the United States and Asia, especially China and Middle East oil exporters. These developments are remarkable from several points of view. First, they unfold in international finance, the central powerhouse of Western influence. In emerging societies, the awareness long exists that competition in production is but one phase, and that the real competition with the West will unfold in finance. Second, it is through financial markets that the US has sought to penetrate and shape emerging markets. Third, it is easy to see that conservative overreach has

led to imperial overstretch in wars in Afghanistan and Iraq, but the present credit bubble concerns economic and financial overreach. Wall Street was supposed to be smart. Fourth, finance is traditionally the terrain in which fading hegemons retain their supremacy when it has gone in economic, political and military domains.

Structural adjustment since 1980 unleashed a series of financial crises culminating in the Asian crisis of 1997–98, which enabled US corporations to buy up assets at fire-sale prices. In retrospect, this may have been the last great round of the US investing in and profiting from the global South. Since then the tide has begun to turn in earnest. First, the Asian crisis and International Monetary Fund (IMF) mismanagement was the complete *échec* of the Washington Consensus and financial institutions. Second, since then developing countries have taken the challenge of financial competition seriously. Third, all countries scaled back their foreign debts and built financial buffers to weather the financial storms. Fourth, in Asia the turn east towards China began in earnest. Patterns of cooperation that hitherto had been simply economic became institutional, such as Association of Southeast Asian Nations (ASEAN) +3 and the free trade agreement between ASEAN and China.

These are signs of the new emerging balance of 21st century globalization. Whether these are viewed as clear indicators of change or as difficult glyphs to decipher depends on one's perspective. I will first review several questions this presents in relation to American hegemony, considering that assessing the old balance is part of reading the new; then, I turn to the wider question of what these changes mean for the world majority.

The Afterlife of Hegemony

> Above all, we cannot stop long-term shifts in the economic and strategic balances, because by our economic and social policies we ourselves are the very artificers of these futures changes; we can no more stop the rise of Asia than we can stop the winter snows and the summer heat. (Kennedy 2001: 78)

American hegemony followed the era of British hegemony, so it is part of a series, part of a stretch of Anglo-American hegemony from approximately 1820 onward, interspersed with periods of hegemonic rivalry. American decline therefore represents a system change with worldwide ripple effects and poses several questions: Does it usher in hegemonic rivalry or a transition toward a new hegemon? As a fading hegemon can the US hold on to its financial lead, as did the United Provinces and Britain, and can it sustain its military supremacy?

Does American decline lead to a new era of hegemonic rivalry and wars of succession, as in 1870–1945, or is an altogether different configuration in the making? The degree of interweaving of economies and technologies across the world is now so extensive that a retreat to national economies or regional blocs is much less viable than it was in the 19th and early 20th centuries or for that matter, in George Orwell's *1984*. High-density globalization and hegemonic rivalry between nations or regional blocks are not compatible.

This does not imply that what lies ahead is, for instance, a cohesive transnational capitalist class, a global Davos elite and a straightforward global rift between the World Economic Forum and the World Social Forum. Local, national and regional interests are deeply anchored, so more realistic are in-between patterns in which national and regional interests and policies matter, interspersed with technological interweaving, transnational corporate links and civil society networks; complex, layered patterns of competition and co-operation, and cooperation through competition.

Will the US be able to hold on to its financial lead, as did previous hegemons? The US faces major drains on its financial resources. Because of rapid deindustrialization it has become an importer on a vast scale (unlike 20th century Britain), owes interest on a massive debt (unlike the United Provinces) and spends most of its treasure on the military (like 16th and 17th century Spain). The US has experienced rapid erosion of its reserves; even after a weaker dollar makes its exports more competitive it lacks the production and exports capacity for recouping this massive drain. Although the declining dollar whittles away US debt, it is unlikely that the bulk of the debt will ever be repaid. Like 20th century Britain, the US has been waging war on credit and, as in Britain's case, financial vulnerability augurs decline.

Will the US be able to use its vast military resources to achieve 'accumulation by dispossession' and thus prolong its hegemony? Timothy Garton Ash notes, 'When the next recession comes along, it will be no use sending for the marines' (Ash 2005). The quagmires of Iraq and Afghanistan illustrate the limited utility of military force and the limitations of US armed forces in ground warfare. Military force is also a temptation. In Michael Lind's words:

> The US remains the only country capable of projecting military power throughout the world. But unipolarity in the military sphere, narrowly defined, is not preventing the rapid development of multipolarity in the geopolitical and economic arenas—far from it. And the other great powers are content to let the US waste blood and treasure on its doomed attempt to recreate the post-first world war British imperium in the Middle East. (Lind 2005)

It is not straightforward whether US military might is an asset or a liability; it is both, in different arenas. American military specialization has its

price—institutionally, in tilting government toward the security apparatus; economically, by transforming enterprises into military contactors; ideologically, by sustaining the superpower syndrome; and culturally, by sustaining a garrison state culture. American military specialization and deindustrialization are to an extent correlated and have precipitated the rise of other forces. Germany and Japan experienced 'economic miracles' once they were released from their military–industrial specialization—and, in Japan's case, recruited as an industrial supply platform in the American cold war network, beginning with the Korean War. The US has been experiencing the reverse. American deindustrialization has been correlated with Asian industrialization. By promoting export-oriented growth and relocating garment, electronics and high-tech plants in the Asian Tigers and Southeast Asia, US multinationals reaped super profits, acquired cheap consumer products and boosted Asian industrialization. As a consequence American corporations neglected inward investment and the US yielded its share in global manufacturing to Asia and jacked up its trade deficit. This Pacific Rim symbiosis is now at the point where American trade and current account deficits have become unsustainable and for Asian vendors the risks of holding surplus dollars have begun to outweigh the benefits.

The American attempts to prolong the uni-polar moment have reinforced this shift. The preoccupation with strategic primacy leaves the terrain to industrial newcomers and leaves space for industrial development in emerging economies, just as in the early 20th century when Latin American countries such as Argentina and Brazil industrialized as the great powers, they were distracted by rivalry and war. Now, 'If and when the US finally lifts its gaze from the Middle East, it will find itself facing a much better placed and more formidable China' (Rachman 2007). According to Arrighi, China emerges as the beneficiary of globalization and as the real winner of the war on terrorism (Arrighi 2007: 295, 301). This makes sense if we add, beyond the Iraq war, the Asian crisis. What is at issue in the 21st century turn to the East is both the failure of neoliberalism and the failure of neoconservatism—the two faces of American hegemony.

All advanced countries have been navigating the transition to a post-industrial economy and face increasing competition brought about by accelerated globalization. But only in the American case, unlike in Europe and Japan, has this been combined with *laissez-faire* (that is, no national economic policy), Dixie capitalism (low taxes, low services, no unions), military specialization (brawn over brain) and gargantuan debt—all factors that weaken the US' long-term position.

The picture is mixed. Some countries have an interest in continuing American hegemony of a kind; Asian exporters continue to depend on the US market and continue their vendor financing while others continue to view the American military specialization as a savings on their defence budgets; yet, the overall

trend is away from US influence. The instability that the US has been creating is gradually producing 'the dispensable nation'. According to Michael Lind:

> A new world order is indeed emerging—but its architecture is being drafted in Asia and Europe, at meetings to which Americans have not been invited…Today the evidence of foreign co-operation to reduce American primacy is everywhere— from the increasing importance of regional trade blocs that exclude the United States to international space projects and military exercises in which the United States is conspicuous by its absence. (Lind 2005)

The walkout of the World Trade Organization (WTO) ministerial meeting in Cancún in 2003 followed by the failure of the FTAA talks in 2004 illustrates the changing climate. The emergence of a new grouping of developing countries— the G22 led by Brazil, South Africa, China and India—indicates growing clout, as if resuming the momentum of the movement of Non-aligned countries, at least in trade talks. At the international climate talks in Bali, in December 2007, the message of delegates to the United States was blunt: provide leadership, or follow or else get out of the way (Fuller and Revkin 2007).

The multipolar, multi-currency world that is taking shape involves a shift in the global scenery in which the background becomes foreground, and vice versa. American dramas that used to be influential through the American century are becoming less salient; in the words of an economic trend report: 'Does it even matter if the U.S. has a cold?' (Gross 2007b). According to the decoupling scenario cherished in the business press, the world economy can overcome the inevitable drop in American demand by an increase in Asian demand, an expectation that may be overdrawn. 'American consumers spent close to $9.5 trillion over the last year. Chinese consumers spent around $1 trillion and Indians spent $650 billion. It is almost mathematically impossible for China and India to offset a pullback in American consumption' (Roach 2007). Stephen Roach's point is taken; yet the bulk of demand in Asia and the Middle East is in capital goods: '…emerging markets' share of global capital spending has risen from 20 per cent in the late 1990s to about 37 per cent today' (Gross 2007b). Thus decoupling also refers to a different kind of demand; emerging markets' demand does not simply substitute consumer demand but concerns industrial inputs and commodities which points to a parallel with the post-war boom, discussed in the following pages.

New Balance

The perspective on the new balance that is most obvious—what problems it poses for the US—is also most limited; focusing on the declining hegemon

is looking at future trends through the rear view mirror. Fascination with the momentum of hegemonic decline and system change may crowd out more important questions: What do these changes mean for the world majority and for the workers of the world? These are questions too large to be addressed in a single treatment, but I can review some key variables.

First, in several ways the current period parallels the post-war boom when industrial growth in the US and Europe boosted demand for commodities. Fifty years on, the 21st century involves a similar boom, now centred on Asia, again boosting demand for commodities, again with an overall equalizing effect among countries, and again with financial ramifications.

> The IMF was a big factor when commodity prices were low and financial liquidity was a problem. Since 2002, however, the high commodity prices, especially for Latin American agro-mineral exports, have led to huge trade surpluses and allowed countries to pay off IMF debts and either self-finance or go to commercial private financing, avoiding IMF conditional borrowing. (Petras 2007: 41)

Thus, the 21st century boom contributes to the changing landscape of global finance. In the 21st century boom industrialism in emerging markets combines with post-industrialism in advanced economies. In 1994 Paul Krugman argued that the 'Asian miracle' was a myth and was just a matter of new labour inputs in countries experiencing a demographic sweet spot, without representing new productivity or efficiency. Gerald Segal asked, '…does China matter?' These questions are now well behind us. The rise of Asia is not a fluke and represents much more than America's sweatshop. China has overtaken Japan to become the second largest spender on research and development. 'The IT sector in the Asia-Pacific region is set to expand nearly twice as fast as its North American counterpart in the five years to 2009, driven by explosive growth in countries such as India' (*Financial Times* 2006).

Another initial assessment was that the influx of massive new labour forces in China, India and Eastern Europe lowers the unit cost of labour and is a boon to employers.

> That long boom was made possible by the collapse of the Soviet Union and the opening of China (and to a lesser extent India) in the 1990s. The effect was to bring hundreds of millions of educated and low-waged workers into the framework of the international capitalist market—who, as the former U.S. Federal Reserve chairman, Alan Greenspan, put it, have 'restrained the rise of unit labour costs in much of the world'. Along with the wider weakening of organised labour, the deregulated expansion of international finance and a flood of cheap imports into the rest of the world, the result has been a corporate profits bonanza and power grab which has shaped the economic and political temper of our times. (Milne 2007; cf. Prestowitz 2005)

Years further down the road the picture looks different. Wages in China and other emerging markets are rising, emerging markets face skills bottlenecks and the bargaining position of skilled labour has strengthened. Thus, by another assessment what is taking place is 'a major wealth shift from developed economies—that is, from less-skilled labour in developed economies—to emerging market workers' (Norris 2006). Now the 'China price' (based on the lowest labour cost) has become the China prize (for countries contending for Chinese investments) (for example, Weitzman 2005).

It is a cliché that 'the next phase of globalization will most likely have an Asian face' (Stephens 2006). Yet the rise of Asia has often been viewed, by proponents and critics alike, in terms posed by the dominant Anglo-American perspectives. The usual account, from the World Bank to Thomas Friedman, is that the success of emerging markets is due to their adopting American neoliberal capitalism, so the rise of Asia is an extension and assimilation of Anglo-American capitalism. The World Bank claimed the East Asian miracle as evidence that its policy prescriptions (liberalization, deregulation and export orientation) were valid. Alan Greenspan saw the Asian crisis as testimony of the superiority of American capitalism. Thomas Friedman, likewise, views the rise of China and India as evidence of the virtues of liberalization. Robert Wade has criticized the World Bank's view as an instance of '…the art of paradigm maintenance'. As Dani Rodrik, Guthrie and others argue, the Washington view overlooks the role of developmental states in establishing the conditions that make it possible to benefit from liberalization.

David Harvey's thesis of 'neoliberalism with Chinese characteristics' and Martin Hart-Landsberg's account of extreme labour exploitation in China also apply Western yardsticks, but in a different sense, and may underestimate the variety of China's developments, such as the role of small and medium size enterprises and the township and village enterprises (TVEs), as argued by Rodrik, Arrighi and others. Pertinent as criticisms of fast-lane capitalism in China are, viewing the East as an extension and variant of the West is too limiting.

It is more appropriate to view East Asia's resurgence as a comeback in light of East Asian historical dynamics. Arrighi argues that the 20th century convergence of East and West has been due more to the West going East than to the East going West. A case in point is 'the displacement of vertically integrated corporations, such as General Motors, by subcontracting corporations, such as Wal-Mart, as the leading US business organization'; buyer-driven subcontracting arrangements were a distinctive feature of big business in late imperial China and remain so in Hong Kong and Taiwan (Arrighi 2007; cf. Arrighi et al. 2003). Older, China-centred historical patterns are now being reproduced in East Asia. The role of the Chinese diaspora also reflects long-term trends.

Another wider perspective is oriental globalization. This argues, in brief, that through most of the global *longue durée* the world economy has been centred on the Orient. From about 500 CE the Middle East was the centre of the world economy but by 1100 CE the leading edge of the world economy shifted to China and the Indian subcontinent, where it remained until well into the 19th century. Hence, the predominance of the West dates only from the 19th century, the lead of Europe and then the United States refers to a relatively brief period and with the rise of Asia, China and India the world economy is reverting to where it has been centred through most of world history (see Frank 1998; Hobson 2004; Nederveen Pieterse 2006).

The theme of the new Silk Road also points beyond the West. A new buzzword is *Chime* to denote the China, India, Middle East trade zone. There has been a more than six-fold increase in direct flights between the Gulf states and China (from seven a week in 2000 to 48 flights a week in 2006).

> 'We want to go global by going east, not west', declared the chairman of Emaar Properties—one of the world's largest property developers, based in Dubai…'The west has got aging populations and ageing economies. The east is where the true glamour lies', according to a view echoed by top Asian and Arab business leaders. (Barton and de Boer 2007)

Business studies and economic forecasting focus on emerging markets and their business strategies, which usually means looking at new forces in terms of business success—the rise of multinationals, establishing brands, whether companies in China and India can match the growth paths of Sony or Samsung, and so on.

Merely counting aggregate growth rates and shares of world economic growth may be misleading. The term BRIC, coined by Goldman Sachs, conceals steep differences; in a phrase, 'India and China are the only real Brics in the wall.'

> The fundamental difference between China and India on the one hand and Russia and Brazil on the other is that the former are competing with the west for 'intellectual capital' by seeking to build top-notch universities, investing in high, value-added and technologically intensive industries and utilizing successful diasporas to generate entrepreneurial activity in the mother country…Russia and Brazil are benefiting from high commodity prices but are not attempting to invest their windfall in long-term economic development. (Lloyd and Turkeltaub 2006)

China is building a hundred top-notch universities and India also actively competes in the race for brain power. Thus it matters to disaggregate the BRIC and the gospel of emerging markets. What matters is not just frontier capitalism and not just competition in terms of price but in terms of quality, technological upgrading and brand recognition.

American decline and growing multipolarity represent a reorganization of capitalism, not a crisis of capitalism. The crisis of capitalism, foretold since 1848, has been over 150 years in the waiting. The classic 'gospel of crisis' underestimates the ingenuity of capitalism and the ability of actors to turn crisis to advantage, and underrates the heterogeneity and biodiversity of capitalism. What saves capitalism, ultimately, are *capitalisms*. More precisely, 'capitalism' in the singular is too crude a category. *Capitalisms in the sense of different philosophies and institutions to organize the relations between markets, government and society may be the framework of the politics of the new globalization.* The failure of the Washington Consensus, IMF mismanagement of the Asian and Latin American crises and the structural weaknesses of the US economy lead countries to explore alternative policy frameworks such as the Beijing consensus and the Latin American Bolivarian alternative (ALBA). In view of the role of state forces in industrialization, trade policy and regional cooperation, and sovereign wealth funds in finance, the new globalization may involve a partial return to Keynesian economics, which also dominated during the post-war boom. Western clichés of 'command capitalism' and 'petro dictatorship' (the references are to Russia, Venezuela and the Middle East) underestimate the role of the state and the lasting importance of developmental states. Also, in the West, the role of economic populism is growing and welfare state liberalism is making a comeback (Lind 2007).

Rather than hegemonic rivalry or China emerging as a new hegemon, what is taking shape are global realignments. China, India, Brazil, Russia and South Africa emerge as alternative hubs for new combinations in trade, energy, and security. Path dependence on the American economy and American hegemony is giving way to different arrangements, driven by several dynamics.[3]

There are broadly three types of realignment: retrenchment, reformist and revolutionary. Retrenchment refers to the kind of repositioning that protects national or corporate interests, such as central banks and investors reducing their dollar holdings. Reformist repositioning seeks changes that contain also future risk and enhance opportunities in finance, energy, trade and security. The third type of realignment is revolutionary in seeking the overthrow of neoliberal capitalism and American hegemony. At present only Venezuela advocates that 'capitalism must be transcended' along with Zapatistas and activists in the World Social Forum and global justice movement. The position of groups such as Al-Qaeda is reformist and defensive of positions in the Middle East and the Islamic world rather than revolutionary.

Since the global realignments are unfolding according to diverse rhythms and logics, what are emerging are complex irregular uneven moves pointing in different directions. As different centres of influence emerge the terrain shifts to

other horizons, other problems, other aspirations. There is no need to romanticize alternative development paths, but there is no doubt that multipolarity is a step in the direction of global emancipation.

Notes

1. Snowballing is the metaphor used for East Asia's ascent beginning with Japan, then the Tigers, then China (Arrighi 2007: 2).
2. J. Dizard (2007) notes, 'The reality [of sovereign funds] is just another office full of harried people trying to find safe places to stick hundreds of millions or billions of dollars each month.'
3. An extended discussion can be found in Nederveen Pieterse (this volume).

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Introduction: A Reflection on Politics of Globalization and Textual Entrails

SAMIR DASGUPTA

During the post-cold war era, globalization emerged as the major player with the professed objective of bringing different peoples, various classes as well as cultures from all over the world, together. Contemporary segmented realities, nevertheless, suggest that the spirit of togetherness as well as the process of globalization, as such, represent a myth. It is, perhaps, a tragedy that the spirit, so much endowed with the promise of restructuring and rebuilding the world, had to demonstrate symptoms of discord, separatism and identity crisis. It is very important, therefore, that we get to know and understand where and how things go wrong or right. This is the hidden side of the politics of globalization. It is undeniable that even in the 21st century there is so much uncertainty and ambiguity about neoliberal globalization and about how much ultimate control global players have. I see an increasingly global capitalist class exhibiting immense power over the direction of change or the world social order. This volume explores the multifaceted aspects of the politics of globalization. The first part deals with the US hegemonic situation which has been analysed by Andre Gunder Frank and Manfred B. Steger. The second part of the volume is concerned with the capitalist politics of globalization that is brilliantly dealt with by Leslie Sklair, William K. Tabb, Ray Kiely, Immanuel Wallerstein and Jan Nederveen Pieterse. The third part of the volume tackles globalization of empowerment, social movements and the hidden politics of civil society which have been explained by Douglas Kellner, Tomás Mac Sheoin and Nicola Yeates, Biswajit Ghosh and Samir Dasgupta. The last part of the volume explores ecological politics (Steven Best), agro-industries (John J. Green and Anna M. Kleiner), corporate social responsibility (Ananda Das Gupta), politics of dual citizenship (Peter Kivisto and Thomas Faist), politics of global language (Amitai Etzioni) and the impact of globalization on community libraries (Gabriel Ignatow). The chapters in this volume address issues from general to specific.

US Hegemony

This volume deals with the issues of capitalisms in a plural form. The first part of our Introduction is a reflection of the 21st century globalization debate. The present chapter deals with the essence of philosophy based on issues that reflected the 19th and 20th century views. Regarding the concept of neoliberal views of globalization, a contradiction is noticed mainly because of the predicament of philosophy of 21st century politics of globalization and reflections in the chapters of this book. The chapters present critiques of neoliberalism; Nederveen Pieterse's approach concerning 21st century neoliberalism is that it is over its peak. The ideology that has emerged at the end of the 20th century to justify this unhappy state of affairs is neoliberalism. Neoliberalism can be defined as the belief that an unregulated free market is an essential precondition for a fair distribution of wealth and political democracy. Thus, neoliberals oppose just about any policy or activity that might interfere with the untrammeled operation of market forces.

Nederveen Pieterse (2006) argues:

> Studies generally explain the onset of neoliberalism as the confluence of the economic ideas of the Chicago school and the policies of Ronald Reagan and Margaret Thatcher. A further strand is the Washington consensus, the economic orthodoxy that guided the IMF and World Bank in their policies through the 1990s and turned neoliberalism into global policy.

He further notes that:

> The Washington consensus that took shape in the late 1980s as a set of economic prescriptions for developing countries echoes the core claim of cold war ideology: the free market and democracy go together. The main tenets of the Washington consensus are monetarism, reduction of government spending and regulation, privatization, liberalization of trade and financial markets, and the promotion of export-led growth. (Nederveen Pieterse 2006)

Tickell and Peck (2003) discuss the development of neoliberalism in three phases: *proto-neoliberalism* from the 1940s to the 1970s; a phase of *roll-back neoliberalism* in the 1980s when it became government policy in the United States (US) and the United Kingdom (UK); and *crush neoliberalism* in the 1990s when it became hegemonic in multifaceted institutions.

Kiely (2006) is convinced that 'Globalization was undoubtedly central to political debate in the 1990s. This was true in the academic social sciences, but equally in mainstream (and alternative) political discourse.' He argues that the

alternative account focuses on the continued centrality of a hierarchical nation state system and the uneven outcomes of capitalist, neoliberal globalization.

But a big wheel is turning. It brings new, different problems which are very difficult to analyse through the 20th century/1990s analytics of neoliberal globalization. We have moved on to a different station. This is controversial and one can question and disagree but cannot gloss over it. On the contrary, we think this power shift is crucial to the politics of globalization. 'This neo-liberal globalization has been and continues to be like a storm,' states Osvaldo Martinez (1997), 'that is sweeping over the planet, affecting all countries to a greater or lesser extent, creating economies and societies increasingly exclusive and polarized.'

Neoliberal ideas in recent decades have seen a tremendous resurrection and have displaced the state-interventionist economic theories of the interwar and post–World War II periods to become the reigning ideology of our time. Neo-liberalism emerged in full force in the 1980s with the right-wing Reagan and Thatcher regimes.

> Its influence has since extended across the political range to include not only centrist political parties but also even much of the traditional social-democratic left. In the 1990s, neoliberal hegemony over the global politics and culture has become so overpowering that it is becoming difficult to even rationally discuss what neoliberalism is. (Fitzsimons 2002)

The spread of liberal democracy across the world is vital to neoliberal narratives of economic globalization; free trade, free markets and free elections, it is regularly asserted, go together to produce 'market democracies'. The desirability and necessity of a liberal democracy is promoted and enforced through global institutions. The global extension of liberal democratic polities is thus connected unswervingly to the ongoing development of 'capitalism to new spaces and the growth of world markets and multinational or transnational corporations to service them. The dominant discourse of globalization is overwhelmingly corporate or neoliberal globalization and the celebration of liberal democracy is part of it' (Laffey and Weldes 2005).

It is common usage that globalization panoramically refers to the extension and expansion of global linkages, the organization and institution of social living on global parameters and the growth of a global consciousness, leading to the consolidation of world society. This ecumenical definition is not enough to explore the real meaning of globalization. Nobody should be hurt if the unobtrusive and deadening condition of globalization is seen from the viewpoint of pessimism. We live in an era of unprecedented opulence—and stunning poverty and disparity. It is evident from a report that the combined wealth of the

world's 225 richest people is now over USD 1 trillion, which is equivalent to the yearly income of the poorest 2.5 billion people (United Nations). In the United States, the wealthiest country in the world and indeed in all of history, the richest 1 per cent of households own about 40 per cent of the total wealth, the next 19 per cent of households own another 45 per cent, while the bottom 80 per cent of households have only about 15 per cent.

Globalization theory, Kiely (2006) argues:

> … can all too easily accept the political parameters established by the victory of neo-liberalism in the 1980s, which argued for the primacy of market forces, free trade, liberalized finance and open competition. This neo-liberal globalization is neither inevitable nor desirable. At best, globalization theory underestimates the neo-liberal nature of the international order, and at worst, apologizes for it. Moreover, even in its more critical variants, this theory does not provide a convincing account of the nature of the contemporary international, or indeed global, order.

Ankie Hoogvelt in an interview given to Professor Aurora argues that:

> …the third world or the periphery as a unitary category has disappeared. Some third world states have become developed, and, at least at the time of my writing, are set to take the baton of economic growth away from what used to be the old core countries; I'm referring to East Asia and the United States. Others have become completely marginalized: Africa can hardly be defined in the same periphery as Latin America.[1]

How to judge globalism? Have global links spread knowledge and raised average living standards? But the present version of globalism needlessly harms the world's poorest (Sen 2002). These enormous variations in the experience and performance of what used to be one category, 'the third world', has given rise to a restructuring and reorganization of development studies. There is no such thing as 'development studies' anymore.

From the late 1980s or the early 1980s some prime incidents occurred in the world's socio-political and economic sphere. The fall of the Soviet Union, the subsequent termination of the 'Cold War', the demolition of the Berlin Wall and the 'Asian Crisis' were some major events which accelerated the rejuvenation of globalization at the beginning of the new millennium. This may be called the 'burst of globalization'. But the theorists who have a deep sense of concern with the social reality are suffering from a crisis of intellectual and humanitarian stimulation.

The idea of a global village was predicated on the promises of a widespread prosperity, of economic globalization and the further belief that this prosperity

went hand-in-hand with delivering the fruits of liberal democracy. The betrayal of these promises, however, is evident in growing inequalities and increased poverty.

The US hegemony which has existed for more than half a century is screening new features at the turn of the century. In the wake of the cold war, the US, soaring in the face of the world trend which errands peace and development, has taken the way of military expansion, triggering a new round of tension as the world comes out from the dark cloud of the war. In 1945 the US was hegemonic in the true sense of the term. The US was the strongest, it had an economic potential far ahead of anybody else in the world. The US had a military strength that was supreme. As a consequence, it had the power to create formidable alliances: the North Atlantic Treaty Organization (NATO), the US–Japan Defense Pact, and so on. At the same time, the US, as the hegemonic power, became economically, politically and culturally the hub of the world. Kiely (2005) reveals the weaknesses of globalization theory and argues that we can only approach a proper understanding of the contemporary world order by linking globalization to debates on capitalism, imperialism, neoliberalism and universal human rights. He explores US hegemony in the light of these issues, showing how 'liberal internationalism' cannot be separated from capitalism, neoliberalism and US empire-building.

For at least half a century, the global theatre has had one dominating actor—the United States of America. Fitzsimons (2002) notes:

> *The American presence in the world economy and culture remains authoritative economically: a $7 trillion plus economy; the home base of the majority of the trans-national corporations, who scour the world for markets and profits; the overseer of the many facades of international decision-making—the UN, NATO, the International Monetary Fund (IMF), the World Trade Organization, the World Bank and others; the cultural-electronic Goliath of the universe.* [emphasis mine]

De Rato (2006) gives a rather positive version of 21st century globalization. He argues:

> The global economy remains strong. The Fund projects that global growth will be close to 5 percent in both 2006 and 2007. We expect some slowing in growth in the United States from the over 5 percent rate of the first quarter, but there has been some pickup in growth in the Euro area, and the Japanese recovery remains on track. However, downside risks have increased, as evidenced by increased financial market concerns.
>
> Asia remains a leader in world growth. We have recently increased our projection for growth in the region to 7 per cent, about the same as in 2005. In part,

this growth is driven by an increase in demand for the region's exports, but in many countries it also reflects rising domestic demand—a welcome trend.

In this volume the authors explore the plural forms of capitalism in the 20th century. Andre Gunder Frank provides an analysis of contemporary US imperialism and neoconservatism, and then outlines the weaknesses of US hegemony and the potential for the rise of East Asia. With the end of the cold war in 1989 and the subsequent decline of Russia as a serious immediate contender, as well as the decline during the 1990s of the hype of Japan, two other regions, states and powers came into contention. One was the US whose fortunes and prospects seemed to have declined after 1970 but recovered in the 1990s; and even so, as Frank calls it, it is a *Paper Tiger*. The other is East Asia, despite its post-1997 crisis, and especially China—*the Fiery Dragon*. In global terms, we could regard this as a process of continued shift of the world centre of gravity west-ward around the globe, from East Asia/China to Western Europe, then across the Atlantic to the US, and there then from the eastern to the western sea-board, and now onwards across the Pacific back to East Asia, as observed in Frank's 'Eighty years around the World in the West and the Rest' (Frank 2003). Frank analyses the relationship between militarization and the crisis of the US dollar as a world currency. The chapter provides a comprehensive perspective on the evolving new world order, its structural weaknesses and contradictions, which shed light on the future of globalization. More importantly, it enables us to understand the economic underpinnings of the Neocons 'war on terrorism'.

Frank's essay consists of the following parts: Coup d'état in Washington; Paper Tiger—The United States; and the World Fiery Dragon—China in East Asia. It is a combination of two: first, the coup on the illegitimacy of the Bush government and the long standing agenda of the Cheney group who has made another coup within the Bush coup. Second, follows the paper tiger, about the underlying Achilles' heel vulnerability of American power that rests only on the paper dollar and the military Pentagon. CIA projection reports state that about two-thirds of the world's population lives in countries that are connected to the global economy. Even by 2020, however, the benefits of globalization would not be global. Over the next 15 years, the reports state, gaps will widen between those countries benefiting from globalization—economically, technologically and socially—and those underdeveloped nations or pockets within nations that are left behind. Indeed, we see the next 15 years as a period in which the perceptions of the contradictions and uncertainties of a globalized world come even more to the fore than is the case today. It is evident from the projected version of report that countries such as China and India will be in a position to achieve higher economic growth than Europe and Japan, whose aging work-forces may inhibit their growth.

> Given its enormous population—and assuming a reasonable degree of real cur-
> rency appreciation—the dollar value of China's gross national product (GNP)
> may be the second largest in the world by 2020. And China already has had about
> two decades of 7 percent and higher growth rates…as one study estimates, China's
> middle class could make up as much as 40 percent of its population by 2020—
> double what it is now—it would be still well below the 60 percent level for the US.
> And per capita income for China's middle class would be substantially less than
> equivalents in the West. (National Intelligence Council 2004)

In China, the report states, future technology trends will be marked not only
by accelerating advancements in individual technologies but also by a force-
multiplying convergence of the technologies—information, biological, ma-
terials and nanotechnologies—that have the potential to revolutionize all
dimensions of life and will help China's prospects to join the 'First World'.

The current context of globalization—a multidimensional set of processes
defined in this chapter as the extension and intensification of social relations
across world-space and world-time—has complicated conventional markers of
'American identity' to the point where antiquated lines of demarcation are
quickly losing their rationale. Hence, the 'paradox of a global USA' resonates
with the deeper political problem of how to negotiate national identity and
the rising 'global imaginary', that is, the growing awareness of an emerging
global community. Manfred Steger explores these shifting dynamics between
the national and the global by focusing on recent attempts made by a number
of US neoconservative thinkers and policy-makers to solve the paradox by uni-
versalizing 'America'. However, unlike the old-style conservative defenders of
'national interests', who tend to support globalization only when it benefits their
country, these neoconservative champions of 'democratic globalism' main-
tain that the paradox of a globalizing nation only exists as long as old conceptual
and geographical maps associated with the cold war continue to dominate the
minds of the American political elite. Arguing for the increasing congruence
of national and global interests as a result of globalization, they project their
muscular vision of a global US onto a decidedly planetary screen. What are we
to make of their apparent universalism? Are these neoconservatives genuine
'globalists'? Does their proposed extension of 'we the people' to 'we the planet'
facilitate the reconciliation of the national with the global? Taking these questions
as its point of departure, this chapter examines two recent neoconservative
versions of a 'global USA': *(a)* military strategist Thomas Barnett's reorientation
of US defence policy toward the global; and *(b)* former Undersecretary of Pub-
lic Diplomacy, Charlotte Beer's attempt to sell 'brand US' to a global audience.
Before we explore their respective arguments, however, let us set the thematic

stage by considering the recent evolution of this neoconservative discourse in the US within the overarching ideological framework of market globalism and the American Empire.

Capitalistic Politics of Globalization

Globalization is the latest hegemonic expression of capitalism. It can be explained in terms of economic, political, intellectual and cultural hegemony of the global players. We can argue that at present globalization has completely been merged with neocapitalism and the features of capitalism have already been exposed from the smoggy situation of the archaic types of capitalism such as market capitalism and monopoly capitalism. It is now been replaced by a flexible or managerial or corporate type of capitalism. And if someone looks back, he can easily perceive the return of the 'Empire' ruling the Earth with all its modernized and hyper-hegemonic power and motivation of domination. The global capitalists even achieved great success in penetrating the mind and political culture of the Communist pockets in the third world countries. A great majority of the deprived majorities are in favour of globalization, and most countries, finding no other alternatives, are accepting 'capital' from the multinational companies and global players posing politically 'Anti' words and 'Anti' slogans. The 'Empires' of today are real hegemons.

'One of the fundamental issues facing critical intellectuals today is the consumption of political language, the obfuscation of capitalism as it presently exists through the use of euphemisms and concepts…' (Petras and Veltmeyer 2001: 61). Total globalization is a remote-controlled process. The protagonists, of course, are not agreed to such noxious game of the process. Ulrich Beck has called the attack on the World Trade Center 'the Chernobyl of globalization', exposing 'the false promise of neo liberalism'. Stiglitz (2004) writes:

> The war on terrorism and in Iraq has distracted much of the world's attention from the pressing issue of how globalization should be managed so that it benefits everyone. A new report, issued by the International Labor Organization's commission on the social dimensions of globalization, reminds us how far the Bush administration is out of line with the global consensus…this very heterogeneous group was able to crystallize the emerging consensus, that globalization—despite its positive potential—has not only failed to live up to that potential, but has actually contributed to social distress.

In recent years debates about the positives and negatives of capitalism have been overtaken by debates about the positives and negatives of globalization. Globalization is a relatively new idea in the social sciences, though some argue that while the term is new, what the term denotes is not a novel set of phenomena (see Waters 2001). What most scholars agree about, however, is that the term has many meanings and that the debates around these meanings are often confused. Much of the confusion derives from an untheorized identification of globalization with what we can term capitalist globalization. The idea of capitalist globalization implies, of course, that there are other types of globalization. It is important, at the outset, to establish a generic concept of globalization without losing sight of the fact that the dominant form of globalization today is literally unthinkable without existing capitalism.

Generic globalization is a relatively new (post-1960) phenomenon defined by four fundamental characteristics. The first criterion of generic globalization is the widely discussed electronic revolution integral to what Castells (2000) famously dubbed 'the information age'. The second is the postcolonial revolution; the third is the creation of transnational social spaces. Finally, the electronic transformation has made possible qualitatively new forms of cosmopolitanism, where relations between the national and the international can be increasingly re-conceptualized in terms of relations between the local and the global. While the electronic revolution and this embryonic new cosmopolitanism both emerged historically in a time of rapidly globalizing capitalism, neither is necessarily a capitalist institution and both could exist and prosper—albeit in different ways—in a non-capitalist world. These four characteristics of generic globalization are, in my view, irreversible in the long run, but this does not mean that capitalist globalization is irreversible. The failure to grasp this idea has led to confusion in the ranks of the so-called 'anti-globalization' movement. But this is not the only source of confusion about globalization. Different, even contradictory, approaches to globalization have created a situation where the term is widely used but little understood.

Sklair (2005), on a question of global system theory and its linkage with global capitalism, argues, 'Analytically, transnational practices operate in three spheres: the economic, the political and the cultural-ideological. The whole is what I mean by "the global system".' Today, the global system is not identical with global capitalism, but the dominant forces of global capitalism are the dominant forces in the global system. Sklair's argument is that 'individuals, groups, institutions and even whole communities, local, national or transnational, can exist, perhaps even thrive, as they have always done outside the orbit of the global capitalist system, but that this is becoming increasingly more difficult.'

There is little question that capitalism has undergone profound changes in its global forms of development in its post–World War II period. Petras and Veltmeyer (2001) note that 'in the post–World War II context of an east–west division of the world, the hegemony of the US within the world economic system, a major decolonization process and the resolve (at Bretton Woods) to impose a liberal world economic order created the framework of 25 to 30 years of continuously rapid rates of economic growth and capitalist development— the "Golden Age of Capitalism"' (Marglin and Schor 1990: 14).

William K. Tabb observes that some decades into the era of neoliberalism in which the Thatcher TINA thesis ('there is no alternative' to neoliberalism) has been dramatically rejected in both theory and practice and new initiatives promoted at the behest of transnational corporations and international financiers encounter heavy resistance from the countries of the global South supported by social movements from the South and the North, a number of related debates are under way. There is renewed attention to a search for alternatives to the Washington Consensus programme. One strand of rethinking regarding where we are in history and what is to be done has been to re-examine the dimensions of class and the state at the level of the global political economy. Robinson (1998) has been among the most outspoken and influential advocates of the existence of a transnational capitalist class and a transnational capitalist state. Earlier, in this decade, two journals, *Science & Society* and *Theory and Society* have devoted symposia to these claims. This paper is an intervention in the debate over whether globalization is producing a transnational capitalist class (TCC); whether such a class exists or is coming into being; and the overlapping dis-cussion which considers the existence of a transnational capitalist state (TCS). Is one emerging? Does one exist? Is a global state impossible? Why and why not? Such questions raise difficult theoretical issues. How is one to make sense of these claims and counter claims regarding class (re)formation and state power and purpose?

To address these complex matters it is necessary to have analytical clarity on basic definitions. How is one to understand the social construction of class in a global economy? What of the state and the state system in relation to the world system? In addressing such questions the time frame is important. So, too, is the manner in which class is operationalized and the specificity of the state as an institutional form in this historical conjuncture of the world system. The discussion in this chapter is organized into three parts. The first proposes a way of looking at the capitalist class in the changing world system. A second considers the emergence of what has been called the semi-periphery as a dynamic centre of accumulation. A third section of the chapter focuses on the US as the hegemonic actor in a more interdependent international political economy. A short conclusion relates the developments discussed to the absent class in this discourse, the working class which has tended to be undertheorized.

The world was divided into the West and the East. The capitalism of the West was disposed to the people in the East. A new type of capitalism (flexible or managerial) emerged in the guise of globalization. The word globalization as a concept ultimately turned into a process. Is it then a reality or merely a knowledge-economy? Toffler (1993: 318) states:

> Few words are more loosely thrown about today than the term 'global'. Ecology is said to be a 'global' problem. The media are said to be creating a 'global' village. Companies proudly announce that they are 'globalizing'. Economists speak of 'global' growth or recession. And the politician, UN official, or media pundit does not exist who is not prepared to lecture us about the 'global system'. There is, of course, a global system. But it is not what most people imagine it to be.

It is undeniable that 21st century strategic thinking begins with the mapping of the global system. And the mapping system began with the end of the cold war, which has still an impact on globalization. Primarily the fall of Berlin and secondarily the break-up of the Soviet Union were the prime causes of such a system change.

Kiely examines the relationship between capitalism and globalization. Before presenting an outline of capitalism, Kiely first establishes why it is necessary to link capitalism and globalization. He does so by providing a critique of two influential sociological accounts of globalization, associated with the work of Anthony Giddens and Manuel Castells. Giddens' account of globalization conflates agency and outcome, and as a result underestimates the importance of agency, power relations and historical specificity. Castells' work effectively tries to incorporate these factors into his analysis, but it too suffers from considerable inconsistency and weakness, particularly in terms of its understanding of social relations. The second section draws on Marx's work, and argues that this provides a useful *starting point* for an understanding of globalization. However, there is a need to provide some periodization of capitalism in order to understand the current period of globalization. Capitalism has always been globalizing, but the term also refers to a specific period of capitalism, that can be traced back to the 1970s. This approach to globalization provides us with the basis for understanding agency, power relations, historical specificity and ultimately, politics in the globalization debate.

Wallerstein's analysis of the world system since World War II is as discussed here. He argues that the late summer glow of US-hegemony ended in 2001. Despite the military strength, which the US shows at the moment, their hegemony is declining. The coming period will be one of anarchy, which the US cannot control. The US has had a hegemonic position in the capitalist world system for the last 55 years. Wallerstein predicts that the future trajectory of the system will be terminal crisis, degenerating into 'global anarchy' with the decline of US hegemony. A world-systems view of the prospects for the American imperium,

after the occupation of Iraq results into the confidence of the Republican Administration, the misgivings of its allies and the uncertainties of a transition to a new historical order.

The 21st century momentum of globalization is markedly different from 20th century globalization and involves a new geography of trade, weaker hegemony and growing multipolarity. This presents major questions. Is the rise of East Asia, China and India just another episode in the rise and decline of nations, another reshuffling of capitalism, a relocation of accumulation centres without affecting the logics of accumulation? Does it advance, sustain or halt neoliberalism? The rise of Asia is co-dependent with neoliberal globalization and yet unfolds outside the neoliberal mould. What is the relationship between zones of accumulation and modes of regulation? What are the ramifications for global inequality? The first part of Jan Nederveen Pieterse's chapter discusses trends in trade, finance, international institutions, hegemony and inequality, and social struggle. The second part discusses what the new trends mean for the emerging 21st century international division of labour.

Kellner (1997) argues that 'Globalization from below' refers to the ways in which marginalized individuals and social movements resist globalization and/ or use its institutions and instruments to further democratization and social justice. While on one level, globalization significantly increases the supremacy of big corporations and big governments, it can also give power to groups and individuals who were previously left out of the democratic dialogue and terrain of political struggle. 'The West and the rest' dichotomy makes our world not compressed but divided. The horror of contrast between winners and losers, between lions and foxes at all levels of human existence feeds a pervasive mood of uncertainty that creates a situation of 'either–or' mentality and exclusion–inclusion fear psychosis. The result is the expression of fundamentalism, religious bigotry, ethnic cleansing, separatism, genocide, cross border terrorism and struggle for food and shelter. Globalization continues to be one of the most hotly debated and contested phenomena of the past two decades. A wide and diverse range of social theorists have argued that today's world is organized by accelerating globalization, which is strengthening the dominance of a world capitalist economic system, supplanting the primacy of the nation state by transnational corporations and organizations, and eroding local cultures and traditions through a global culture. Contemporary theorists from a wide range of political and theoretical positions are converging on the position that globalization is a distinguishing trend of the present moment, but there are hot debates concerning its origins, nature, effects and future. A cosmopolitan globalization would overcome the one-sidedness of a nation state and national interest dominant politics, and recognize that in a global world the nation is part of a multilateral, multipolar, multicultural and transnational system. A

cosmopolitan globalization driven by issues of multipolar multilateralism, democratization and globalization from below, would embrace women's, workers' and minority rights, as well as strong ecological perspectives. Such cosmopolitan globalization thus provides a worthy way to confront challenges of the contemporary era ranging from inequalities between haves and have-nots to global warming and environmental crisis. Douglas Kellner analyses such an issue.

Neoliberal Protest?

Popular resistance to the policies and practices connected with neoliberal globalization is not a new phenomenon. 'Anti-globalization' has an international history—even if not under that name—in protests against the International Monetary Fund (IMF) and the World Bank. Sklair (2006) observes that:

> Capitalist globalization, if we are to believe its own propaganda, is continuously beset by opposition, boycott, legal challenge, and moral outrage from the consumers of their products, and occasionally by disruptions from their workers. There have been some notable economic successes for labour movements in many countries in achieving relatively high standards of living for their members and political successes in establishing genuinely democratic practices. The emergence of new transnational networks of workers, through established unions and by other means, has been happening quietly.

The emergence of the anti-globalization movement, Naomi Klein feels, has produced a feeling of near euphoria among anarchists.

> Not only are our commitments to direct action and decentralization shared broadly in the movement as a whole, but we are also enjoying a political legitimacy that has eluded us for decades. We can now articulate our anti-state, utopian message to activists around the world and we are no longer dismissed as terrorists or cranks. In many respects it seems like we should just mobilize, mobilize and mobilize. Unfortunately this would be a grave mistake. The movement's anti-authoritarian, revolutionary character is currently under attack by an informal network of re-formists, who want nothing more than to see this movement accommodate itself to the basic structures of the present world. They are not waging a direct assault upon revolutionaries in the movement: they recognize that this would alienate them from the movement's base. Instead, they are fighting us indirectly, in the realm of ideas. In particular, they hope to define the movement in a way that renders its most expansive, utopian potentials literally unthinkable. (Morse 2003)

Neoliberalists view globalization as a deregulated freedom for economic activities whereas the antagonists use it as an institutional process to maximize profits. This particular *dilemma-model* invites conflict between global players and protestors (Dasgupta and Kiely 2006). Tomás Mac Sheoin and Nicola Yeates in their essay have argued that the arrival of the anti-globalization movement (AGM) was manifested in a new wave of protests involving innovatory tactics targeting summit meetings of a variety of international bodies and institutions. In response, a new pattern of state management of these protests has developed which goes beyond traditional methods of protest policing. This pattern has involved constraints on civil liberties, including the right to protest and the right to free movement, militarization of policing, transnational cooperation between police forces, increased surveillance and media and image management. This chapter is an attempt to delineate this new pattern of state management of political dissent by examining policing strategies across five continents, while noting national and regional variations in this state response.

They observe that a new model of protest policing is being diffused in response to new protest repertoires introduced by the AGM. This model, however, shows significant national and regional variations. Our analysis of policing of summit protests across five continents showed: the policing of AGM protests is mediated by local police styles, experience and judgement; separate constituents of AGM summit protests receive different policing methods; state form has a strong influence on policing—authoritarian states continued their existing policies on preventing public displays of dissent; and, finally, these changes in policing were already under way before the rise of the AGM in parts of Europe and North America and before the attacks on financial and military targets in the US on September 11. Their argument shows much greater uniformity among media treatment of AGM summit protests than among police management of summit protests. This model of protest policing has been formulated and adopted by analysts who have only examined protest policing in core countries. In 2006, Della Porta, Peterson and Reiter published an edited volume on the policing of transnational protest. Yet aside from one reference that grouped Bolivia and Turkey as authoritarian states, nowhere was attention paid to policing outside the core. Thus their collection is another proof of Sheptycki's contention that 'Studies of the policing of political protest taking place on the periphery (or even semi-periphery) of the global system is generally absent from the accounts of trends and developments of public order policing' (Sheptycki 2005: 329). As we have seen, most of the evidence for this new policing style comes from the advanced industrial economies of North America and Europe. Such material as is available on policing in the periphery gives little evidence of this new style, or of the previous style of negotiated management. The chapter has extended the analysis of protest policing beyond the core. From this, we can safely conclude that there is no simple globalization

of a new Public Order Management System (POMS) or replacement of nego-
tiated management policing model. Public order policing, like globalization
itself, is mediated by national, regional and local factors, histories, experiences
and balances of power. Finally, in an age of globalization and the alleged asso-
ciated phenomena of de-territorialization and unbounded flows, our exam-
ination of protest policing has found increased obstruction of flows through
the policing of public space and limitations on civil liberties along with
increased territorialization through the creation of fortified zones. Responses
to the AGM show the limits of the supposed hypermobility that is a much-
praised characteristic of globalization: while the elite have been free to flow
across state borders with ease and in comfort, increased regulation and restric-
tions have been placed on the movement of those that challenge the elite. While
some theorists have associated globalization with an increase in democracy,
opposition to globalization has been met with the closing down and restriction
of democratic rights in Western core countries, the diffusion of these restrictions
to other areas and the continuation of previous methods of repressing dissent
in peripheral countries.

Politics with Gender

Many critics fear that globalization in the sense of integration of a country
into world society will exacerbate gender inequality. It may harm women eco-
nomically, through discrimination in favour of male workers, marginalization
of women in unpaid or informal labour, exploitation of women in low-wage
sweatshop settings and/or impoverishment though loss of traditional sources
of income; politically, through exclusion from the domestic political process
and loss of control to global pressures; and culturally, through loss of identity
and autonomy to a hegemonic global culture.

Globalization affects different groups of women in different ways, creates new
standards for the treatment of women, and helps women's groups to mobilize.
In situations where women have been historically repressed or discriminated
under a patriarchal division of labour, some features of globalization may have
liberating consequences. While in many countries women remain at a significant
disadvantage, the precise role of globalization in causing or perpetuating that
condition is in dispute. Globalization presents opportunities to some women
but causes marginalization of many others; it advocates, 'mainstreaming' as a
way to achieve gender equality. Women play a distinct role in globalization,
experience more harmful effects and become a constituency for anti-systemic
movements. The mission of rhetoric globalization was to promote gender in-
equality and the empowerment of women as effective ways to combat poverty,

hunger and disease, to stimulate development that is truly sustainable, and to combat all forms of violence and assault against women. But the recent trend shows a rather sordid picture of gender exploitation and a nexus between the increase in workplace-based sexual harassment claims and the proliferation of work-based e-mail and Internet use is quite visible now. We can look at how e-mail and Internet technologies are implicated in sexual harassment and consider some of the reasons why these technologies have provoked harassment claims. This is, of course, the negative and other side of globalization, which is very dangerous for the identity of womanhood or motherhood in the future. Many urban and rural women are forced into prostitution in cities. Sex trafficking of women and children are increasing due to the wide network of multinational corporations in the industrial and rural areas. The facts and figures reveal that 98 per cent of wealth on Earth is in the hands of men and only 2 per cent belongs to women; the 225 richest 'persons' in the world, who are men, own the same capital as the 2,500 million poorest people. Of these 2,500 million poor people, 80 per cent are women. About USD 780,000 million are spent on armaments worldwide compared to USD 12,000 million spent on women's reproductive health. In terms of child prostitution, 90 per cent are girls and 100 per cent of the beneficiaries are men. Wars turn women into sexual slaves. Incidents of sexual assault are the impact of digital globalization and deregulated cultural and moral freedom which damage women's power, and globalization, in this regard, is playing deadly game with women. Samir Dasgupta opens up a specific folder of politics of globalization—the canvas of globalization politics centring round women empowerment. Many women's campaigners recognize that globalization affects women in different ways, creates new standards for the treatment of women and helps women's groups to mobilize. In situations where women have been historically repressed or discriminated under a patriarchal division of labour, some features of globalization may have liberating consequences. The current wave of globalization has greatly improved the lives of women worldwide, particularly in the developing world. Nevertheless, women remain disadvantaged in many areas of life.

Our world witnesses the clash between globalization-politics of identity and politics of difference. On the one hand, the women in the global era suffer very badly from identity crisis which results in desperate sex selling, entering into the porn world, enjoyment of over-freedom, destruction of traditional, ethical and aesthetic sense, bohemian style of living, deregulated cultural and moral freedom, identifying celebrity in terms of sex power, unnatural, morbid and grimy exposure before male audiences, adult sites, and so on. On the other hand, the women in the third world countries are becoming the victims of politics of difference. Today's feminist movement mostly gives us the message of heterosexual freedom and to be free from the family bondage and marital tie. This has every possibility of inviting sordid sex marketization.

Important conversations are currently taking place about a confusing phenomenon regarding a specific group of contemporary women. These conversations relate to some young women today who embrace pornog-raphy, prostitution and the sexual objectification of women. Rejecting the feminist struggles of an earlier generation, these young women seek to advance this so-called 'post-feminist' agenda. Dasgupta argues that capitalist globalization today involves an unprecedented 'commodification' of human beings. The fast-growing sex trade has been extremely 'industrialized' worldwide. The mission of rhetoric globalization was to promote gender equality and the empowerment of women as effective ways to combat poverty, hunger and disease and to stimulate development that is truly sustainable, and also to combat all forms of violence and assault against women. But the recent trend shows a rather sordid picture of gender exploitation.

Trade Union Politics and Globalization

Bourdieu (2002) notes that globalization is not fate, but politics. For this reason, a politics of opposition to its concentration of power is possible. This alternative must be international and draw on the experience of both trade unions and the newer social movements.

Webster's defines a labour union as 'an organization of workers formed for the purpose of advancing its members' interests in respect to wages, benefits, and working conditions'. Analysing the tie between globalization and labour unions involves asking a series of polemical queries about the consequence of increased capital flows on wages, regulations and workers' bargaining power. The explanation of this relationship mostly depends on the political situation of the person involved in the game. James Crotty, Gerald Epstein and Patricia Kelly write:

> In the US—the model toward which many countries aspire to converge—the two most important aspects of corporate America's new competitive strategy in the late 1970s and early 1980s were the choice of conflictual rather than cooperative relations with labour (the disavowal of the traditional accords) and a rejection of support for an effective social 'contract', one that assured both full employment and the maintenance of an adequate social wage. The corporate attack on labour was multidimensional. It included, among other things, war on unions, political support for stripping workers of their legal rights, the widespread use of replacement workers during strikes for the first time in the post–World War II era, outsourcing, and foreign direct investment (FDI). (Baher et al. 1998: 129)

President John Sweeney addressed the 17th World Congress of the International Confederation of Trade Unions (ICTU) in Durban, South Africa and stressed that '…[g]lobal capital and corporations have enlisted state power to free them from civilizing rules.' Sweeney continued his critical appraisal of economic globalization by stating that '…[t]he global economy that corporations have forged can only be tamed by the international solidarity of working families everywhere…[w]e must commit to pressuring our governments to champion the cause of building enforceable workers rights into the rules of the global market.' Labour unions argue that globalization serves the interests of multinational corporations and global capital to the loss of working people around the world. So the time is ripe to unite and mobilize democratic and independent forces to better the lot of the working classes and make certain access to upright work for a just and sustainable development which will save the identity crisis of trade union movement in the globalization era. It is the grim reality that economic unfairness arising from globalization was distinctly noticeable across the world, particularly in the third world countries where globalization, to the working class appears as a boon. Bourdieu (2002) argues:

> The neo-liberal politics of globalization has also contributed to the weakening of trade unions. The flexibility and precariousness of a growing number of workers' jobs has had the effect of hindering any unified action, at the same time as social security is extended to fewer parts of the workforce. This illustrates simultaneously just how difficult and how indispensable the task of reviving trade union action is. It will entail rotating responsibility, and re-examining the model of unconditional delegation, as well as inventing new techniques that are essential for mobilizing the fragmented and insecure workforce. Any such organization would have to be capable of overcoming the fragmentation both in terms of objectives and nationalities, in addition to the divisions within movements and trade unions. Bringing trade unions together in circumstances of lively debate and discussion must have a revivifying effect upon them.

Biswajit Ghosh raises such a debate in his chapter. He observes that we now live in an era of globalization and there is almost no alternative to market globalism today. 'Accelerated Globalization' has influenced each and every sphere of our lives and the field of labour is the most affected one. In the case of India, market liberalism introduced since 1991 has exposed the weaknesses of our old trade unions and compelled them to rethink their strategies and actions. The LPG model has in fact opened a veritable Pandora's Box with far reaching implications for labour, their unions and management as well. Drawing on several secondary sources and personal experience, this chapter primarily focuses on understanding and exploring the responses of Indian trade unions to these developments in an attempt to judge their viability, modus operandi and nature of politics in contemporary India. As a corollary, this chapter would also try to

locate the changing nature of labour–management relations in India. Today our unions are defensive, less militant and more pragmatic about productivity and efficiency of their organizations. The need for 'class unity' and concern for 'wider issues' above and beyond local/political/sectoral interests are felt desperately in the trade union circle due to their immanent fight against the bigger enemy and the entire system. All these changes have initiated a new beginning in the history of our working-class politics. A pragmatic approach accompanied by wider networks with different civil society and societal organizations may only provide vitality to our age-old trade union struggle and hence one can witness the rise of a new brand of trade unionism today irrespective of their political affiliations. Changes cited in the policy and prescriptions of our unions in this chapter also suggest that it is too early to write off their potential.

Globalization Discourse and Ecological Politics

While globalization is usually thought of in economic and social terms, it has a very seminal role in the ecological context. The rapid growth of both the economy and population over the last century has pushed human society up against planetary limits. 'The environmental consequences that have been predicted and are now becoming apparent risk dominating and even destabilizing our economic and social systems' (Dahl 2008). It is, therefore, sensible to examine the global ecological context and human intervention with it from a methodical perspective.

Steven Best analyses globalization in terms of the historical growing power of the empire. His discussions of globalization focus on questions of ethics and social justice that stem from dynamics such as the growing power and influence of transnational corporations, growing levels of economic inequality on a global scale and the obligations of rich developed nations to poor underdeveloped nations. These discussions, however, tend to look at social issues among humans without fundamentally questioning the existence of the human species itself—Homo sapiens—as problematic. Thus, in his chapter, Steven Best foregoes the usual questions of what humans owe one another within a global context to look at humans themselves and the first and only *global species*. Rather than examine the history, politics and ethics of nation states as imperialist forces, he examines humans as an imperialistic and colonizing species. And rather than consider the issue of the US as a global empire in decline, he tries to look at humanity itself as a decadent empire whose future is bleak at best.

John J. Green and Anna M. Kleiner in their chapter focus on agriculture and food that are of paramount importance to the development process. They argue

that globalization entails tension between national, international and transnational interests, and agrifood systems are of particular interest in this regard. Discussions of agrifood politics often focus on the differences between farmers in highly developed core countries and those in the broader semi-periphery and periphery, especially as they relate to subsidies. The US Farm Bill occupies an important place in the debate, because programmes influence what goods are grown/raised, processed and traded, and they impact the world market through their financial support for mass production. The typical analysis of 'poor farmer' versus 'rich country' is informative, but it obscures the diversity within and between countries' agrifood systems, downplaying the role of policies and programmes in both opening up and closing off pathways of development. As a way of broadening the discussion, this chapter uses the position of limited resource producers in the US to explore global politics. We maintain that if more attention was given to the needs and interests of these traditionally-underserved farmers, policies and programmes in developed countries would be less problematic for many producers around the world. Pressure on the dominant system by civil society organizations has resulted in important changes, but the most progressive programmes are offered through competitive grants, receive limited financial support and are contradicted by traditional commodity programmes. Instead of reducing the issue to one of poor farmers versus rich countries, it will prove more beneficial if critics attend to these complexities in the global context from a livelihoods perspective with broader exploration and identification of spaces for development of international solidarity.

Food and fibre are necessary components to livelihoods, they are important economic sectors in many places around the globe and production and consumption shape the physical world for better or worse. Given the importance of agrifood systems, it is little wonder that globalization entails tension between national, international and transnational interests. In some cases, agrifood policies are the key points of conflict in negotiations through bodies such as the World Trade Organization (WTO).

McMichael emphasizes the importance of tracing the agrifood system in studying the politics of globalization. As part of this, we have argued that agrifood policies and programmes open up and close off development pathways for limited resource producers. Critical theorists help to explain this by highlighting political-economic structures and processes while also taking into account social actors' attempts to survive. Global agrifood political conflicts are often conceived of as poor farmers versus rich countries; however, the framework we present maintains that there are complexities in need of attention within and between countries. Focusing on the situation faced by limited resource farmers in the US, it is apparent that these traditionally underserved producers face many of the same constraints as small-scale farmers across the globe. Attending

to their needs and interests would help to open up development pathways and mitigate some of the problems that US agrifood policy causes at the global level.

Civil Society or Mass Society?

During the period of 1945–70 the gigantic expansion of the capitalist system across the globe reached a stage that gave it new characteristics. 'Until the end of the 19th century, the worldwide expansion had merely integrated a certain number of basic products into a market that was still an international rather than a world market. This first step allowed the operation of the laws of value of a national character, within the framework of the constraints operating through international competition, through an embryonic world capitalist law of value. At this stage, the social classes were still essentially national classes, defined by social relations confined to the limits of the state. There was, therefore, a conjunction between the struggles of these classes and the play of politics, which was regulated precisely within the framework of these states. From the end of the 19th century to the World War II, the internationalization of monopoly capital began in parallel with the international market for basic products. But this stage is marked by the absence of world hegemony, and the monopolies, constituted on the basis of competitor central states, operated in a privileged position in the peripheral regions carved out between the colonial empires and the spheres of influence of these states.

> After the Second World War, began the stage of the worldwide expansion of the processes of production themselves through the break-up of systems of production into segments that the so-called 'transnational' form of enterprise would spread through the globe under its control. United States hegemony, even if it is now facing challenge. (Amin 1990)

Globalization has made it increasingly necessary to crack with nation state centred analysis. Social structure is becoming transnationalized, and

> …an epistemological shift is required in concurrence with this ontological change. New interdisciplinary transnational studies should be predicated on a paradigmatic shift in the focus of social inquiry from the nation-state as the basic unit of analysis to the global system as the appropriate unit. Sociology's fundamental contribution to a transnational study should be the study of transnational social structure. (Robinson 1998)

Misra (1998) argues that globalization has placed significant constraints on the autonomy of nation states in the making of social policy. It argues that the post–World War II welfare state represented a social system highly successful in combining economic efficiency and dynamism with equity and solidarity. This historic achievement at the nation-state level is being undermined by economic globalization. It is both necessary and feasible to recreate and institutionalize this mixed system globally. While the principles of civil and political rights are being consolidated and extended worldwide, the principle of social rights is in decay.

Adamson (2004) argues in his paper that the blending of globalization, migration and new technologies generates the structural conditions for the appearance of global networks, non-state actors and other entities that form politics beyond the state. The concept of civil society is a confusing concept which is understood differently by different thinkers who share common ideas about the civil society as an intermediate ground between the state, market and family. Civil society exists as an offset to state power. Global civil society has emerged as a counterbalance to another layer of governance in a globalized era, which is the layer of supra-state governance.

Bell (1987) writes, 'The nation-state is becoming too small for the big problems for life, and too big for the small problems of life.' The state is affected by globalization. The decline of a nation state according, to Held (1991) takes the following steps:

1. Increasing economic and cultural connections reduce the power and effectiveness of the government at the nation-state level.
2. State power is further reduced because of the growth of TNC's.
3. Many traditional areas of state responsibility (defence, cooperation and economic management) must be coordinated on an international or intergovernmental basis.
4. State thus surrenders…
5. A system of 'Global Governance' emerges.
6. Emergence of supra-national states.

On the basis of such a model we can presume that states, in the era of globalization, face a severe crisis. The old state system is overloaded with economic illness, ecological crisis, environmental disaster, crime, poverty and political corruption. So we are thinking of a state which exceeds its philosophy—it is like a beyond state. So NGO's have begun working with the notion of *Governance without Government*. They are working as the alternatives to development and keeping themselves away from state intervention. The position of such non-state actors has been explained clearly by Salaman (1994):

> A striking upsurge underway around the globe is organized voluntary activity and the creation of private, non-profit or non-Governmental organizations…the scope and scale of this phenomenon are immense…crisis of confidence in the capability of the state. Broad historical changes have thus opened the way for alternative institutions that can respond more effectively to human needs.

In this context, Etzioni (2004) focuses on 'Transitional Communistarian Bodies' (TCBs) which have exploded since the end of the cold war and 'they have been particularly effective in setting transnational agendas; in mobilizing public opinion in general and that of concerned groups in particular in acting as public interest groups that lobby various national governments and international organizations' (p. 154). Etzioni (2004) notes, 'Civil Society and the Communistarian bodies…has been viewed largely as a counter weight to a potentially overpowering state…' (p. 151). But this is the reality that much attention has been paid to protect state-society than civil society. In modern society with the advent of globalization the concept of mass society occupies a central place which has been replaced by civil society by a section of globalization specialists. Mass society, the other name of the elite culture who are the dominating forces in state-society and globalization, is the offshoot of such a social formation.

Baker and Phongpaichit (2005) reveal how a world of mandarin nobles and unfree labour evolved into a rural society of smallholder peasants and an urban society populated mainly by migrants from Southern China.

The authors wrap the contests between urban nationalists, motivated generals, communist revolutionaries, business politicians and social movements to control the nation state and redefine its purpose. They describe the dramatic changes wrought by a booming economy, globalization and the evolution of mass society.

Nico Stehr argues that in contemporary theoretical and political discussions concerned with the nature of modern societies, the concept of globalization occupies about the same leading position once enjoyed in reflections about social transformation at the macro level by the term 'mass society', the idea of 'rationalization' and, somewhat later, the notion of 'modernization' or, even more generally, the thesis of a basic convergence of societal developments in the present age. Formulated negatively, the conception of globalization is associated with the now abandoned notion of 'enlightenment as a form of mass deception' under the hegemony of capitalist economic structures. Reflections and judgements about globalization processes and their feasible outcomes deal either with *(a)* the economic (including the political and technical); *(b)* the cultural (especially, the internationalization of scientific knowledge and information as well as the extension of communicative possibilities and capacities); or *(c)* the ecological conditions and consequences of globalization. In this chapter,

an attempt is made to demonstrate that both the critics and the advocates of globalization are mistaken in their premise that the decisive transformations about the significant features and outcomes of the globalization process have already occurred and that these changes have an irreversible character. As a result of the assumption that most changes due to globalization are in place already, observers and actors at best are left with bookkeeping tasks, tallying the successes or excesses of globalization. Not much else can be done.

Stehr points to risks as well as opportunities of globalization, without falling prey to either euphoria or lamenting global judgements. This means, for example, that neither globalization nor the progression of the world's societies is the result of a simple, one-dimensional process of change. Although innovations in the fields of communication and transportation shrink distances between people, isolation and segregation remains a widespread reality in this world, be it between regions, cities or villages. While, at the same time, parts and spheres of the world move closer together in terms of the circulation of goods, people and styles, different beliefs and convictions about what is sacred remain the barriers of ideas and realities. Stehr argues that the importance of time and space changes, but still we retain and cherish the old frontiers and borders. In an age that seems fascinated with globalization, we celebrate our obsession with identity and ethnicity. Hand-in-hand with the territoriality of sensibilities and the regionalization of conflicts, we see the increasing concurrence of events on all continents. Some of the risks of the globalization process may be found in a reified, alienated understanding of the globalization process itself: actors, corporate and political systems primarily conceive of themselves as objects of the globalization process. What is equally true is that the globalization process cannot simply be reversed by decree or the will of groups and institutions.

Dual Citizenship and Globalization Politics

Dual citizenship has become the buzzword in this era of globalization and porous borders. Professor Bhagwati says that if one feels dual loyalty is the in thing now, nobody minds it but non-resident Indians (NRIs) will have to accept their citizenship rights with all other obligations. He has been arguing that if dual citizenship rights are granted one should also get voting rights. Also with it accept the tax obligations. NRIs think they are doing wonderful things for the people back home and they should be given all the rights. Globalization works in mysterious ways. Lately, it has sparked a boom in dual citizens: US citizens serving in foreign armies and governments, foreign citizens serving in the US Army and government and voting in US elections. That is raising touchy

questions about loyalty and national identity. It is also clouding debates about national interests (Mitchell 2002).

A section of the globalization followers advocate the new form of immigration by arguing that the present day globalization process brings many economic opportunities to both the home country and the beneficiary country.

> [Immigrants, especially those who bring skilled labour or specialized knowledge,]… are able to decrease the transactional costs associated with international business thanks to the specialized knowledge they bring about their home country practices. Some globalization critics counteract this argument by pointing out that the current system leads to divided communities because immigrants will no longer have the desire to assimilate into the culture of the second country. Both of these assertions carry some weight. However, given the wide range of reasons underlying a decision to migrate, one must ask if immigration policies can realistically be assessed by using a pro-con or cost-benefit analysis. (Parker 1997)

As society's boundaries become more fluid and as globalization and democratization become increasingly omnipresent, the implications for the meaning of citizenship grow increasingly significant. This chapter explores the extent to which international factors interact with domestic factors to produce varying outcomes in different localities. This is done by estimating the impact of world polity indicators and domestic indicators on dual citizenship laws. The recognition of dual citizenship reveals the extent to which a country recognizes assimilative notions of citizenship. We find that party competition, the ratification of international treaties and status as a former colony influence the likelihood that countries recognize dual citizenship. These findings emphasize the prevalence of the world polity for dual citizenship laws but they also suggest the importance of politics and specify the context in which they are most salient. Dual citizenship, according to Kivisto, has increased dramatically in the latter decades of the 20th century and this trend has continued unabated in the present century. An ever-increasing number of nation states, for a range of reasons, have come to accept, or at least tolerate, dual citizenship. On the face of it, this is a surprising trend because in the not-too-distant past it was widely assumed that citizenship and political loyalty to sovereign states were thought to be indivisible. This new development casts doubt on the assumption that overlapping membership violates the principle of popular sovereignty and that multiple ties and loyalties on the part of citizens in border-crossing social spaces contradicts or poses a serious challenge to state sovereignty (Faist 2004). To appreciate this fact, they explore dual citizenship by examining its history, with an eye to identify factors that have contributed to its rapid expansion, offer a brief review of the role played by international law and covenants and summarize what is known at present about the number of dual citizens in the world today. This discussion is intended to offer some clues about future trends.

Nation states in the modern era have claimed a monopoly on defining the specific parameters of citizenship regimes and establishing the ground rules for inclusion and exclusion (Tilly 1990). However, recent challenges to the container concept of citizenship have arisen, whereby the nation state is viewed as the ultimate arbiter of both questions concerning membership and the content of citizen rights and duties (Faist 2000a, 2004, 2006; Münch 2001). This discourse arises in the context of the growing interdependency of nations—economically for certain, but also politically and culturally. Located in terms of what scholars variously refer to as transnationalism (Faist 2000b, 2000c; Kivisto 2001) and globalization (Lechner and Boli 2005), new modes and loci of belonging that transcend existing political borders have begun to arise. It should be noted that the novelty of this discourse is such that it is a relatively new topic in the social sciences (Turner 2006) and at the level of public policy. In those nations that have entered into parliamentary discussions about the viability of expansion, the topic has percolated into public discourse, while in other places where such initiatives have not taken place it has not become a topic of public interest.

Benhabib (2004: 1) describes contemporary developments in the following way:

> The modern nation state system has regulated membership in terms of one principal category: national citizenship. We have entered an era when state sovereignty has been frayed and the institution of national citizenship has been disaggregated or unbundled into diverse elements. New modalities of membership have emerged, with the result that the boundaries of the political community, as defined by the nation state system, are no longer adequate to regulate membership.

Although the rapidly growing literature on the new modalities of citizenship is rich and complex, we think that the discussions can be divided into two central themes about the way citizenship is coming to be redefined. The first shift concerns the impact of the rapid proliferation of dual citizenship (Faist 2006; Faist and Kivisto 2007), while the second entails the emergence of various modes of what has come to be referred to as post-national citizenship. In terms of the latter, there are two distinct foci. One looks at 'nested citizenship', which implies a set of two or more memberships located in concentric circles. The only significant instance of this development at present exists in the case of the European Union, where national identities do not disappear, but become embedded in the larger, overarching trans-state entity (Faist 2000a; Faist and Ette 2007). The second focus is on what has variously been described as global, world, or cosmopolitan citizenship (Lechner and Boli 2005).

Dual citizenship is fascinating because appearance of two major tendencies are noticed in the world. Shevchuk (1995) in her presentation of a paper in a seminar states:

There is on the one hand globalization, transcendence of all borders, emergence of common identities, multiple new identities that didn't exist before. There is on the other hand the return of nationalism, very often associated with the collapse of empires and old state entities, like the Soviet Union and Yugoslavia. In dual citizenship, these two tendencies interrelate in a very interesting way. And what I am about to say today is really a working hypothesis, and I want to provoke your reaction to a number of things I'm going to say, rather than something final, a conviction I've arrived at. So far, dual citizenship—and I studied literature a little bit, what I could find directly relating to dual citizenship—I was under the impression that almost exclusively, the issue of dual citizenship was problematized in its Western variety—that is, as the result of international migrations, and the subject of dual citizenship, the group of people at the heart of the issue, is invariably immigrants: people who migrate from one country to another, who wish to preserve their links with the country of origin, who wish to preserve with their new citizenship their old one. So I suggest that dual citizenship can be problematized as a kind of conceptual triad or triangle. There is the country of origin, or the sending country, which sends immigrants to the host country, sometimes called the receiving country. And this is the case of dual citizenship that is observed in such countries as the United States, United Kingdom, Canada, Germany, Sweden, Italy and many others. This is the variety of dual citizenship that political scientists are most acquainted with.

It should be noted at the outset that dual citizenship does not challenge the nation state per se, but rather calls into question any one state's right to claim a monopoly on the membership of its citizenry. On the other hand, although nested citizenship is also an empirical phenomenon that requires scrutiny, it is solely confined to Europe, for there is no truly parallel regional counterpart to the European Union in any other part of the world. Thus, this is a more circumscribed topic. When at the conclusion we briefly touch upon the debates about citizens of the world, we increasingly enter the realm of speculation, addressing issues that can only be understood in terms of the *longue durée*.

Corporate Social Responsibility

Business in a globalized world is no longer only about profit. Companies that function globally are more and more being called to account over their social responsibilities to the employees, local communities and the environment. Companies that take these responsibilities seriously are faced with a surfeit of problems and dilemmas. For example, how can companies navigate the sea of tension between observing international rules of conduct and responding to specific local cultural circumstances? How can they ensure social responsibility

in the product chain(s) in which they operate? And how can they best contribute to the local economy of developing countries? (Crame 2006).

Sheldon Rampton (2002) argues:

> Three trends related to globalization are driving the rise of 'corporate social responsibility': the rising protest movement against economic globalization, the 'war on terrorism' that began on September 11, and recent corporate scandals. Globalization has many faces. Corporations view globalization primarily in terms of the economic openings coupled with opening local markets to global trade and investment. However, the 'anti-globalization' movements which have arisen in response to corporate globalization are themselves global in scope.
>
> In March 2002, *SustainAbility*, a British corporation which encourages activists to dialogue with companies embroiled in environmental and human rights controversies, issued a report titled 'Good News and Bad: The Media, Corporate Social Responsibility and Sustainable Development'.

The report covered issues such as 'biodiversity, child labour, climate change, corporate social responsibility, endocrine disruptors, genetically modified foods, globalization, green politics, the growth of mega cities, ozone depletion, recycling, renewable resources, socially responsible investing, sustainable forestry and urban air quality'. Globalization has the ability to produce an incredible bonanza by developing knowledge, awareness and information, technologies, productivity mechanisms and greater social and cultural interchanges. Yet the benefits have not been matured by the vast bulk of the world's population. Without programmes to improve health, education and legal rights to both, globalization's positive impact will not be realized by most of the world's populations. Instead, the gap between the rich and poor will become increasingly apparent. Both the public and private sectors have roles to play in creating a global interdependence that includes populations that are disenfranchised, unhealthy and poor.

Corporate Social Responsibility (CSR) is generally understood to be the positive role that businesses can play in a host of complex areas, including safeguarding employees' core labour rights (to non-discrimination, freedom of association and collective bargaining against child labour and forced labour), protecting the natural environment, eliminating bribery and corruption, and contributing to respect for human rights in the communities where they operate. CSR is not new to the international agenda; it has been around for many years. It has been gaining prominence and momentum worldwide: conferences are held weekly, papers and articles are published almost daily; new and innovative partnerships are being developed. There is reason for optimism. Even if we look only as far back as the Battle of Seattle in the fall of 1999, since then numerous initiatives such as the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinationals and the

Global Compact have been introduced, implemented and, in some cases, refined and implemented again.

The growing international and domestic interest in CSR stems largely from the concerns held by many in every society about the real and perceived effects of rapid globalization. The interest has been reflected in the expectation that globalization must proceed in a manner that supports sustainable development in all regions of the world. People insist that the activities of corporations should make a positive contribution, not only to the economic development and stability of the countries in which they operate, but also to their social and environmental development. Failure to respond to such an agenda satisfactorily will contribute to increased social tensions, environmental degradation and political upheavals. Good corporate conduct makes an important contribution to sustainable development in any community and thus goes a long way toward responding to the concerns that globalization raises. Many companies and business associations have recognized the importance of CSR. Not very long ago, the dividing line between business and society appeared to be clearly drawn. According to the economist Milton Friedman, 'There is one and only one social responsibility of business: to use its resources and engage in activities designed to increase its profits.' This view no longer prevails. The CSR agenda is a complex one, requiring cooperation among a wide variety of stakeholders to be addressed effectively. Improved dialogue between the private and non-governmental sectors is one positive pattern emerging from recent CSR trends. While early relationships were often characterized by mistrust and misunderstandings that fed a cycle of opposing actions and reactions, today stakeholders are increasingly recognizing the value of multi-sector dialogue or partnerships to achieve substantive, long-term reform. Such a dialogue can facilitate a better understanding of the expectations and concerns of key stakeholders, and it can also act as a forum where debates over differences are more about identifying mutually acceptable solutions and practical implementation steps than reiterating entrenched, non-retractable positions (From a project proposal of Ananda Dasgupta and Samir Dasgupta, unpublished). Ananda Dasgupta explores a new perspective of politics of globalization which he analysed in the context of CSR. The capacity of a business to deal with the political and economic climate of a region or a nation depends on its financial strength. This ability to influence often remains undisclosed and is put to practice as and when required. The Enron project in India has been able to influence different state governments of Maharashtra, but the details of negotiation have never been made public. The marketing, production and labour departments of an industry often take care of the demands of the international customer and the industry and are often not viewed as components of CSR. Growth of civil society organizations has led to increasing democratization in the marginalized

and impoverished communities creating local responses to the grant meta narratives. Yet the nation state needs to evolve a new role for itself in this fast changing world. A stable nation providing good governance is thus a basic requirement for developing countries in their attempt to safeguard rights and interests of their poor and marginalized.

Globalization and Language: A Strange Political Interlude

We are globalized means we are Englishized. Language is the key to the process of globalization. If someone fails to communicate his views or ideas in English he/she will not be able to enter into the global arena. It means that globalization is selective, favouring a few while marginalizing the weakest. In the sphere of language the key question here is whether globalization means 'Englishization', or whether it is more likely to lead to an increase in individual and societal multilingualism and the preservation/revival of currently 'endangered' languages. Does globalization intensify inequality within and between regions, or does it provide opportunities for the economic and political advancement of previously impoverished/excluded communities? Patnaik and Hasnain (2006) state:

> The fate of languages throughout human history has been predicated upon political power relationships. Globalization is not just an economic phenomenon. It changes power relationships and brings about political and cultural shifts at the global and domestic level, and thus has a bearing on linguistic patterns and language hierarchy. As a result of globalization, a new ordering is afoot, new power alignments are taking place, socio–cultural reorientations are in evidence, and new hegemonies are being created. Globalization has also led to the emergence of new media imperialism and the creation of new world order, which is a euphemism for linguistic hegemony and regimentation. One manifestation of the hegemony could be seen in the extensive use of, and consequent dominance of, English worldwide. In this scenario, issues relating to the situation of Indian languages would need to be clarified.

Globalization is most often understood purely as economic agenda whereas it is, in fact a package of economic interests and socio-political ideologies seeking to re-enact colonialism. Now that the post-industrial markets are packed with not only buffer stock of material goods but also with nonmaterial products, what were socio–cultural practices are now marketable commodities. Globalization is thus the worldwide distribution (sale) of material goods, some institutions, of

cultural products such as movies, music, toys, videos, news, media, dressing and food habits, communication skills and language. Globalization is the packaged politics of breaking national and political boundaries to the advantage of the powerful part of the globe: the ideologically loaded discourse of globalization is the colonial story of 'white man's burden'.

Hundreds of languages are on the threshold of death. Five zones have been located where languages are disappearing: eastern Siberia, northern Australia, central South America and, in the US, Oklahoma and the Pacific Northwest. By the end of the century, it is expected that more than 3,500 languages will die out. There are currently more than 500 languages that are spoken by less than 10 people. As a language dies out, it often takes with it its irreplaceable view of the natural world.

Table 1.1
World Languages in Danger of Extinction

Region	Total living languages	Percentage of world total	Percentage with fewer than 10,000 speakers
The Americas	1,013	15	–
North America	–	–	78
South America	–	–	77
Central America	–	–	36
Africa	2,058	30	33
Europe	230	3	30
Asia	2,197	32	53
The Pacific	1,311	19	93
World	6,809	100	59

Source: http://www.globalpolicy.org/globaliz/charts/language.htm

Amitai Etzioni in his chapter observes that although long recognized as beneficial, a global language has not come to fruition despite considerable past efforts. A major reason is that many policy-makers and citizens fear that such a universal language would undermine the particularistic, constituting primary languages of local and national communities. This dilemma can be greatly diminished by a two-tier approach, in which efforts to protect the primary language will be intensified but all the nations involved would agree to use the same second language as the global one. Although, theoretically, the UN or some other such body could choose such a language, in effect, English is increasingly occupying this position. However, policies that are in place slow down the development of a global language, often based on the mistaken assumption that people can readily gain fluency in several languages.

Information and communication technologies (ICTs) are opening fresh pathways for transforming the way we live, work, learn, and communicate. ICTs are becoming a vital engine of growth for the world economy. They have

the potential to enable many individuals, firms and communities, in all parts of the planet, to address economic and social challenges with greater efficiency and imagination. In this way, ICTs contribute to the construction of true knowledge societies based on the sharing of information and incorporating all socio–cultural and ethical dimensions of sustainable development.

Politics of Cultural Capitalism

Cultural capitalism is an engine of 'corporate imperialism'; one which tramples over the human rights of developing societies; claims to bring prosperity, yet often simply amounts to plundering and profiteering. Negative effects include cultural assimilation via cultural imperialism, the export of artificial wants and the destruction or inhibition of authentic local and global community, ecology and cultures. Under the impact of growing industrialization and urbanization, free market economy, consumerism and globalization, society is changing rapidly in various directions.

Knowledge industries are the organs of cultural capitalism in the era of globalization. It has multifaceted dimensions such as spread of digital knowledge, Internet use, publication of books and journals from global corporate houses and setting up libraries. Knowledge is not only the emancipation of the soul but is also the power which accelerates the level and degree of consciousness and value judgement of the social being. Decisions regarding the good way of living and cultural as well as political mindset are determined by the words and the nature of presenting the philosophy and realities of our society. Globalization also touches such a field. The freedom of making of words and its presentation may put globalization 'on trial'. So narrowing the canvas of such a communicable intelligence becomes one of the unuttered agendas of global players. Right to information is the present day key to the globalization process. The use of a library and digital knowledge walk side by side. But digital knowledge may be referred to as half knowledge and it is associated with the philosophy of commodification and economic motivation of the global players and the capitalists. So we see the massive use of Internet technology and all the websites serve the delicious dishes of global knowledge from alpine to elephant. But community library serves are the need of the local people and it helps to develop the communitarian mindset of the local people. But a feeble effort of establishing community libraries is noticed in most of the countries and the people have to depend on the knowledge that the developed countries supply to them. This is also a political game of globalization. Most of the global people have no buying capacity of costly books published from corporate publication houses

and they are also deprived of having the facility of community libraries. This one-sidedness of knowledge which people acquire either from websites or from the central library makes their knowledge uni-polar and biased. Libraries are one of the accelerating agents of economic development and providers of equal access to information across the social strata they occupy. Libraries also play an important role in linking the digital divide. Social theorists and social scientists have not taken much of an interest in public libraries or their history. Yet, for sociologists, political scientists, and students of globalization and comparative national development, community libraries present significant conceptual and theoretical challenges. In terms of theories of class conflict or rational-choice approaches, it is hard to conceive of why community libraries exist in many parts of the world. They are costly to create and maintain and in many countries there seems to be little public demand for local library services. Rather, in many settings libraries are seen as foreign institutions and book reading is an un-familiar custom (Asheim 1966: 49). Gabriel Ignatow argues that community libraries are social institutions that promote global cultural exchange, and are themselves often examples of globalization, yet community libraries have not been much discussed by globalization researchers. In his chapter Ignatow draws the outlines of a global sociological approach to the establishment of community libraries and reading rooms. Drawing on revisionist library history, and on sociological studies of the diffusion of art, sport and moral reform movements, he argues that the social origins of community libraries lie neither in public demand for libraries, nor in enlightened philanthropy by local, national or global elites. Rather, historical studies of community libraries in Scotland and the United States suggest that such libraries were in large measure established by the elite in response to the perceived threat of groups not sharing an elite culture. He finds similar dynamics at play in the establishment of community libraries in South Korea, Turkey and elsewhere, and considers the relevance of these patterns for scholarly understanding of how globalizing forces interact with local institutions and social hierarchies. As social institutions, community libraries are not broadly enough globally diffused to be seen as examples of Western cultural imperialism and hegemony; nor are they examples of local resistance to Western imperialism. Rather, they are cultural institutions with Western origins that have been established, in developed and developing countries, where elite groups felt threatened, and where they perceived libraries to be institutions that could serve their interests.

The book provides a remarkably balanced, systematic and nevertheless accessible survey of the facts, theories and debates pertaining to the issue of politics of globalization. The general chapters address issues of US hegemony, capitalistic politics of globalization and issues related to empowerment, civil society and social movement. Specific chapters cover the dimensions of ecological politics, politics of agro-industries, trade unionism and globalization, corporate

social responsibility, and impact of politics of globalization on dual citizenship, language and global politics and community library and globalization politics and impact of globalization politics on folk culture. The book explores views on whether 'globalization' is politically a good thing—or not; lays out the main features of different ideas of what globalization politics means and assesses these against current and historical confirmation; and compares various theories and empirical paradigms.

Scholars and experts tend to narrowly focus on globalization as an economic phenomenon. Even critics of globalization highlight the economic aspect of current transformations of the global system. As a result, little attention has been given to the political responses to globalization. This volume attempts to fill that gap by the theoretical and empirical exploration of how people respond to political aspects of the globalization process. Drawing on a range of theoretical perspectives, the chapters in this volume empirically examine the political response to globalization. The contributors to this volume analyse the problems and consequences of US hegemony, capitalistic politics of globalization process, politics of empowerment, ecology, culture, civil society, dual citizenship and community libraries. These articles make important contributions to advancing our knowledge of how globalization processes are politically constructed.

The volume is designed to provide students, scholars, academics, professionals and activists a detailed background and knowledge in the major theoretical and empirical perspectives regarding the politics of globalization, a very challenging issue now, and focuses on US hegemony, global capitalistic politics, empowerment, politics of ecology, trade union and globalization, corporate social responsibility, civil society, dual citizenship, cultural capitalism, language and global politics and the impact of globalization on community libraries. The chapters in this volume abound with theories, views, use and issues with which to challenge and to help rethink the so-called views about the studies of politics of globalization in the present time and space. Of greatest significance, perhaps, this volume is not merely about the rhetoric version of globalization politics but it deals with the realities that we are facing. In knitting together theoretical aspects and empirical knowledge, this book arrives at a balanced view of globalization of politics.

Note

1. The interview available online at http://www.sas.upenn.edu/~dludden/Interview%20with%20 Ankie%20Hoogvelt.htm

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1

Coup d'état and Paper Tiger in Washington, Fiery Dragon in the Pacific

ANDRE GUNDER FRANK

Recent events in Iraq that require no further elucidation here make this chapter more timely now than when it was written. For this chapter is a combination of two stories. First, the coup one on the illegitimacy of the Bush government and the long standing agenda of the Cheney group who has made another coup within the Bush coup. Second, there follows the paper tiger one about the underlying Achilles' heels vulnerability of American power that rests only on the paper dollar and the military Pentagon. Vice-President Gore's major speech damning the policy of the Bush administration and calling the President himself incompetent, as he surely is, nonetheless judiciously avoided any direct mention of its and his illegitimacy. It was derived from a veritable coup d'état, not in having lost the popular vote, but first in having also lost the vote in the key state of Florida and having 'won' it through fraud and violence. And then, they violated the 14th Amendment of due process through the stacked vote in the Supreme Court and its refusal to let anybody abide by due process. Moreover, not only did Dick Cheney manage the entire transition to, and construction of, the Bush administration; but as vice-president he has continued to run the president's show from behind the scenes. That is so much so that after their joint 3-hour testimony to Congress about their Iraqi malfeasance, the *New York Times* was moved to editorialize that it made evident that the president is no more than a puppet managed by the vice-president. And as we know and the coup part of this chapter further documents, the vice-president himself was captured and moulded to its own ends of long standing by a team

of PNAC—Project for the New American Century—maniacal adventurers, led by 'Wolfowitz of Arabia'.

This illegitimacy of the president's and his administration's inauguration now takes on enormous further significance with the revelations that after having lied to the electorate, they have continued to lie and even more so to the American and the world public about the state of the nation and that of the world and about their policies in them. Documentation is overwhelming, but not even the tip of the iceberg is yet emerging in the Congressional inquiry, that the administration and President Bush himself have consistently lied and covered up about 11 September 2001. They have lied about security and have deliberately weakened it and have, themselves, terrorized the American public—not to mention having torn the Bill of Rights to shreds and otherwise having violated the Constitution—and by sending the machine gun toting National Guard into every airport in the country. Every day they are violating the Posse Comitatus Act that prohibits military participation in domestic civilian affairs, that has stood since 1878, as well as the more recent law prohibiting the Central Intelligence Agency (CIA) from doing so as well. All this is only to scare the public and Congress into accepting their unconstitutional Patriot Act and other measures from the agenda of a small right minority. And, of course, they have perpetrated monstrous lies about their war against Afghanistan and now against Iraq. Thus, an illegitimate president who promised an education presidency of gentle conservatism has instead taken the most radical departure of militarizing American society at home, privatizing the US military abroad, and antagonizing the rest of the world by his unilateral militarism and anti-environmentalism, not to mention their befuddled 'justification'. His and his government's verbal denunciation combined with de facto generation and sponsorship of terrorism is wearing thin and has totally irresponsibly led them and us into a Catch 22, 'damned if you do, damned if you don't' debacle.

The one in Iraq demonstrates one of several underlying vulnerabilities of American reliance on the Pentagon. As this chapter argues, this military Achilles' heel also further weakens the other one, which is based on the *paper tiger* dollar. The dollar has declined in value against the Euro and the Yen since I first wrote about this threat and how it in turn would weaken the Pentagon that must be financed by devalued dollars, especially in its increasing ventures abroad. At the same time, despite the revelations and soul searching about American torture in Iraq—and now we know, for a long time, also in Afghanistan and Guantanamo—the US occupation in Iraq is proceeding unobserved and unbothered with its major agenda there: *oil* and the economy. The Cheney-sponsored oil pipeline through Afghanistan that the Taliban was supposed to—but was unable to—guarantee, thus converting it from friend to enemy, is now in the hands of the new American-appointed government. In Iraq it is difficult

to tell *what* the US occupation is doing—nobody even bothers to look beyond the torture any more—about the oil and the economy, other than that they are being privatized and sold off at bargain basement prices to big American companies, with Vice-President Cheney's Halliburton in the lead. He still derives income from it, although his super-hawk friend Victor Perle resigned his high Defense Department position so that his conflict of interest would 'not hurt the President's re-election chances'. Meanwhile, President Bush defends himself by giving a monopoly of contracts for 're-building Iraq' to US monopolies on the grounds that 'WE' put our lives on the line and so we are legitimately entitled to the economic rewards from there. That would surely be good news to the GI's, reservists and privately employed but Pentagon contracted mercenaries who went to Iraq predominantly from poor rural America because the military offered their only option, if that is really an offer, for them now to join Cheney on the board of Halliburton.

But more important, with the region's second largest oil deposits in Iraq, what is the US really doing there on the world oil market and why is it making efforts to control or break the Organization of Petroleum Exporting Countries (OPEC)? One thing is sure—and the oil section of the paper tiger part of this chapter speaks on this issue of great global importance—Iraqi oil is once again being priced in US dollars and no longer in Euros as under the dreadful Saddam Hussein.

In the meantime, the dollar has indeed fallen significantly against the Euro and the Yen. This devaluation of the dollar would at least make US industrial and agricultural products more saleable in the world market—if they were otherwise competitive. But the industrial ones are not and the agricultural ones thrive only thanks to the huge government subsidy, the same as in Western Europe and Japan. On the other hand, a devalued dollar makes the US less attractive for the continued inflow of foreign capital from overseas savings on which the US economy and the American standard of living and way of life is so vitally dependent. All presidential administrations have lied to the American public about the sources of their wellbeing that are allegedly based on American efforts and skills promoted by the government's healthy domestic and foreign economic policies. But nothing could be further from the truth. The Clinton boom years of the 1990s—after the 1989–92 recession—were based entirely on the suction and flight of capital first from the former Soviet Union and Eastern Europe who were forced into a depression far deeper than that of the 1930s; and later the financial crisis of 1997 in Southeast Asia that was deliberately sponsored by Larry Summers, now President of Harvard but then at the World Bank and the US Treasury. That resulted in the decline of incomes by 40 and 50 per cent and the deliberately managed misery and death of millions in East Asia—and the flight of their own and foreign speculative

capital to the US safe haven of Treasury certificates (where it permitted a sudden but temporary balanced budget) and into Wall Street. There it fired the bull market that attracted Main Street to invest in Wall Street and made Mr and Mrs America feel rich and able to spend also on USD 100 billion of excess imports of textiles and gadgets from China. The Chinese, in turn, also sent the dollars they earned back to Washington to buy Treasury certificates, so that by now, the poor Chinese are the world's largest creditors to the rich Americans. More recently, however, China has begun to import more itself, in particular from Southeast Asia, using its American earned US dollars, to get at least something more than that worthless Treasury certificates on which the US is bound to default, because it will be neither able nor willing to make good. All depends on how long the rest of the world is still willing to put up with the US dollar, as the world currency, and what alternatives thereto are there . And this brings us back to the Pentagon as a shaky support for the dollar, and the Iraq debacle as yet another chink in the rusty armour of confidence in the US in general and its money in particular. And it leads us forward to examine the expanding role of China in the world, whose 10 per cent annual economic growth has been duplicating income every 6 years and making it *a*, and soon perhaps *the*, major player in the world economy.

What is the basis and security of the US position and power in the world? The answer is the twin pillars of the dollar and the Pentagon. The dollar is a paper tiger—literally so, much more than when Mao applied this term to the US. The Pentagon's strength and mobility is dependent on the dollar, and in turn supports it. But the two supporting towers of the US are also its two Achilles' heels. Through them, like the twin towers of the World Trade Center in New York, the entire US edifice can come crashing down in one morning—not by terrorism but through the operation of the world economy and the foolish policies of the US government itself.

With the end of the cold war in 1989 and the subsequent decline of Russia as a serious immediate contender, as well as the decline during the 1990s of the hype of Japan as number 1, (Vogel 1979) two other regions, states and powers came into contention. They are the US whose fortunes and prospects seemed to have declined after 1970 but recovered in the 1990s, and yet it is a paper tiger. The other is the rising Fiery Chinese Dragon. In global terms we could regard this as a process of continued shift of the world centre of gravity west-ward around the globe, from East Asia/China to Western Europe, then across the Atlantic to the US, and there then from the Eastern to the Western seaboard, and now onwards across the Pacific back to East Asia, as observed in my *Around the World in Eighty Years* (Frank 2000). Let us inquire further into the so far last part of this historical process.

Coup d'état in Washington

Be wary of conspiracy theories, beware of real conspiracies and be aware of a grab of power. It has happened in Washington and its instigators are pursuing a policy of *fait accomplis* that attracts ever more people to jump on the band wagon. The Bush administration has made a real coup d'état and achieved its apparently unknowing acceptance by America and the world. Even Hitler and Mussolini came to power by electoral routes and Stalin and Latin American dictators had to resort to violence to make their coups d'état. Bush and his small coterie required none of these to get to the seat of power.

The Coup

To begin with, Bush's accession to the presidency was in violation of the constitution. It is not that he received a minority of the popular vote, because the constitution provides for the president's election by the electoral college. But Bush received the electoral college vote by fraud, for he lost the decisive popular and thereby electoral vote in Florida. His brother Jeb, as governor of Florida, with the help of Mrs Harris, as secretary of state (who it has been alleged without evidence was his lover, but who certainly herself declared that she expected high political favours for her actions), first deprived hundreds of thousands of black and presumably Democratic voters of the vote through incarceration, intimidation and other means. The Republican Cuban Mafia sent its goon squads physically to prevent a recount in Broward County. Mrs Harris did all she could, which was plenty, to interfere with recounts in other counties in Florida. The alleged recounts that were made were a sham. They only recounted votes that *were not* counted in the first count by voters who had been unable to punch holes all the way through the voting cards without leaving the infamous hanging chads. Yet much more importantly, either before the decision or afterwards when the newspapers did it again, *no* one ever recounted the votes *that had* been for the Democrats but were discounted because voters mistakenly also punched a second hole on a confusing ballot. Yet even the third and most conservative candidate Pat Buchanan declared publicly that these duplicate votes in heavily Jewish and Democratic counties were surely not for him but for the Democratic Party candidate. These votes—or even half of them if they had been allotted also to other candidates—would have given a decisive majority of the popular vote and therefore of the electoral college votes

in Florida to the Democrats. Yet they were never counted or recounted for the Democrats.

In the end, Bush was not elected, but was *selected* in the Supreme Court by the decisive political swing vote of Justice Kennedy. The Supreme Court appealed to the 14th Amendment, which guarantees due process of law to all, which was ironically biased. It was selectively applied without due process to squash the popular vote in Florida, but the same due process procedures were not applied to challenged votes in any other state. That in itself was already a de facto coup d'état.

Then, several members of the House of Representatives called for a challenge of the electoral college under constitutional provisions that permit the Congress to do so if the challenge has the support of at least one member of both houses. Yet they were not joined by even a single senator who would have made the challenge legally effective. In other words, the Congress simply acquiesced to this power grab by the Bush administration through a coup d'état with the help of the Supreme Court but in clear violation of the constitution.

That was the beginning of the violation of the constitutional separation of powers and checks and balances. Since then, the Bush administration has carried these violations farther than any previous one in the history of the US. Not even President Lincoln in the Civil War, nor President Roosevelt in the World War II, nor his previous attempt to stack the Supreme Court, ever grabbed and concentrated as much power for the executive branch while marginalizing the legislative and the judiciary.

Beware of Conspiracy Theories

But be aware that it was really Vice-President elect Dick Cheney who then put together the Bush administration, selecting whom to place in which positions of power, especially in defence affairs. And beware of PNAC (the Project for the New American Century) which was already lobbying Washington with their plans for a 'Pax Americana' in 1992, 1997 and 2000 among other notable dates. PNAC issued a long report in September of 2000 entitled 'Rebuilding America's Defenses: Strategy, Forces and Resources for a New Century'. Its statement of principles calls for a massive increase in military power, US military domination of Eurasia to prevent the rise of hostile powers and pre-emptive (not just preventive) military action against states suspected of developing weapons of mass destruction. PNAC's prescriptions have been converted into official US policy and praxis by the Bush administration.

PNAC founding members and signatories of its statements include Cheney himself; I. Lewis Libby, Cheney's top national security assistant and now the vice-president's chief-of-staff; Donald Rumsfeld, also a founding member, now secretary of defense; Paul Wolfowitz (of Arabia), now deputy defense secretary and arguably the groups ideologue; Eliot Abrams, pardoned by Bush Senior in the Iran/Contra scandal and now member of the National Security Council; John Bolton, undersecretary for Arms Control and International Security; Richard Perle, the most outspoken hawk in the Reagan administration who advocates dumping the United Nations (UN), the then chairman of the powerful Defense Policy Board, who was forced to resign one of his positions over a conflict of interest scandal; Randy Scheunemann, president of the committee for the liberation of Iraq, who was Trent Lott's national security aide and who served as an advisor to Rumsfeld on Iraq in 2001; Bruce Jackson, now chairman of PNAC and former Vice-President of weapons manufacturer Lockheed–Martin who headed the Republican Party platform subcommittee for national security where he called for—as had Wolfowitz for some years—the removal of Saddam Hussein; William Kristol, noted conservative writer for the *Weekly Standard*, a magazine owned along with the most hawkish Fox News Network, by Rupert Murdoch and Norman Podhoretz, editor of the right wing *New Republic*.

The core group of PNAC now holds the highest positions of policymaking power in the Pentagon and much of it in the White House. They have also planted one of their group in the state department to keep an eye and check on Colin Powell who is the only major foreign policy player who is not a member of this inner sanctum. An interesting sidelight is that Wolfowitz, Perle and Feith also went to Israel to serve as advisors to Prime Minister Ariel Sharon, for whom they drew up a battle plan against the Palestinians. Behind them lies the strange ideological bed-fellow political alliance of two of the most powerful lobbies in the US: Organized Zionism and Christian Fundamentalism. For good measure, throw in the Cuban Mafia as well.

Another matter to consider is some of the connections of these same people with the private sector. Two examples should suffice to give a general idea. Cheney was chairman of Halliburton Inc., which in turn owns Brown & Root and other habitual contractors of the defence department for major construction and/or petroleum projects around the world. One of these companies was awarded a 1 billion dollar contract to re-build the Iraqi oil fields in case they should be damaged in the war. Another, of which the now 'Prime Minister' of Afghanistan was a director, is first in line to build the proposed oil and gas pipeline across Afghanistan from Central Asia to the Indian Ocean. The Bush family and George W. Bush himself have long standing business relations with the Carlyle Group, which also represents the Bin Laden family, including Osama, with whom they have also maintained direct relations.

The White House and the executive branch generally has made full use of its new power to serve its economic and political allies. Those who made the largest campaign contributions have been handsomely rewarded with government hand-outs and regulations, or rather de-regulation. The Bush administration has issued at least 200 separate executive orders to roll back regulations enacted by previous administrations, even Republican ones, to protect the environment and/or Public Health and Safety. Executive Order has received a whole new meaning: special interests write an order that is passed to the president for his signature, whereby mostly without knowing what he is doing he converts it into an Executive Order.

The Pentagon has petitioned the White House to exempt it from existing environmental protection regulations that hamper their disposal of spent munitions and other hardware and thereby interfere with 'national security'. The President deliberately appointed as secretary of the interior a person known for her ties to the timber and oil industries to whose exploitation she seeks to open thousands of acres of federally owned lands as well as the Alaska Wilderness for the construction of a new pipe-line—all in the interest of course of 'national security'.

The Bill of Rights and Constitution

More serious still, the Bush administration has shredded the Bill of Rights, abrogated the constitution and even violated the age-old common law of Habeas Corpus, which prohibits the detention and holding of anybody against his will without due process of law. Elsewhere in the executive branch, President Bush appointed and lent full support to Attorney General John Ashcroft who was already known for his racist and authoritarian inclinations. Although many senators had doubts about his appointment, the Senate ratified it anyway. Since then, Attorney General Ashcroft and his staff have converted several arms of the Department of Justice into those of a police state. The executive has encouraged and permitted the attorney general and the Department of Justice judiciary branch to violate the Bill of Rights and the constitution on multiple counts. For instance, the US Government already claims the right to monitor all e-mails and to bug telephone conversations without specific judicial permission.

The Bush administration brought Admiral Poindexter back into government after his participation in the Iran–Contra Scandal and lying about it to Congress. His new mission is a project, called Total Information Awareness (TIA), to develop computers to monitor 'vast quantities of data generated by US civilians in their daily lives: academic transcripts, ATM receipts, prescription drugs,

telephone calls, driving licences, airline tickets, parking permits, mortgage payments, banking records, e-mails, website visits and credit card slips' (*The Guardian* 2002).

In critiquing all this and the Patriot Act, only the lone voice in Congress of Representative and presidential candidate Dennis J. Kucinich (D-Ohio) has asked:

> How can we justify in effect cancelling
>
> – the First Amendment and the right of free speech, the right to peaceably assemble?
> – the Fourth Amendment, probable cause, the prohibitions against unreasonable search and seizure?
> – the Fifth Amendment, nullifying due process and allowing for indefinite incarceration without a trial?
> – the Sixth Amendment, the right to prompt and public trial?
> – the Eighth Amendment, which protects against cruel and unusual punishment?

And Justice for All?

The Constitution extends all the rights it guarantees to anybody in the US, but the attorney general has declared that non-citizens are not worthy of protection by the constitution. We do not know yet how much of a loss that is because the Department of Justice and its Immigration and Naturalization Service (INS) have also taken it upon themselves to divest naturalized and even native-born American citizens of their citizenship, again in clear violation of the Constitution. And even those who remain citizens are under constant threat of having their rights violated without due process under the 14th Amendment, or to be detained in violation of Habeas Corpus. They are denied representation by legal counsel and trial in civil courts, as provided for by the Constitution. In particular, hundreds of thousands of American residents and citizens of Arab descent or even of features that appear to individual agents of the Department of Justice or the police's racial profiling as perhaps being Arab, or Muslim, or who knows what else, have been called in for questioning. When they appeared in Los Angles, they were detained without charge. They now live in constant fear of the infamous knock on the door at 3 AM that was made infamous by Hitler's Gestapo and Stalin's GPU. That is so if they are even favoured by a knock on the door before a blast of gunfire of shooting first and asking questions later.

So far, we know of over 700 people who have remained in detention since September 2001; though there may be many more, since nobody knows or says

where they are, or who they are or what they are accused of. Indeed, only a dozen of these have ever been charged with anything. The others remain out of sight and out of mind except for their families who are not allowed even to secure legal representation for them. So do the innocent Afghani prisoners the US keeps in Guantanamo and the countless ones still detained under horrible conditions in Afghanistan. How come there is no public outcry about any of these?

On the other hand, the same executive branch has divested the judiciary of powers and the citizenry of judicial protection by illegally transferring powers of the judiciary to itself. Perhaps, only the most visible tip of the iceberg of this process is the Bush administration's and Pentagon's declaration that it will bring normally civil suits before military tribunals that operate under rules of court-martial and other procedures of military 'justice' that can order death sentences without appeal. Moreover, the accused do not know whereof, cannot chose legal counsel and their conversation with whom can be overheard by the authorities. The prestigious, very conservative, publicist William Saffire refers to them as 'kangaroo courts' and observes that:

> no longer does the judicial branch and an independent jury stand between the government and the accused. In lieu of those checks and balances central to our legal system, non-citizens face an executive that is now investigator, prosecutor, judge, jury and jailer or executioner. In an Orwellian twist, Bush's order calls this Soviet-style abomination 'a full and fair trial'.

The Land of the Free?

John Ashcroft has also issued instructions to the Department of Justice to resist, as far as possible, the delivery of documents under the Freedom of Information Act. And the executive itself has severely restricted the kind and number of documents of its own that it is prepared to make public. In other words, transparency and therefore control or even critique of the ever widening powers and their use by the executive branch is itself being severely restricted. On the other hand, the executive branch has multiplied its own access to information. During the Congressional debate on John Ashcroft's USA Patriot Act, an American Civil Liberties Union fact sheet on the bill's assaults on the Bill of Rights revealed that Section 215 of the act 'would grant FBI agents across the country breathtaking authority to obtain an order from the Foreign Intelligence Surveillance Act (FISA) court...requiring any person or business to produce any books, records, documents, or items'. That includes bookstores and public

libraries being obliged to divulge who is reading what. This is now the law, alas; the Congress has been intimidated into passive acceptance of virtually everything and anything the executive proposes and demands. It passed the Patriot Act that severely restricts civil liberties virtually without reading it. The proposed Patriot Act II has not even been submitted to the Congress for study and yet the version leaked by the press suggests that it proposes even more of a police state than the first one. When the leader of the Democratic majority in the Senate voiced only the mildest doubts about Bush's military moves, he was immediately reprimanded by his Republican majority leader counterpart Lott, for how dare he 'criticize the President in time of war!' Both have been forced to resign since then, but for scandals unconnected to that one.

Moreover, the executive has been more than secretive about the events and circumstances of 11 September 2001; and the Congress has not launched any serious inquiry of its own. Neither have the media. There has not even been any public inquiry or disclosure into the failure of the Air Force or National Guard to scramble fighter aircraft to investigate the airliners that had clearly gone off course. That is every day routine standard operating procedure, but it was called off or at least not enacted during the 90 minutes that elapsed between the crash into the first World Trade Tower and the one into the Pentagon— that is *if* the Pentagon was damaged by an aircraft which has been seriously questioned only because no evidence has ever been made public for such an event. Nor has the government given any account of its receipt and disregard of multiple forewarnings from intelligence agencies among its allies in Pakistan, Russia, Germany, France and Israel. In other words, the very circumstances that allegedly require all these domestic and foreign responses by the Bush administration are themselves wrapped in a shroud of self-imposed secrecy.

The violation of the constitutional provisions for the separation of powers is particularly flagrant regarding the powers reserved for the legislative branch of the Congress and the constitutional prohibition against military action in domestic civil affairs. Bush also disregards the constitutional provision that only Congress may declare war and it violates the 1976 War Powers Act that Congress passed to regulate that constitutional provision after it had been grossly violated in the Vietnam War. The Bush administration has de facto also abrogated the 1878 Posse Comitatus Act that prohibits military participation in the enforcement of civil law and it violates the general constitutional provision against the military action in domestic affairs. Instead, the Bush administration has visibly mobilized the armed forces and national guard around all US airports and elsewhere, and the Pentagon is drawing up plans for its intervention in endless domestic affairs. It stands to reason that the machine gun-toting military presence in the passenger areas of airports has not added one iota to security but serves only to terrorize the public into blind and passive

acceptance of the violation of their civil rights there and elsewhere. Even the government has stated repeatedly that any other terrorist attack on the US is not likely to copy that of 11 September 2001 but to take totally different forms against which this military presence would offer no defence. Indeed, it would not have prevented that of 11 September either. The pretext that the country is at war is being used as a cover for the US Government's own terror at home and abroad; and the country is being militarized as never before, not even in war time.

The Pentagon is extending its actions in American civil affairs ever more, also by establishing a new office of Under Secretary of Defense for Homeland Security, which then created a northern command to coordinate military response to domestic threats. The Pentagon also has a new Under Secretary for Intelligence, Stephen Cambone, who said the existing agencies will continue with their work but that his unit will ensure that they are meeting the intelligence needs and priorities laid out by the Pentagon (Boston Globe 8 June 2003).

Pax Americana

The Pentagon is also expanding into previously unimagined places and roles overseas. There are now well over 100 US military bases around the world, as well as current US military operations in Iraq, Afghanistan, the Horn of Africa, Colombia, the former Yugoslavia, South Korea, the Philippines and former Soviet states such as Georgia, and so on. The latest details, disclosed by the *Wall Street Journal* on 10 June, include plans to increase US forces in Djibouti on the Horn of Africa across the Red Sea from Yemen, setting up semi-permanent 'forward bases' in Algeria, Morocco and possibly Tunisia, and smaller facilities in Senegal, Ghana and Mali that could be used to intervene in oil-rich West African countries, particularly Nigeria. Similar bases—or what some call lily pads—are now being sought or expanded in northern Australia, Thailand, Singapore, the Philippines, Kenya, Georgia, Azerbaijan, throughout Central Asia, Poland, Romania, Bulgaria, Qatar, even Vietnam and Iraq. The new republics in former Soviet Central Asia and the former Soviet satellite states in Eastern Europe are particularly strong magnets for US military presence and a glance at the map will show that the US is systematically encircling China. Moreover, the Pentagon military missions are marginalizing the diplomatic missions of the State Department, with the senior military officer having more resources and greater influence than the US ambassador (Boston Globe, 8 June 2003).

Even so, the Associated Press reports on February 24 that '…senior U.S. officials have been quietly dispatched in recent days to the capitals of key Security Council countries where they are warning leaders to vote with the US on Iraq or risk "paying a heavy price."' Although this kind of blackmail has been the standard operating procedure (SOP) in all American administrations, the Bush administration has carried the threat and practice to previously unheard of new heights. As President Bush declared in his State of the Union address, 'Those who are not with us, are against us'—and will pay a heavy price.

'We are in the process of taking a fundamental look at our military posture worldwide, including in the US,' said Deputy Defense Secretary Paul Wolfowitz on a recent visit to Singapore, where he met with military chiefs and defence ministers from throughout East Asia about the US plans there. 'We're facing a very different threat than any one we've faced historically.' But recall that this is the same Wolfowitz of Arabia talking who drew up his and PNAC's plans to face this different threat already in his memos of 1992, 1997 and 2000.

The Law of the West

The Bush administration has also set aside centuries of International law. It wages illegal war, prohibited by numerous international treaties and by the UN Charter. Indeed, it makes war without even declaring it, which even Hitler took the trouble to do. The US armed forces would not only violate Geneva conventions of crimes against humanity, genocide, weapons of mass destruction such as depleted uranium, cluster bombs, massive 'Daisy Cutter' bombs, destruction of civilian facilities to provide power, water and sanitation, and even neutral international waterways, as when it deliberately blocked shipping on the Danube.

The Bush administration (though Presidents Clinton and Bush Senior also did earlier) has completely emasculated the UN instruments and procedures set up by the US and its allies after World War II to preserve peace. Bush even had the gall to go to the UN and charge it with dereliction of duty and of its reputation by failing to give its stamp of approval for his war against Iraq— when the clear duty of the UN and especially of its Security Council is not to make war but to keep peace. His government and his lackey press misled the public into believing that a Security Council (SC) resolution could legalize his war. The fact is that even with an SC resolution his father's war against Iraq in 1991 was in clear violation of Articles 2, 27, 41, 42, 43 and 53 of the UN Charter, among others. The failure of the NATO states even to consult the UN before going to war against Yugoslavia, as did President Clinton and NATO; and then

President Bush's war against Afghanistan without the slightest provocation from its government and then the war on Iraq in clear violation of the expressed desires of the UN membership, only illustrate the total abandonment of the UN as an institution and instrument for peace. On the contrary, after the US bombs a country into shambles, it then goes to the UN to ask it to pick up the pieces or, in plain English, allegedly to legitimize the US military occupation of the country it had just destroyed. But not only that, violation of international law also constitutes ipso facto violation of national law, because Senate ratification of an international treaty converts it into US law as well. Moreover, domestic democracy has been sacrificed to waging international war as well, as when NATO did so against Yugoslavia without even a single member country government troubling itself to ask its Parliament or Congress for authorization to do so.

In a word, the US has replaced existing international law by new Law *in* the West on the model of its own old Law *of* the West. Then, in the 19th century, vigilante lynch mobs formed ad hoc posses to go hang whomsoever they wanted; and now the US is imposing this vigilante 'law' on the rest of the world by force. And as the vigilantes bought off or terrorized the sheriff and the judge to 'legitimize' themselves, so is the US doing the same worldwide in the real world, as though, in both instances, following the scripts of fictitious spaghetti Western films.

The Media

And what of the Fourth Estate—the media? They are strictly the mouthpiece of the administration. Note their behaviour at White House, State Department or Pentagon news conferences. All their questions are limited to technicalities about the implementation of administration policies that are themselves accepted *carte blanche*. Never ever has any representative of the media posed a question that challenges the basis of the official policy in even the most timid way. Indeed, what the press says or does not say reflects the policy and press-releases of the administration. The very media selection of what is or is not 'news', for example, on the 6.30 evening news of ABC, NBC, CBS, CNN, Fox, and shame on PPS for carrying the just as bad Jim Lehrer News Hour, is a simple reflection of what the White House or the State Department have declared to be 'news' that morning. No matter how world shaking an event is, if it has not shaken the piper, it does not merit mention by the media. But whatever the White House or the State Department declares to be news *is* news. And even they have been obliged to make an agonizing reappraisal, albeit still only

partial, of their own after the revelations of torture of Iraqis cast a shadow on their previous glowing reports about bringing democracy to them.

Their pieces in the press are little better. In a survey of op-eds in the *Washington Post* over four months, Russell Mokhiber and Robert Weissman found twice as many columns for as against the war, and in February 2003 the count was 24 in favour and 10 against, while the *Post* itself brought nine editorials of its own to support the war. And that was regarding a war that had the highest popular opposition ever. TV and radio talk shows are even more dominated by defenders of administrative policy. No matter that, the administration cooks, blends, massages and even simply invents the news; as is finally emerging regarding the non-existent weapons of mass destruction, which were the alleged reason for waging war against Iraq.

George Orwell would have to regard his dire predictions of Big Brother for 1984 as a benign Alice in a charming Wonderland version of Animal Farm. At least, when compared to the 2003 Bush and Ashcroft reality of double-think and news-speak in which *war is peace*—really, the President said so. But the capacity of the US to rule the world is more than questionable, especially after its 2003 debacle in Iraq.

Paper Tiger: The US in the World

The US still has the world's largest economy, which saw boom times during much of the 1990s, and it has unrivalled military power exceeding the total of the next dozen or more military powers combined. Moreover, the present Bush administration makes use of both of them in unilateral policies to impose its will on the rest of the world, friend and foe alike, to all of which Bush threw down the gauntlet of 'you are either with us or against us'. 'With' means you do as we say and 'against' means you are under threat to be destroyed economically and politically, as well as militarily, if we wish. In case there be any doubt about our intentions and capabilities, Russia and Argentina are prime examples on the economic front, as are Iraq through the boycott, Serbia and Afghanistan are so on the military front as well. The latter—but really both—are what President Bush's father called the new world order when he bombed Iraq in 1991. It is a third world war in two senses: one, that it takes place in the third world; and two, it is a war against the Third World, a third world war.

The prosperity and welfare of the American people rests primarily on the country's position in the world today as Britain's did in the 19th century. That observation is fundamentally different from the political and media hype about the sources of American exceptionalism that are supposedly in its genius,

morality, productivity and other characteristics that allegedly differentiate America from the rest of the world. On the contrary, America rests on two—maybe three—pillars:

1. The dollar as the world currency whose monopoly privilege the US has to print at will.
2. The Pentagon with its unrivalled military capacities.
3. A third pillar perhaps is the government, educational and media-fed ideology that obscures these simple facts from public view.

Moreover each supports the other: it costs dollars to maintain the Pentagon, its bases in 80 countries around the world and the deployment of its military forces around the globe. Military expenditures are the prime causes of the twin American deficits, in the federal budget and in the balance of trade. Conversely, Pentagon's strength helps sustain global confidence in the dollar.

But this same mutual reliance for strength, therefore, also constitutes two mutually related American Achilles' heels. The dollar is literally a paper tiger as it is printed on paper and its value is based only on its acceptance and confidence in the same around the world. That confidence can decline or be withdrawn altogether almost from one day to the next and cause the dollar to lose half or more of its value. Apart from cutting American consumption and investment as well as dollar-denominated wealth, any decline in the value of the dollar would also compromise US ability to maintain and deploy its military apparatus. Conversely, any military disaster would weaken confidence in and thereby the value of the dollar. Indeed, at the 2003 World Economic Forum in Davos, the assembled world political and business elite expressed very serious fears that the mere deployment of the US military, for example, against Iraq, would bring on a world depression. *Time* magazine reported on a comprehensive study of the US airline industry, which concluded that a war against Iraq would drive half of it into immediate bankruptcy. If so, what of still weaker non-American airlines? The insecurity that comes with military *sabre rattling* and threats undermines confidence in the dollar and put brakes on investment. And no amount of ideology is sufficient to completely obscure that economic situation.

In fact, the world already is in depression, from which so far only the US is substantially, and Canada and Western Europe, partially, exempt. And the latter is so, because of the privileged position of especially the American economy within the global one, from whose misfortune Americans have been deriving the benefits of that position, which to repeat is essentially derived from the privilege of printing the world currency with which Americans can first buy up the production of the rest of the world at depressed deflationary prices and then

have the same dollars returned from abroad to be invested in Wall Street and US Treasury certificates for safe-keeping and/or higher earnings than are available elsewhere.

In the mid-1980s, James Tobin and I were, to my knowledge, the only ones already to have published predictions of deflation as the coming world economic danger. Economic policy-makers, however, ignored these warnings and this risk (not really risk, but necessary consequence) while continuing their policies designed to fight inflation. Nonetheless, since then commodity prices have fallen sharply and consistently and more recently industrial prices have fallen as well. Moreover in world economic terms, high inflation in terms of their national currencies and their sharp devaluation against the dollar, world currency has been an effective de facto major deflation in the rest of the world. That has reduced their prices and made their exports cheaper to those who buy their currencies with dollars, primarily, of course, consumers, producers and investors in—and from—the US. These additionally, which is hardly ever mentioned, can and do buy up the rest of the world with dollars that 'cost' only their printing and distribution, which for Americans have virtually no cost (The USD 100 dollar bill is the world's most used cash currency on which the entire Russian economy runs and there are now two to three times as many of them circulating outside as inside the US). The American boom and welfare and the 'balanced' federal budget of the 1992–2000 Clinton administration, contrary to its populist claims, only happened to coincide with this boom. The same eight-year-long prosperity of the US was entirely built on the backs of the terrible depression, deflation and thus generated marked increase in poverty in the rest of the world. During this one decade, production declined by over half in Russia and Eastern Europe and life expectancy in Russia declined by 10 years; infant mortality, drunkenness, crime and suicide increased as never before in peacetime. Since 1997, income in Indonesia declined by half and generated its ongoing political crisis. That is dissipation of entropy generated in the US and its export abroad to those who are obliged to absorb it in ever greater disorder. It would be difficult to find better examples—except the destruction of the entire society in Argentina, Rwanda, Congo, Sierra Leone, the previously prosperous and stable Ivory Coast—not to mention the countries that have been visited by destruction through American military power.

All this has, among others, the following consequences: in the US it can export inflation that would otherwise be generated by this high supply of currency at home, whose low rate of inflation in the 1990s was therefore no miracle result of domestic 'appropriate' Fed monetary policy. The US has been able to cover its twin balance of trade and budget deficits with cheap money and goods from abroad. The US trade deficit is now running at over USD 500 billion a year and still growing. Of that, USD 100 billion are covered by Japanese investment of their own savings in the US that saves nothing and which the Japanese may soon

have to repatriate to manage their own banking and economic crisis—especially if an American war against Iraq causes an even temporary spike in the price of oil on whose import Japan is so dependent. Another USD 100 billion comes from Europe in the form of various kinds of investments, including direct real investment, which could dry up as the European recession still continues. The European countries became exasperated with American policy, and they have any number of other reasons to reduce their dollar reserves and put them into their own Euro currency instead. A third USD 100 billion is supplied by China, which first sells the US its cheap manufactures for dollars and then accumulates those dollars as foreign exchange reserves—thus, in effect, giving away its poor producers' goods to rich Americans. China does this to keep its exports flowing and its industries going, but if it decided to devote these goods to expanding its own internal market more, its people would gain in income and wealth, and the US would be out of luck. The remaining USD 200 billion of deficit are covered by other capital flows, including debt service from the poor Latin Americans and Africans who have paid off the principal of their debts already several times over and yet keep increasing the total amount owed by rolling it over at higher rates of interest. The idea of declaring the US a Chapter 11 or 9 type insolvency is however finally catching on.

Thus, deflation/devaluation elsewhere in the world has, like a magnet, attracted speculative financial capital from the rest of the world—both American owned and foreign owned—into US Treasury certificates (stopping up the US budget deficit) and into Wall Street. That is what fed and supported its 1990s bull market, which in turn has increased, supported and spread wider a speculative and illusory increase in wealth for American and other stock holders and through this, also illusory 'wealth effect', has supported higher consumption and investment. The subsequent and present bear market decline in stock prices nonetheless is a still a profit boon for enterprises that issued and sold their stocks at bull market high and rising stock prices. For they are now buying back their *own* stocks at what for them are bargain basement low prices, which represent an enormous profit for them at the expense of small stock holders who are now selling these stocks at low and declining prices. The US 'prosperity' now rests on the knife edge also of an unstable enormous domestic corporate and consumer (credit card, mortgage and other) debt.

Moreover, the US is also vastly over-indebted to foreign owners of US Treasury certificates, Wall Street stock and other assets, which can be called in by foreign central banks who have been keeping reserves in US dollars and other foreign owners of US debt. Indeed, it is the very US policy that has contributed so much to destabilization elsewhere in the world (for example, through the destabilization of Southeast Asia that undermined the Japanese economy and financial system even more than it would otherwise have been) that now threatens and now soon makes much more likely that especially Japanese and

European holders of US debt must cash it in to shore up their own ever more unstable economic and financial systems. The liabilities of the US to foreigners now equal two-thirds of annual US GNP—and, therefore, can and will never be paid off. However, any hick in rolling this debt over and over, can result in foreign attempts to get out as much money as they can—resulting in a crash of the dollar.

Another major consequence is that the US—and world—economy is now in a bind from which it most probably cannot extricate itself by resorting to Keynesian pump priming and much less to full-scale macro-economic policy and support of the US and Western/Japanese economy, as the Carter and Reagan administrations did. Military Keynesianism, disguised as Friedman/Volker Monetarism and Laffer Curve Supply-Sideism, was begun by Carter in 1977 and put into high gear in 1979, when Carter the Fed was run by Carter appointee Paul Volker, who in October 1979 switched Fed monetary policy from high money creation/low interest price thereof to attempted low money creation/high interest (to 20 per cent monetary), to rescue the dollar from its 1970s tumble and attract foreign capital to the poor US. At the same time, Carter began military Keynesianism in June 1979, which was then escalated further by President Reagan. In that, they then succeeded.

It is highly unlikely, however, that analogous policies could succeed again now. The US would need to invoke the same re-flationary policy again for itself and its allies now. But it cannot do so! The Fed has already lowered the interest rate so far that it cannot go much lower and is not likely to stimulate investment by doing so. On the other hand, raising the interest rate to continue to attract funds from abroad would risk choking off all domestic investment and working capital. Brazil tried that, admittedly with extravagant monetary interest rates at 60 per cent to attract foreign capital, and ruined its domestic economy.

The US may (should? must?) now attempt a repeat performance of the 1980s to spend itself and its allies (now minus Japan but plus Russia?) out of the present and much deeper world recession and threatening globe-encompassing depression. The US would then again have to resort to massive Keyenesian deficit (using September 11 as a pretext for probably military), re-flationary spending as the locomotive to pull the rest of the world out of its economic doldrums. However, the US is already the world consumer of last resort, but it can be so with the savings, investments and cheap imports from abroad, which themselves form part of the global economic problem.

Moreover, to settle its now enormous and ever growing foreign debt, the US may also choose to resort to inflationary reduction of the burden of debt and the ever growing foreign debt service. But even the latter could—in contrast to the above summarized previous period—not avoid generating a further super trade balance, particularly if, market demand falls further and pressure

increases abroad to export to the US as the last resort. But this time, there will be *no* capital inflows from abroad to rescue the US economy. On the contrary, the now downward pressure to devalue the US dollar against other currencies would spark a capital flight from the US, both from the US Government bonds and from the Wall Street, where significant stock price declines generate further price declines and deflation in world terms, even if the US attempts domestic inflation.

The price of oil is yet another fly in the political economic ointment, whose dimension and importance is inversely proportional to the health or illness of the ointment itself. And today, that is quite sick and deteriorating already. The world price of oil has always been a two-edged sword whose double cutting edges can be de-sharpened with the help of successful alternative economic and price policies. On the one hand, oil producing economies and states and their interests need a minimum price floor to produce and sell their oil, instead of leaving it underground and also postponing further oil productive investment while waiting for better times. The US is a high-cost oil producer. A high oil price is economically and politically essential also for important states like Russia, Iran and especially Saudi Arabia, as well as US oil interests. On the other hand, a low price of oil is good for oil importing countries, their consumers including oil consuming producers of other products, and supports state macro-economic policy, for example, in the US, where low oil prices are both good politics and good for the economy. These days the high/low price line between the two seems to be around USD 20 a barrel—at the present value of the dollar! But nobody seems to be able to rig the price of oil at that level. The present conflict, no longer within OPEC, is primarily between OPEC that now sells only about 30 to 40 per cent of the world supply and other producers that supply 60 per cent, today especially Russia but also including the US itself as both a significant producer and a major market, although that is increasingly shifting to East Asia. Recession in both, and the resultant decline in demand for oil, drags its price downward. US strategy and wars against Afghanistan and Iraq is to gain as much control of oil as it can, and for now to share as little of it as it must with Russia in the Central Asia, Caspian Sea and Persian Gulf regions. And that control, even if it cannot control the price of oil, is to be used as an important geo political economic lever to manipulate against US oil import dependent allies in Europe and Japan, and ultimately its strategic enemy in China.

For US Keynesian spending re-flation as well as inflation can no longer put the floor under the price of oil needed today and tomorrow. No policy, but only recovery generated world market demand—and/or limitations in the supply of oil—can now provide a floor to, and prevent a further fall in, the price of oil and its deflationary pull on other prices. And further deflation, in turn, will increase the burden of the already vastly over-indebted US, Russian and East Asian, not to mention some European and Third World, economies.

Thus, the political economy of oil is likely to add to further deflationary pressure. That would—indeed already does—again significantly weaken oil export dependent Russia. But this time it would also weaken US oil interests and their partners abroad, especially in Saudi Arabia and the Persian Gulf. Indeed, the low price of oil during the 1990s has already transformed the Saudi economy from erstwhile boom to a bust. This has already generated middle-class unemployment and a significant decline in income which has also already generated widespread dissatisfaction, and now threatens to do so even more at precisely the time when the Saudi monarchy is already facing destabilizing generational transition problems of its own. Moreover, a low oil price would also make new investment unattractive and postpone both new oil production and eliminate potential profits from laying new pipelines in Central Asia.

Indeed, there is an even more immediate urgent need for the US to control Iraqi oil reserves, the second largest in the region and the most under-drilled with a large capacity to increase oil production and drive down prices. But that is not all or even the heart of the matter. Many people were surprised when President Bush added Iran and North Korea to his 'axis of evil', though they may not be so surprised at American efforts to promote a coup and change of regime in Venezuela, which supplies about 15 per cent of US imports. So what do these countries have in common, many people ask? Well, three of them have oil, but not North Korea. So what is its threat that puts it in Bush's axis? Surely, not geography or alliances (Iraq and Iran were mortal enemies and North Korea does not play ball in their league). The answer is simple and resolves not only that puzzle but what could otherwise appear as a rather confused and confusing US foreign policy: *(a)* Iraq changed the pricing of its oil from USD to Euros in 2000; *(b)* Iran threatens to do so; *(c)* North Korea has changed to deal only in Euros; and *(d)* Venezuela has withdrawn some of its oil from USD pricing and is instead swapping it for goods with other Third World countries. Besides, an old friend of mine, Venezuela's Fernando Mires at OPEC headquarters in Vienna, proposed that all of OPEC should switch from pricing its oil in USD to pricing it in Euros! OPEC has recently re-examined this possibility and now Russia has, as well. Nothing else, no amount of terrorism, could be more threatening to the US; for any and all of that would pull all support out from under the USD, as oil importers would no longer buy USD but, instead, Euros to buy their oil. Indeed, they would also want to switch their reserves out of the USD into the Euro. Iraq already gained about 15 per cent with its switch as the Euro rose against the USD. And besides, the Arab oil states who now sell their oil for paper dollars would be unlikely to continue turning around and spending them again for US military hardware. It is this horrific scenario that the US occupation of Iraq is designed to prevent, with Iran next in line. Curiously, this oil–Dollar–Euro 'detail' is never mentioned by the US government or media. No wonder that major European states are opposed to

Bush's Iraq policy, supported only by the UK, which is a North Sea oil producer itself. Simple, how one little piece of incidental information can make the other pieces of the entire jigsaw puzzle fall into place!

All of these present problems and developments now [will?] threaten to pull the rug out from under US domestic and international political economy and finance. The only protection still available to the US still derives from its long since and still only two pillars of the 'new world order' established by President Bush's father after 'Bush's Gulf War' against Iraq and the dissolution of the Soviet Union in 1991. President Bush's son is now trying to consolidate his father's new world order (no doubt with the latter still as a power behind the throne), beginning with the war against Afghanistan and threatening Iraq once again; as well as the Bush–Putin effort to construct a US–Russian Entente—or is it an Axis?

The dollar pillar is now threatening to crumble, as it already did after the Vietnam War but has so far remained standing through three decades of remedial patchwork. But, as we have seen, the US is now running out of further economic remedies to maintain the dollar pillar upright. Its only protection would be to generate serious inflation, in the short run, by printing still more US dollars to service its debt, which would then undermine its strength and crack the dollar pillar and weaken the support it affords still more.

That would leave only the US military pillar to support US political economy and society. But it, and reliance on it, also entails dangers of its own. Visibly, that is the case for countries such as Iraq, Yugoslavia and Afghanistan and, of course, all others who are thereby deliberately putting on notice to play ball by US rules in its new world order on pain of eliciting the same fate for themselves. But the political blackmail to participate in the new world order on US terms also extends to US—especially NATO—allies and Japan. This was exercised in the Gulf War (other states paid for US expenses so that the US made a net profit from that war), the US war against Yugoslavia in which NATO and its member states were cajoled to participate, and then in the war against Afghanistan as part of President Bush's new policy pronouncement. He used the early cold war terminology of John Foster Dulles—'You Are Either With Us Or Against Us'. But US reliance on this, the then only remaining, strategy of military political blackmail can also lead the US to bankruptcy as the failing USD pillar fails to support it as well; and it can come also to entail US 'overstretch' in Paul Kennedy terms and 'blowback', in CIA and Chalmers Johnson terms.

In summary and plain English, the US has only two assets left to rely on, both admittedly of world importance, but perhaps even so insufficient. They are the dollar and its military political assets. For the first, the economic chickens in the US Ponzi scheme pyramid of cards are now coming home to roost even in the US itself.

The second pillar is now in use to prop up the new order the world over. Most importantly, perhaps, is the now-proposed US/Russia entente against China instead of [or to achieve?] a US defence against a Russia/China [and India?] entente. The NATO war against Yugoslavia generated moves toward the latter and the US war against Afghanistan promotes the former. God/Allah forbid that any of these or their Holy War against Islam blow us all up or provoke others to do so.

However that may be, US imperial political military blackmail may still blow-back on the US also, thus not out of strength but out of the weakness of a truly paper tiger. So who shows any strength? The Chinese Dragon! And that is now the primary preoccupation and preparation of the Pentagon and of far sighted American strategists like Brzenski who has taken up the century old Huntington—not the clash of civilizations one but a previous one!—thesis about the geo/economic political needs to control the Inner-Eurasian core. Steps to that are not only the war against, and control of, Afghanistan and the string of military bases there, and in a half dozen former Soviet Caucasus and Central Asian republics that are now converted into US client states under the Orwellian PfP rubric of 'Partnership for Peace'. Nor is it only controlling Central Asian oil and the pipelines for its export westward to Europe, and southward to the Indian Ocean and Asia, but also precluding pipelines eastward in growing competition with China and its growing thirst for oil. It also includes maintaining military presence in the Korean Peninsula and Japan, including especially Okinawa, and returning to the Philippines. All under the cover of fighting 'terrorism' and countering 'rouge' states. The overall US strategy is to encircle China militarily and to strait-jacket it economically as far as still possible. But how far is that?

Fiery Dragon: China in East Asia

A financial and economic crisis erupted in East Asia in 1997 and brought evident relief to many observers in the West. As a result, and misled by day-to-day press media reports and short term business and government analysis and policy, even 'informed' public opinion in the West changed again. Now the former 'East Asian Miracle' is said to have been no more than a mirage, a dream for some and a nightmare for others. The previously supposed explanations and sure-fire strategies of success are being abandoned again as quickly as they had come into fashion. We hear less about Asian values or guarantees from the magic of the market and no more security from state capitalism. So much the better I would say, since these supposed explanations and correct policies were never more than ideological shams anyway.

Historical evidence shows that no one particular institutional form or political economic policy offers, or accounts, for success [or failure!] in the competitive and ever changing world market. Contemporary evidence shows the same. In that respect, Deng Xiao-ping's famous aphorism is correct. The question is not whether cats are institutionally, let alone ideologically, black or white; the real world issue is whether or not they catch economic mice in competition with others in the world market. And that depends much less on the institutional colour of the cat than it does on its opportune position in the world economy at a particular place and time. And since the obstacles and opportunities in the competitive world market change over time and in place; to succeed, the economic cat, no matter what its colour is, must adapt to these changes or fail to catch any mice at all. Among these different institutional forms including relations among state–finance–productive and sales organizations, perhaps the most attention and positive evaluation has been devoted abroad not only to those of Korea and then Japan, but also of Greater China including its vast network of overseas Chinese. But the very fact that they differ, and in Taiwan, Singapore, Malaysia, Indonesia and elsewhere as well, should already forewarn us against privileging one institutional form over all others. At best, and that is already very much, the evidence is that none of these institutional forms is necessarily an impediment or insurmountable obstacle to success on the domestic, regional and world market. Most noteworthy perhaps, in view of the widespread Western propaganda about its own alleged virtues, is the demonstrated fact that no Western model need or should be followed by Asians in Asia or even elsewhere.

But the dismissal of East Asian and particularly Chinese economic strengths and prospects may be premature and certainly is based on a short-sighted neglect of the historical evidence as presented in my 1998 book *ReOrient,* and further pursued in my present work on the 19th century, as well as on a serious misreading of the contemporary evidence. I believe that this latest quick dismissal of Asia is mistaken for the following reasons among others:

1. Since Asia, and especially China, was economically powerful in the world until relatively recently, and new scholarship now dates the decline as really beginning only in the second half of the 19th century, it is quite possible that it may soon be so again. Contrary to the Western mythology of the past century, Asian dominance in the world has so far been interrupted by a relatively short period of only a century or at most a century and a half. The oft-alleged half-century or more decline of China is purely mythological.

2. Chinese and other Asian economic success in the past was not based on Western ways; and much recent Asian economic success was not based on the Western model. Therefore, there is also no good reason why Japanese

or other Asians need or should copy any Western or other model. Asians can manage their own ways, and have no good reason to now replace them by Western ones, as the only alleged way to get out of the present economic crisis. On the contrary, Asian reliance on other ways is a strength and not a weakness.

3. The fact that the present crisis visibly spread from the financial sector to the productive one does not mean that the latter is fundamentally weak. On the contrary, the present crisis of overproduction and excess capacity is evidence of the underlying strength of the productive sector, which can recover. Indeed, it was excess capacity and productivity leading to overproduction for the world market that initiated the financial crisis to begin with, when Asian foreign exchange earnings on commercial account were no longer able to finance its service of the speculative short run debt.

4. Not that economic recessions will or can be prevented in the future. They never have been prevented in the past even under state planning in China or the Soviet Union. More significant is the fact that this is the first time in over a century, that a world recession did not start in the West and then move eastward; but that instead it started in the East and then moved around the world from there. This recession can, therefore, be read as evidence not so much of the temporary weakness, as of the growing basic economic strength of East Asia, to which the centre of gravity of the world economy is now shifting back to where it had been before the rise of the West.

5. The recession in the productive sector was short, especially in Korea, and so far absent in China. But it was also severe, especially in Indonesia. And the shock-waves from the financial sector to the productive, consumer and political ones were visibly—and to all but the totally blind, intentionally—exacerbated by the economic shock policies imposed on Asian governments by the IMF, as usual, following the dictates of the US Treasury, which systematically represents American financial interests at the expense of popular ones elsewhere around the world. The former World Bank Vice-President, member of the US President's Council of Economic advisers and now Nobel Prize laureate in economics, Joseph Stiglitz has given us an insider's view of these intentional events in his *Globalization and its Discontent*s.

6. That underlying political economic strength also puts East Asia, and especially China, Japan and Korea in a much more favourable position than the rest of the Third World and even Russia and Eastern Europe, to resist Western blackmail as it is now exercised by the US Treasury Department through the International Monetary Fund, the World Bank, the World Trade Organization, Wall Street and other instruments.

7. The very act and cost of East Asian concessions to this Western pressure during the past recession makes it politically more likely, since it is economically possible that East Asia will take measures, including especially a new financial bloc and banking institutions, that can prevent a recurrence of the present situation in the future by escaping from the strangle-hold of Western controlled capital markets.

8. Indeed, one of the present battles, first by the Japanese and now also by the Chinese, is to remodel the world financial and trade institutions that were designed by the US to work in its favour. Thus, Japan wanted to establish an Asian monetary fund to prevent the East Asian recession from deepening as it has thanks to the International Monetary Fund based in, and subservient to, Washington. And China wishes to join the World Trade Organization, but also seeks to have this Western dominated institution reformed to its advantage.

9. Equally significant is that India and, recently to a lesser extent, China have remained substantially immune from the present recession, thanks in part to the inconvertibility of their Remin Ribao and Rupee currencies, and the valve in their capital markets that permits the inflow but controls the outflow of capital. The currency devaluations of China's competitors elsewhere in East Asia, and the reduced inflow into China of overseas Chinese and Japanese capital that is negatively affected by the recession in East Asia, may oblige China to devalue again to remain competitive. Nonetheless and despite their serious economic problems, the Chinese and Japanese economies appear already to have and to continue to be able to become sufficiently, productively and competitively strong to resist and overcome these problems. In Southeast Asia, Malaysia has successfully followed the Chinese model of opening its capital market to inflows but restricting especially speculative capital outflows from the same. Korea did not need such emergency measures, since it had received relatively little foreign capital to begin with.

In the decade since then, most of these trends have still continued, though the rural economy and agricultural income have lagged. In particular, however, the 10 per cent annual growth rate has still been maintained, which means doubling in size in six years, soon to become the world's second largest after that of the US. But China now also holds the greatest single share of the huge and ever growing American foreign debt, although it is doubtful that anyone will ever be able to collect any substantial part of it. Nor does this mean that China's growth does not also pose immense problems, from gaping inequality between the coast and the interior or urban and rural, or its growing demand and import of raw materials and, especially oil and soon of foodstuffs, and the menacing shortage of water. Japan's major fiscal and economic crisis

of the 1990s has abated, and economic performance and prospects have improved again despite the continuing debt overlag. As to India, although its growth has been lagging behind, it has recently increased and shows promise or at least possibility of further acceleration: from 1.5 per cent annually during the three decades following independence to 5.5 per cent over all and 3.5 per cent per capita in the 1980s, and 6 and 4 per cent, respectively, in the 1990s. For the next half-decade, projections range from 5 to 7.5 per cent annually. That is still less than for East Asia, but sufficient to double in a decade or so. All of these Asian medium term growth rates, exceed by far those ever previously achieved anywhere in the West.

10. It is noteworthy that the economically most dynamic regions of East Asia today are also still or again exactly the same ones as before 1800 and which survived into the 19th century.

All of these in turn, were and still or again, increasingly are important segments of world trade and of the global economy. In that sense also, and although its story ends in 1800, the examination of the world economy, and of the predominant place in it of the East Asian including Korean economies, points to the most fundamental bases of contemporary economic developments in the region and also presages important world economic ones for the foreseeable future.

2

From 'We the People' to 'We the Planet': Neoconservative Visions of a Global USA

MANFRED B. STEGER

In a recent collection of discerning essays analysing the global reach of American power and its consequences, the contributors identify a 'paradox' at the heart of 'global USA': although America represents one of the strongest globalizing forces, it pursues, on many counts, policies that are anti-global in essence. As Bruce Mazlish puts it in his introduction, 'The most powerful actor on the global stage seems resolutely determined not to live in the world it is helping to create through globalization' (Mazlish 2007: 1). To be sure, this 'paradox of a global USA' relates to the familiar issues of American exceptionalism and 'manifest destiny' that have been discussed in pertinent literature for more than a century. The current context of globalization—a multidimensional set of processes defined in this chapter as the extension and intensification of social relations across world-space and world-time—has complicated conventional markers of 'American identity' to the point where antiquated lines of demarcation are quickly losing their rationale. Hence, the 'paradox of a global USA' resonates with the deeper political problem of how to negotiate national identity and the rising 'global imaginary', that is, the growing awareness of an emerging global community.[1]

This chapter explores these shifting dynamics between the national and the global by focusing on recent attempts made by a number of US neoconservative thinkers and policy-makers to solve the paradox by universalizing 'America'. However, unlike the old-style conservative defenders of 'national interests' who tend to support globalization only when it benefits their country, these neo-conservative champions of 'democratic globalism' maintain that the paradox

of a globalizing nation only exists as long as old conceptual and geographical maps associated with the cold war continue to dominate the minds of the American political elite. Arguing for the increasing congruence of national and global interests as a result of globalization, they project their muscular vision of a global USA onto a decidedly planetary screen. What are we to make of their apparent universalism? Are these neoconservatives genuine 'globalists'? Does their proposed extension of 'we the people' to 'we the planet' facilitate the reconciliation of the national with the global? Taking these questions as its point of departure, this chapter examines two recent neoconservative versions of a 'global USA': *(a)* military strategist Thomas Barnett's reorientation of US defence policy toward the global; and *(b)* former Undersecretary of Public Diplomacy, Charlotte Beer's attempt to sell 'brand USA' to a global audience. Before we explore their respective arguments, however, let us set the thematic stage by considering the recent evolution of this neoconservative discourse in the United States within the overarching ideological framework of market globalism and the American Empire.

Neoconservatism and the American Empire

Soon after 9/11, the intellectual elite around the world began to wonder whether the al-Qaeda attacks marked the beginning of the end of globalization. In their view, the dark side of intensifying global interdependencies had revealed itself in the United States' unexpected vulnerability to large-scale terrorist strikes carried out by 19 jihadist hijackers armed with little more than box-cutters and a spotty knowledge of how to fly commercial airliners. Impressed by the massive outbursts of patriotic sentiment that gripped the United States in the aftermath of 9/11, some commentators went so far as to predict the impending 'collapse of globalism' followed by a worldwide resurgence of nationalism.[2] Enhanced surveillance and draconian security measures put in place in many countries appeared to bolster arguments in favour of the inevitable hardening of national lines of demarcation. American economist Robert J. Samuelson, a moderate advocate of market globalism, reminded the readers in his popular *Newsweek* column that previous globalization processes had been halted and even reversed by similarly traumatic events such as the 1914 assassination of the Austrian Archduke Franz Ferdinand in Sarajevo. If such a relatively minor act of terrorism had pushed Europe into the nationalist nightmare of the Great War, then the al-Qaeda attacks surely possessed the potential of sparking an even larger conflagration (Samuelson 2003: 41).

But 'neoliberal' globalism—what I refer to as 'market globalism'—did not expire on 11 September 2001. Although its basic ideational architecture remained intact, some of its core claims underwent modification in the hands of 'neoconservatives' in the Bush administration who turned their militaristic vision of 'democratic globalism' and 'Pax Americana' into official American foreign policy (see Dorrien 2004: 1–2). Strictly speaking, of course, the United States does not constitute an 'empire'. But one could make a reasonable case for the persistence of American imperialism as a continuous and largely informal process that started with the 17th century expansionist settlement of the North American continent and periodically assumed more coercive expressions. Perhaps, the most obvious of these 'formal' imperialist chapters in US history was the annexation of the Hawaiian Islands, Guam, parts of Samoa, the Philippines and Puerto Rico in the 1890s.

A century later, however, the United States no longer exerts direct dominion or formal rule over conquered peoples under its sovereign authority. And yet, the country has emerged from the cold war as a new kind of empire of vast wealth, peerless military power and global cultural reach. Its economy accounts for almost one-third of the world's output, and its military expenditures exceed those of the next 20 nations combined. Its films, music, food, sports and technological products flood the planet. American investments in research and development have reached nearly 40 per cent of the world's spending on scientific innovation. No doubt, America has become a 'hyperpower' that considers the entire world its geopolitical sphere of influence. Since 9/11, it has found itself in the historically unprecedented position of enforcing its own idea of global order—even in unilateral fashion if it so desired. American foreign policy expert Max Boot expressed such sentiments in the pages of the neoconservative *Weekly Standard*, when he argued that only a muscular United States willing to accept its imperial status was up to the necessary task of stabilizing a world unsettled by the actions of jihadist terrorists eager to get their hands on weapons of mass destruction. For Boot, the new environment of global insecurity presented nothing less than a clear-cut 'case for American Empire' (Boot 2001: 27–30; Ferguson 2004).

Let us then adopt the label 'imperial globalism' to refer to this post-9/11 neoconservative inclination to shape the globe in its own image by any means necessary. As Martin Shaw notes, 'It is clearly plausible to define the Bush administration's kind of globalism as "imperial" in character' (Shaw 2007: 28; See also Smith 2005). At the same time, however, we need to remember that on major issues of economic globalization, the ideological differences between imperial-globalists and market-globalists have always been negligible. Neoconservatives have pushed the liberalization and global integration of markets just as hard as

market-globalists, but they have been more inclined to combine their economic laissez-faire attitude with intrusive government action for the regulation of the ordinary citizenry in the name of public security and traditional values. In the waning months of George H.W. Bush's presidency, neoconservative hawks in his administration linked their demands for a more assertive and expansive use of US military power to the claim that their country's promotion of globalization furthered the spread of freedom and democracy around the world. Their unilateralist vision for American 'benevolent global hegemony' was sketched out in the 1992 'Defense Planning Guidance' document, drafted by then Undersecretary of Defense Paul Wolfowitz. The plan called for an unprecedented military build-up for the express purpose of deterring any potential competitors—even America's traditional Western European allies—from 'even aspiring to a larger regional or global role'.[3]

This imperative served as the strategic foundation of a more philosophical statement of principles issued in 1997 by the Project for the New American Century (PNAC), a newly-founded neoconservative think tank that included such political and intellectual heavyweights as Dick Cheney, Donald Rumsfeld, Paul Wolfowitz, Richard Perle, Robert Kagan, Norman Podhoretz and William Kristol. Recanting his neoconservative heresy in the aftermath of the Bush administration's conduct of the global war on terror, Francis Fukuyama, another co-signer of the PNAC platform, offered an apt summary of its ideological principles: the belief that the internal character of political regimes matters; the conviction that American foreign policy must reflect the deepest values of democratic societies, and that American power has been and could be used for moral purposes; the notion that the United States needs to remain engaged in international affairs, and, as the world's dominant power, it has a special responsibility for global security; a fervent belief in free markets and free trade coupled with a strong distrust of 'social engineering projects'; and strong scepticism about the legitimacy and effectiveness of international law and institutions to achieve global security (Fukuyama 2006: 48–49). After 9/11, the PNAC's credo of preventing the rise of a global competitor was complemented by the idea that America reserved its right to strike any nation, organization or network deemed to impede 'Freedom's Cause' at any time. Known as the 'Bush Doctrine', this 'preemption clause' found its official expression in the 2001 *Quadrennial Defense Review*, the 2002 *Nuclear Posture Review* and, most importantly, the 2002 *National Security Strategy of the United States of America* (NSS, updated 2006). The core principle of the PNAC now stood at the centre of American national security: 'It is time to reaffirm the essential role of American military strength. We must build and maintain our defenses beyond challenge' (NSS 2002).

From Market Globalism to Imperial Globalism

But this shift from market globalism to imperial globalism did not start with the al-Qaeda attacks and the ensuing dominance of neoconservatives in the Bush administration. Even the American market-globalist guru Thomas Friedman conceded that America's 'soft power'—its culture, political ideals and policies—depended on its not-so-hidden 'iron fist' of globally-stationed troops whose military might kept the world's markets and trade routes 'safe' for corporate globalization. Toward the end of its second term, the Clinton administration encountered serious challenges to this market globalist vision of the world. As a result, it began to oscillate between its long-standing soft-power approach of persuading others to want what it wanted, and a new hard-power strategy of breaking down resistance by forcing others to comply with America's wishes.[4] Between 1998 and 2000, President Clinton authorized the NATO-led war against Serbia as well as extensive bombing raids on Iraq without bothering to obtain approval from the UN Security Council. Critics charged that such unilateral interventions violated nothing less than the Charter's core principle: the inviolable sovereignty of each member nation. Moreover, the increasingly hawkish American president backed extraordinary 'security measures' against global justice protesters in the United States and abroad that included hi-tech surveillance and the massive use of police force. He even tightened his soft-power outlook on world trade and global commerce. In his bestselling account of the Roaring Nineties, Joseph Stiglitz provides striking examples of his country's increasingly hard-powered economic agenda, citing the government's growing willingness to support coercive measures devised by transnational drug companies for their operations in the global South. Clinton's former economic advisor did not mince words:

> America's international political economy was driven by a whole variety of special interests which saw the opportunity to use its increasing global dominance to force other countries to open their markets to its goods on its terms. The US government was seizing the opportunities afforded by the new post–Cold War world, but in a narrow way, benefiting particular financial and corporate interests. (see Stiglitz 2003: 202–40)

However, the existence of such imperial threads of continuity between the late Clinton and the early Bush administrations should not detract from the fact that America's new hard-power approach added an entirely new dimension in the aftermath of 9/11 when the glove came off, exposing the iron fist of an irate empire. Declaring a global war on terror in 'defense of liberty, democracy and free markets', George W. Bush abandoned the mild isolationist rhetoric of

'compassionate conservatism' he had espoused for a short period during the 2000 election campaign and reverted back to his hard-line neoconservatism—a perspective he shared with the likes of Cheney, Rumsfeld and Wolfowitz. Failing to take advantage of the remarkably pro-American global sentiments expressed in the 12 September 'We are all Americans now' headlines of French newspapers and the solidarity vigil staged by thousands of Iranian youths in downtown Tehran, the Bush administration escalated its unilateralism and indifference to the interests of others. Allies were informed rather than consulted. 'Regime change' in Iraq was a foregone conclusion. The world's population was neatly divided into those standing 'with us' and those who were 'against us'. The 'enemy' label was slapped onto any foreign country or organization that did not display an unconditional willingness to carry out the will of the forces of light. Indeed, the American government seemed to suffer from what Robert Jay Lifton referred to as 'superpower syndrome'—a medical metaphor pointing to an aberrant 'collective mindset' projecting dangerous fantasies of apocalyptic confrontation and cosmic control (Lifton 2003: 187–88).

Its militaristic inclinations notwithstanding, the Bush administration constructed its imperial globalism as much as possible within the established framework of market globalism. Its new *National Security Strategy* (NSS) continued to hold out the old economistic promise of 'a new era of global economic growth through free markets and free trade'. Dedicated to the vigorous promotion of 'economic freedom beyond America's shores', NSS reaffirmed in unambiguous terms the importance of 'opening' the entire world to 'commerce and investment'. Given the centrality of its pre-emption clause, it is easy to overlook the document's unwavering commitment to market-globalist policies. For example, NSS underscores the government's determination to use its 'economic engagement with other countries' to 'secure the benefits' of deregulatory measures, business investment and entrepreneurial activity, tax cuts, 'sound' fiscal polices that enhance business activity and free trade. For the Bush administration, the 'lessons of history' were crystal clear: market economies, not command-and-control systems choked by the heavy hand of government represented the best way to promote prosperity and reduce poverty in the world. Policies that 'further strengthen market incentives and market institutions' were not only good for America, but 'relevant for all economies—industrialized countries, emerging markets and the developing world'. Rearranging the ideological claims of market globalism around the new core concept of security, NSS proclaims 'Free markets and free trade' as the 'key priorities of our national security strategy' (NSS 2002).

But the post-9/11 emphasis on America's global security also required some ideological modifications of market globalism. For one, there was no longer any need to hold on to the old market-globalist claim that nobody was in charge

of globalization.[5] Although rhetorical echoes of the 'leaderless market' still reverberated in corporate circles, imperial globalists promoted their idea that global security and stable world markets depended on the United States—that 'indispensable nation'—wielding its power. Almost overnight, the 'free market' was stripped of its miraculous self-regulating powers. Arguing that the US had an obligation to assure that the global integration of markets was not hampered by 'ideological extremists' at both ends of the political spectrum, President Bush delighted in the glorification of American global leadership: 'Today, humanity holds in its hands the opportunity to further freedom's triumph over all these [terrorist] foes. The United States welcomes our [*sic*] responsibility to lead in this great mission.' The assertion that the United States was now in charge of globalization was usually made in conjunction with the familiar market-globalist claim of the democratic benefits accruing from the liberalization and global integration of markets. For example, Bush's *New York Times* op-ed piece published at the first anniversary of 9/11 contains the following passage:

> As we preserve the peace, America also has an opportunity to extend the benefits of freedom and progress to nations that lack them. We seek a peace where repression, resentment and poverty are replaced with the hope of democracy, development, free markets and free trade. (Bush 2002; NSS 2002)

A year later, the President reiterated his government's unwavering 'commitment to the global expansion of democracy', which represented one of the 'pillars' of America's 'peace and security vision for the world'. The same claim takes centre stage in Bush's 2005 inaugural address:

> The best hope for peace in our world is the expansion of freedom in all the world…So it is the policy of the United States to seek and support the growth of democratic movements and institutions in every nation and culture, with the ultimate goal of ending tyranny in our world. (Bush cited in Stout 2001)[6]

It is easy to see how the notion of 'securing freedom' by means of an American-led drive for global democratization facilitated the integration of the military objectives of the global war on terror into the larger market-globalist discourse. As international law expert Richard Falk notes, imperial globalism,

> …combines ideas of American dominance associated with economic globalization, that were prevalent before September 11, with more militarist ideas associated with the anti-terrorist climate of the early 21st century….While not abandoning the ideological precepts of neoliberal globalization, the Bush administration places its intense free market advocacy beneath the security blanket that includes suspect advice to other governments to devote their resources to non-military activities. (Falk 2003a)

Cultural theorist William Thornton concurs:

> Empire keeps all the major features of globalization, plus one: it stands ready to enforce market privileges the old-fashioned way….Emphatically, however, power economics did not surrender the field to resurgent power politics. Rather the two joined forces in the common cause of Empire. (See also Falk 2003b and Thornton 2005)

Another important consequence of Bush's assumption of responsibility for globalization and the democratization of the world was the addition of a new claim to the ideological arsenal of imperial globalism: globalization requires a global war on terror. Power elites around the world put forward this contention on countless occasions and in numerous contexts. Let us consider, for example, the neoconservative veteran Robert Mcfarlane, President Reagan's former National Security Adviser. Shortly after the US military's opening 'shock and awe' Iraq campaign in March 2003, Mcfarlane, now the chairman of a Washington-based energy corporation, teamed up with Michael Bleyzer, CEO of an international equity fund management company, to write a revealing op-ed piece for the *Wall Street Journal*. Bearing the suggestive title, 'Taking Iraq Private', the article praises the military operations in Iraq as an 'indispensable tool' for establishing security and stability in the region. According to the imperial-globalist duo, the global war on terror prepared the ground for the profitable enterprise of 'building the basic institutions that make democracy possible' (Mcfarlane and Bleyzer 2003). Robert Kaplan, an award-winning journalist and influential Pentagon insider, would be another example. Pondering how a 'Global American Empire' should 'manage an unruly world' after 9/11, he quickly settled on the claim that globalization requires a global war on terror. Arguing that free markets cannot spread without military power, the bestselling author advises the Bush administration to adopt the pagan warrior ethos of 2nd century Rome. But the most original imperial-globalist vision of a global USA flows from the pen of Thomas P.M. Barnett, managing director of a global security firm and former professor of military strategy at the US Naval War College. Let us consider his arguments in more detail.

The Pentagon's New Map

A former Assistant for Strategic Futures in the Pentagon's Office of Force Transformations, the Harvard-educated strategist provided regular briefings to Secretary of Defense, Rumsfeld and the intelligence community between 2001

and 2005. He also interacted regularly with thousands of high-ranking officers from all branches of the US armed forces. *The Pentagon's New Map*, Barnett's bestselling re-examination of American national security, links the author's military expertise to his long-standing interests in economic globalization (Barnett 2004).[7] The book presents a straightforward thesis: in the global age, America's national security is inextricably bound up with the continued global integration of markets and increasing flows of trade, capital, ideas and people across national borders. Since 9/11, it has become abundantly clear that the one-sided identification of globalization with an 'economic rule set' must be complemented by an understanding of globalization as a 'security rule set' mandating the destruction of transnational terrorist networks and all states harbouring them.

For Barnett, both of these 'rule sets' are normatively anchored in the universal values of individual freedom, democracy, multiculturalism and free markets. At the same time, however, these norms are also uniquely 'American', for they found their political expression for the first time in human history in the 18th century American experiment of an expanding democratic union of *united states*.[8] In a daring conflation of national interest with global interest that runs counter to the nation-centred mindset of the US defence establishment, Barnett presents America as 'globalization's ideological wellspring' destined to bring to the world nothing less than what its citizens already enjoy today: 'the individual pursuit of happiness within free markets protected from destabilizing strife by the rule of law.' For the military strategist, American interests are, by definition, global interests precisely because the country is built on universal ideals of freedom and democracy and not restricted to narrow ethnic or national identities. As the world's first truly multinational union, the United States is globalization incarnate. Moreover, the universal values at the heart of its Constitution allow the American government to judge the rest of the world in universal terms of right and wrong, good and evil: 'What gives America the right [to render these judgments] is the fact that we are globalization's godfather, its source code, its original model' (Barnett 2004: 301).

And so it appears that by human design and historical destiny, the United States serves as the evolutionary engine of a multicultural 'world-system' that ascends towards ever higher levels of connectivity, rule-bound behaviour, wealth, security and happiness. Although Barnett considers this course likely, he disavows historical determinism by conceding that there are no guarantees. Cleary, al-Qaeda and other 'anti-globalization forces', committed to 'a sort of permanent civilizational apartheid', are capable of derailing the globalization of individualism, democracy and free markets. Thus, 9/11 marks a critical juncture in human history where the United States, 'globalization's source code', is called upon to guide the rest of the world toward the noble goals of 'universal

inclusiveness' and 'global peace'. In short, America's Herculean task is to 'make globalization truly global'—by any means necessary (Barnett 2004: 31–32, 294–302).

This is, of course, where the claim of globalization requiring a global war on terror comes in. In order to defeat the enemies of global interdependence, the Pentagon must devise a new strategy that, once and for all, abandons antiquated 'inter-national' thinking. National security in the 21st century, according to Barnett, must be re-imagined in global terms as the ruthless destruction of all forces of disconnectedness and the nurturing of the 'networks of political and security connectivity commensurate with the mutually assured dependence that now exists among all states that are deeply integrated with the growing global economy'. In short, the Pentagon's new global strategy requires a new map—both in a cognitive and geographical sense—that divides the globe into three distinct regions. Unlike the three-world order of the cold war, however, the entire world is now fair game for US military operations.

Barnett calls the first region on the Pentagon's new map the 'Functioning Core', defined as 'globalization thick with network connectivity, financial trans-actions, liberal media flows and collective security'. Featuring stable democratic governments, transparency, rising standards of living and more deaths by sui-cide than by murder, the core is made up of North America, most of Europe, Australia, New Zealand, a small part of Latin America, and with significant reservations, possible 'new core' countries like India and China. Conversely, he refers to areas where 'globalization is thinning or just plain absent' as the 'Non-Integrating Gap'. This region is plagued by repressive political regimes, hand-cuffed markets, mass murder and widespread poverty and disease. For Barnett, the gap provides a dangerous breeding ground for 'global terrorists' and other 'forces of disconnectedness' opposed to the 'economic and security rule sets what we call globalization'. This region includes the Caribbean Rim, virtually all of Africa, the Balkans, the Caucasus, parts of Central Asia, the Mid-dle East and parts of Southeast Asia. Along the gap's 'bloody boundaries', the military strategist locates 'Seam States' such as Mexico, Brazil, South Africa, Morocco, Algeria, Greece, Turkey, Pakistan, Thailand, Malaysia, the Philippines and Indonesia. Lacking the core's high levels of connectivity and security, these countries are the logical entry point for terrorists plotting their attacks (Barnett 2004: chapters 3 and 4).

Despite its horrific toll, Barnett considers 9/11 a necessary 'wake-up call' that forced the United States to make a long-term military commitment to 'ex-port security' to the gap. The core has no choice but to treat the entire gap re-gion as a 'strategic threat environment'. Inaction or a premature retreat from Iraq and Afghanistan would jeopardize the fledgling world order based on

America's universal values. For Barnett, the imperative for the global war on terror is rooted in the 'underlying reality' of a 'military-market nexus'—the dependence of 'the merchant culture of the business world on the military's warrior culture':

> I express this interrelationship [of the military and the market] in the form of a 'ten commandments of globalization': (1) Look for resources and ye shall find, but…(2) No stability, no markets; (3) No growth, no stability; (4) No resources, no growth; (5) No infrastructure, no resources; (6) No money, no infrastructure; (7) No rules, no money; (8) No security, no rules; (9) No Leviathan [American military force], no security; and (10) No (American) will, no Leviathan. Understanding the military-market link is not just good business, it is good national security strategy. (Barnett 2005: xvii)

Ultimately, Barnett proposes a 'global transaction strategy' built on three basic principles. First, the United States must increase the core's 'immune system capabilities' by responding quickly and efficiently to 9/11-like 'system perturbations'. Second, it must pressure the Seam States to 'firewall the core from the gap's worst exports', namely, terror, drugs and pandemics. Finally, America must remain firmly committed to a global war on terror and its overriding objective of 'shrinking the gap'. There can be no compromise or vacillation. Globalization's enemies must be eliminated and the gap region must be integrated into the core. As Barnett emphasizes, 'I believe it is absolutely essential that this country lead the global war on terrorism, because I fear what will happen to our world if the forces of disconnectedness are allowed to prevail—to perturb the system at will' (Barnett 2004: 245).

Needless to say, there are a number of problematic assumptions and omissions in Barnett's construction of a global USA. Two of its most troubling features include the author's uncritical perspective on American history and his unreflective equation of 'American values' with 'universal values'. Indeed, the latter assumption also lies at the heart of the Bush administration's post-9/11 public diplomacy strategy, which has done much to fuel anti-American sentiments around the world.

Globalizing Brand USA

In the wake of 9/11, Secretary of State Colin Powell appointed Charlotte Beers as the head of the newly-created office of Undersecretary of State for Public Diplomacy and Public Affairs. Powell's choice of Beers reflected the emerging

partnership between government reinvigorated by the new security agenda and the corporate sector struggling to keep alive its globalist project of expanding markets and trade in a time of global terror. Prior to her appointment, Beers had served as CEO of J. Walter Thompson and Ogilvy & Mather (two of the world's top 10 advertising corporations), handling the multi-million advertising accounts of such powerful clients as IBM. Thus, she brought to her new government job a thorough understanding of cutting-edge commercial marketing and public relations techniques developed specifically to meet the new challenges of the global information society. Hence, it is hardly surprising that Beers' vision of a global USA relied on a Madison Avenue style advertisement campaign designed to 'brand American values' around the world, particularly in crucial gap regions like the Middle East. 'Branding', of course, is the attempt to establish a positive relationship between the commercial 'product'—'American values'—and its 'users' or 'buyers' abroad.[9]

Convinced that four decades in the advertising industry had been the perfect preparation for her new position, Beers saw herself as the salesperson-in-chief hawking America's 'intangible assets—things like our belief system and our values' to her 'target audience' in the Muslim world. Thus, her vision was nearly identical with Barnett's attempt at mixing martial metaphors and consumerist images. Indeed, for Beers, public diplomacy and commercial advertising were linked by the same market logic:

> You'll find that in any great brand, the leverageable asset is the emotional underpinning of the brand—or what people believe, what they think, what they feel when they use it. I am much more comfortable with that dimension of the assignment, because I have dealt with it before. (Starr 2001)

Agreeing wholeheartedly with Beers' Madison Avenue approach to public diplomacy, Secretary Powell countered public criticisms of appointing a politically inexperienced advertising executive to such an important post by saying, 'There is nothing wrong with getting somebody who knows how to sell something.' 'After all', he added, 'we are selling a product. We need someone who can rebrand foreign policy, rebrand diplomacy. And besides, Charlotte Beers got me to buy Uncle Ben's rice' (Powell cited in Klein 2002).

Upon launching her PR blitz in early 2002, Secretary Beers identified three main strategic goals of her campaign for a new and improved global 'Brand USA': *(a)* countering anti-American sentiments by effectively conveying genuine American values and beliefs to the rest of the world, especially the Middle East, and by applying the most up-to-date communication techniques and methods; *(b)* demonstrating the global opportunities that result from democratization, good governance and open markets; and *(c)* supporting an

appropriate education of the younger generation in crisis regions. At the same time, however, she consistently emphasized that her task was not to participate in policy-making, but to inform 'many publics of the content of U.S. policy—accurately, clearly and swiftly'(Beers 2002a).[10] To those ends, the Undersecretary signed off on a number of new global initiatives.

Perhaps her most substantive project was the creation of the Middle East radio network 'Sawa' (Arabic for 'together') and a 24-hour Middle East TV network. The latter was meant to compete with al-Jazeera and other regional Arab broadcast networks. Specifically targeting listeners aged 30 and under, Radio Sawa's programming was music-driven with periodic newscasts that presented the US government's view. In addition, Beers oversaw the creation of a brochure on 9/11 titled 'The Network of Terrorism'. More than a million copies were distributed in the Muslim world. She also collaborated with California-based Globe TV to fund an exchange of Arab and US journalists, including Shereen el Wakeel, the anchorwoman of the popular Egyptian TV show 'Good Morning Egypt'. Moreover, her office embarked on the systematic search for thousands of foreign professionals, students and artists who had participated in past decades in US government-sponsored exchange programmes, hoping to pressure them into serving in their respective countries as 'mini-ambassadors' for the United States. Finally, she advocated English teaching to foreigners in their own schools as 'an effective way of exposing them to American values and preparing them for productive lives in a modern world' (Beers 2002b).

When Beers resigned unexpectedly in March 2003—ostensibly for health reasons—commentators were united in their negative assessment of her campaign. In fact, world opinion polls conducted since then actually pointed to *intensifying* anti-American sentiments. The intended 'end-users' of 'Brand USA' in the gap region are not buying. The war in Iraq and the difficult occupation of the country by coalition forces made matters only worse. Even in the United Kingdom, America's closest and most sympathetic partner, positive attitudes toward the US dropped from 75 per cent in July 2002 to 58 per cent in March 2004. This trend appears to be strongly related to the perceived discrepancy between America's proclamation of freedom and democracy, and its actual policies in the Middle East and elsewhere (Pew Research Center 2004).[11]

Congress was so dismayed at the results of Beers' efforts that it appointed a special commission to recommend new and better public diplomacy strategies for the Muslim world. Indeed, none of the ensuing reports and studies, over the last several years, by a variety of official and independent bodies across the political spectrum disputed the poor condition of American public diplomacy. Criticisms of Beers' performance included lack of strategic directions; failure to take into consideration the fundamental cultural differences between Americans and Arabs; absence of scientific measures on the impact of her public relation

efforts on her target audience; and her unwillingness to spend enough time in the Middle East. Indeed, a few days before her resignation, the frustrated Undersecretary conceded that 'the gap between who we [Americans] are and how we wish to be seen and how we are in fact seen, is frighteningly wide'(Beers cited in Associated Press 2003). And yet, Beers' successors Margaret Tutwiler and Karen Hughes have continued to run American public diplomacy in the same mode of imperial globalism.

Concluding Remarks

What can we glean from our examination of these two neoconservative attempts to globalize 'America'? On one hand, Barnett's and Beers' projection of imperial globalism represents a genuine attempt to construct a new American identity under the umbrella of the rising global imaginary. Rejecting dualistic notions of national security that place the global outside the national, they masterfully harnessed the language of American exceptionalism to their imperial-globalist vision. Pro-immigration and fiercely opposed to isolationism, Barnett articulates the rising global imaginary in terms that would make old-style nationalist-conservatives like Patrick Buchanan shudder: 'Globalization is this country's gift to history—the most perfectly flawed projection of the American Dream onto the global landscape…In short, *we the people* needs to become *we the planet*' (Barnett 2004: 50). Barnett may be an imperialist, but his frame of reference is decidedly globalist. His ideological leanings suggest that the post-9/11 era has been a fertile ground for the hard-powering of market globalism into a doctrine that unites the twin goals of globalizing markets and American global hegemony—all in the name of 'we the planet'. If globalization represents a long-term historical trend towards greater worldwide interconnectedness, then the current imperial episode should be seen as part of this trend: American empire inhabits globalization (see Nederveen Pieterse 2004: v).

On the other hand, the language of imperial globalism still retains nationalist markers that undercut its attempt to reconceptualize community in global terms. For example, one of the core phrases of the imperial globalism—'American values'—is historically incorrect, culturally insensitive and politically foolish. Given that broad ideals like freedom, democracy and diversity can be found in almost all cultures at various times, such exclusivist claim of any single country to these values clash with the idea of an emerging global community, while at the same time generating intense sentiments of resentment and inferiority in

non-Americans. It explains, at least in part, why 'Brand USA' has faced such a steep uphill battle in the Muslim world. After all, it operates on a symbolic level that has been translated by the inhabitants of that region as yet another form of Euro-American imperialism. The cultural assumptions underlying the neoconservative vision of a global USA are actually *more likely* to generate anti-Americanism, because they made people in the region feel that they are lacking valuable cultural resources of their own, thus fanning long-standing sentiments of humiliation and resentment.

Neoconservatives like Barnett and Beers are, indeed, genuine 'globalists', but their proposed extension of 'we the people' to 'we the planet' reconciles the (American) national with the global only, at the expense of obliterating all other existing national expressions that do not accept the alleged universality of 'American values'. Expressed in Barnett's belligerent imperative to 'eliminate the gap', this coercive impulse to establish a global community on the basis of 'American values' will continue to generate resistance from those ideological forces who prefer to articulate the global imaginary in different terms and norms.

Notes

1. For a comprehensive discussion of the contemporary transition from a national to a global imaginary and its ideological implications, see Steger (2008). Some of the arguments made in this chapter are fleshed out in more detail in Chapter 6.
2. See, for example, Roach (2002: 65), Saul (2005: 33–43), Lieven (2004) and Scruton (2002).
3. Cited in Mann (2003: 2). For an excellent study of the evolution of neoconservative thought and the American Empire, see Dorrien (2004).
4. The terms 'hard power' and 'soft power' have been coined by Clinton's former Deputy Secretary of State, Joseph S. Nye. However, similar power dynamics have been described and analysed in different terms by generations of political thinkers influenced by the writings of Antonio Gramsci. For the latest elaboration of Nye's perspective on power, see Nye (2004).
5. For a discussion of the major ideological claims of market globalism, see Steger (2005: Chapter 3, 47–90).
6. Bush's 'Three Pillar speech' is taken from a transcript of his address in London on Iraq and the Middle East, *New York Times* (19 November 2003); and 'Transcript of the George W. Bush's Inaugural Address', *New York Times* (20 January 2005).
7. The sequel to this book is *Blueprint For Action: A Future Worth Creating* (2005).
8. A milder version of this argument can be found in Walter Russell Mead's advocacy of an 'American project—a grand strategic vision of what it is that the United States seeks to build in the World'. See Mead (2004: 7).
9. Charlotte Beers interviewed by Alexandra Starr on 10 December 2001 (Starr 2001).
10. See also Charlotte Beers cited in Satloff (2002) and Charlotte Beers cited in Zorthian (2004).
11. For a summary of such polls conducted between 2002 and 2005, see Kohut and Stokes (2006).

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3

The Transnational Capitalist Class and the Politics of Capitalist Globalization

LESLIE SKLAIR

In recent years debates about the positives and negatives of capitalism have been overtaken by debates about the positives and negatives of globalization. Globalization is a relatively new idea in the social sciences, though some argue that while the term is new, what the term denotes is not a novel set of phenomena (see Waters 2001). What most scholars agree about, however, is that the term has many meanings and that the debates around these meanings are often confused. Much of the confusion derives from an untheorized identification of globalization with what we can term capitalist globalization. The idea of capitalist globalization implies, of course, that there are other types of globalization. It is important at the outset to establish a generic concept of globalization without losing sight of the fact that the dominant form of globalization today is literally unthinkable without the actually existing capitalism.[1]

Generic globalization I take to be a relatively new (post-1960) phenomenon defined by four fundamental characteristics. The first criterion of generic globalization is the widely discussed electronic revolution integral to what Castells (2000) famously dubbed 'the information age'. The second is the postcolonial revolution; the third is the creation of transnational social spaces. Finally, the electronic transformation has made possible qualitatively new forms of cosmopolitanism, where relations between the national and the international can be increasingly reconceptualized in terms of relations between the local and the global. While the electronic revolution and this embryonic new cosmopolitanism both emerged historically in a time of rapidly globalizing capitalism, neither is necessarily a capitalist institution and both could exist and prosper—albeit in

different ways—in a non-capitalist world. These four characteristics of generic globalization are, in my view, irreversible in the long run, but this does not mean that capitalist globalization is irreversible. The failure to grasp this idea has led to confusion in the ranks of the so-called 'anti-globalization' movement. But this is not the only source of confusion about globalization. Different, even contradictory, approaches to globalization have created a situation where the term is widely used but little understood.

In an effort to reduce these confusions, I distinguish between inter-national, transnational and globalist approaches to globalization. These distinctions signal the differences between the state-centrist conception of an inter-national system based on states, the transnational conception of global systems based on globalizing forces and institutions, and the globalist conception of global systems based on an already more or less completed global project. My own approach is an attempt to transcend the contradictions of a state-centrism that fails to recognize the global, and a globalism that fails to recognize the persistence of states. The global, therefore, is an aspiration rather than a completed project and while there are few forces or institutions or phenomena that can be said to be genuinely global, there are increasing numbers that are globalizing. Major transnational corporations are the most powerful globalizing institutions in the world today and by virtue of this fact they make capitalist globalization the dominant form of globalization. This does not mean, however, that it is the only form of globalization. There are alternatives (see Sklair 2002: Chapters 10–11).

The central feature of the idea of capitalist globalization current in the social sciences is that many contemporary problems cannot be adequately studied at the level of nation states, that is, in terms of national societies or international relations but need to be theorized in terms of globalizing (transnational) processes, beyond the level of the nation state. Globalization researchers have focused on two new phenomena, central to capitalist globalization, that have become significant in the last few decades: namely, the rise of major transnational corporations (TNC) and their domination of processes of globalization of capital, production and marketing (see Dicken 1998; Dunning 1997; Sklair 2001); and transformations in the technological base and subsequent global scope of the electronic mass media, increasingly orchestrated through conglomerate TNCs, leading to the imposition of consumerism as the dominant culture-ideology of our time (see Herman and McChesney 1997).

The approach offered here is based on the concept of transnational practices, practices that cross state boundaries but do not originate with state agencies or actors (although they are often involved). This conceptual choice offers, as it were, a working hypothesis for one of the most keenly contested disagreements between globalization theorists and their opponents, namely that the nation state is in decline (Holton 1998; Strange 1996). The concept of transnational

practices is an attempt to make more concrete the issues raised by such questions in the debate over globalization. Analytically, transnational practices operate in three spheres, the economic, the political and the cultural ideological. The whole is what I mean by the global system. The global system at the beginning of the 21st century is not synonymous with global capitalism, but the dominant forces of global capitalism are the dominant forces in the global system. To put it simply, individuals, groups, institutions and even whole communities, local, national or transnational, can exist as they have always done outside the orbit of the capitalist global system but this is becoming increasingly more difficult as capitalist globalization penetrates ever more widely and deeply. The building blocks of global system theory are the transnational corporation, the characteristic institutional form of economic transnational practices, a still-evolving transnational capitalist class (TCC) in the political sphere and in the culture-ideology sphere, the culture-ideology of consumerism. My argument here is that the politics of capitalist globalization are not viable on a global scale because, fundamentally, they rest on the claim that consumerism will make us happy. Capitalist globalizers argue that the TNCs, owned and controlled by the TCC, are the best means to achieve this end through 'the culture-ideology of consumerism'.

In the economic sphere, the global capitalist system offers a limited place to the wage earning masses in most countries. The workers, the direct producers of goods and services, have occupational choices that are generally free within the range offered by the class structures in national capitalisms. The inclusion of the subordinate classes in the political sphere is very partial. The global capitalist system has very little need of the subordinate classes in this sphere. In parliamentary democracies, successful parties must be able to mobilize the masses to vote every so often, but in most countries voting is not compulsory and mass political participation is usually discouraged. In non-democratic or quasi-democratic capitalist polities even these minimal conditions are absent.

The culture-ideology sphere is, however, entirely different. Here, the aim of global capitalists is total inclusion of all classes, and especially the subordinate classes insofar, as the bourgeoisie can be considered already included. The cultural ideological project of global capitalism is to persuade people to consume above their biological needs in order to perpetuate the accumulation of capital for private profit, in other words, to ensure that the global capitalist system goes on forever. The culture-ideology of consumerism proclaims, literally, that the meaning of life is to be found in the things that we possess (Sklair 2002: Chapter 7). To consume, therefore, is to be fully alive, and to remain fully alive we must continuously consume. The notions of men and women as economic or political beings are discarded by global capitalism, quite logically, as the system does not even pretend to satisfy everyone in the economic or political spheres. People are primarily consumers. The point of economic activity for

'ordinary members' of the global capitalist system is to provide the resources for consumption, and the point of political activity is to ensure that the conditions for consuming are maintained. The importance of the transnational corporations and of consumerism are now widely recognized by proponents, opponents and those who claim to be neutral about globalization, but the idea of the TCC is less familiar and much more controversial.

The Transnational Capitalist Class (TCC)

The TCC, the dominant class insofar as the politics of globalization are concerned, can be conceptualized in terms of the following four fractions:

1. Those who own and control the major TNCs and their local affiliates (corporate fraction).
2. Globalizing state bureaucrats and politicians (state fraction).
3. Globalizing professionals (technical fraction).
4. Merchants and media (consumerist fraction).

This class sees its mission as organizing the conditions under which its interests, and the interests of the system can be furthered in the global and local context. While some have argued that the concept is over-stretched (for example, Embong 2000), its globalizing responsibilities suggest that each of its four fractions is necessary for the global hegemony of the class as a whole. The concept of the TCC implies that there is one central TCC that makes system-wide decisions and that it connects with the TCC in each locality, city, region, country, and so on. While the four fractions are distinguishable analytic categories with different functions for the global capitalist system, the people in them often move from one category to another, the 'revolving door' between government and business. (For an extended discussion of these issues, based on empirical research on the Fortune Global 500, see Sklair 2001.)

Together, these groups constitute a global power elite, ruling class or inner circle in the sense that these terms have been used to characterize the class structures of specific countries (Scott 1990; Useem 1984). The TCC is opposed not only by those who reject capitalism as a way of life and/or an economic system but also by those capitalists who reject globalization. Some localized, domestically-oriented businesses can share the interests of the global corporations and prosper, but many cannot and perish. Influential business strategists and management theorists commonly argue that to survive, local businesses must globalize. Though most national and local state managers fight for the

interests of their constituents, as they define these interests, government bureaucrats, politicians and professionals who entirely reject globalization and espouse extreme nationalist ideologies are comparatively rare, despite the recent rash of civil wars in economically marginal parts of the world. And while there are anti-consumerist elements in most societies, there are few cases of a serious anti-consumerist party winning political power anywhere in the world.

The TCC is transnational in the following respects:

1. The economic interests of its members are increasingly globally linked rather than exclusively local and national in origin. Their property and shares and the corporations they are tied to are becoming more globalized. As ideologues, their intellectual products serve the interests of globalizing rather than localizing capital. This follows directly from shareholder-driven growth imperative that lies behind the globalization of the world economy and the increasing difficulty of enhancing shareholder value in purely domestic firms, encouraging the tendencies to 'creative accounting' and fraud. While for many practical purposes, the world is still organized in terms of discrete national economies, the TCC increasingly conceptualizes its interests in terms of markets, which may or may not coincide with a specific nation state, and the global market, which clearly does not coincide with a specific nation state. I define domestic firms as those serving an exclusively sovereign state market, employing only local co-nationals, whose products consist entirely of domestic services, components and materials. If you think that this is a ridiculously narrow definition for the realities of contemporary economies then you are more than halfway to accepting the transnational concept of globalization.

2. The TCC seeks to exert economic control in the workplace, political control in domestic and international politics, and culture-ideology control in every-day life through specific forms of global competitive and consumerist rhetoric and practice. The focus of workplace control is the threat that jobs will be lost and, in the extreme, the economy will collapse unless workers are prepared to work longer and for less in order to meet foreign competition. This is reflected in local electoral politics in most countries, where the major parties have few substantial strategic (though they may have tactical) differences, and in the sphere of culture-ideology, where consumerism is rarely challenged.

3. Members of the TCC have outward-oriented global rather than inward-oriented local perspectives on most economic, political and culture-ideology issues. The growing TNC and international institutional

emphasis on free trade and the shift from import substitution to export promotion strategies in most developing countries since the 1980s have been driven by alliances between indigenous and foreign members of the TCC working through TNCs, government agencies, elite opinion organizations and the media. Some of the credit for this apparent transformation in the way in which big business works around the world is attached to the tremendous growth in business education since the 1960s, particularly in the US and Europe, but increasingly all over the world.

4. Members of the TCC tend to share similar life-styles, particularly patterns of higher education (increasingly in business schools) and consumption of luxury goods and services. Integral to this process are exclusive clubs and restaurants, ultra-expensive resorts in all continents, private as opposed to mass forms of travel and entertainment and, ominously, increasing residential segregation of the very rich secured by armed guards and electronic surveillance, from Los Angeles to Moscow, Manila to Beijing, Mumbai to Sao Paulo. In recent decades the number of large corporations whose origins are in what used to be known as the Third World has increased substantially, some even making it into the Fortune Global 500 (see Sklair and Robbins 2002).

5. Finally, members of the TCC seek to project images of themselves as citizens of the world as well as of their places of birth. Leading exemplars of this phenomenon have included Jacques Maisonrouge, French-born, who became in the 1960s the chief executive of IBM World Trade; the Swede Percy Barnevik who created ABB (Asea Brown Boverei), often portrayed as spending most of his life in his corporate jet; the German Helmut Maucher, former CEO of Nestle's far-flung global empire; David Rockefeller, of one of the most powerful corporate dynasties in the United States and founder of the Trilateral Commission; the legendary Akio Morita, the founder of Sony; Rupert Murdoch, who actually changed his nationality to pursue his global media interests; George Soros and Bill Gates, billionaires and global philanthropists.

What the inner circle of the TCC does is to give a unity to the diverse economic interests, political organizations and cultural and ideological formations of those who make up the class as a whole. As in any social class, fundamental long-term unity of interests and purpose does not preclude shorter-term and local conflicts of interests and purpose, both within each of the four fractions and between them. The culture-ideology of consumerism is the fundamental value system that keeps the system intact, but it permits a relatively wide variety of choices, for example, what I term 'emergent global nationalisms' as a way of

satisfying the needs of the different actors and their constituencies within the global system. The four fractions of the TCC in any geographical and social area, region, country, city, society or community perform complementary functions to integrate the whole. The achievement of these goals is facilitated by the activities of local and national agents and organizations connected in a complex network of global interlocks.

A crucial component of this integration of the TCC as a global class is that virtually all senior members of the TCC will occupy a variety of interlocking positions, not only the interlocking directorates that have been the subject of detailed studies for some time in a variety of countries, but also connections outside the direct ambit of the corporate sector, the civil society as it were servicing the state-like structures of the corporations. Leading corporate executives serve on and chair the boards of think tanks, charities, scientific, sports, arts and culture bodies, universities, medical foundations and similar bodies (Beder 1997; Domhoff 1996). It is in this sense that the claims 'the business of society is business' and 'the business of our society is global business' become legitimated in the global capitalist system. Business, particularly the transnational corporation sector, then begins to monopolize symbols of modernity and postmodernity like free enterprise, international competitiveness and the good life, and to transform most, if not all, social spheres in its own image.

Can the Politics of Capitalist Globalization be Viable on a Global Scale?

The answer to this question is far from clear. Global capitalism, driven by the TNCs, organized politically through the TCC, and fuelled by the culture-ideology of consumerism, is the most potent force for change in the world today. This is hardly a controversial proposition. Its capacity to deliver on its central political goal—happiness on a global scale through the culture-ideology of consumerism—is more problematic. Attitudes to capitalist globalization range from happy fatalism (things are getting better all the time) through optimistic fatalism (things will surely get better for those who are hurting) to depressed fatalism (things will get worse for those who are hurting and may never get much better but there is nothing anyone can do about it). However, Marx-inspired crisis theory suggests that the problems with capitalism are a consequence of contradictions within the capitalist mode of production itself. Global system theory complements this argument by globalizing it. As capitalism globalizes, its crises intensify. Two main crises can be identified, the crisis of class polarization and the crisis of ecological unsustainability.

Class Polarization Crisis

The crisis of class polarization—the growing numbers of the very rich and the very poor and the widening gaps between them—is at the heart of radical critiques of capitalist globalization. But is this a class crisis? Despite the widely recognized problems of measuring inequalities there are some trends that are more or less accepted on all sides (Korzeniewicz and Moran 1997; Milanovic 2005). According to the World Bank, agencies of the UN and most other sources, between 1970 and 2000 the distribution of income on a per capita basis between the richest and the poorest countries and between groups within most countries became more unequal. The United Nations Development Programme presented a sobering historical perspective in its 2000 Report:

> Global inequalities in income increased in the 20th century by orders of magnitude out of proportion to anything experienced before. The distance between the average incomes of the richest and poorest countries was about 3 to 1 in 1820, 35 to 1 in 1950, 44 to 1 in 1973 and 72 to 1 in 1992. (UNDP 2000a: 6)

No doubt the exact proportions can be challenged but the trend is undeniable and is not improving. The usual way to measure inequalities within countries is by comparing deciles (10 per cent) or quintiles (20 per cent) of the total distribution of incomes. The top 10 per cent of the world's income earners got relatively more and the bottom 10 per cent got relatively less, while the average per capita income (gross national product divided by population) roughly doubled in the last quarter of the 20th century. Was the whole world becoming richer or poorer? The rich in most countries certainly became richer, both relative to the poor and absolutely. Relative to the rich the poor were becoming poorer, while some of them were becoming richer in absolute terms. Other groups of poor people, notably landless peasants, including many women and children, and the families of the urban unemployed, became absolutely poorer in this period too.

Despite the huge amounts of money and administrative effort to reduce poverty in recent decades, most authorities agree that the global numbers of people living on less than USD 2 per day has increased since the 1980s. In the decade 1990–2000, aggregate reductions in these numbers were probably achieved in East Asia and the Pacific, the Middle East and North Africa, but these were probably outweighed by increases in the numbers of very poor in post-communist Europe and Central Asia, Latin America, Caribbean, South Asia and sub-Saharan Africa. According to the United Nations Research Institute for Social Development (UNRISD), the conclusion is inescapable: 'The incidence of poverty has increased in the past few years not because the world as a whole

is getting poorer, but because the benefits of growth have been unevenly spread. There has been a striking increase in inequality' (UNRISD 2000: 11). The record since 2000, with more highly destructive wars and civil strife in the Middle East and parts of Africa, does not give much cause for optimism.

But, and this cannot be emphasized too strongly, the numbers of the very rich are certainly rising and the numbers of the very poor may also be rising everywhere. There are few, if any, countries where the basic material needs (emotional needs are another, even more fragile, issue) of everyone are fully met. In a grim report on human poverty published at the beginning of the new millennium, UNDP lists the income or consumption share of the poorest 20 per cent of the population in 14 countries on four continents. On these figures, the people in the poorest quintile in Brazil who shared just 2.5 per cent of total income appeared to be worst off. Comparable figures for South Africa were 2.9, for Russia 4.2 and for Thailand 5.6. In words that echo the empirical reality that underlies what I am conceptualizing as the crisis of class polarization, UNDP concluded: 'Economic growth cannot be accelerated enough to overcome the handicap of too much income directed to the rich. Income does not trickle down; it only circulates among elite groups' (UNDP 2000b: 43). In these stark words, a central myth of capitalist globalization is destroyed.

Faced with such overwhelming evidence from a variety of sources, even the WTO Annual Report for 1998 had to admit the reality of polarization, albeit in a convoluted statement: 'Empirical evidence tends to show that trade liberalization may entail non-trivial adjustment costs for certain groups' (quoted in Hines 2000: 157). The cruel euphemism 'non-trivial adjustment costs' meant that in Mexico, for example, real incomes of workers were estimated to have declined by 84.6 per cent between 1976 and 1998. In 1981 the minimum wage bought 38 kilos of tortillas (the staple food of the poor), by January 2000 only 9.3 kilos. The Independent Peasants Union estimated that 26 million rural dwellers (one quarter of the population) could not afford an adequate diet. Meanwhile, foreign investment, social polarization and crime are expanding rapidly, and the social safety net is collapsing. Mexican society is becoming increasingly militarized, with gated communities, armed guards, and invasive police and military power (Ochoa and Wilson 2001). This description can be reproduced in many Third World countries, as the World Bank, UNRISD and UNDP reports cited above confirm.

Poverty in the Third World is now relatively well known to the reasonably informed lay reader. What is less well known is that in the First World, particularly in the USA and some parts of Europe, and more recently in Japan, the economic position of many workers and the workless poor and their families has deteriorated since the 1960s (see Walker 1999 for a snapshot of the situation).

Thomas (2001) argues convincingly that the neoliberal vision of global govern-
ance and development cannot provide human security (satisfaction of basic
needs), and as poverty and inequality deepen this represents a crisis for the
system. As we have seen, there is plenty of evidence for the crisis, though it is
important also to recognize the significance of the other side of the crisis, the
growing numbers of the very rich.

The distinctiveness of the class polarization thesis is that it recognizes both
increasing emiseration and increasing enrichment, thus in all countries, rich
and poor, privileged communities are to found. In Douala, a large city in
Cameroon, Denver (the reference is to the TV show Dynasty) is an upmarket
neighbourhood that 'aims to be the preferred place of residence of the newly
rich: young entrepreneurs, businessmen, corporate executives and high-level
administrators in the Ministry of Finance' (Monga 2000: 205). This Denver
stands in stark contrast to the nearby settlement of Bepanda Yon-yon, typical
of squalid neighbourhoods all over Africa. The key symbol of the difference,
Monga reports, is the air conditioner. Again, this is by no means a unique case.
In Latin America, for example, despite the success of Santiago de Chile as a
modern business metropolis, there is severe residential polarization in terms of
poverty (many of the poor work in the formal sector by the way), education,
infrastructure and other services.

> The new location trends for office buildings are perhaps the most significant ex-
> ample of segregation. Ninety-six per cent of the total office space constructed
> between 1990 and 1998 is shared between [the richest] five of the 34 communas
> [districts]. … This shows how the globalization process is restructuring cities, by
> creating new service zones with new location patterns, complemented by high
> quality infrastructure. (Dockemdorff et al. 2000: 179)

While the proportions may be extreme, the pattern is familiar (for other cases,
see Marcuse and van Kempen 2000: Chapter 12).

Mexico, Cameroon and Chile are not untypical. The way that capitalist glob-
alization tries to cope with the crisis of class polarization is put very starkly, but
in terms that many will recognize, by Tehranian (1999: 15):

> Pan-capitalism has found an ingenious solution to these problems: gated ghettos,
> factories, and residential communities. In Mexico City, New York, Los Angeles,
> Chicago, Bombay, and Calcutta, the ghettos for the poor are more or less defined
> and cordoned off geographically. It is unsafe for outsiders to wander off into these
> areas.

Residential segregation is, of course, nothing new, but the increase of high
security housing for the rich, often electronically protected against the poor, is
a feature of many societies. For example, Blakely and Snyder (1997) show that

by 1997 about 9 million Americans were living in gated communities of various types. Chaplin (1999) goes some way to provide a convincing explanation for this. The middle and upper classes (she is writing of India, but it is generally true) have little interest in putting pressure on their municipal authorities to provide services for the urban poor and certainly would not want to pay for the expensive infrastructure involved. In cities in India, as well as in Brazil and other deeply divided countries, quite luxurious enclaves co-exist uneasily with slum and ghettos. This polarization provokes several distinct political responses and models of the passive poor, the surviving poor, the politically active poor and the resisting poor have been generated to explain these (Bayat 2000).

Another indication of widening gaps between the new rich and the very poor is the increasingly important phenomenon of indigenous mass tourism within Asia, Latin America and Africa (see Ghimire 2001). Not unnaturally, as more and more people in the Third World become richer they will want to spend at least some of their money on leisure. Similarly, the digital divide highlights polarization between richer and poorer in terms of access to electronic technologies, particularly the Internet (Main 2001; Mansell and Wehn 1998). In regional terms there is plenty of evidence of the digital divide. In 1998, North America had 168 times more Internet hosts than Africa, and Africa had 396 times more people per host than North America (Madon 2000: 86; see also M'Bayo 1997). Lists comparing the connectivity of different countries are common, but state-centrism, as usual, can be misleading. In the USA, for example, there is a definite hierarchy of Internet use, not all cities are network cities there (Townsend 2001) or in most other countries (see also Graham 1999). Within communities, it is obvious that some groups have more access than others, even in the USA and Western Europe.

As most of the evidence makes clear, it is the lack of economic resources that is the main reason why so many of the poor are getting poorer, while access to economic resources explains why the rich are getting richer. There are more very poor women than men, more poor members of ethnic minorities than of the majority groups, and more poor people in rural than urban areas, but their relative poverty is not due to their gender, their ethnicity or their location (of course, there are some rich rural women), but to their lack of access to education, well-paying jobs, land, fair prices for their labour and/or crops, and to their poor health, malnutrition and hunger. That the children of the very poor generally find it very difficult to escape from poverty goes a long way towards explaining why these cycles of deprivation are so difficult to break down. It is their relationship to the means of production, to capital in its various forms that locks most of the poor into poverty, thus, it is at its base a class crisis. This suggests, simply, that capitalism despite its rhetoric cannot

provide opportunities for the material wellbeing for everyone. Large sections of the middle class all over the world, those families with small amounts of capital in housing or shares locked up in pension funds and/or other forms of savings, appear to be increasingly struggling to maintain the standards of living into which the culture-ideology of consumerism has led them, some willingly, some not so willingly. Capitalist globalization implies class polarization for everyone.

Crisis of Ecological Unsustainability

While the literature on all aspects of globalization has been expanding very rapidly in the last decade, it is probably no exaggeration to say that the literature on global environmental change has led the way. The facts of ecological stress at the planetary level are clear, though their significance is not universally agreed. Scientific research, the public visibility of environmental issues created by the mass media and consequent state and private funding, combined to provide a framework for the study of global environmental change in the context of sustainable development. Some advances have been made, for example, in the control of CFC gases and some stewardship of some parts of the atmosphere, oceans, forests and other natural resources, though argument still rages over the so-called global commons. Nevertheless, in an unprecedented joint millennium report, with the ominous subtitle 'People and Ecosystems: the Fraying Web of Life', UNDP, UNEP, World Bank and the World Resources Institute more or less acknowledge that the present global system is unsustainable, though the fact that it is a globalizing capitalist system is ignored (World Resources Institute 2000). Agricultural lands, rainforests and other wooded areas, grasslands and sources of fresh water are all at risk. Many rivers and other aquatic ecosystems are suffering severe ecological distress. The most dramatic cases are that of the Aral Sea where of 24 pre-existing fish species 20 have already disappeared, and the Rhine River where 44 species became rare or disappeared between 1890 and 1975. Other rivers (the Colorado, Danube, Pearl River) also show signs of severe stress due to biodiversity loss, change of species composition and loss of fisheries (World Resources Institute 2000: 115). This is also true for the oceans of the world, where the unsustainability of deepwater fisheries at the present rate of exploitation is also widely recognized. Ocean fishing is a very important source of food and income for poor people living near coastlines, and the over-fishing by large commercial fleets increases the pressure on the livelihoods of the poor. Access to safe drinking water is also a serious problem

in many parts of the world, where the connections between ecology and class clearly emerge, as a recent study of an Indian city linking unsafe water and water supply privatization vividly illustrates (Anthony 2007).

While the details of the impending ecological crisis are known only to specialists, most people appear to be more aware of human impacts on the environment than ever before. A series of high-profile international meetings since the 1970s, notably the United Nations Conference on Environment and Development in Rio in 1992 and the controversy over the implementation of the Kyoto agreement on global climate change, have made it difficult for intellectual and political elites to ignore the crisis. There is clearly a growing disquiet about daily environmental degradation, serious incidents and the difficulty of making environmental choices. As a recent report by Oxfam (Raworth 2007) makes clear, it is the poorest in the Third World that tend to be most at risk from this most serious indicator of ecological unsustainability, the climate change caused by industrialization, and its global belief system, the culture-ideology of consumerism.

These issues have been kept in the public sphere for decades by the continuous campaigning of green movements in the North (McCormick 1992) and, more recently, in the South (Wignaraja 1993). Dwivedi (2001: 16) correctly points out the common perception of the differences between activists in the North and the South: 'it is not as much life-styles as life chances that constitute the battleground of environmental politics in the South'. He cites the movements around Chipko and the Narmada dam in India, the Chico Dam in the Philippines, rubber tappers in Brazil, the Zapatistas, the Ogoni in Nigeria and Green Belt activists in Kenya. Leichenko and O'Brien (2008), in their assessment of the impacts of climate change, develop the winners and losers approach (this is, of course, a very general proposition) into the concept of double exposure, when some regions, sectors, ecosystems and social groups are exposed simultaneously to adverse impacts from climate change and economic globalization. This fruitfully combines the analysis of the crises of class polarization and ecological unsustainability (though they do not use these terms). As they observe, winners can eventually become losers, though losers usually remain losers.

While many TNCs (both the major globalizing corporations and smaller consumer-sensitive companies) have begun to institutionalize in-house mechanisms for dealing with resource and pollution issues, many other TNCs, their sub-contracting partners and local firms ignore good practice in production and waste disposal, even where required to do so by law, and pose ongoing threats to the global environment. More generally, the role of capitalist globalization in promoting unsustainable patterns of consumption with little thought for the environmental consequences has been critically scrutinized (see Utting 2000). This latter issue raises fundamental questions about the capitalist global

project and the central place of consumption, for both economic growth and ideological credibility.

Conclusion

Space permits a very brief conclusion to a very large series of problems. Global capitalism, through the unceasing public pronouncements of members of the TCC, acknowledges many of these issues, but as problems to be solved rather than crises. Corporate executives, world leaders, those who run the major international institutions, globalizing professionals and the mainstream mass media, all accept that the rich are getting richer, some of the poor are getting poorer, and the gaps between the rich and the poor are widening in our globalizing world. This is rarely seen as a class polarization crisis, but that is what it is. Summits and conferences are held, expert commissions are established, targets are set, Action Programmes are put into practice, some targets are missed and some are achieved, and the process grinds on. Public representatives of the TCC accept that there are environmental problems and that something has to be done about them. The TCC even accommodates some mild criticism of consumerism and globalization, but the fatal connection between the capitalist mode of production and the holistic ecological crisis is almost entirely suppressed. Addiction research might help us to understand the psychological processes involved in burying what most of us know to be true about class polarization and ecological unsustainability to the deepest reaches of the unconscious. These are not signs of a happy world, not signs of a world governed through a system of viable politics.

It is clear, therefore, that if capitalist globalization cannot resolve these two crises then its promises of prosperity and happiness for all cannot be honoured. This makes the search for alternatives urgent. In my view, a focus on the globalization of human rights and responsibilities (see Sklair 2002: Chapter 11) will provide one fruitful path forward. To take the issue of economic and social human rights seriously, however, will almost certainly mean to reject capitalist globalization in favour of other more humane and communal forms of globalization. Time is running out, but it is not too late.

Note

1. This chapter borrows from and updates the argument made in Sklair (2002).

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4

Transnationalization, Class and the State[1]

WILLIAM K. TABB

Some decades into the era of neoliberalism in which the Thatcher TINA thesis ('there is no alternative' to neoliberalism) has been dramatically rejected in both theory and practice; and new initiatives promoted at the behest of transnational corporations and international financiers encounter heavy resistance from the countries of the global South supported by social movements from the South and the North, a number of related debates are under way. There is renewed attention to a search for alternatives to the Washington Consensus programme. One strand of rethinking where we are in history and what is to be done has been attention to the dimensions of class and the state at the level of the global political economy. William Robinson (writing alone and with co-authors) has been among the most outspoken and influential advocates of the existence of a transnational capitalist class and a transnational capitalist state (Burbach and Robinson 1999: 10–39; Robinson and Harris 2000). Earlier in this decade two journals, *Science & Society* and *Theory and Society* have devoted symposia to these claims.[2] This chapter is an intervention in this debate over whether globalization is producing a transnational capitalist class (TCC); whether such a class exists, or is coming into being and the overlapping discussion which considers the existence of a transnational capitalist state (TCS). Is one emerging? Does one exist? Is a global state an impossibility? Why and why not? Such questions raise difficult theoretical issues. How is one to make sense of these claims and counter claims regarding class (re)formation and state power and purpose?

   To address these complex matters it is necessary to have analytical clarity on basic definitions. How is one to understand the social construction of class in a global economy? What of the state and the state system in relation to the

world system? In addressing such questions the time frame is important. So too is the manner in which class is operationalized and the specificity of the state as institutional form in this historical conjuncture of the world system. The discussion in this chapter is organized in three parts. The first proposes a way of looking at the capitalist class in the changing world system. A second considers the emergence of what has been called the semi-periphery as dynamic centre of accumulation. A third section of the chapter focuses on the United States as the hegemonic actor in a more interdependent international political economy. A short conclusion relates the developments discussed to the absent class in this discourse, the working class which has tended to be undertheorized.

Globalization and Class

The issue of time frame, of where we are in history, and the alleged newness of globalization divides analysts between those who stress an underlying continuity of the capitalist world system and those who give emphasis to the new and different situation, in which the international political economy finds itself in this era of globalization. Such differences are always present since there are always aspects of both continuity and change in history. This is surely the case in considering the questions relating to globalization's impacts on class and state (re)formation. Karl Marx, that great student of capitalist development wrote that 'The industrial capitalist always has the world market before him, compares, and must constantly compare, his own cost-price with the market-prices at home, and throughout the world.' He saw the 'immanent necessity' for the capitalist mode of production 'to produce on an ever-enlarged scale'. It is the nature of the capitalist mode of production that it 'tends to extend the world-market continually' (Marx 1894: 333). As his writing, most famously with Engels in *The Communist Manifesto* makes clear, there was already a world capitalist system in his time, indeed that from its beginnings capitalism was a world system. World-systems theorists building on such insight see globalization as hardly new; indeed it goes back five centuries through a history of conquest, colonialism and imperialism, to the present period taking different forms.

Globalization in the contemporary conjuncture has undercut the bargaining position of workers who can be replaced in the global labour market at lower cost and of collective solutions limited to the level of the individual nation state. In both, the advanced economies and the developing ones, changes in the organization of production have impacted on both the working class and the local capitalist class. In the countries of the core, finance, communication and technology intensive sectors generally have grown while old line industries have

faded. In those countries of the global South which have been growing, a shift has taken place between the prominence of the state as an actor in economic development to the success of corporate actors in the private sector. Within the social formations of the global South, class distinctions take on new dimensions as the position of a society in the world system changes. The former colonial powers left in place a comprador class, the middlemen between local markets and the economy of the core power which had formerly ruled the country. The livelihood of such people required the continuation of traditional patterns of production and trade, if on modified terms, sometimes more favourable to the elites of the former colony but in essence unchanged and hence describable disparagingly as neo-colonial.

During the post-war years national Keynesianism was the dominant social structure of accumulation in the economically advanced capitalist countries. Populism was dominant in much of Latin America with an alliance between a rising industrialist class allied with the organized working class against the large landowners and their allies, the church and military, which had ruled these nations since colonial days. The military take over in the 1980s in most of Latin America brutally suppressed progressive forces, but was not economically successful. The restitution of formal democracy led to ineffective governance, and, continuing to generalize perhaps too broadly in the new millennium, centre-left and more radical left leaders have been elected with the support of the working classes including, in many countries, an activated indigenous population. There is, of course, diversity not only in Latin America, but Asia, Africa and the Middle East. To talk in simple terms as if there is one class of workers facing another of capitalists would be grossly simplistic. The reality is far too complex involving ethnic, religious, regional and other features. At the same time, the fractions of domestic capital and labour are being shaped by the global economy. The meaning of nationalism is very different in a period of rapid economic growth for some countries through export-oriented development. It is very different from the meaning of nationalism in the period following the Second World War.

In India and other parts of the South, represented at the non aligned movement meeting in Bandung in 1955, most leaders had recently come to power on the back of nationalist movements and stepped onto the world stage advocating forms of state-led national development. These idealist representatives of the intelligentsia and, in some cases, younger reforming military officers were unable to build a state apparatus capable of bringing about the modernization they so fervently advocated. The material interest of other levels of the state bureaucracy and local capitalist would eventually apply for reintegration into the global division of labour, and abandon the strategies of autocentric development. After initial enthusiasm and successes in many parts of the global South

with import-substitution industrialization, transnational capital's commodity webs of production came to hold greater appeal to local elites who abandoned nationalism for junior partner status in the corporate globalization project, and the global South moved to export-oriented industrialization. As companies in developing countries become significant exporters in their own right, both selling to foreign transnationals and competing with them, a global outlook becomes common to capitalists in different territorial locations. The question is whether this creates a single transnational capitalist class.

Franz Oppenheimer has written that 'When two primitive feudal states amalgamate their social layers stratify in a variety of ways, which to a certain extent are comparable to the combinations that result from mixing together two packs of cards.' Stephen Hymer, writing in 1972 recalling Oppenheimer's classic image suggests:

> The process of integration now going on in the international economy may be thought of in a similar way—as the interpenetration of national corporation and capital into a new multinational system of ownership and control. The shuffle is neither random or even, nor are the decks of the same size. Aces, kings, and queens are trying to remain on top, but instead of lording over their separate piles, they are cross-penetrating into a more complex structure. (Hymer 1972: 93)

The strategic alliances being formed by national capitals across borders with forms in the same or closely linked product classes, the listing of stock on foreign exchanges, the flow of direct foreign investment and the partnership, and joint ownership with local capitalists all speak to the developments Hymer described.

Some scholars have no doubt that an international economy is about cross border connection and that as these spaces are fused 'once separate spaces bring people everywhere within the one global space. In class terms there is the creation of world classes' (Castells 1996: 93). In such a view economic integration is the most advanced and dramatic indicator of the demise of a strictly national US capitalist class. Christopher Rude after a review of the data concludes that the interests of US capital no longer coincide with the territorial US, and that the interests of foreign capital in the US are considerable (Rude Unpublished). 'US and foreign capital are now both thoroughly internationalized, that the horizons of their economic class practices are global.' From such a perspective 'the principle contradiction rarely runs between US capital and foreign capital but between fractions of the dominant US capital aligned with fractions of foreign capital'. If we stay at the level of class logic there is reason to consider such a thesis. However, in terms of the implications of such a development from the perspective of state theory, we observe not class unity but continued

competition among capitalists of different state formations. I shall argue a contrary thesis, that at the level of state theory, US imperial nationalism remains formidable despite objection from foreign elites and the working classes of almost all other nations. There is reason to question the emergence of a transnational state as proposed by some who see its presence and growth in the present period (Robinson and Harris 2000). Others doubt the existence or even the prospects of a TCS.

Yet the concept of fusion raises a number of questions. To some it implies a merging at the top, the interpenetration of large transnationals seeking strategic alliances to gain strength simultaneously in key market blocks of the world. It is certainly this. National autonomy lost force and local elites, and especially their children, many educated abroad, look outward feeling they want the accoutrements of a lifestyle not available in a more closed nationalist economy. The idea that the present is elsewhere and that ones own backward country lives in the past, a remnant of some bygone era can be very powerful among the children of the privileged of the global South. The present in world history is the present of the West. Modernity comes from incorporation into the world system. Writing of the Indian case and the emergence in a post-Nehruvian moment of a new young people-dominated class dubbed a denationalized middle class Rajesh Kochar sees the appeal of foreign consumer brands and culture as seductive to the point that this group is ready to disown its own country for foreign fashion (Kochar 2004: 20). In a similar vein Aditya Nigam writes:

> For those who had been brought up in the old nationalist traditions, the idea of 'self-reliance', with the commanding heights of the economy vested in the public sector and with a partial delinking from the pace of the world economy, in the modality of import-substituting industrialisation, was an article of faith. The old nationalism, we know, saw a long story of 'betrayal' and 'brain drain' in the continuous movement of our best minds to 'greener pastures' abroad. (Nigam 2004: 75)

What was once called 'betrayal' was seen in a new light as Indian born entrepreneurs came back to be part of a dynamic export sector build around back office and computer software functions. Moreover a young, well educated and certainly well compensated group built these industries and found they could enjoy a Western living standard at home. Writing of the group known as the 'puppies' (Punjab's young and upwardly mobile professionals) William Dalrymple tells us:

> In modern Delhi, an increasingly wealthy Punjabi middle class now lives in an aspirational bubble of fast-rising shopping malls, espresso bars and multiplexes. On every side, rings of suburbs are springing up, full of call centres, software companies and fancy apartment blocks... invariably given unrealistically enticing

names—Beverly Hills, Windsor Court, West End Heights—an indication perhaps of where their owners would prefer to be, and where, in time, they may eventually migrate. (Dalrymple 2007: 3)

The new idea of nationhood for the new breed of leaders is territorially unbounded and global. Yet such an 'India Shining' leaves most citizens behind. It is only the 15 per cent or so of the English speaking, educated and globally imbricated who have been among the winners. Looking at such contrasts, it is not difficult to believe that wealth and lifestyle would put some people into a transnational consumer status group, but the primary class contradiction, in political terms, remains on a national scale and, of course, mass migration is nothing new in the history of the world capitalist system. The growth of the new giants of the world system does break with the core–periphery pattern of the rich North supplying manufactures and business services, and the South raw materials and the more rapid growth rate expected to continue means that India may be the world's third largest economy by mid century. Surely, with the recent acquisition by Tata Steel of the large Anglo-Dutch steel company Corus and the success of Indian pharmaceutical and software giants, the prospects for development and export of low cost autos, and so on, may signal that for all its problems, India, already the world's fourth largest economy, may be able to retain its independence, and its indigenous capitalists successfully contest for a place in the sun, as the British and Americans did. Indian companies, which themselves depend on different forms of protection from global competitors, continue to impact the country's negotiating stance. As the new British foreign secretary, David Milliband, explains that it is impossible for politicians in the West to make sense of the world unless they also understand what it looks like through Indian eyes.

At the same time, India 60 years after independence is home to almost half of the world's starving population and they are not benefiting from any trickle down. In Mumbai, India's financial centre, half of all residents live in makeshift slums with no running water or sanitation. One in three Indians are illiterate, according to official statistics, and close to half of all Indian children under the age of three are malnourished. To focus only on Indian capitalists and not its poor and other fractions of its working class is to present what is at best an incomplete picture. For example, one reason India's commerce minister Kamal Nath could not simply concede to what might be presented as the preferences of a TCC at the WTO ministerials is that two-thirds of India's people are rural and subsidies of agriculture by the EU and the US (now close to a 100 billion) make survival difficult for them. A government which ignores the needs of the poor pays a price for such policies. Integration of India into the world economy takes place in the context of global level incentives and constraints, but is powerfully mediated by domestic understandings of a new nationalism, as well as the embrace of globalism by the most powerful sectors of the ruling class.

The Semi-peripheral State in the World System Today

There has been a breakdown of the post-war categories of North and South, centre and periphery, which have shaped much of our understanding of global capitalism. The growing rivalry resulting from the rise of states of what has been called by Wallerstein the semi-periphery, led by what McKinsey & Company, has become popular as the BRIC countries (Brazil, Russia, India and China). Rather than fading away, the states have become major players in the global political economy.

There is an active debate on whether such a global state is inevitable (Shannon 2005). There are those who assert that a supranational state does not exist and will not exist for a long time (Wendt 2003), and some others who have been willing to put a time frame on its emergence do so in terms of several centuries (Arrighi 2001). It is possible to reconcile such diverse and contradictory claims only by looking more closely of what is actually meant by a transnational state. I have argued elsewhere (Tabb 2004) for a perspective which considers global state economic governance institutions as powerful because while they are not governments (I think here of the World Trade Organization or the International Monetary Fund), they have aspects of stateness, that is, they have power over private entities and individual, presumably sovereign, states. They exercise governance capacities without being governments or branches of an existent transnational state. Whether such institutions exercising such power are prefigurative of a transnational state is left open in my work.

Capital logic would project forward into either an eventual creation of a supranational state and even to the claim that such a state can be said to be emerging or imminent in the present. However, my claim is that there is a separate state logic at work which requires greater caution, and if the purpose is to understand the dynamics of present world politics and economics, an appreciation of the conflicting logics of economics centric and state centric theories and, of course, practice. Governments looking to assist 'their' capitalists in the global political economy must do so in the context of domestic politics. To see growing interconnectedness in terms of a coming dominance of a transnational capitalist state is to give this reality insufficient weight. Governments need to maximize national advantage or appear to being doing so in their dealings in the global political economy. One should not confuse the extent of export and import activities and investment with the end of state sovereignty. Nowhere is this more the case than China, which should serve as a caution to those who see the individual state in the world system as incapable of independence.

The US and Chinese economies are deeply intertwined. The US is China's largest market. The Chinese are America's biggest creditor. The reality is that close to 60 per cent of China's exports are by foreign transnationals, especially

the US TNCs. China's growth success and the huge US current account deficit and prospective value of its dollar are tied together so tightly that nationalistic state interests cannot be understood independent of these impressive economic realities. But does that somehow mean that its elites are part of a single TCC? China greets foreign investment but takes considerable caution to retain control of what its communist party sees as important sectors such as energy, education and communication, the loss of central control of which they believe could potentially destabilize its social and political order. Keping Yu sees continuity through the different reforms China has undertaken. 'Unlike some Western political leaders who downplay state sovereignty in the global age,' he writes, 'Chinese leaders make sovereignty the basis upon which all political and economic activities take place, including economic globalization.' He translates the essence of its long standing dominant doctrine:

> China and Western countries are opposed to each other in fundamental interests, and therefore China must only introduce and use Western sciences and techniques as tools, while strictly maintaining its own political system and traditional values. This doctrine strongly resists accepting or accommodating Western political, social, economic or cultural systems and values, and has had essentially the same meaning all along... (Yu 2007: 57)

It may be that Chinese leaders are fooling themselves that the inroads made by capitalism cannot be contained, and political change and loss of both party and national control will follow (Hart-Landsberg and Burkett 2005). But this is a different question from whether the Chinese leaders are part of a TCC. It is possible that there may only be one way to be part of the global economy and that its capitalist elite is already part of a TCC that, as Robinson (2001b: 169) has argued, real power in the global system is shifting to a transnational space that is not subject to national control; that the Chinese leaders, Vladimir Putin in Russia, Hugo Chavez in Venezuela and others are all temporary phenomena and not consequential impediments to TCC rule, and that the global justice movement may not be able to force changes in the domination of a single transnational capitalist state. Such conclusions could be drawn from privileging a TCC/TCS framework. Yet stepping back from the personalities involved a new nationalism which takes different characteristics in which countries struggling with how they are to relate to the world system suggest greater contestation rather than an economistic homogenization.

I have argued for the importance of global state economic governance institutions stressing the difference between government and governance, between the state and qualities of stateness possessed by international institutions such as the International Monetary Fund and the World Trade Organization. In this regard the issue is whether the disagreements and contestation over policy

direction which have brought the negotiations in the WTO to a standstill and have been reflected in the broad sense of de-legitimate status of the IMF, reflect a conflict within a transnational capitalist class or contradictions within the state system and underlying tensions among the interests of capitalist classes of different state formations. This is not to replay Kautsky–Lenin debates, but to recognize that while at the last turn of the century inter-imperialist rivalry trumped the logic of ultra-imperialism with disastrous consequences, today under different circumstances a far more benign form of competition may be evident in the rise of China and other emergent global powers such as India and Brazil. These governments favour their capitalists and act as nationalist protectors of the domestic economic space in areas where issues of sovereignty are prominent. Sovereignty will not be easily given to a TCS any time soon. Those nations strong enough to resist foreign demands will continue to protect state sovereignty. With regard to state theory, understanding what has been the peripheral, or role of the state of the semi-periphery in a North-South world system needs to be reconsidered. There are not many politicians in China, India, Brazil or South Africa who are ready to put national priorities second to the greater good of a TCC, even if, all of these countries are very much integrated into the global economy. Not only is there still old-style protection of the domestic economy with a goal of greater autonomy, but state-led development is hardly off the agenda of many countries with the capacity to pursue such an approach, even if its forms are continuing to evolve to fit changing constrains and opportunities.

The shape of the world political economy may not be towards a single dominant TCC and TNS but rather witnessing the rise of an Asian conglomerate, as James Leigh has proposed, consisting of China, India, Japan, Russia and others (Leigh 2006). The US has worked to offset the possibility of any alliance among Asian powers, cozying up to different nations when thought useful. There are also those who see the US unwittingly producing an eventual pan Arab–Islamic coming together, although Washington's 'achievement' in fomenting Sunni–Shia wars and continued tensions suggest that one would not want to bet on such an outcome any time soon. There is as well the question of whether Europe can emerge with a coherent independent foreign policy. This too seems unlikely at this time, but hardly because the counter logic of capital accumulation on a world scale makes it impossible. Time frame is important in such considerations as is a willingness to project forward tendencies in the world system with a degree of confidence which may prove hublistic, but which our need to gain purchase on the future draws us to wish to do. Perhaps, what is at issue in these debates is the degree of willingness to extrapolate far into the future from limited available insight.

With a respect for the complicated nature of such manoeuvrings, I am perhaps more cautious. For example, in 1997 the US refused to allow Japan to

launch an Asian monetary fund to lend to its neighbours facing financial crisis. Japan's proposal was driven both by geopolitical ambition and its desire for more confident access to raw materials and markets in the ASEAN countries. It was seen by the US as an attack on the control that Washington could exert over these countries through the IMF. China too rejected the proposal. It did not want to see its competitor's regional leadership credibility enhanced (Gilson 2007: 155). Such competition does not mean that the Chinese and Japanese economies are not increasingly integrated. Indeed Chinese premier Wen is not the only advocate of an EU-style union in East Asia. Nor does it mean Japan does not remain an ally of the United States. Most of all for our purposes here, the complex patterns of national interests and globalization of the political economy are not reducible to control by a TCC. US domination of the IMF (and the World Bank), is important in a consideration of the TCS thesis. This issue is whether a collective state exists in which decisions are made by criteria basically removed from individual state interests (and so dominated by supra-state class interests in a Kautskyan global level state formation) or governance structures remain dominated by the US, albeit under challenge from nation state powers. These Bretton Woods organizations were set up before a TCC and TCS were alleged to have come on the scene and are widely recognized to have been created by the emerging global hegemon, the United States, in cooperation with the declining hegemon, the no longer so Great Britain. As Tony Porter writes:

> Since the Second World War, United States economic and political hegemony has been of crucial importance to the IMF. The IMF's success rested not just on its own programs but also on the ways in which it worked in a mutually reinforcing way with the international power of the US state. (Porter 2007: 8)

These institutions continue to be dominated by Washington. It is true US 'leadership' is being questioned, but this is not by some TCC demanding a TCS but by nationalistic leaders in China, Russia and elsewhere outside the traditional core of the world system.

Global Interdependence and the US as Hegemon

In the first two sections of this chapter, I have argued against focus on a TCC and TCS as the drivers of the global political economy. I have stressed the continued importance of nationalism among rising states of what has been the semi-periphery of the world system. In this final section, attention turns to the United States. The question is asked: has the shift from a national Keynesian social

structure of accumulation to one of global neoliberalism transnationalized the US capitalist class? The US transnational corporations have become increasingly transnationalized in terms of where they invest, where they source and how much foreign sales add to their bottom line. But they are still primarily US-based. Macro economic policy no longer depends on domestic fiscal stimulus and American workers feel wage pressure from global competitors. Finance, the most internationalized sector of the economy, is growing so fast that it enjoys 40 per cent of the profits of all corporations. The US capitalist class unquestionably benefits disproportionately from globalization. But this does not make it a transnational capitalist class. Consider first the transition from a social structure of accumulation of national Keynesianism.

In the present era of global neoliberalism in which trade and foreign investment have grown along with greater use of worldwide supply chain production and subcontracting arrangements, small price differences of commodity goods are important. State spending leaks more easily out of the national economy, stimulating growth elsewhere and producing balance of payments deficits on current accounts. Debt creation as a stimulant takes the place of Keynesian policies which are not acceptable in the current conjuncture. There are pressures on governments to reduce spending and hold down prices and real wages in the interest of global competitiveness. While capitalists always, and not only in the era of national Keynesianism, wish to minimize their wage bill without sacrificing productivity to the point where tactics to hold down unit labour costs become counterproductive, at the same time, they want other workers to make maximal disposable incomes. In an era of global neoliberalism, demand management through traditional Keynesianism government policies is difficult in individual open economies and global coordination is a way off. Any country which increased aggregate demand would run into balance of payment problems and suffer inflation relative to its competitors, and there is a free rider problem in agreements to coordinate spending at the level of say the G7 finance ministers. Given such an underconsumptionist bias, there is a need to stimulate spending through alternative means.

Without a global state or state-like ability to enforce macro economic policy coordination, both distant prospects, financialization and generation of what becomes, in effect, stateless liquidity has been the key stimulant to global growth. The benefits of financialization have been overwhelmingly captured by money-centred financial institutions. A greater willingness to lend on less security accompanied greater global liquidity. This has been brought on by a shift in bargaining power between potential lenders and borrowers. Funds must be put to profitable use and so the sort of safety margins once normal have gone by the board with implications which may not be pretty when the music stops (as current troubles in the sub prime market suggests). The easy availability of money is underwriting leveraged buyouts by private equity firms and lending to hedge funds—both major sources of significant profit to the banks.

The reorganization and downsizing necessary to free funds to pay debt create a generalized pressure on the wages of workers who have a very hard time finding alternative employment at the same wage and benefit levels. Companies squeeze suppliers as well with knock on effects for other workers and communities. Everywhere, there is an increase in inequality as global competitive pressures intensify. In countries where a great part of the labour force is not organized and/or well represented politically, labour's share in national income is declining substantially. Financialization increases aggregate demand through debt fuelled purchases of goods and services. In this context, increased debt levels allow consumption levels not otherwise possible. New centres of manufacturing, above all China, recycle the profits they make, lending them to the US so that it can continue to be a consumer beyond its national income. In such a context, national power and national state policies matter, as I have argued, and so too does the way capital and labour within the hegemonic state understand the globalization process and the nationalisms they value.

It is always the case in a democracy that competing elites must offer incentives to voters. In a period of rising inequality and stagnant living standards in the US, it is the case that political parties have less purchase on the loyalty of blocs of voters. This is closely related to the reality that the financially most powerful fractions within parties and interests, which invest in politics, are now trans-nationally oriented and when focused on domestic opportunities are usually at odds with the general interest and so, on their issues, hardly magnets for voters. The hold of capitalist money influences has both immediately self-interested motives in the rich not wanting to pay taxes, in the special pleading of rent seeking sectors which live off state contracting largesse and in the broader policies which favour capital in relevant markets which are increasingly global. The sort of cross-class coalitions which were characteristic of the era of national Keynesianism are less likely in an era of global neoliberalism and wedge issues capable of dislodging sections of the working class, hot button social issues, which can be foregrounded to obscure economic policies favoured by candidates and parties which are harmful to the economic interests of these voters come to take on greater salience.

One of the most viable tactics for building national unity has always been the external enemy. Mobilizing support for foreign wars and fanning fear of the other bent on doing evil and idealistic missions of spreading our civilized values have been sure fire gambits for seducing the working class into support for policies of their betters, reducing perception of social distance, of misdirecting class rage. Anger at the failure of elected officials to come through on bread-and-butter needs is capitalized upon by the extreme right which is able to do so far more effectively than the left. This is because the left wants to change basic relations of economic power. The right scapegoats and so supports those who benefit from the way things are presently organized. By ratcheting up hostility and free-floating anger which comes from life situations and deflecting such

anger to build populist political formations, they draw centre-right parties to the right to guard their flank and move national politics to the right. The left-centre, tied as it is to corporate interests and the benefits of globalization and unwilling to ask who wins and loses and how are equity issues to be addressed, only wins when the right oversteps or messes up in an extremely obvious fashion.

A hegemonic bloc to obtain and retain power must create a viable cross-class alliance and so must convince a substantial part of the working class to join. To the more progressive wing of capital this means extending benefits to assure loyalty. To the more reactionary this requires finding wedge issues which appeals to the beliefs and idealism of members of the working class and (mis)direct that anger and resentment. In most democracies, the former is represented by political parties rooted in the urban working class, the helping professions and more progressive sectors of capital. The latter is a coalition of small business, farmers, the church, army and more reactionary fractions of capital. In the United States, the contest between potential hegemonic blocs within the ruling class is that one wing which is based in oil, military contracting and Sunbelt culture and eastern establishment finance, high tech, entertainment and social pluralism attuned to a wider scope for consumer culture. Both wings are essentially antagonistic to working people. The former is more confrontational. The latter 'feels' working class pain so as to disarm potential class organizing. The former would simply smash working-class organization. Both fractions of capital and elements of their support network depend on the state. For the nationalist free marketeers dominant in the Bush–Cheney White House, taking what you can because you can, and dressing up greed not in the guise of technocratic neutrality but religious bigotry and chauvinistic is more natural. For the liberal internationalists primarily in the Democratic Party, it is a matter of setting rules from which they will benefit and the system will smooth the path for continued accumulation.

Internationally, one wing is assertively nationalist, quick to use force and contemptuous of world opinion. It believes the US should use its power as it sees fit in the world to 'protect our way of life' and increase the security of access to resources and discipline actual and potential adversaries (people, groups and nations which do not submit to US guidance are adversaries if not outright 'evil doers'). The other wing believes in achieving the same goals through leadership, co-optation and multilateral institution-building which allows US power to earn dividends by indirection and a rhetoric of inclusiveness. Thus, Bush and company are quick on the shock and awe trigger. Clinton and associates focused on establishing rules for the World Trade Organization and the International Monetary Fund favouring US-based transnational capital.

One would not want to mark the distinction too sharply. The internationalists are drawn to fight little wars, invade small countries and overthrow unfriendly

governments to show 'strength' and keep vassals in line. The more macho wing can be chastened by failure when they overreach. There is also the political tactic of picking up support by advocating policies which have been the preserve of the other wing. Hence, Republicans stress education and offer health care reform hoping to win over undecided and pre-empt more generous programmes with market-based versions which accord with their small government philosophy. The anti-welfare state stance is to support 'incentives', market-oriented criteria which punish those who do not measure up to standards which are likely, in reality, to be unobtainable. Triangulating Democrats are given to policies which punish the weak and politically powerless to show their own commitment to the competitive order. The two wings of the ruling class represent different orientations to the continuation of class dominance, legitimation and accumulation. Which of the wings of the capitalist class is hegemonic at any point in time depends on many conjunctural factors. Objectively, the system is more capable and willing to accommodate rather than confront working-class needs and demands, at some points than at others. A weakened and discredited capitalist class coming out of the Great Depression and War needed the support of the working class and Keynesian policies to promote growth of consumption to establish expanding accumulation prospects. In the era of global neoliberalism in which developments of the forces of production allow for a significant enlargement of world scale labour supply, bargaining power shifts to capital. In such a period the divide and control tactics described above have great effectiveness.

The larger environment of the development of the material forces and the stage of development of capitalism also matters. For example, the rise and expected growth of new centres of accumulation outside the traditional core of world capitalism leads one wing to want to confront China sooner rather than later, when China will be stronger. The other sees business opportunity and is comfortable negotiating accommodations which favour its economic interests in the country. To gain voter support, there are always the external enemy (communism or terrorism), unalloyed evil bent on world domination and destroying our freedom 'who must be stopped'. We are made afraid. Many will vote for those scaring most effectively. It is not only Republicans who have effectively used this gambit. That liberal icon JFK invented the missile gap with the Soviet Union and won the presidency, in part, by labelling Republicans weak on defence. The internal enemy, always presumed a danger, is identified by softness toward the external enemy. The more paranoid style of American politics finds a fifth column, sleeper cells, domestic fellow travellers traitorously doing its dirty work or appeasing the enemy. The internal enemy is not only cowardly but also devious. They may look like us. We know them by their opposition to American values. To the most reactionary forces and the gullible whose free floating hostility needs a target the enemy can be known by the

turban or veil, skin colour or accent. Such developments suggest a hardening of nationalisms and not a predominance of world level class formation.

Washington is driven, as numerous official documents have proclaimed and policy-makers of both major political parties have accepted, by the goal of preventing the rise of potential competitors and the drive toward American empire (Foster 2006; Johnson 2003). This does not mean that war between and among imperialist states, as in the logic of early 20th century Russian communist theorists, is inevitable or likely. It is to say that military power is an important dimension of national power and military hegemonists carrying the big hammer are inclined to see all problems as nails. This has import to international politics and the fate of nations and prevents competition from being merely economic competition. Other core capitalists may be happy that the US polices the world making it safer for trade and investment, even if, they might think that sometimes Washington acts foolishly. Does this mean the US acts in the interest of capital, in general? Yes, it does. Does this mean Washington acts in the interests of its corporations and capitalists above others? Yes, it does. This hardly suggests an emerging dominance of a transnational state.

Concluding Thoughts: The Working Class in the Transnational Political Economy

The very ambitious purpose of this chapter has been to lay out an understanding of the impact globalization has had on class and state in the contemporary period. I have rejected the popular view that a transnationalized capitalist class and a transnational capitalist state have become the central organizing categories of the current conjuncture. National capitalist classes are still more significant and rivalries among national elites is evident in the jockeying of states in the world system. The confusion, it has been suggested, is that the rapid integration of the global economy creates a TCC and TCS which become the dominant forces in the world system. I have argued that there is uneven development among economy, state and class (re)formations in response to globalization forces. The transnational capitalist class as a class for itself is maturing faster than the working class in this regard, but both are in the early stages of what promise to be long processes. Rooted in place, in communities of religion, ethnicity, occupation and territory, the workers of the world are slow to unite in the face of the transnationalization of the political economy.

The focus has often been on capital and the state which seem more central players in the globalization process, hence the focus on a TCC and TCS through

the year's of global neoliberalism's dominance. I have suggested that transnationalization of the global economy is very real and growing. There is interpenetration of national economies, foreign investment and foreign trade, all of which grow faster than domestic production. Ownership of transnationals is increasingly widely distributed internationally. What is rejected here is that these developments have produced classes at the global level which are of greater significance than the continued centrality of class divisions within individual states. Similarly, while all manner of international institutions constrain and enable financial and trade regimes on a global scale, these do not compose a transnational capitalist state—even if they have important governance functions and have aspects of stateness (Tabb 2004).

I would conclude by suggesting that in the wake of the failures of the Washington Consensus and of the US invasion and occupation of Iraq; of rising inequalities and growing concern over financial and ecological dangers; it is time to turn attention to the resistance of the global working class which is increasingly articulating in the World Social Forum slogan 'One No, Many Yeses' a sense of oppositional consciousness reflecting class in terms of social relations of production as a category of systemic oppression in life situation in a capitalist political economy. It is remarkable that the extent to which the literature on class and state have focused on the issues of a transnational capitalist class and a transnational capitalist state while ignoring the working class as being non-central to the analysis. Theorizing class reformation will increasingly have to make room for new forms of organization, consciousness and institutionalization of working-class interests, of people in diverse locations unified by a shared no and containing mutual respect for a plurality of yeses. A second slogan of the World Social Forum, 'Think Globally, Act Locally', captures a key theme. The forces which impact economic possibilities are increasingly global but the power of working people to address these forces are most strongly at the level of their own governments and political systems. The coming together of local movements at the World Trade Organization ministerials or annual gatherings of the International Monetary Fund and World Bank are finally directed at the governments which are members of these institutions and can change their priorities and purposes. Class and state remain first and foremost national categories.

Notes

1. This paper draws on a presentation, 'A Transnational Capitalist Class? At the Borders of Class and State Theory', presented to the American Sociological Association, 14 August 2007 in New York City.

2. See Mann (2001–2002); Robinson (2001–2002); Robinson and Harris (2000); Van der Pilj (2001–2002); Went (2001–2002). Also see Block (2001: 2); Goldfrank (2001); McMichael (2001); Robinson (2001a, 2001b).

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5

Globalization Theory or Theories of (Capitalist) Globalization: The Political Implications of the Distinction

RAY KIELY

This chapter is concerned with the relationship between capitalism and globalization. Before presenting an outline of capitalism, I first establish why it is necessary to link capitalism and globalization. I do so by providing a critique of two influential sociological accounts of globalization, associated with the work of Anthony Giddens and Manuel Castells. The first section outlines and critiques these approaches, arguing that Giddens' account of globalization conflates agency and outcome, and as a result underestimates the importance of agency, power relations and historical specificity. Castells' work effectively tries to incorporate these factors into his analysis, but it too suffers from considerable inconsistency and weakness, particularly in terms of its understanding of social relations.

The second section draws on Marx's work and argues that this provides a useful *starting point* for an understanding of globalization. However, there is a need to provide some periodization of capitalism in order to understand the current period of globalization. Capitalism has always been globalizing, but the term also refers to a specific period of capitalism, that can be traced back to the 1970s. This approach to globalization provides us with the basis for understanding agency, power relations, historical specificity, and ultimately, politics in the globalization debate.

Globalization Theory: Giddens and Castells

Giddens

Globalization often refers to a specific set of dynamics and concrete processes, a broad definition with which I would concur (see, for instance, Harvey 1989). On the other hand, Giddens' *The Consequences of Modernity* (1990) attempts less to construct a theory of globalization, and rather a 'globalization theory'. He argues that modernity disembeds people from local frameworks and practices, with the result that every aspect of nature, society and identity becomes available for reflexive choice, and abstractions such as science, rights and markets replace local, traditional norms (Giddens 1990: 38–39). This increase in reflexivity therefore simultaneously means a decrease in what is taken as 'given' or 'fixed' in a particular society. The globalization of high modernity constitutes an intensification of the separation of time and space, and disembedding mechanisms, thus increasing reflexivity. Globalization thus refers to 'the intensification of worldwide social relations which link distant localities in such a way that local happenings are shaped by events occurring many miles away and vice versa' (Giddens 1990: 64). With the arrival of globalization, nation-states lose control in the face of global communications, capital flows, new aspirations, and so on (Giddens 1990: 76–78). These social changes have enormous consequences, for no individual country can escape its effects and 'opt out'. This changes the nature of economic policy-making and undermines state claims to national sovereignty. This, in turn, undermines statist conceptions of politics, such as those associated with 'old' social democracy and centralized socialism. For Giddens (1994, 2001), these changes mean that there is a need for a distinctive, new radical politics for the global era, which espouses the causes of global governance above nation states, and life politics of new social movements below them. In the case of global governance, this means among other things, that progressive politics must embrace international institutions that can police global markets and enforce good human rights practices. In the case of politics 'below' the nation state, it means the championing of life politics based on reflexive accounts of how we live our lives, reflected in part, in the rise of new social movements that embrace different lifestyle choices (Giddens 1991).

This brief summary of Giddens' conception of globalization provides some of the flavour of his approach. Globalization refers to an increase in reflexivity, disembeddedness and time–space compression. What is less clear is precisely

how this constitutes a new theoretical framework. Moreover, what is also un-
clear is precisely how globalization as a set of processes has arisen, or indeed the
power relations that are a constitutive part of globalization. It is not sufficient to
assert that '(m)odernity is inherently globalizing' (Giddens 1990: 63), because
it fails to tell us what is distinctive about the current phase of modernity. It may
well be true that globalization entails heightened reflexivity, but it does not tell
us how heightened reflexivity came about—at least, not beyond the circular
argument that globalization causes heightened reflexivity. Indeed, many books
on globalization use Giddens' definition cited above as a starting point, and
there is little that is problematic in this definition. However, it is a definition
('an intensification of worldwide social relations') that is hardly theoretical. It
most certainly is not the basis for a new globalization theory, and neither is it
even a theorization of a concrete set of social processes that have given rise to
globalizing outcomes. It is a description, and moreover, it is one that tells us
little, if anything, about the character of these social relations, the agents of
global transformation, or the (unequal and uneven) outcomes of these global-
izing processes. Rosenberg (2000: 2) is therefore right to argue that while there
is nothing necessarily wrong with a theory of globalization, *contra* Giddens,
this must 'fall back on some more basic social theory which could explain
why the phenomena denoted by the term have become such a distinctive
and salient feature of the contemporary world'. In his enthusiastic embrace
of current processes of social and political change, Giddens loses sight of the
forces that have promoted these changes, and he therefore simultaneously fails
to examine either the power relations or the unequal consequences of these
changes.[1] The result is a conflation of outcome and social agency, with the ef-
fect that globalization is taken as given, and 'outcome' blurs the boundaries of
inevitability and desirability. The odd passing reference to new communica-
tions technologies or increased capital flows (Giddens 1990: 76–80) is not suf-
ficient to pass the test of accounting for agency in the globalization debate.
In downplaying agency, globalization therefore becomes reified in Giddens'
account—it is an inevitability that is not open to challenge (or such challenges
that do occur are regarded as being fundamentalist). As Rosenberg (2000: 89)
argues, 'the further Giddens proceeds with the application of time–space dis-
tantiation as an alternative theory, the more this has the effect of emptying the
world of recognizably social causes'. It is a short step from this account to a pol-
itics of the Third Way, as we will see.

These points can be further illustrated through an examination of perhaps
the most comprehensive treatment of globalization to date. Held et al.'s *Global
Transformations* (1999) is a thorough and rigorous account of globalization that
examines both theoretical approaches to globalization, as well as its concrete
empirical manifestations. However, its treatment of theoretical approaches
is less than convincing. Held and his colleagues divide the debate into three

camps—the hyperglobalizers, the sceptics and the transformationalists. The first two camps focus on quantitative measures of globalization such as capital flows and trade/GDP ratios. The former argues that there has been enormous change, while the latter argues that change has been exaggerated and is not historically unprecedented. Held et al. attempt to move beyond this debate by supporting the transformationalist thesis. This approach argues that the debate between the hyperglobalizers and the sceptics focuses too narrowly on quantitative measures of the extent of globalization, when instead we should see globalization in terms of qualitative change. This approach argues that 'at the dawn of a new millennium, globalization is a central driving force behind the rapid social, political and economic changes that are reshaping modern societies and world order'. They go on to suggest that 'contemporary processes of globalization are historically unprecedented such that governments and societies across the globe are having to adjust to a world in which there is no longer a clear distinction between international and domestic, external and internal affairs' (Held et al. 1999: 7). The direction of these processes of global-ization is uncertain and contradictory. Certainly, the world has in some respects become increasingly globalized, at least compared to the period from 1945 to 1973, but this 'globalization' has not led to anything like global convergence. Instead, there have been new sources of power and inequality, and the relative marginalization of some parts of the world, as some are more firmly entrenched in the circuits of global power while others are simply left out. However, no one single state has absolute power as the nature of (unequal) interdependence compels all states to adapt to a globalizing world.

There is undoubtedly something useful in the transformationalist account, particularly its tendency to define globalization in terms of a set of processes, rather than an end-state (which is implicit in the hyper-globalization versus sceptic debate). The direction of globalization is in many respects uncertain and contingent, and it is also true that globalization is a process in which there is no overall control. However, much the same point could be made about capitalism—Marx's theory of alienation was based on the notion that neither workers nor capitalists were in control, but also that capitalists had far more power in this anarchic system than workers. This is an important point because the argument made by transformationalists that power is fluid (Held and McGrew 2002: 6–7), and that no one is in absolute control, is correct, but hardly novel. Similarly, the transformationalists' attempt to transcend the sceptics versus hyperglobalizers debate is unconvincing. To assert that the transformationalist view based on qualitative change moves us beyond the focus on quantitative change begs the question—for a marked qualitative change presupposes that quantitative change is so great that qualitative change has occurred.[2] But I think the main problem with this account is more fundamental. The quotation above refers to globalization as a 'central driving force' behind

rapid changes in the world order. But is globalization a driving force at all? Is it actually a concept that attempts only to capture some important changes in the contemporary world, but does not say how these have come about? In other words, is globalization a concept concerned with a series of broadly related *outcomes* or *processes*, but which actually has little to say about *agencies that lead these outcomes and processes*?

Giddens' approach closely parallels these problems. For him, globalization is an established fact and attempts to opt out of it are based on fundamentalist and reactionary politics. Less clear is the status of globalization in his account: is it *(a)* a new theory used to explain important social changes; or *(b)* a concept used to understand and clarify a number of important social changes? This is not a semantic point. If globalization is a theory used to explain the world, then it must explain the mechanisms that account for the change from pre-globalization to actual globalization. However, if it is a concept used to aid understanding of a concrete set of processes, then we need to look at other factors that determine processes of globalization. Put another way, is globalization determining (the first definition) or determined (the second definition)? If it is the former, as Giddens appears to argue, then the political implications are political alternatives that can only take place within globalization. But if this is true, then it is surely more important to talk about the nature of those alternatives than it is to assert the significance of globalization. An example should illustrate this point. One of the major claims made in favour of globalization is that in the last 50 years global poverty has fallen to lower levels than it did in the previous 500 years, and that child death rates in the developing world have halved and malnutrition has declined by a third (UNDP 1997). But it is not at all clear that 'globalization' can take the credit for this development. To argue that 'globalization' is responsible for poverty decline since the early 1950s is meaningless. What is it precisely about globalization that has led to poverty reduction? Who or what are the agents of globalization and poverty reduction? In other words, the concept of globalization is developed at such a high level of abstraction in this account, as to tell us little. More useful would be accounts that examined the role of the state, aid agencies and international markets, and how these have changed over time. Most empirically grounded political economists would argue that the last 50 years can at least be divided into two eras: the first (1950s to 1970s), where the state played a leading role in the promotion of development, and the second (the 1980s and 1990s), where states continued to play an important role, but where markets were deemed to play the leading role. It thus makes little sense to explain two very different policy-eras in terms of an over-generalized term such as globalization.

Giddens' definition of globalization, thus, attempts to tell us a great deal about the contemporary world, but, in fact, tells us very little. In one sense it tries to do too much, arguing that almost all change in the world is a product

of globalization. But in another sense it tells us so little because it is theorized at such a high level of abstraction and generalization. Contrary to Giddens' argument, globalization should not be regarded as a 'big theory' that can explain current events in the world. Rather, it refers to certain *outcomes* within the current world order, which are determined by other factors. This implies that processes of globalization are the product of particular social and political agents, and that there are conflicts among these agents. This in turn implies that these processes of globalization are intimately connected to relationships of power and domination.

These comments are not meant as an outright rejection of Giddens' sociology or politics, still less the work of David Held. But it is an argument that Giddens' account is simply too abstract to provide the basis for critical reflection on specific, concrete aspects of the globalization debate. However, perhaps Giddens' theory can be saved, if we 'fill the gaps', and therefore concretize Giddens' suggestive account with a more grounded approach. It may be then, that globalization does represent an increase in reflexivity and time–space compression, but we still have to address the question: how does this concretely operate? If we are to fill the gaps in Giddens' work, the question that needs to be asked then is 'what accounts for the specific and distinctive features of "late" or "high" modernity at the end of the twentieth (century)?' (Bromley 1999: 9). In attempting to answer this question, I turn to the work of Manuel Castells.

Castells

In his three-volume book, *The Information Society*, Castells (1996, 1997, 1998) attempts to ground the notion of time–space compression within the context of the rise of what he calls the network society. Contemporary society is based on two defining characteristics. First, the continued existence of the capitalist mode of production based on the generalization of commodity production, the employment of wage labour and the accumulation of capital. Second, the recent growth of an informational mode of development which has its origins in capitalist restructuring and (autonomous) technological change. It is this new development that provides the basis for the reorganization of social practices in time and space. Informational networks lead to a culture of 'real virtuality' based on electronic media, particularly information technology and the Internet. It is actually quite difficult to find a clear theoretical statement in Castells' three volumes, but an earlier work is more useful in this regard:

> the enhancement of telecommunications has created the material infrastructure
> for the formation of a global economy, in a movement similar to that which lay

behind the construction of the railways and the formation of national markets during the nineteenth century. (Castells 1993: 20)

The implications of the development and expansion of information technology are enormous. The network society is an information-based society and therefore a globalized society. Information flows and the power relations around these flows change the social relations of industrial capitalism. Global information and communications technologies expand and therefore undermine place. Moreover, as a consequence of the instantaneous nature of information flows, social interaction takes place in real time on a global scale. Time and space are therefore compressed, with the result that many of the institutions of industrial capitalism (Giddens' simple modernity) are undermined. Central to the organization of the network society are those informational labourers who create and disseminate information flows. Informational labour both creates and adapts most easily to rapid social change. This labour is both highly educated and flexible, as it can adapt easily to new situations and learn how to learn in a rapidly changing world. In contrast, generic labour is inflexible and also potentially subject to automation by the designs of informational labour. It is therefore relatively powerless, and marginalized from the network society, with the consequence that the class solidarities of industrial capitalism are undermined.

These differentials provide the basis for a new social divide in the network society, based on those that are included in the space of flows and those that are excluded from them. Networks 'constitute the new social morphology of our societies…[T]his networking logic induces a social determination at a higher level than that of the specific social interests expressed through the networks: the power of flows takes precedence over the flows of power' (Castells 1996: 469). This social dynamic of inclusion/exclusion has implications not only for inequality but also for resistance. Many new social movements resist through an attachment to the space of places, with the result that many such movements are defensive and backward looking—or in Giddens' terms, fundamentalist. Castells does express some hope for the politics of feminist and green movements, and in particular their capacity to pursue a project of emancipatory politics within the logic of the network society (Castells 1997), but overall there is a feeling of pessimism in his work, at least for those excluded from the network society. This is actually an important contrast with Giddens, who regards globalization as at least potentially inclusive, while Castells (1998; see also Hoogvelt 2001) argues that the form of globalization is intrinsically hierarchical, as social exclusion is internal to the dynamic of the network society.

For Castells, the network society is based on a mixture of the continuity of the capitalist mode of production and the discontinuity of the informational mode of development. However, it is the latter which is highlighted at the

expense of the former, and despite recent qualifications in response to criticism (Castells 2000), this remains the case. The result is that there is an implicit and sometimes explicit technological determinism in the analysis (Castells 1996: 66). Thus, in focusing on the centrality of information and knowledge, Castells naturalizes its role and therefore treats it as simply a factor of production rather than as a contested social relation based on private ownership of the means of production. In other words, informational labourers are still subject to control by capital—either through increased surveillance at the workplace (which information technology can actually enhance) or through control of the information generated through patents, copyrights, and so on (May 2001: 72–73; Perelman 2002). To his credit, Castells shies away from the superficial analyses of creativity to be found in the work of the likes of Leadbeater (1999), but his excessive focus on informational labour and networks in the 'space of flows' leads him to downplay the power relations *within* such networks. Indeed, given that informational capitalism has encouraged outsourcing to cheap suppliers and a new enclosure of (intellectual) property, the current era displays important signs of continuity with early, 19th century capitalism. Of course some creative labourers do enjoy considerable bargaining power, but these represent a small minority of service workers. Castells' (1996: 218) argument that there is 'a common trend toward the increase of the relative weight of the most clearly informational occupations (managers, professionals and technicians) as well as the overall "white collar" occupations', tends to lump together all service workers as somehow part of the network society. But most white-collar work is not necessarily IT based, and even if it is, most is unskilled and badly paid, and indeed many service jobs are more closely linked to the manufacturing sector. Furthermore, the expansion of service work in part reflects the increased commodification of certain forms of work, such as laundry services, fast food restaurants and paid child care facilities that were previously carried out under non-capitalist social relations. At the same time, the highly skilled, well-paid informational labourers that enjoy considerable flexibility without (too much) insecurity make up a small proportion of the workforce (Huws 2003). Informational networks do not therefore transcend capitalism, either in its manufacturing or informational form.

This point can be extended to his wider political analysis. For instance, Castells (1997: 254) claims that the state 'has lost most of its economic power, albeit it still has some regulatory capacity and relative control over its subjects.' This argument is close to Giddens' contention that globalization has intensified time–space compression and in the process made the nation state less relevant. But both arguments rest on a dualism between states and markets and are therefore in danger of naturalizing and technocratizing both of these institutional forms. The globalization of social interaction, including international trade and production, relies on strictly enforceable rules that are implemented by states.

The emergence of international institutions that regulate these transactions do not undermine state sovereignty *per se* (though, of course, some states are weaker than others), and in part reflect the *universalization* of the nation state system. States and the international economy are not then external to each other, and contemporary developments should not be characterized as a process in which globalization escapes the control of nation states, but instead one in which states use their sovereignty to redefine their functions in the international order. This has entailed an increase in 'marketization', but this is a process which itself is state sanctioned and regulated. The economic roles of nation states are thus not external to, but a central, constituent part of, 'globalization'. One clear implication is that politics continues to be based on forms of, access to and pressures on, nation state—and it is disingenuous to imply (as do some Third Way ideologues) that this automatically implies reactionary politics. Castells appears to accept this point at times, especially in the second edition of *The Rise of the Network Society* (2000: 135–47), but this acceptance can only undermine his wider arguments concerning a rigid separation of the space of flows from the space of places. Castells' rigid dichotomy between the space of flows and the space of places reflects an exaggeration of the significance of the information revolution. Above all, Information and Communication Technology (ICTs) have intensified rather than transcended existing capitalist social practices rather than created entirely novel forms of social activity. Moreover, his attempts to break free from charges of technological determinism in the second edition are not altogether convincing, as demonstrated in his claim that the so-called new economy powered by the IT revolution has transcended the boom–bust cycle of capitalism (Castells 2000: 147–62; see Chapter 4). Overall then, Castells' work betrays 'a common conceit among the living…which presupposes theirs is a time of singular significance' (Webster 2001: 10). It would clearly be a mistake to deny that nothing has changed in recent years. Important technological, social and political changes have occurred. Capitalism's dynamic nature leads to constant change, but more important, the last 20–30 years have seen changes which are more significant than those that can be explained as simply the result of the ongoing dynamism of the capitalist mode of production. But what is also true is that it makes little sense to describe or theorize these processes in isolation from capitalism, and therefore in isolation capitalist social relations.[3]

Giddens, Castells and Politics

The weaknesses in Giddens and Castells reflect serious problems with much of the globalization debate, which has too often conflated two issues: first, the

extent to which globalization is a reality; second, the extent to which global-ization is desirable. This confusion is most clear in Giddens' account, for it accepts globalization as a reality, and then insists that politics must take place within this framework. But the question that then needs to be asked is which aspects of globalization are irreversible? Hay and Watson (1999: 422) draw out the general implications of this argument:

> Like it or not, to accept the radical stance on globalization as unquestioningly as Giddens does is to appeal to a set of ideas which have long been taken hostage by a distinctively neo-liberal articulation of systemic economic 'imperatives'. Moreover, so long as this continues to be understood as just 'how things are', the political space for democratizing globalizing tendencies and once more laying neo-liberal 'common-sense' open to question would appear to be strictly limited. (Hay and Watson 1999)

Put differently, globalization theory too easily assumes the political para-meters established by the victory of neoliberalism in the 1980s, which argued for the primacy of market forces, free trade, liberalized finance and open com-petition. It is in this context that the so-called Third Way can be located, for it can be seen as a political project that attempts to depoliticize decision-making processes, and which therefore leaves the neoliberal policies of the 1980s largely unchallenged.

Both Giddens and Castells are therefore 'inclined to overestimate the power and underestimate the limitations of the processes they identify', and 'prone to neglect the extent to which globalization is a quite specific project' (Scott 1997: 8). This is not a question of simply stating that globalization is reducible to the 'logic of capitalism', which is almost as over-generalized as Giddens' assertion that modernity is inherently globalizing. But if we are to understand contemporary globalization, we need to be able to relate (but not reduce) it to capitalism.

Capitalism, the State and Uneven Development

This section attempts to provide a broad outline of the origins, specificity and development of capitalism. This section will examine two principal themes. First, it provides some (brief) discussion of the origins of capitalism and then emphasizes its distinctiveness through a discussion of the role of accumulation. In examining accumulation, there is also some discussion of the contradic-tions of capitalism, and particularly the tendency towards over-accumulation.

Second, and following on from the discussion of over-accumulation in particular, it stresses the unevenness of global capitalism, and how this relates to globalization.

Capitalism, Value and Accumulation

If we are to define its origins we also need to understand what is distinctive about capitalism. This is discussed below, but we need to emphasize immediately that capitalism is *not* simply a system of trading relationships. Exchange based definitions fail to capture what is distinctive about capitalism as a mode of production. Trading activity through markets, including international markets, has occurred for thousands of years. Capitalism however is a far newer phenomenon. Its origins lie in the development of specific social relations in the English countryside from around the 16th century. In feudal societies, peasants generally had direct access to the means of production, and surplus labour or surplus products were appropriated through direct coercion by landlords and states. In France, for instance, peasants were generally owner-occupiers, and appropriation took place through political forms of exploitation such as direct coercion and taxation. In England, on the other hand, land was highly concentrated, with landlords owning enormous amounts. A large proportion of the land was owned not by peasants, but was instead leased by landlords to tenant farmers. Landlords extracted rent less by direct coercion as in France, and more by the success of tenants in selling products in a competitive marketplace. A growing number of English tenancies were basically economic in nature, in which rents were fixed not by legal obligation but by market conditions. In other words, there was a market for leases, and so competition in the market for consumers and access to land (Brenner 1976). Agricultural producers, therefore, became increasingly market dependent on access to land, with the result that 'advantage in access to the land itself would go to those who could produce competitively and pay good rents by increasing their own productivity' (Wood 2002: 100–01). The most competitive farmers, therefore, had potential access to more land, while the less competitive faced the danger of losing direct access. Wood (2002: 102) usefully contrasts France and England through the use of the concepts of market opportunity and market imperative. In France, rents were fixed, which, in theory, at least provided ample opportunity for the development of petty commodity production. Precisely because rents were fixed, potential entrepreneurs could develop new production methods, increase productivity and sell their output in the knowledge that this would not be taken away from them in the form of rent. This scenario, like most approaches that attempt to

theorize its origins, assumes that capitalism was created by the expansion of market opportunity. However, peasants in France generally did not respond to this opportunity with sustained productivity increases. In England, on the other hand, variable economic rents meant that peasants were *compelled* to do so, otherwise they would not be able to pay their rent and would therefore risk losing their lease.

The (long, slow) process of peasant differentiation, in which some peasants were displaced from the land and became wage labourers, was reinforced by the emergence of a strong state that facilitated, rather than restricted, this market imperative (Marx 1976: Chapter 27; Corrigan and Sayer 1985). In the long run, the English social structure based on landlords leasing to capitalist farmers, who, in turn, increasingly employed wage labourers, facilitated the movement from agrarian to industrial capitalism. This was due to the increase in productivity that fed a rising non-agricultural population, the emergence of a potential and actual labour force displaced from the land, and the competitive accumulation of capital which eventually gave rise to industrial development (Hobsbawm 1962: 47). This process was to have enormous implications, internationally as well as nationally, and I return to this issue later.

What needs immediate re-emphasis is the distinctiveness of capitalism as a mode of production. Capitalism is not simply a quantitative expansion of trade or market exchange, but is the generalization of *commodity production.* Trade and exchange occur frequently throughout history, but it is only with capitalism that goods are produced primarily for the market. Prior to capitalism, production was first for direct use and then market exchange took place. With capitalism, the overwhelming majority of goods are produced for a competitive market. In non-capitalist societies, both exploiters and producers have direct access to the means of production and/or reproduction, and so there is no necessity to buy on the market those goods necessary for (re-)production, and therefore no necessity to produce for exchange, and so no necessity to sell competitively in the market-place, and thus no necessity to produce at the socially necessary rate (Brenner 1986: 28). In other words, production for use implies direct access to land, which means that commodity production is restricted. However, proletarianization, or the separation of producers from direct access to the means of production, implies *at one and the same time* the generalization of commodity production, precisely because production for direct use ceases to be possible. It is the development of these distinctive capitalist property relations that lay the basis for enormous social, political and technological change as 'capitalist property relations impose the requirement to specialize, accumulate, and innovate or go out of business' (Brenner 1986: 42).

Capitalism then is about the generalized production of commodities. A commodity has both a use value, which is the particular use that the commodity

has, and a value, which is something that renders that particular commodity 'equivalent' or comparable to the value of all other commodities that enter the market. Money plays this role in that it regulates the exchange of commodities through the payment for particular goods, but it also presupposes the existence of social relations in which commodity production is generalized. For Marx, labour is the source of value. However, Marx was very specific about what this statement actually meant. The generalized system of commodity production converts the sum of private, individual labour into social labour through the exchange of commodities in the market-place. Value creating labour is thus specific to capitalist society, it is the particular historical and social form that (general) labour takes in capitalist society. This labour theory of value[4] is a theory that attempts to deal with the historical specificity of capitalist social relations of production, and in particular the separation of *labour* from the means of production, and thus the commodification of *labour power*. It is not an argument that labour is the source of all wealth, nor is it an accounting device that supposedly measures the actual exchange value or price of a commodity. Indeed, individual commodities in capitalist society do not necessarily exchange at their value. The theory then is one that reflects the specific development of capitalist social relations outlined earlier, and therefore only applies to those same relations.

Crucial to Marx's argument is that capitalist relations of production separate labour, the source of value, from the capacity to labour or labour power. Labour power's use value is to create more value in the production process for the capitalist—it is the source of surplus value. Surplus value is extracted from the worker through the difference in the value of the commodities produced by the worker's *labour* from the value of the cost of reproducing that same worker's *labour power*. The latter cost to the capitalist is the wage; the former gain is the value of the commodity or commodities produced by the worker. The capitalist, therefore, makes a profit through this difference, provided that the commodities produced are sold in the market-place. Surplus value is, therefore, produced in the sphere of production. Individual capitalists may derive some surplus value through exchange, by, for example, selling commodities above their value, but it is impossible for all capitalists to do so, as buyers are also sellers. Similarly, some individual capitalists may benefit from a monopoly position in a specific sector, but competition and investment in that sector will eventually drive profits down. The source of surplus value lies in the process of production, though it is redistributed through processes of exchange and competition between capitals. Surplus value is extracted in two ways. First, through an increase in the intensity of work and longer working hours, without a corresponding increase in wages. This extraction of absolute

surplus value arises out of the use of greater amounts of labour without an increase in the wage, the cost of reproducing labour power. The second way is through an investment in new technology and a resultant increase in labour productivity, which leads to a reduction in the labour time necessary to produce a particular good. The result is a decline in labour costs relative to the value of the commodities produced. Both forms of surplus value extraction persist to this day. However, absolute surplus value is far less dynamic as profit arises through lowering wages or lengthening the working day. In all capitalist societies, this process of surplus value extraction is limited by the fact that workers can only work so many hours, and wages can only fall to a certain level before they reach zero. Moreover, wage cuts and uncompensated increases in work hours are eventually resisted by the workers themselves. This does not mean that absolute surplus value extraction simply comes to an end, as capital may be invested in areas where there is considerable state repression of labour, and/or high unemployment, both of which are conducive to the extraction of absolute surplus value. But the extraction of absolute surplus value does not lead to a dynamic capitalism. On the other hand, the extraction of relative surplus value is the basis for the dynamic accumulation of capital, and it was in part for this reason that Marx considered capitalism to be the most progressive mode of production in history. Marx and Engels (1977: 36–37) famously argued that:

> The bourgeoisie cannot exist without constantly revolutionizing the instruments of production, and thereby the relations of production, and with them the whole relations of society…Constant revolutionizing of production, uninterrupted disturbance of all social conditions, everlasting uncertainty and agitation distinguish the bourgeois epoch from all earlier ones. All fixed, fast frozen relations, with their train of ancient and venerable prejudices and opinions, are swept away, all new formed ones become antiquated before they can ossify. All that is solid melts into air, all that is holy is profaned, and man is at last compelled to face with sober senses his real conditions of life and his relations with his kind. (Marx and Engels 1977: 36–37)

This quotation from Marx and Engels' *Manifesto of the Communist Party* was aimed at understanding the dynamic movement from agrarian to industrial production in 19th century Britain, but it also captures something of the globalizing processes that lie at the heart of the contemporary globalization debate. There is discussion of the notion that the world is increasingly interconnected, that the intensity and velocity of these interconnections is increasing, and that therefore distinct localities are increasingly 'disembedded'—the very things that Giddens describes in his account of globalization. There is also some notion (and too much optimism) that a genuine global consciousness is developing as a result. But what is also apparent from the first sentence, and which is different

from Giddens' account, is the recognition of agency, which is related to the notion of competition between capitals. Marx and Engels (1977: 37–38) go on:

> The need of a constantly expanding market for its products chases the bourgeoisie over the whole surface of the globe. It must nestle everywhere, settle everywhere, establish connexions everywhere…The bourgeoisie has through its exploitation of the world market given a cosmopolitan character to production and consumption in every country…The bourgeoisie, by the rapid improvement of all instruments of production, by the immensely facilitated means of communication, draws all, even the most barbarian, nations into civilization…It compels all nations, on pain of extinction, to adopt the bourgeois mode of production; it compels them to introduce what it calls civilization into their midst, i.e. to become bourgeois themselves. In one word, it creates a world after its own image. (Marx and Engels 1977: 37–38)

Thus, for Marx, globalization is ultimately a product of the dynamism of the capitalist mode of production, which itself is a product of historically specific relations of production. These relations are based on the separation of labour from direct access to the means of production—that is, through the removal of producers from land (see above). This ongoing process was particularly common in England between the 17th and 20th centuries, and continues (in various forms) throughout the world to this day. With this removal, labourers are forced to find paid employment in order to be able to buy commodities, which enable them to feed and clothe themselves and their families. At the same time, the removal of the producers from the land simultaneously generalizes production for the market, or what is called commodity production. When labour has direct access to land, it consumes goods produced on that land (and sells surplus). When labour ceases to have access to land, it consumes goods that are bought through the market mechanism. Displacement of labour from the land—or the commodification of labour power—simultaneously generalizes commodity production. Market societies do not arise spontaneously rather they are the product of political and social processes (Polanyi 1957). At the same time, this generalization of commodity production leads to competition between units of production, as each unit attempts to sell its goods at the most competitive rate in the market-place. If goods are too expensive, then a particular production unit will go bankrupt. Potentially uncompetitive producers can lower costs by cutting wages or increasing the intensity of work, that is, they can increase the extraction of absolute surplus value, but this process eventually comes up against physical limits—wages can only be cut so far, and people can only work so hard. So, an alternative strategy is for capital to invest in new technology, which increases labour productivity—that is, they can extract relative surplus value. This investment in new technology is however a never ending process, as specific capitals always face the danger of being

undercut by innovative competitors. States may protect specific capitals from competition, but ultimately capital accumulation is an ongoing, dynamic and never ending process. This accumulation is uneven and unequal, potentially uncontrollable and certainly prone to crisis (see below). But what is relevant to our discussion here, is that it is a process that is not confined to national borders, and indeed never has been. In the quotations above, Marx was clearly wrong in his belief that the global expansion of capitalism would lead to similar processes of capitalist development throughout the globe, and instead there emerged an unequal international division of labour (see below). But he was clearly correct that the dynamism of capitalism paved the way not only for 19th century industrialization, but also 20th century (as well as earlier forms of) globalization.

However, at the same time, the 'freeing' of labour from the land also led to a further separation. In feudal society, the regulation of peasant labour that had access to land was the task of 'the state', or the various sovereign bodies that preceded the rise of absolutist states. There was no economy or civil society separate from the state, because the 'state' effectively was the economy. Peasants worked the land to feed themselves, but 'states' also ensured that landlords received a rent in the form of goods, labour or money-rent. With the emergence of capitalism, the state did not directly regulate the relationship between employer (capitalist) and employee (worker), as this was a purely 'economic' matter. The modern state—or the creation of a separate political sphere—is thus also the product of capitalist social relations. The separate economic sphere—the market—is thus no longer directly regulated by the political sphere. Indeed, the very separation of these spheres is accomplished by the rise of capitalist social relations, and these social relations are not necessarily 'contained' by national states (Lacher 2003). On the other hand, while it may be true that global capitalism does not necessarily require *national* states (Lacher 2002), the fact remains that such states have historically been crucial to process of capital accumulation, both within and beyond nations. We, therefore, have a potentially global market existing side by side with national states, which themselves may be hierarchically structured within the international state system. It is also important to note that states do not exist in isolation, but as part of an international system of nation states, and this has implications for international processes of capital accumulation. In particular, and most relevant for our purposes, some states may play hegemonic roles in the international order, and it may be that rather than undermining nation states, contemporary globalization has been actively promoted by some nation states. At certain periods, hegemonic states have come to play a leading role in leading and facilitating international or even global capital accumulation, and the hegemonic role of the US state is an important part of the story of the

current era of globalization. Nation states[5] are inextricably linked to capitalism because their reproduction ultimately depends on the international accumulation process based on the extraction of surplus value. They serve a number of functions for capital, most notably the protection of private property rights (which ensures the private appropriation of surplus value) and provision of public goods. In practice, however, states that limit their functions to such a minimalist role are likely to face enormous problems, as states rely on the sustained accumulation of capital for legitimacy and material resources. Capitalist states have, therefore, historically played a crucial role in promoting capital accumulation, through, for instance, expansionary economic policies, subsidies and provision of infrastructure. Moreover, nation states in the international capitalist order have promoted the interests of its 'national capitals' within the international state system. It is for these reasons that we can talk of a capitalist state, rather than just a state in capitalist society. On the other hand, states are also sites of conflict in which important concessions can be won by exploited and oppressed groups, and tensions can arise between the internationalizing tendencies of capital and the territorial specificity of the nation state, and so the precise relationship between state and capital is in some respects a contingent one. It is therefore mistaken to conceptualize globalization in terms of capital 'outgrowing' the state, or to rigidly dichotomize a past of national sovereignty and a present of global 'de-territorialized', placeless flows. Rather, we should recognize the fact that the nation state is a central agency in the promotion of contemporary globalization. These points have enormous political implications, as we will see.

For the moment we need to return to the question of the accumulation of capital. The process of capital accumulation gives capitalism its distinctively dynamic character, at least in relation to previous modes of production. However, this accumulation process is not only dynamic, but is also prone to crisis. There is a tendency in capitalism towards over-accumulation, in which a labour surplus exists side by side with a capital surplus. Concretely, this means that high rates of unemployment coincide with a surplus of commodities that cannot be sold profitably, idle productive capacity and surpluses of money capital that cannot find outlets for productive and profitable investment (Harvey 1999: Chapters 6 and 7). The precise forms that such crises take vary, but there is always a tendency towards over-accumulation, and this is ultimately a product of the specific nature of capitalist social relations. In particular, it is a product of the fact that production is ultimately determined by the need to make a profit. The source of this profit is the expansion of surplus value, and relative surplus value is extracted by reducing the cost of means of production and labour power. Each individual capitalist expands their surplus value, by increasing the amount of commodities produced and economizing on costs (labour and means of production). But at the same time, this surplus value

must be realized through the commodities being sold in the market place. There is thus a tendency to expand production regardless of the limits of the market, and this is because each individual capitalist is compelled to innovate in a competitive environment, which means that they must innovate or face the risk of bankruptcy. On the other hand, the most successful capitalist will, at least for a time, achieve profits above the average rate through a (temporary) monopoly in a particular sector. Accumulation is therefore an ongoing process, but the success of capitalists in opening up new markets (and achieving surplus profits) intensifies the tendency towards the over-accumulation of capital. This process is dynamic because the process of expansion without regard for the limits of the market in one branch of production simultaneously expands the market in other branches of production. The tendency towards over-accumulation, therefore, first manifests itself as uneven development of the various branches of production. However, this dynamism can also become a limit, as goods pile up, machinery lies idle, prices fall and credit dries up. Such crises manifest themselves through the limited availability of money, which means that customers cannot buy goods, or capitalists cannot invest to renew accumulation. The availability of credit can avert crises by financing new investment and sustaining capitalists through difficult periods. But this eventually exacerbates the problem, as credit expansion means over-accumulation, and the uneven development of capital—which in turn fuels the continued expansion of credit. As the tendency towards over-accumulation persists, outlets for profitable investment decline alongside ever expanding credit, which in turn diverts money into speculative financial ventures. At some point, the tendency towards over-accumulation will become a generalized crisis, in which a glut of unsold goods exists alongside a mass of worthless debt and an increase in unemployment.

This cycle of over-accumulation and crisis is broadly accepted by most economists, and it dominated debates over the causes of the world recessions of 1974–75 and 1980–82. For some orthodox economists, these crises were caused by an over-expansion of credit and so appropriate monetary policy—and particularly controls on the money supply—was regarded as the solution. This monetarist approach was (briefly) dominant in the 1980s, though the extent to which it was actually put into practice was limited. However, the accompanying emphasis on the need to promote market expansion and (selectively) roll back the state, as well prioritizing the control of inflation over full employment, continues to dominate economic policy throughout the world, and is central to the discourse of globalization. On the other hand, in the 1970s Keynesians argued that the crisis was caused by insufficient demand, and that, therefore, the state should act as a 'collective capitalist' stimulating demand so that productive activity can be renewed. This approach may have worked in the post-war era, but by the 1970s when easy access to credit and inflation existed

along-side unemployment, it was less convincing. However, the monetarist approach that promoted a tightening of credit only served to exacerbate the recession, as high interest rates stifled productive investment and led to unsustainable debts in the early 1980s. In other words, both of the mainstream approaches only deal with surface manifestations of crisis, which are ultimately linked to the anarchic and uneven accumulation of capital (see above).

Global Uneven Development

As we have seen, the competitive process of capital accumulation does not lead to equilibrium, but instead leads to uneven development. This uneven development can take place not only within, but also between different nation states. However (and contrary to his arguments concerning competition), Marx was sometimes optimistic that the expansion of capitalism would promote a dynamic process of development throughout the globe. He argued that capitalism is progressive compared to previous modes of production in history, as it led to an unprecedented expansion of the productive forces, and it was this argument that led Marx to sometimes support colonialism. Thus, Marx and Engels (1974: 81) contrasted the modernizing influence of Western capitalism with backward India, which 'has no history at all'. They went on to argue that 'England has to fulfil a double mission in India: one destructive, the other regenerating—the annihilation of old Asiatic society, and the laying of the material foundations of Western society in Asia' (Marx and Engels 1974: 82). Marx also gave his (critical) support to free trade for similar reasons (Marx 1977: 270).

Colonialism may have been exploitative but it was also deemed necessary, in that it laid the foundations for the capitalist development of 'backward' societies. Capitalism's tendency to develop the productive forces was contrasted with the stagnation of pre-capitalist, 'non-historic' societies. Capitalism acted as a 'bridge' to a communist future as the development of the productive forces provides the potential for everybody to live-off of the social surplus product—rather than just a ruling class minority. In the words of Cohen (1978: 24), '[s]o much technique and inanimate power are now available that arduous labour, and the resulting control by some men over the lives of others lose their function, and a new integration of man and nature in a new communism becomes possible.' But this possibility could only be realized by the simultaneous development of the proletariat, the 'really revolutionary class' (Marx 1977: 229) that, united in the process of production, has the power to overthrow the ruling capitalist class.

This approach to Marxism is sometimes described as linear or evolutionary Marxism, as it proposes a theory of history in which all 'societies' (nation states) pass through similar stages of development based on the gradual development of the productive forces. Marx argued that colonialism was progressive because he at times believed that it would lead to an increase in capital investment in the colonies, which would include the development of capitalist social relations, competition between capitals and therefore sustained capital accumulation based on the extraction of relative surplus value. The linear Marxism associated with this theory is therefore optimistic about the prospects for global convergence.

In the current era of globalization, this argument has acquired a new significance among (ex-)Marxists who have revived the concept of cosmopolitan capital (Kitching 2001; Desai 2002), first used by Marx and Engels in *The Communist Manifesto*, and cited earlier. In the 1970s, Bill Warren (1973: 41) argued that:

> If the extension of capitalism into non-capitalist areas of the world created an international system of inequality and exploitation called imperialism, it simultaneously created the conditions for the destruction of this system by the spread of capitalist social relations and productive forces throughout the non-capitalist world.

Expanding on this argument, and applying this argument more explicitly to the era of globalization, Meghnad Desai (2000: 44) contends that globalization represents progress for the contemporary developing world. Countries that have not received significant amounts of investment will 'need to integrate into the global order or they will be left even further behind. The third world needs capitalism because capitalism alone will lead to its growth. No other plausible, feasible alternative has been found'. Warren's position was optimistic but it still saw the development of capitalist social relations as fundamental to the development of the productive forces. In the work of Desai and others, the focus is less on social relations and more on the technical question of integrating into the world economy through trade and investment liberalization. Kitching (2001: 267) explicitly links the end of imperialism with a new era of globalization based on the mobility of capital:

> ...as capitalism passes from its imperialist phase to its globalization phase, it begins to *take revenge* (economic revenge) on that subgroup of the world's workers whose living standards have been artificially raised and sustained by a combination of national economic protection and imperial domination. In particular, the free movement of productive capital, which is a hallmark of the globalization phase, allows the poor workers of the world to play their economic ace card (the low cost of their labour's production and reproduction). It does so by eliminating the capital

stock advantage that enabled the richer workers of the world to compensate—in global competition for the higher cost of their labour.

Given that this position is optimistic about the prospects for global convergence between countries, Kitching's argument is quite close to orthodox, neoliberal theories of international trade. Interpretations of Ricardo's theory of comparative advantage suggest that competition increases the efficiency of production and thereby lowers prices and raises world output. Each country should, therefore, specialize in producing those goods (or services) that it can make most cheaply—that is, those goods in which it has a comparative advantage. This theory was further developed by Eli Heckscher and Bertil Ohlin in the 1930s (Ohlin 1933). They argued that equilibrium in exchange is based on differences in factor endowments throughout the world, and that specialization in production would tend to equalize differences in prices between trading countries. A particular country (A) may have an initial comparative advantage in say, both cloth and corn, and produce both more cheaply than country B. However, if country A produces cloth more cheaply than it produces corn, it should specialize in the former, because it could then produce more cloth which it can exchange for country B's corn. In this way, world production of both cloth and corn is stimulated and both countries benefit from the trading relationship. The Heckscher–Ohlin model develops this standard argument further, and argues that if corn is labour intensive relative to cloth, and if labour is relatively abundant in country B, then that country will specialize in corn production. As production continues, there is a tendency for factor prices (including wages) to be equalized; this is because as country B specializes in corn production, its production pattern becomes more labour intensive, thus reducing labour abundance and increasing productivity and wages. Meanwhile, in country A, as cloth production increases, labour will become less scarce, and productivity and wages will fall. In the long run, there is a tendency towards equilibrium in international trade (Ohlin 1933: 34–49).

This can be further illustrated by introducing money into the analysis. Country A produces cloth at a cost of 40 units and corn at a cost of 45, while B produces cloth at 60 units and corn at 50. Initially, A produces both commodities more cheaply and the products are exported to B. A thus has a trade surplus and B a deficit. Clearly this situation cannot continue indefinitely, but orthodox theory argues that equilibrium can be automatically restored, so long as free trade operates. In a situation of floating exchange rates, devaluation of B's currency will occur as demand for that currency falls. The result will be that its imports (A's exports) will become more expensive, and its exports (A's imports) will become cheaper. Exchange rates will, therefore, settle at a point where B's competitiveness is restored. Alternatively, in a system of fixed exchange rates, where, for example, currency values are fixed against the price of gold, gold will

flow out of B and, therefore, lead to an expansion of A's and contraction of B's money supply. This will lead to rising prices in A and lower prices in B, so that once again equilibrium is restored (see Shaikh 1979).

It was Ricardo (1981) who first formulated the theory of comparative advantage, but he also pointed out that such a 'win-win' situation had to satisfy certain conditions. Most crucially, he argued that for free trade to be mutually beneficial, the factors of production (land, labour and capital) must be immobile and countries must have equal capacities to produce goods.[6] This, in turn, rested on the assumptions of balanced trade, perfect competition and full employment. For orthodox trade theory and Kitching, Desai and others, these conditions are not necessary for free trade to be mutually beneficial, and they particularly argue that the mobility of capital favours increased trade and investment for developing countries (see above).

However, if we return to the example of cloth and corn and countries A and B above, there is an alternative scenario. First, in a system of floating exchange rates, the devaluation of B's currency may not lead to an automatic correction based on cheaper exports and more expensive imports. Resources may be slow to move out of cloth and into corn (and vice versa in country A). This problem may be exacerbated by workers winning higher wages to compensate for higher import prices, or by employers or landlords taking higher profits through the higher prices for their products. There is thus some question about the ease and speed with which capital can move from one sector to another, and questions concerning the distribution of income and profits between different social groups. Moreover, it is far from clear that a fall in the money supply will have the desired effect of restoring equilibrium. Instead, as money supply falls, interest rates will increase. This may have the effect of attracting money from country A, but there is no guarantee that this will be used for productive purposes so that the balance of trade deficit can be reduced. Indeed, high interest rates will discourage investment in production and divert money into unproductive, financial speculation. In this way, uneven development continues based on unequal development of productive structures between A and B. This can continue for some time, as the trade surplus country (A) diverts money to the trade deficit country (B), and so assures balance of payments requirements are met, but it is unclear how long this can go on if the trade deficit becomes unsustainable (Shaikh 1979–80).[7]

This scenario can be further illustrated through the example of labour costs. Orthodox theory assumes that, provided the correct (market friendly) policies are adopted, capital will leave areas where labour costs are high and move to areas where costs are low. This is the basic argument made by Kitching, cited above. But as we have seen, the source of profit for capital may not be the absolute costs of labour or the extraction of absolute surplus value, but relative costs or the extraction of relative surplus value. Thus, to return to the example

above, country A's absolute advantage in both commodities may persist because capitalists in that country may successfully re-invest their capital in new technology, which allows for both higher rates of productivity *and* higher wages to co-exist. A trade surplus will not restore equilibrium, as sustained capital accumulation in country A will lead to ongoing expansion there, while there is relatively lower expansion in B. This may eventually come up against certain limits and particularly A's selling of goods to B will be limited, but the key point is that it is perfectly possible for A to enjoy sustained competitive advantages over B. This will be further intensified as high rates of accumulation in A will further expand the market there and thus further undermine the competitive position of B (though this will be relative and not absolute—see below). Capital—and therefore suppliers, markets, infrastructure, skills and credit—will tend to concentrate in A and to a relative extent by-pass B.

In this view then, just as competition between capitals *within* nations leads to uneven development based on the search for surplus profit and over-accumulation (see above), so too does it occur *between* countries (and sectors across countries). Free trade does not lead to automatic adjustment based on the equilibrium of perfect competition, but instead leads to uneven development based on the competitive accumulation of capital, and the unequal competition that occurs as a result. Shaikh (1996: 76) effectively summarizes this alternative view:

> It is only by raising both the level and the growth rate of productivity that a country can, in the long run, prosper in international trade…[This] will not happen by itself, through the magic of free trade. On the contrary, precisely because free trade reflects the uneven development of nations, by itself it tends to reproduce and even deepen the very inequality on which it was founded. It follows that success in the free market requires extensive and intensive social, political, and infrastructural support.

Thus, rather than the equilibrium of perfect competition, Shaikh rightly argues that uneven development is a central feature of the world capitalist economy. Contrary to both Kitching's hopes and the claims of Hecksher and Ohlin, capital does not automatically move from areas of abundance to areas of scarcity, but actually tends to be attracted to existing areas of accumulation. This is not an absolute law, but the tendencies towards concentration are so great that they undermine any notion of equilibrium through automatic, market-based adjustment. This concentration of capital is a product of the competitive accumulation of capital. The introduction of new technology 'will usually contain an element of monopoly rent, (and so) it is not surprising that scarce factors of production like capital and skilled labour will, contrary to the expectations of orthodox economists, tend to be drawn towards areas where

they are already abundant' (Toye 1985: 10). Ricardo's provisos concerning the mutual benefits of free trade do not hold, and balanced trade, perfect competition and full employment do not exist. Therefore, countries do not have equal capacities to compete in the world economy, either through resource endowments or absolute costs, and so the unqualified case for free trade is undermined.

This does not mean that the world economy is structured into a timeless core–periphery divide, as underdevelopment theory contended in the 1960s (see below). Neither does it mean that capital absolutely concentrates in some regions and totally marginalizes others. Capital does flow to new spaces of accumulation in various forms such as aid, direct foreign investment, portfolio investment and loans. However, these flows do not lead to a new equilibrium, but instead, alongside existing agglomeration tendencies, lead to new manifestations of uneven development, albeit in the context of the dynamic accumulation of capital (Weeks 2001). Thus, to take one example, contrary to a lot of globalization rhetoric, the world economy is not a level playing field in which 'development' automatically takes place though policies of liberalization. Indeed, in the world economy, the competition between capitals is mediated by relations between nation states, which historically have provided some potential for alleviating the effects of uneven development and unequal competition (Lacher 2006; Chang 2002). Moreover, in a boom period where there is a high rate of capital accumulation, the worst effects of uneven development can be mitigated in the context of high growth rates and cheap access to credit. For example, in the period from the 1940s to the early 1980s, there were both high rates of economic growth and considerable scope for state intervention to offset competition in the form of cheap imports. The globalization era has seen a change in both rates of growth, which (with some exceptions) have generally been much slower, and in the forms of state intervention, which have become more 'market friendly'.

Marx was himself acutely aware of the unequal nature of the interdependent world, arguing for example that New World slavery made an important contribution to the industrial revolution in Britain. He also explicitly argued that his account of the transition to capitalism in England was not an account of a universal law of history, but was '*expressly* restricted to *the countries of Western Europe*' (Marx 1984: 124). Similarly, he also became increasingly aware that colonialism was not leading to the replication of the English model, as it was not developing capitalist relations of production or promoting widespread capital investment. He criticised the 'bleeding process' whereby the British extracted resources from India for the benefit of the British ruling class, and talked about 'English vandalism' in India, 'which pushed the indigenous people not forward but backward' (cited in Larrain 1989: 49). Clearly, Marx's more

critical view of colonialism was more accurate than his apology for colonialism as the promoter of capitalism, because colonialism in general did not promote sustained capital accumulation through the extraction of relative surplus value. Instead, capital investment into the colonies was limited, and forced labour based on the extraction of absolute surplus value was promoted, alongside the reinforcement of peasant labour (Emmanuel 1974; Phillips 1987).

Perhaps most important, Marx argued that capitalism was not only a national phenomenon but that it was global from the start. International capitalism was not only associated with dynamic centres of accumulation but was also based on a hierarchically structured international division of labour, in which some regions were in a subordinate position compared to others. He argued that 'the veiled slavery of the wage earners in Europe need the unqualified slavery of the New World as its pedestal', and that 'commerce in countries which export principally raw produce increased the misery of the masses' (Marx 1976: 925; Marx and Engels 1974: 298). These comments reflect the ambiguous relationship between capitalism and colonialism (Phillips 1987). Colonies were integrated into capitalist international division of labour, but *intentional* or planned development hindered capitalist (immanent) development. In the 'advanced' capitalist countries, intentional development such as poor laws and (limited) public health provision was a response to contradictions of immanent development, whereas in the colonies, intentional development pre-empted these contradictions by holding back capitalist development, through, for example, the reinforcing of peasant production and restrictions placed on 'free' labour (Cowen and Shenton 1996). Marx's earlier support for free trade was also qualified, and he argued that protection for industrialists was progressive compared to protection for merchants. In the same speech, he also stated that '[i]f the free traders cannot understand how one nation can grow rich at the expense of another, we need not wonder, since these same gentlemen also refuse to understand how within one country one class can enrich itself at the expense of another' (Marx 1984: 269–70).

It was this analysis—or a one-sided interpretation of it—that later came to be associated with Marxist 'anti-imperialism', at least from the 1928 Congress of the Third International, which first proposed a strategy of alliances against stagnant imperialist capitalism, through to underdevelopment and dependency theories in the post-war period. The Comintern under Stalin argued that imperialism was a reactionary force that had ceased to develop the productive forces in the colonies and semi-colonies, and so Communists should support popular alliances against foreign capital. In the post-war period, and from the 1960s in particular, some radicals argued that the world was divided into the developed world and the underdeveloped world, and the former had developed precisely because it had underdeveloped the latter (Frank 1969: 240). These

theories were undermined by the rise of the East Asian newly industrializing countries in particular, along with the poor economic and social record of those countries that attempted to 'de-link' from the world economy. They also failed to spell out the mechanisms by which underdevelopment supposedly took place, proposing a vague and a historical concept of surplus extraction. But if such a surplus was extracted through trade and investment, and this was the reason for the enrichment of the developed world, then the evidence suggested that this was not a very effective strategy, as trade and investment increasingly concentrated in the 'advanced' countries. Indeed, the fact that most trade and production takes place in these established areas, suggests that the uneven development of capital accumulation outlined above, has led to a relative marginalization of other regions. The poverty of much of the world is in part a product of relative marginalization by capital, not surplus extraction (Kiely 1995: chapters 3 and 5).[8]

This debate over global uneven development has a resonance way beyond the narrow debates associated with the Marxist tradition. However, within Marxist thought it has too often suffered from an ahistorical approach to the understanding of capitalism. The evolutionism of linear Marxism has too often given way to the functionalism of underdevelopment theory, whereby particular regions are assumed to take their place in a never ending hierarchy of the international division of labour. In this account, historical processes of uneven development are replaced by the static concept of underdevelopment, in which all changes that have taken place in the global order over the last 200 years are reduced to an ahistorical logic of capitalism.[9] Certainly international capitalism has been characterized by a hierarchical international division of labour, but the particular form that this has taken, has changed over time.

Instead of this ahistorical account, we need to '*historicize theory* and problematize globalization as a relation immanent in capitalism, but with quite distinct material (social, political and environmental) relations across time and time-space' (McMichael 2001: 202). This allows us to understand that capitalism was globalizing from the start, as should be clear from the above discussion. However, we also need to understand the ways in which contemporary globalization is both distinctive from, and similar to, earlier periods of global capitalism. Contemporary, neoliberal globalization emerged in the 1970s, from the crisis of post-war international capitalism. This is reflected in the breakdown of the post-war Bretton Woods system, the 'decline' of US hegemony, and the rise of neoliberalism and related expansion of the 'free market' and dominance of financial capital. Globalization is, thus, a specific period of history but one still dominated by capitalist social relations.

Conclusion

This chapter has made five arguments about capitalism and five arguments about globalization. First, capitalism is the most dynamic mode of production in history. Second, its dynamism is rooted in the competitive accumulation of capital through the extraction of relative surplus value (which presupposes the emergence of capitalist social relations). Third, this dynamic process is prone to crises of over-accumulation. Fourth, capitalism dynamism leads to the incorporation of more and more parts of the world into its orbit. However, this process is uneven and takes a variety of unequal forms. This undermines optimistic 'developmental' accounts based on the notion of diffusion through cosmopolitan capital, but the notion of pessimistic 'under-developmental' accounts based on timeless core–periphery divisions are equally problematic. Fifth, although there is no *necessary* relationship between *national* states and capitalist social relations, the nation state has been, and remains the dominant form of organizing and expanding these relations. From the start, territorially fluid capitalist social relations have been mediated by nation states.

How then, do these points relate to the question of contemporary *globalization?* First, it is neither a free floating (Giddens) nor a purely technologically driven phenomenon (Castells). Second, the precise relationship between nation states and 'global' capitalist social relations has varied over time. For instance, the crisis of the 1870s paved the way for intensified inter-imperialist rivalries, war and revolution, while the 1930s crisis led to a reversal of the internationalization of capital. Third, the current era (1971/3 to the present) has seen intensified (and uneven) capitalist globalization, based as we will see on liberalization of trade, investment and finance. Fourth, these very different tendencies and outcomes cannot therefore be solely explained by the logic of capitalism. We, therefore, need to look at how specific (and connected but not reducible) *processes and strategies of globalization* relate to wider social and political structures, and vice versa. In so doing, we are in a better position to understand that these processes have not simply 'come from nowhere' as Giddens claims, and that they are a product of particular agents, embedded in particular places, and based on particular power relations (and therefore relations of conflict). Fifth and finally, contemporary globalization must therefore be understood as a specific period within capitalism, but which to some extent has its own distinctive characteristics. What should be clear by now, though, is that globalization is not outside of politics, despite the claims of some of its champions.

Notes

1. In fairness to Giddens, this is not true of his earlier work—see, for instance, Giddens (1987). But his work since 1990 certainly loses sight of classical notions of agency and power. There are probably two reasons for this neglect. First, such is his enthusiasm for the global condition as heightened reflexivity, (traditional, or simple modern) power as domination is regarded as having eroded as a consequence of disembedding global flows. But this ignores the way in which some people have the capacity to influence these flows far more than others—the fact that they do not have absolute power to do so is neither relevant nor novel (see further the argument in the text). Second, the collapse of communism has undermined radical socialist or communist alternatives. This may or may not be true, but it does not mean that the Marxist critique of capitalism becomes irrelevant, still less that capitalism's contradictions have been transcended.

2. Interestingly, in more recent work, Held and his colleagues have slightly amended their three-fold divide in the globalization debate. Instead, we have a divide between those that see globalization as a myth and those who see it as a reality (Held and McGrew 2002, 2003). However, there are still massive divisions within the two camps, and still the question of agency is downplayed. This point is all the more true of Giddens' (1999) survey of globalization, which divides the debate into radicals (who believe—like Giddens himself—that strong globalization is an established fact) and sceptics (who dispute this claim).

3. This comment is not meant to imply that all sources of domination are reducible to capitalism. It does however remain a key source.

4. A detailed discussion of the labour theory of value is not possible in this chapter. The brief comments in the text suggest that this theory is perhaps best understood as a value theory of labour (Elson 1979; also Fine and Saad-Filho 2004: Chapter 2; Weeks 1981: Chapters 1 and 2).

5. A full consideration of the question of the relationship between nation states and capitalism lies outside the scope of this work, but see in particular Lacher (2006), Teschke (2003) and Wood (1991). These path-breaking works all suggest that the *nation* state system pre-dates capitalist modernity and can be traced back to the pre-capitalist period of absolutism. This system was transformed in the 19th century through the development of capitalism within these nation states, and therefore the growing institutional separation of an 'economic' market and 'political' state. However, continued territorialization within nation states—and indeed the universaliztion of the nation state—has also had implications for the shaping of capitalism.

6. Of course, there would be some exceptions due to climate and access to particular minerals, but the basic point is that the theory assumed that all countries had more or less equal structures of production.

7. One potential way of sustaining this mechanism is to ensure that your domestic currency is also the dominant international currency, without any attachments to a separate measure like gold. As we will see in the chapters that follow, this is precisely what has occurred since the early 1970s in the case of the US dollar. However, even in this case there remain questions about the long term sustainability of its trade deficit.

8. Surplus extraction may of course take place through a redistribution of surplus value. This for example may occur through the use of a national currency as the international currency, which allows the country that issues the currency to import goods higher than the value of the currency which pays for such goods (see footnote 7). Indeed, this practice is a feature of the current era of globalization, in which the dollar plays this role. The argument in the text

however is that the division of the world into developed and underdeveloped countries cannot be explained through a timeless process of surplus extraction.

9. Indeed, while many Marxist 'anti-imperialist' accept the broad thrust of the critique of the economic analysis of underdevelopment theory, they often remain tied to a political analysis in which 'anti-imperialism' becomes support for all social and political forces in the developing world against the might of the United States and its allies. In these accounts the US and/or the West, is often seen as so omnipotent that it is always pulling the strings, so that agency in the developing world is reduced to Western interests, except in situations of overt conflict such as war—when former US allies are miraculously turned into objective anti-imperialists.

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6

Entering Global Anarchy

IMMANUEL WALLERSTEIN

The Bush administration has the wind in its sails with the conquest of Iraq. It thinks it can do what it wants and will probably act on this belief for the foreseeable future. It is understandable that Pentagon hawks, who have long preached that militarism would pay off, now feel they have clear proof for their thesis. It is equally natural that opponents of American imperialism should feel demoralized by the apparent US success. I will argue that both assessments miss the mark and fail to grasp what is really happening in the geopolitical arena. In what follows, I will construct my analysis around three periods: the post-war apogee of US hegemony, from 1945 to 1967–1973; the late summer glow, stretching from 1967–1973 until 2001; and the stage that stretches ahead of us, from 2001 until 2025 or 2050: one of anarchy which the US cannot control. I shall distinguish three axes within each period: the internal competitive struggles of the major loci of accumulation of the capitalist world-economy; the 'North–South' struggle; and the battle to determine the future world-system between two groups that I shall metaphorically label the camps of Davos and of Porto Alegre.

During the period from 1945 until 1967–1973, the United States was unquestionably the hegemonic power in the world-system, possessing a combination of economic, military, political and cultural advantage over any and all other states. At the end of the Second World War, it was the only industrial power to have escaped wartime destruction and had significantly increased its productive capacities beyond its pre-war levels. American firms could produce goods so much more efficiently than their competitors that they could, at first, penetrate the others' home markets. Indeed, the situation was so uneven that the US had

to engage in the economic reconstruction of Western Europe and Japan in order to have a reasonable world customer base.

This overwhelming economic advantage was combined with a military edge. After 1945, American public opinion did, admittedly, insist on an immediate downsizing of the armed forces, to 'get the boys home'. But the US possessed the atomic bomb and an air force capable of dropping it anywhere. The only other military force of any serious consequence was the Soviet Union which, by 1949, also had nuclear weapons. The US had no option but to make a deal. Though the Yalta accords were only a small part of much wider arrangements, the bargain struck between the great powers has been known by that name ever since. It contained three central clauses: retention of the status quo in Europe along the lines where the US and Soviet troops stood in 1945; the economic cloistering of the two world zones and the freedom to use mutually denunciatory rhetoric.

These three points were more or less respected up to 1980, and even, to a large extent, up to the collapse of the Soviet Union. The status quo was tested by the Berlin Blockade in 1949, but it was reaffirmed by the outcome of the crisis. Subsequently, the US rigorously abstained from assisting any uprisings in the Soviet zone, other than rhetorically. The USSR had no troops stationed in either Yugoslavia or Albania, the two breakaways from its bloc. However, rather than becoming part of the US sphere, these states were allowed to remain 'neutral' by both sides in the cold war. Whether the Yalta agreement was meant to apply to Korea was initially unclear. The result of the Korean War—an armed truce at the line of departure—placed the peninsula squarely inside its framework. Economic cloistering also persisted through the first decades of the post-war period, though it began to unravel after 1973. It was only the strident rhetoric of the so-called cold war that gave the impression that a serious struggle was under way. Of course, many do still believe this was the case; but viewed from a distance, it could equally well be seen as a choreographed conflict in which nothing ever really happened.

Politically, the Yalta arrangements allowed both sides to line up a series of faithful allies. It has been customary to refer to those of the Soviet Union as satellite countries; but US clients—in Europe (the NATO countries), in East Asia, Japan, South Korea and Taiwan—were hardly less subservient. New York became the world centre of high art and mass culture became increasingly 'Americanized'. Finally, in terms of ideological domination, the concept of the 'free world' did, at least, as well as the notion of the 'socialist camp'.

Within the North, then, the US was able to impose its wishes both on its capitalist competitors and on its superpower rival with a 95 per cent success rate, 95 per cent of the time. This was surely hegemony. The only sand in the machinery was a certain resistance in the South to this American-defined world

order. In theory, the US preached 'development' and the liberation of the South from colonial rule; the Soviet Union sang the same tune, in even shriller tones. But, in practice, neither was in any rush to further these objectives, and it was left to the peoples of the South to advance their own cause with varying degrees of political energy and militancy. There occurred some famous struggles and violent revolution—notably in China, Vietnam, Cuba and Algeria—quite outside the Yalta framework. The US did what it could to suppress such movements and had some significant successes—engineering the overthrow of Mossadegh in Iran, removing Arbenz in Guatemala in 1954, among a great many others. But the North also experienced a few very important failures— the Soviet Union in China; France in Algeria; the US in Cuba; and first, France, and then the US, in Vietnam. Both the West and the USSR were obliged to adjust to these 'realities'—that is, to absorb the events into the ambit of their rhetoric and try to co-opt the new regimes, thereby limiting their impact on the geopolitical arena and the world-economy. The outcome of what might be called the world class struggle during this period seems to have been a draw. On the one hand, there was a sweep of anti-systemic sentiment throughout the world, especially in the South, that had a self-fulfilling effect; triumphalism was the order of the day. On the other hand, this upsurge began to burn itself out as the North made just sufficient concessions to its demands.

Late Summer Glow

The period of 1967–1973 represents the moment at which the *trente glorieuses* came to an end, and the world-economy entered a long Kondratieff B-phase. Probably, the biggest immediate cause of the downturn was the economic rise of Western Europe and Japan, which inevitably led to overproduction in the world's former leading industries. Politically and culturally, the revolutionary upsurge of 1968—actually 1966–1970—represented a thorough-going challenge to the previous period. It was triggered by a combination of resistance to American hegemony and disillusionment with the traditional anti-systemic movements. In the military arena, the Tet offensive of February 1968 sounded the death knell for US intervention in Vietnam. Though there were five more agonizing years of warfare before the final withdrawal in 1973, the fact remained that the US had actually lost a war against a small Third World nation. The combination of these three occurrences—the downturn in the world-economy, the upsurge of 1968 and US defeat in Vietnam—transformed the geopolitical scene, and marked the onset of the slow decline of American hegemony. The US would no longer be able to realize its objectives with that 95 per cent success rate, noted

above—even in the North. But one does not lose hegemonic control overnight; there was a late summer glow.

The economics of this period are not that difficult to understand. A Kondratieff B-phase has certain standard characteristics:

1. A decline in the profitability of productive enterprises—especially those that had previously been most profitable—and a consequent shift in focus by capitalists from the arena of production to that of speculative financial activity;
2. a flight of industries whose profits are declining—because their mono-polistic advantages have disappeared—from the core zones to semi-peripheral 'developing' countries, where wages are lower even if transaction costs are higher; and
3. a significant rise in world unemployment levels, and therefore an effort by the major loci of accumulation to 'export' unemployment to each other, in large part to minimize political fallout.

All of these duly occurred. The spectacular events—though not the causes—of the downturn were the oil price rises of 1973 and 1979 and a series of devastating debt crises: that of the Third World and socialist bloc in the 1980s; of the US government and transnational corporations in the early 1990s; of US consumers in the late 1990s, along with the effects of the East Asian and other devaluations; and another round of excessive US government debt begun under the second Bush administration. As for the comparative wellbeing of the major loci of accumulation: Europe did best in the 1970s, Japan in the 1980s and the US in the (late) 1990s; all have been doing badly since 2000. In the rest of the world, the promise of 'development', so actively and optimistically pursued in the earlier period, was revealed as the mirage it had always been, at least for the great majority of states.

Politically, the US-centred order began to disintegrate. Western Europe and Japan were no longer prepared to be satellites, demanding instead to be partners. The US tried to appease them with new structures—the Trilateral Commission and the G7 meetings—and deployed two main arguments to hold its allies in line: the Soviet Union remained a threat to their interests, and a united position against a rising South was essential to maintain their collect-ive advantages. These lines of reasoning were only partially successful. The Soviet zone, meanwhile, was also beginning to fragment after the spectacular rise of Solidarnosc in Poland and Gorbachev's reforms. Its dissolution was accelerated by the collapse of developmentalism, parallel to its failures in the Third World—revealing that the states of the Eastern bloc had always remained peripheral or semi-peripheral components of the capitalist world-economy. In the South, the weakened position of both the US and the USSR did seem

to leave some space for the partial resolution of a number of long-standing conflicts in Central America, southern Africa and Southeast Asia, but all the outcomes represented political compromises.

The revolutionary upsurge of 1968 and the collapse of developmentalism in the Kondratieff B-phase severely undermined the moral legitimacy of the Old Left, the classical anti-systemic movements, which now seemed to most of their erstwhile supporters to offer little beyond a defensive electoralism. Their successors—in particular, the multiple Maoisms and the so-called New Left, the Greens, feminists and the many different identity-based movements—had short, brilliant impacts in various countries, but failed to acquire the dramatic centrality, either nationally or internationally, that the Old Left movements had achieved during the earlier post-war period.

In terms of the world class struggle, the weakening of the anti-systemic movements—old and new—allowed establishment forces to launch a counter-offensive of considerable magnitude. This initially took the form of the neoliberal regimes in Britain and the US; the rise of the 'Washington Consensus', which buried the ideal of developmentalism and replaced it with 'globalization'; and the vigorous expansion of the role and activities of the IMF, World Bank and the newly formed World Trade Organization (WTO), all of which sought to curtail the ability of peripheral states to interfere with the free flow of goods and, above all, of capital. This worldwide offensive had three main objectives: to push back the level of wages, to restore the externalization of production costs by ending serious constraints on ecological abuses, and to reduce tax levels by dismantling welfare state provisions. At first, this programme seemed to have been magnificently successful, and Thatcher's slogan, 'There Is No Alternative', appeared to carry the day. By the late 1990s, however, this offensive had reached its political limits.

The currency devaluations of the late 1990s in East and Southeast Asia and Brazil brought to power a series of leaders—Roh in South Korea, Putin in Russia, Megawati in Indonesia, Lula in Brazil—whose electoral platforms or performance in office have not always followed Washington's prescriptions. The collapse of Yugoslavia and the Soviet Union led to a long series of national conflicts, resulting in widespread 'ethnic cleansing', large zones of instability and little political credit for either the US or Western Europe. Debt and civil wars crippled a number of states in Africa. The cultural and ideological dominance of the Davos 'camp' met an unexpected challenge in Seattle in 1999, when rather traditional, centrist American trade unionists combined with New Left groups to force the WTO into a standstill from which it has not yet fully managed to extricate itself. The momentum thereafter fell to a loosely organized world coalition of movements, which have held a series of successful meetings in Porto Alegre and established themselves as a counter-pole to that

of Davos. When George W. Bush thrust his way to the US presidency, the outlook was not at all good for the sole remaining superpower. One of the themes of his campaign had been an attack on Clinton's foreign policy, though this had operated on the same basic premises as every president since Nixon: attempts to patch the leaking balloon of US hegemony by repeated negotiations with its presumed allies, as well as with Russia and China, combined with sporadic and limited use of force in the Third World. American foreign policy since the 1970s has always had two primary objectives: preventing the emergence of a politically independent European entity and maintaining the US military edge by restricting the spread of nuclear weapons in the South. As of 2000, the balance sheet for these two strategic goals was, at best, mixed and the future very uncertain.

Strategizing Endless War

It was at this point that Bush entered office. His administration was divided between those who wished to continue the foreign policy of the 1973–2001 period and those who argued vociferously that this had failed, and was the cause—not merely the result—of the relative decline of US hegemony. Those adopting the latter stance have three principal bases: the neo-cons such as Wolfowitz and Perle; the Christian right; and the 'classical' militarists, Cheney, Rumsfeld and others, whose views were seconded by McCain even though he was personally not on terms with Bush. The motives, priorities and political strengths of these three groups are quite different, but they have formed a tight political bloc based on certain shared assumptions.

1. US decline is a reality, caused by the unwise timidity of successive US governments, but it could be rapidly reversed by frank, open and speedy pre-emptive military actions in one zone after another;
2. whatever the initial reluctance, even opposition, of the US establishment, domestic opinion and allies in Western Europe and East Asia, successful demonstrations of America's armed might would make them fall into line;
3. the way to handle recalcitrant regimes in the South is by intimidation and, if that fails, by conquest.

There was another reading of history on which the hawks agreed: they had never been able to get any US administration to adopt their reasoning and follow their prescriptions to the extent that they desired. They were a frustrated

group, and when Bush came into office, they were not at all sure they had the president on their side. Rather, they feared that he would be a replica of his father, or—though they were careful never to say so—of Reagan, who had committed the unforgivable sin of trying to strike a deal with Gorbachev. September 11 was an incredible bonanza for this contingent. It catapulted Bush into their camp, if only because being a war president waging an endless campaign against 'terrorism' seemed to guarantee his political future. It legitimated the use of military force against an ultra-weak opponent, the Taliban, in an operation that commanded about as much worldwide legitimacy as any such action could ever acquire. After this, the hawks felt they could go for broke—Iraq. They knew that this would be more difficult politically, but they also knew that it was now or never—not only for the conquest of Baghdad, but for their entire geopolitical programme.

They ran into far more difficulty than they had anticipated. First, veterans of the Bush Senior administration—probably with the connivance of their former employer—persuaded the president to adopt a 'multilateralist' approach. At this stage, the prophecies of the hawks seemed to materialize. France announced it would veto a second United Nations Security Council (UNSC) resolution authorizing the use of force and was able to get Germany and Russia to join it—leading in March 2003 to humiliation for the US, which despite exerting all the pressure it could muster, was unable to secure a simple majority in the Security Council, and had to withdraw its resolution. Meanwhile, on 15 February 2003, the forces of what I have called the Porto Alegre camp mobilized a global anti-war protest, unmatched in previous world history. Finally, even faithful Turkey failed the US, despite the enormous bribe it was offered. The invasion of Iraq, of course, went ahead and the Saddam Hussein regime collapsed. Rumsfeld and Powell are now issuing further threats to the Middle East, Northeast Asia and even Latin America. They are convinced their gambit has succeeded and that US hegemony has been restored. They talk openly, and without shame, of America's imperial role. But have they intimidated everyone else? I do not think so. Here we move into the uncertain immediate future, and in moments of systemic anarchy such as the present, almost anything can happen. Nevertheless, there seem to be certain tendencies:

1. The present US government is committed to a unilateralist and rather aggressive foreign policy;
2. European integration will proceed—no doubt with difficulty, but unceasingly—and Europe will distance itself further from the US;
3. China, Korea and Japan will begin to move closer together—a project laden with many more complications than that of European integration, but of greater geopolitical consequence;

4. nuclear proliferation in the South will continue and probably expand;
5. assuming the imperial mantle will further erode US claims to moral legitimacy in the world-system;
6. the camp of Porto Alegre will grow more solid and probably more militant;
7. the camp of Davos may well be increasingly split between those who will seek to join, come to terms with or co-opt the Porto Alegre camp, and those determined to destroy it; and
8. the US may soon start regretting the whirlwind it has unleashed by its action in Iraq.

We have entered an anarchic transition—from the existing world-system to a different one. As in any such period, no one controls the situation to any significant degree, least of all a declining hegemonic power like the US. Though the proponents of a US imperium may think they have the wind in their sails there are strong gales blowing from all directions and the real problem—for all our boats—will be to avoid capsizing. Whether the ultimate outcome will be a less or more egalitarian and democratic order is totally uncertain. But the world that emerges will be a consequence of how we act, collectively and concretely, in the decades to come.

7

Towards the 21st Century International Division of Labour

JAN NEDERVEEN PIETERSE*

With 4 per cent of the world population, the United States absorbs 25 per cent of world energy supplies, 40 per cent of world consumption and spends 50 per cent of world military spending and 50 per cent of world health care spending (at USD 1.3 trillion a year). US borrowing of USD 700 billion per year or USD 2.6 billion per day absorbs 70 to 80 per cent of net world savings. Meanwhile, the US share of world manufacturing output has steadily declined and the share of manufacturing in US gross domestic product (GDP) at 12.7 per cent is now smaller than that of the health care sector at 14 per cent and financial services at 20 per cent. This shrinking of the physical economy makes it unlikely that the massive American external debt can ever be repaid (Prestowitz 2005).

According to International Monetary Fund (IMF) estimates, China and India are expected to overtake the GDP of the world's leading economies in the coming decades. China is expected to pass the GDP of Japan in 2016 and of the US by 2025. In 2005, China surpassed the US as Japan's biggest trading partner, surpassed Canada as the biggest trading partner of the US and surpassed the US as the world's top choice of foreign direct investment. If current trends continue China will become the biggest trading partner of practically every nation.

By 2025, the combined GDP of the BRIC—Brazil, Russia, India and China—would grow to one-half the combined GDP of the G6 countries (the US, Japan, Germany, France, Italy and Britain). By 2050, according to a Goldman Sachs report, the combined BRIC economies will surpass that group. According to this forecast, 'China, India, Brazil and Russia will be the first-, third-, fifth- and sixth-biggest economies by 2050, with the United States and Japan in second and fourth place, respectively.' BRIC spending growth as measured in dollars could surpass the G-6 countries' levels as early 2009 (Whelan 2004).

Both these data sets are uncontroversial, almost commonplace, yet combining them raises major questions. How do we get from here to there, and what does this mean for the course and shape of globalization?

The United States, Europe and Japan rode the previous wave of globalization, notably during 1980–2000, but in recent years their lead in manufacturing, trade, finance and international politics is gradually slipping. The United States set the rules, in economics, through the Washington Consensus; in trade, through the World Trade Organization (WTO); in finance, through the dollar standard and the IMF; and in security, through its hegemony and formidable military. Each of these dimensions is now out of whack. The old winners are still winning but the *terms* on which they are winning cedes more and more to the emerging forces. In production and services, education and demography, the advantages are no longer squarely with the old winners. In several respects in the maelstrom of globalization, the old winners have become conservative forces.

The 21st century momentum of globalization is markedly different from 20th century globalization. Slowly like a giant oil tanker, the axis of globalization is turning from North–South to East–South relations. This presents major questions. Is the rise of Asia and the newly industrialized economies (NIEs) just another episode in the rise and decline of nations, another reshuffling of capitalism, a relocation of accumulation centres without affecting the *logics* of accumulation? Does it advance, sustain or halt neoliberalism? Is it just another shift in national economic fortunes, or is it an alternative political economy with different institutions, class relations, energy use and transnational politics? What is the relationship between zones of accumulation and modes of regulation, and what are the ramifications for global inequality?

Examining this poses methodological problems. Extrapolating trends is risky. The units of analysis are not what they used to be or seem to be. Statistics measure countries but economies are cross-border. The story, of course, is not merely one of change but also continuity, and in some respects, seeming continuity.

Euro parliamentarian Glyn Ford notes:

> The EU has more votes in the International Monetary Fund than the US, but has not yet used them to challenge the current neoliberal orthodoxy… With support from Latin America, in the World Trade Organization, at UN conferences in

Tokyo as well as from the Santiago-plus-five and Durban-plus-five groupings, an alternative world could emerge. (Ford 2005)

It could, but, so far, it doesn't. There is a certain stickiness and stodginess to social change. Power plays continue as long as they can. Policies continue old style until a policy paradigm change is inevitable, not unlike Thomas Kuhn's revolutions in science. There is a sleepwalking choreography to social existence, never quite in sync with actual trends; or rather, trends are only trends when they enter discourse (In a similar way what we teach in universities is often years behind what we know or what we are thinking about because there is no convenient structure or heading yet under which to place and communicate it). Changes manifest after certain time lags—an institutional lag, discursive lag, policy lag; yet changes are underway even if the language to signal them is not quite there yet. Some changes we can name, some we can surmise and some escape detection and will catch up with us. So at times it feels much like business as usual. Thus, we should identify structural trends and discursive changes as well as tipping points that would tilt the pattern and the paradigm.

According to Kemal Dervis, director of the UN Development Programme, globalization in the past was a profoundly 'unequalising process', yet

> …today, the process is rapidly turning on its head. The south is growing faster than the north. Southern companies are more competitive than their northern counterparts… Leading the charge is a new generation of southern multinationals, from China, Korea, India, Latin America and even the odd one from Africa, aggressively seeking investments in both the northern and southern hemispheres, competing head-to-head with their northern counterparts to win market share and buy undervalued assets. (quoted in Peel 2005).

This optimistic assessment counts economic changes—which this chapter also highlights—but it does not address social questions.

About cutting-edge globalization there are two big stories to tell. One is the rise of Asia and the accompanying growth of East–South trade, energy, financial and political relations. Part of this story is being covered in general media, often with brio (Agtmael 2007; Marber 1998). In the words of Paul Kennedy, 'we can no more stop the rise of Asia than we can stop the winter snows and the summer heat' (2001: 78). The other story, which receives mention only in patchy ways, is that the emerging societies face major social crises in agriculture and urban poverty.

The first section of this chapter discusses the main trends in 21st century globalization by comparing trends during 1980–2000 and 2000–present under the headings of trade, finance, international institutions, hegemony, and inequality and social struggle. I preface each trend report with a brief proposition. I do not discuss cultural changes in this treatment because they generally follow

slower time lines than trends in political economy. In the second part, I seek to understand what the new trends mean for the emerging 21st century international division of labour.

Trade

Growing East–South trade leads to a 'new geography of trade' and new trade pacts.

Through the post-war period North–South trade relations were dominant. In recent years East–South trade has been growing, driven by the rise of Asian economies and the accompanying commodities boom (particularly since 2003) and high petrol prices (since 2004). According to the UN Conference on Trade and Development, a 'new geography of trade' is taking shape:

> The new axis stretches from the manufacturing might and emerging middle classes of China, and from the software powerhouse of India in the south, to the mineral riches of South Africa, a beachhead to the rest of the African continent, and across the Indian and Pacific oceans to South America which is oil-rich and mineral- and agriculture-laden. (Whelan 2004)

Brazil opened new trade links with the Middle East and Asia. Chile and Peru are negotiating trade agreements with China (Weitzman 2005). 'The Middle East has started looking to Asia for trade and expertise'; trade has expanded threefold in the past years and the fastest growing markets for oil are in China and India (Vatikiotis 2005). Growing Sino–Indian trade combines countries with 1.3 and 1.2 billion people each (Dawar 2005).

During 1980–2000, American-led trade pacts such as the North American Free Trade Agreement (NAFTA), Asia–Pacific Economic Cooperation (APEC) and the WTO played a dominant role. In the 2000s, these trade pacts are in im-passe or passé. Dissatisfaction with NAFTA is commonplace, also in the US. In Latin America, Mercosur, enlarged with Venezuela and with Cuba as associate member, undercuts the Free Trade Area of the Americas (FTAA). The association of Southeast Asian nations, ASEAN, in combination with Japan, South Korea and China (ASEAN+3) sidelines APEC, which is increasingly on the backburner and reduces Asian dependence on the American market. Michael Lind (2005) notes, 'This group has the potential to be the world's largest trade bloc, dwarfing the European Union and North American Free Trade Association.'

During 1980–2000, the overall trend was towards regional and global trade pacts. The G22 walkout in Cancún in November 2003 upped the ante in subsequent negotiations. Advanced countries that previously pushed trade liberalization now resist liberalizing trade and retreat to 'economic patriotism'. The

United States has been zigzagging in relation to the WTO (with steel tariffs and agriculture and cotton subsidies). Given the WTO gridlock in the Doha development round and blocked regional trade talks (the Cancún walkout was followed by the failure of the FTAA talks in Miami) the US increasingly opts for free trade agreements, which further erode the WTO (Nederveen Pieterse 2004b).

Thus there has been a marked shift toward bilateral free trade agreements (FTAs) in North–South trade. American terms in FTAs typically include cooperation in the war on terror, exempting American forces from the International Criminal Court, accepting genetically modified food, and preferential terms for American multinationals and financial institutions. FTAs include Chile, Colombia, Central America, Jordan, Morocco, Oman and Singapore, and are under negotiation with South Korea, Thailand, Australia, Peru and Panama.

In South–South trade, however, the trend is toward regional and interregional combinations such as Mercosur and ASEAN. China has established a free trade zone with ASEAN. In the future, India may join ASEAN+3. Since 2003 there have been talks to establish a free trade zone of India, Brazil and South Africa (IBSA).

So the old 'core–periphery' relations no longer hold. The South no longer looks just north but also sideways. In development policies, East and Southeast Asian models have long overtaken Western development examples. South–South cooperation, heralded as an alternative to dependence on the West ever since the Bandung meeting of the Non-aligned Movement in 1955, is now taking shape. 'Already 43 percent of the South's global trade is accounted for by intra-South trade' (Gosh 2006: 7).

The downside is that much of this growth is sparked by a commodities boom that will not last. Note, for instance, the rollercoaster experience of the Zambian copper belt (Ferguson 1999) which now experiences another upturn, spurred by Chinese investments, which will be as precarious as the previous round. Only countries that convert commodity surpluses into productive investments and 'intellectual capital' will outlast the current commodities cycle.

Finance

The current imbalances in the world economy (American over-consumption and deficits and Asian surpluses) are unsustainable and are producing a gradual reorganization of global finance and trade.

During 1980–2000 finance capital played a key role in restructuring global capitalism. The financialization of economies (or the growing preponderance

of financial instruments) and the hegemony of finance capital reflects the maturation of advanced economies, the role finance as a key force in globalization, financialization as the final stage of American hegemony, and financial innovations such as hedge funds and derivatives. The return to hegemony of finance capital ranks as one of the defining features of neoliberal globalization (Duménil and Lévy 2001).

The role of speculative capital led to the diagnoses such as casino capitalism and Las Vegas capitalism. International finance capital has been crisis prone and financial crises hit Mexico, Asia, Russia, Latin America and Argentina. Attempts to reform the architecture of international finance have come to little more than one-sided pleas for transparency. The trend since 2000 is that NIEs hold vast foreign reserves to safeguard against financial turbulence; 'the South holds more than $2 trillion as foreign exchange reserves' (Gosh 2006: 7). As many historians note, the final stage of hegemony is financialization. Accordingly, emerging economies view competition in financial markets as the next strategic arena—beyond competition in manufacturing, resources and services.

During 1980–2000, the IMF was the hard taskmaster of developing economies; now year after year the IMF warns that the US deficits threaten global economic stability (Becker and Andrews 2004; Guha 2007).

Through the post-war period the US dollar led as the world reserve currency, but since 2001 there has been a gradual shift from the dollar to other currencies. After the decoupling of the dollar from gold in 1971, the Organization of the Petroleum Exporting Countries (OPEC) in 1975 agreed to sell oil for dollars and established a de facto oil–dollar standard. Now Venezuela, Iran and Russia price their oil in other currencies. In 2001–05 the dollar declined by 28 per cent against the Euro and a further 12 per cent in 2006. In 2002 the leading central banks held on average 73 per cent world reserves in dollars, by 2005 this was 66 per cent (Johnson 2005) and the trend for 2006 is towards 60 per cent. China and Japan with 70 to 80 per cent of their foreign reserves in US dollars, reflecting their close ties to the American market, deviate markedly from the world average. Of China's USD 1.3 trillion in foreign reserves, up to USD 1 trillion is in dollars. The current trend is for China to diversify its foreign reserves towards 65 per cent in dollars (McGregor 2006). For obvious reasons this diversification must be gradual.

In the wake of the 1997 Asian crisis the IMF vetoed Japan's initiative for an Asian monetary fund. Since then Thailand's Chiang Mai Initiative established an Asian Bond Fund. Venezuela, backed by petrol funds, has withdrawn from the IMF and World Bank and has established an alternative Bank of the South. In time, Japan, China and South Korea—*if* they would settle their differences—may develop a yen–yuan–won Asian reserve, or an 'Asian dollar'.

Western financial markets have been dominant since the 17th century. In the 2000s, the financial sources outside the West play an increasingly important role, reflecting the rise of Asia, the global commodities boom and high petrol prices. The accumulation of petro money during 2005–07 is three times the annual Asian surpluses from exports (Magnus 2006). A new East–East financial network is emerging. China's initial public offerings are increasingly no longer routed via New York and London, but via Saudi Arabia (Timmons 2006) and the Dubai bourse. Wall Street is losing its primacy as the centre of world finance to London with Shanghai and Hong Kong as runners up (Tucker 2007).

East Asian countries are active investors in Latin America and Africa. Thirty seven per cent of foreign direct investment (FDI) in developing countries now comes from other developing countries. China emerges as a new lender to developing countries, at lower rates and without the conditions of the Washington institutions (Parker and Beattie 2006). China's foreign aid competes with Western donors and Venezuela plays this role in Latin America.

Hedge funds have become more active international players than investment banks. In 2006 there are 10,000 hedge funds with USD 1.5 trillion in assets, the daily global turnover in derivatives is USD 6 trillion and the credit derivative market is worth USD 26 trillion. Financialization has increased the risk of financial instability (Glyn 2006) and new financial instruments such as derivatives are increasingly opaque and out-of-control. This underlies the financial instability that increasingly affects institutions in the West such as the collapse of long term capital management (LTCM) in 1998, the Enron episode along with WorldCom, HealthSouth and other corporations in 2001, Parmalat in 2003 and Amaranth in 2006. The crisis of the US subprime mortgage lenders such as New Century in 2007 has ripple effects throughout the international financial system. It indicates the deeper problem that many of the American economic successes have been enabled by the Greenspan regime of easy money. In the Davos meetings of the World Economic Forum, the American economy and the unstable dollar have been a major cause of concern. US treasury debt at USD 7.6 trillion and net external debt at USD 4 trillion add up to an annual borrowing need of USD 1 trillion or 10 per cent of GDP (Buckler 2005) and interest payments of USD 300 billion a year and rising. The United States is deeply in the red to Asian central banks and relies on inflows of Asian capital and recycled oil dollars, and 'what flows in could just as easily flow out' (Williams 2004). The dollar is now upheld more by fear of turbulence than by confidence and appeal.

For all these changes, the net financial drain from the global South is still ongoing. Poorer nations sustain American over-consumption and the over-valued dollar. The world economy increasingly resembles a giant Ponzi scheme with massive debt that is sustained by dollar surpluses and vendor financing in

China, Japan and East Asia. The tipping points are that financialization back-fires when it turns out that financial successes (leveraged buyouts, mergers and acquisitions, and the rise in stock ratings) have been based on easy credit, and second, when finance follows the 'new money'.

Institutions

The 1990s architecture of globalization is fragile and the clout of emerging economies is growing.

The 1990s institutional architecture of globalization was built around the convergence of the IMF, World Bank and WTO, and is increasingly fragile. Since its handling of the Asian crisis in 1997–1998 and Argentina's crisis in 2001, the IMF has earned the nickname 'the master of disaster'. Argentina, Brazil, Venezuela, South Africa, Russia and other countries have repaid their debt to the IMF early, so the IMF has less financial leverage, also in view of the new flows of petro money. IMF lending is down from USD 70 billion in 2003 to USD 20 billion in 2006. The IMF has adopted marginal reforms (it now accepts capital controls and has increased the vote quota of four emerging economies) but faces financial constraints.

The World Bank has lost standing as well. In the 1990s the Bank shifted gear from neoliberalism to social liberalism and structural adjustment 'with a human face' and an emphasis on poverty reduction and social risk mitigation. But the poverty reduction targets of the Bank and the Millennium Development Goals are, as usual, not being met. Paul Wolfowitz's attempts as World Bank president to merge neoliberalism and neoconservatism have been counterproductive with an internally divisive anti-corruption campaign and focus on Iraq.

The infrastructure of power has changed as well. The 'Wall Street–Treasury–IMF complex' of the 1990s weakened because the Treasury played a weak and minor role in the G. W. Bush administration, until Henry Paulson's appointment in 2006 which brought Wall Street back in the cockpit.

The 1990s architecture of globalization has become fragile for several reasons. The disciplinary regime of the Washington Consensus has been slipping away. Structural adjustment has shown a consistently high failure rate with casualties in sub-Saharan Africa, most of Latin America and the 1997 Asian crisis and how it was handled by the IMF. Research indicates a correlation between IMF and World Bank involvement and negative economic performance, arguably for political reasons: since the IMF involvement signals economic troubles, it attracts further troubles (McKenna 2005). Zigzag behaviour by the hegemon—flaunting WTO rules, an utter lack of fiscal discipline and building massive

deficits—has further weakened the international institutions. Following the spate of financial crises in the 1990s, crisis mismanagement and growing American deficits, the macroeconomic dogmas of the Washington Consensus have given way to a post-Washington no-consensus. Meanwhile increasing pressure from the global South is backed by greater economic weight and bargaining power.

Hegemony

Rather than hegemonic rivalry, what is taking place is global repositioning and realignments toward growing multipolarity.

In general terms, the main possibilities in relation to hegemony are continued American hegemony, hegemonic rivalry, hegemonic transition and multipolarity. The previous episode of hegemonic decline at the turn of the 19th century took the form of wars of hegemonic rivalry culminating in the transition to the United States as the new hegemon. But the current transition looks to be structurally different from previous episodes. Economic and technological interdependence and cultural interplay are now far greater than at the fin de siècle. What is emerging is not simply a decline of (American) hegemony and rise of (Asian) hegemony but a more complex multipolar field.

During the 1990s the American hegemony was solvent, showed high growth and seemed to be dynamic in the throttle of the new economy boom. The United States followed a mixed uni-multipolar approach with cooperative security (as in the Gulf War) and 'humanitarian intervention' (as in Bosnia, Kosovo and Kurdistan) as Leitmotivs. Unilateralism with a multilateral face during the 1990s gave way to unilateralism with a unilateral face under the G.W. Bush administration, a high-risk and high-cost approach that flaunts its weaknesses (Nederveen Pieterse 2004a). By opting for unilateral 'preventive war' the G.W. Bush administration abandoned international law. After declaring an 'axis of evil', the US has few tools left. The US is now caught up in its new wars. In going to war in Iraq the US overplayed its hand. In its first out-of-area operation in Afghanistan NATO met fierce resistance. The US has been forced to give up its access to a base in Uzbekistan.

During the cold war Muslims were cultivated as allies and partners on many fronts. Thus in the 1980s Ronald Reagan lauded the Mujahideen in the Afghan war as 'the moral equivalent of our founding fathers'. As the cold war waned these allies were sidelined. Samuel Huntington's 'clash of civilizations' article in 1993 signalled a major turn by shifting the target from ideology to culture and from communism to the Islamic world. (In fact, he warned against a Confucian–Islamic alliance and specifically military cooperation between China

and Pakistan.) Thus erstwhile allies and partners were redefined as enemies and yesterday's freedom fighters were reclassified as today's terrorists.

In response to this policy shift and the continuing Israeli and American politics of tension in the Middle East, a militant Muslim backlash took shape of which the attacks of 11 September 2001 are part. The cold war 'green belt' and 'arc of crisis' has become an 'arc of extremism' with flashpoints from the Middle East to Central Asia. Satellite TV channels in the Arab world contribute to awareness among Muslims. Muslim organizations increasingly demonstrate high militancy and swift responses, for instance to the Danish cartoons and statements by Pope Benedict. The Lebanon war in 2006 showed Israel's weakness and Hezbollah's strength as part of a regional realignment away from the American supported Sunni governments to Iran, Syria and Shiites. The United States siding with Israel's insular stance in the region contributes to its self-isolation (Mearsheimer and Walt 2006; Petras 2006).

New security axes and poles have emerged, notably the Shanghai Cooperation Organization (deemed a 'counterweight to NATO') and the triangular cooperation of China, Russia and Iran.[1] Other emerging poles of influence are India, Brazil, Venezuela and South Africa. The G77 makes its influence felt in international trade and diplomacy. For instance, it blocked intervention in Darfur on the grounds of state sovereignty, involving an Islamic government in a strategic part of the world, in part as a response to American expansion in the Middle East and Africa. China has generally backed G77 positions in UN Security Council negotiations (Traub 2006), a position that is now gradually changing.

On the military frontiers of hegemony, although the United States spends 48 per cent of world military spending (in 2005) and maintains a formidable 'empire of bases', the wars in Iraq and Afghanistan demonstrate the limits of American military power. As a traditional maritime and air power, the United States has traditionally been unable to win ground wars (Reifer 2005). 'Globalization from the barrel of a gun' is a costly proposition, also because of the growing hiatus between American military and economic power (Nederveen Pieterse 2007a).

On the economic front, the US is import dependent and 'Brand America' is losing points. The entire G. W. Bush presidency can be viewed as a failure of American brand management. The aura of American power is fading. Rising anti-Americanism affects the status of American products and American pop culture is no longer the edge of cool. An advertising executive notes growing resentment of American-led globalization.

> We know that in Group of 8 countries, 18 per cent of the population claim they are avoiding American brands, with the top brand being Marlboro in terms of avoidance. Barbie is another one. McDonald's is another. There is a cooling towards American culture generally across the globe. (Holstein 2005)

The main tipping points of American hegemony are domestic and external. *Domestic* tipping points are the inflated housing market and high levels of debt. Not only are US levels of debt high, but manufacturing capacity is eroded, there are no reserves and the domestic savings rate turned negative for the first time in 2005, so an adjustment seems inevitable. If interest rates remain low it will undermine the appeal of dollar assets for foreign investors. If interest rates rise it will increase the pressure on domestic debt and the highly leveraged financial and corporate system. The main *external* tipping points are fading dollar loyalty, financial markets following new money, the growing American legitimacy crisis and the strategic debacles in Iraq and the Middle East.

There are generally three different responses to American hegemony. The first is *continued support*—which is adopted for a variety of reasons such as the appeal of the American market, the role of the dollar, the shelter of the American military umbrella and lingering hope in the possibility of American self correction. The second option is *soft balancing*—which ranges from tacit non-cooperation (such as most European countries staying out of the Iraq war and declining genetically modified food) to establishing alternative institutions without US participation (such as the Kyoto Protocol and the International Criminal Court). And the third response is *hard balancing*—which only few countries can afford either because they have been branded as enemies of the US already so they have little to lose (Cuba, Venezuela, Iran, Sudan) or because their bargaining power allows them manoeuvring room (as in the case of China and Russia and the SCO).

An intriguing trend is that the number of countries that *combine* these different responses to American hegemony in different policy domains is increasing. Thus China displays all three responses in different spheres—economic cooperation (WTO, trade), non-cooperation in diplomacy (UN Security Council) and finance (valuation of renminbi), and overt resistance in Central Asia (Wolfe 2005) and in support for Iran.

American unilateralism and preventive war are gradually giving way to multipolarity if only because unilateralism is becoming too costly, militarily, politically and economically. New clusters and alignments are gradually taking shape around trade, energy and security. Sprawling and cross-zone global realignments point to growing multipolarity rather than hegemonic rivalry.

Inequality and Social Struggle

The flashpoints of global inequality are rural crises and urban poverty in emerging economies and chronic poverty in the least developed countries. International migration is a worldwide flashpoint of inequality.

Let us review these trends in a wider time frame. Post-war capitalism from 1950 to the 1970s combined growth and equity. Although overall North–South inequality widened, economic growth went together with growing equality among and within countries. Neoliberal 'free market' economies during 1980–2000 produced a sharp trend break: now economic growth came with sharply increasing inequality within and among countries. The main exceptions to the trend were the East Asian tiger economies.

The trend in the 2000s is that overall inequality between advanced economies and emerging economies is narrowing while inequality in emerging societies is increasing. Overall global inequality is staggering with 1 per cent of the world population owning 40 per cent of the world's assets. The pattern of rising inequality in neoliberal economies (the US, the UK and New Zealand) continues and has begun to extend to Australia, Japan and South Korea (Lim and Jang 2006). International migration has become a major flashpoint of global inequality and produces growing conflicts and dilemmas around migration and multiculturalism in many countries (Nederveen Pieterse 2007b).

James Rosenau (1999) offers an optimistic assessment of global trends according to which rising human development indices, urbanization and growing social and communication densities are producing a general 'skills revolution'. However, the flipside of technological change and knowledge economies is that with rising skill levels come widening skills differentials and urban–rural disparities. The second general cause of growing inequality is unfettered market forces promoted by multinational corporations, international institutions and business media. Familiar short hands are shareholder capitalism (in contrast to stakeholder capitalism), Wal-Mart capitalism (low wages, low benefits and temp workers) and Las Vegas capitalism (speculative capital). The third general cause of inequality is financialization because its employment base is much narrower than in manufacturing and income differentials are much steeper. A fourth cause of inequality in developing countries are fast-growth policies that reflect middle class and urban bias, and aggravate rich–poor and urban–rural gaps.

Practically all emerging economies face major rural and agricultural crises. In China this takes the form of pressure on land, deepening rural poverty, pollution, village-level corruption and urban migration. In Brazil and the Philippines, land reform drags because the political coalition to confront land-holding oligarchies is too weak. In South Africa, the apartheid legacy and the poor soil and weak agricultural base in the former Bantustans contribute to rural crisis.

These are classic problems of modernization. In the past failure to bring the peasant hinterland into modernity gave rise to fascism. A major failing of communism in Russia was the collectivization of agriculture. Emerging economies

need balanced development and 'walking on two legs', yet urban bias (low agriculture prices, inadequate support for agriculture) and the intrusion of transnational market forces in agriculture (land appropriations, multinational agribusiness) are crisis prone.

Yet the *impact* of poor peoples' movements and social struggles in the 2000s has been greater than during 1980–2000, notably in China and Latin America. In China where 'a social protest erupts every five minutes', social crises are widely recognized and have led to the 'harmonious society' policies adopted in 2005. In Latin America poor peoples' movements have contributed to the election of leftwing governments in Venezuela, Bolivia, Ecuador and Nicaragua, and to policy adjustments in Argentina and Chile.

Whereas the 'Shanghai model' of fast-growth policies that are geared to attract foreign investment has been abandoned in China, it is being pursued with fervour in India. A case in point is the 'Shanghaing of Mumbai' (Mahadevia 2006) and the growing role of special economic zones.

What is the relationship between the India of Thomas Friedman (2005) (*The World is Flat*) and P. Sainath (1996) (*Everybody Loves a Good Drought*), between celebrating growth and deepening poverty, between Gurgaon's Millennium City of Malls and abject poverty kilometres away, between dynamic 'Cyberabad' and rising farmer suicides nearby in the same state of Andhra Pradesh? According to official figures, 100,248 farmers committed suicide between 1993 and 2003. Armed Maoist struggles have spread to 170 rural districts, affecting 16 states and 43 per cent of the country's territory (Johnson 2006) and are now the country's top security problem.

> For every swank mall that will spring up in a booming Indian city, a neglected village will explode in Naxalite rage; for every child who will take wings to study in a foreign university there will be 10 who fall off the map without even the raft of a basic alphabet to keep them afloat; for every new Italian eatery that will serve up fettuccine there will be a debt-ridden farmer hanging himself and his hopes by a rope. (Tejpal 2006)

India's economic growth benefits a top stratum of 4 per cent in the urban areas with little or negative spin off for 80 per cent of the population in the countryside. The software sector rewards the well educated middle class. The IT sector has an upper-caste aura—brainy, requiring good education, English language—and extends upper-caste privileges to the knowledge economy, with low cost services from the majority population in the informal sector (Krishna and Nederveen Pieterse 2008). Public awareness in India is split between middle-class hype and recognition of social problems, but there are no major policies in place to address the problems of rural majorities and the urban poor.

In addition to rural crisis, the emerging powers face profound *urban poverty*, as part of the 'planet of slums' (Davis 2005). The rural crisis feeds into the sprawling world of the *favelas*, *bidonvilles*, shanty towns and shacks. Urban policies are at best ambivalent to the poor and often negligent. Thus Bangkok's glitzy monorail mass transit system connects different shopping areas, but not the outlying suburbs. As India's rural poor are driven out of agriculture, they flock to the cities, while land appropriations and clampdowns on informal settlements, hawking and unlicensed stores squeeze the urban poor out of the cities, creating a scissor operation which leaves the poor with nowhere to go.

Trends in 21st Century Globalization

Now let us review these trends. Is the cusp of the millennium, 1980–2000 and 2000–present, a significant enough period to monitor significant changes in globalization? Why, in a short period of decades, would there be significant trend breaks? My argument is essentially that two projects that defined the 1980–2000 period, American hegemony and neoliberalism—which are, of course, the culminating expressions of longer trends—are now over their peak. They are not gone from the stage but they gather no new adherents and face mounting problems (indebtedness, military overstretch, legitimacy crises, rising inequality), and new forces are rising. The new forces stand in an ambiguous relationship to neoliberalism and American hegemony.

In sum, the overall picture shows distinct new trends in trade, institutions, finance and hegemony, and to some extent in social inequality. Table 7.1 reviews the main trends in current globalization. The trend break with the old patterns is undeniable, yet it is too early to speak of a new pattern.

We can also reflect on these changes in a longer time frame. According to the thesis of Oriental globalization (Hobson 2004, Nederveen Pieterse 2006), early globalization was centred in the Middle East (500–1100 CE) and between 1100 and 1800 was centred in China, India and Southeast Asia. Now, as a Shanghai economist remarks, after 'a few hundred bad years' China and India are back as the world's leading manufacturing centre and information processing centre (Prestowitz 2005).

Thus, in a historical sense, 21st century globalization is reverting to normal if we consider that Asia has been at the centre of the world economy through most of long-term globalization. In this light 200 years of Western hegemony have been a historical interlude.

Note, for instance, that it is not the first time that China is in the position of having accumulated the lion's share of the world's financial reserves. During 'several periods of rapid growth in international commerce—from AD 600 to

Table 7.1
Trends in 21st Century Globalization

Pattern 1990s	Pattern 2000s
Trade	
North–South trade dominates	Growing East–South trade
US-led trade pacts dominate	FTAA, APEC, WTO: passé or in impasse
Trend to regional/global trade pacts	Shift to bilateral FTAs (in North–South trade)
Finance	
Finance capital leads, crisis prone	Emerging economies hold dollar surpluses
IMF and World Bank discipline developing economies	IMF warns US its policies threaten economic stability
US dollar leads	Decline of dollar as world reserve currency
US top destination of FDI	China top destination of FDI
IMF blocks Asian monetary fund	Thai Asian Bond Fund, Bank of the South
Western financial markets dominate	New financial flows outside the West
Investment banks	Hedge funds, new financial instruments
Institutions	
Convergence IMF–WB–WTO	IMF lending down (USD 70bn 2003, USD 20bn 2006)
Social liberalism, poverty reduction	World Bank lost standing
'Wall Street–Treasury–IMF complex'	Weak Treasury
Washington Consensus	(Post) Washington no-consensus
Hegemony	
US hegemony solvent and dynamic	US in deficit and cornered in new wars
'Clash of civilizations'	Muslim backlash
US led security	New security axes and poles
Inequality	
Growth and increasing inequality (except East Asia)	Inequality between North and NIEs decreases while inequality in NIEs increases
Deepening rural and urban poverty	Deepening rural and urban poverty
	International migration as flashpoint of global inequality

750, from 1000 to 1300 and from 1500 to 1800—China again tended to run very large trade surpluses'. Between 1500 and 1800 China accumulated most of the world's silver and gold (Bradsher 2006; Frank 1998). So it is not the first time in history that China faces the 'trillion dollar question' of holding the world's largest financial surplus.

Now, however, Asia resumes its normal role in a world that is imprinted and shaped by two hundred years of Western hegemony—in politics, military affairs, corporate networks, intellectual property rights and patents, institutions, styles and images. Asia makes its comeback in a world that, unlike in 1800, is deeply interconnected socially, politically and culturally, a world that is undergoing rapid technological change, more rapid than in 1800.

The West followed Asia and transcended it by introducing new modes of production (industrialism, mass production, Fordism), and now Asia follows the West and transcends it. Japan pioneered flexible accumulation and the East Asian development states and the 'Beijing consensus' represent other modes of regulation, and the question is which of the modes of production and regulation Asia introduces will prove to be sustainable.

Towards the 21st Century International Division of Labour

In closing, I reflect on the relations between advanced and emerging economies, particularly between the United States and East Asia, and on trends in emerging economies. Together these make up notes towards the 21st century international division of labour in the making.

A sketch of relations between advanced economies and emerging economies includes that manufacturing and service jobs lost in the US lead to rising wages in East and South Asia. In the US productivity has risen and corporate profits are up, but wages have been stagnant since the 1970s (with a brief upward blip in the late 1990s). Corporate profits, the Dow Jones and CEO remuneration are up because American corporations reap high yields from offshoring—rather than investing inward and innovating, as in Germany, the European Union (EU) and emerging economies. Cheap Asian imports compensate for stagnant wages in the US, but over time the emerging skills squeeze and gradually rising wages in emerging economies will raise the cost of imports and will make offshoring marginally less attractive. At the same time, lagging inward investment and innovation undermine the competitiveness of American products. Financial services are the largest sector in the US service economy, but, as mentioned earlier, finance follows the new money. Asian vendor financing will continue until alternative markets emerge—domestic and regional markets in Asia and new markets in East–South trade and trade with the Euro zone.

Table 7.2 presents a working sketch of the uneven relations between American and East Asian economies including China. These relations are unstable for American trade and current account deficits cannot continue to rise indefinitely. Tipping points include the weak dollar, the eventual limits to American purchasing power (in view of stagnant wages, rising cost and debt) and the development of alternative markets for Asian products.

Twenty-first century globalization is both enabled by and transcends neoliberal globalization. Arguably, 21st century globalization shows the frailty of

Table 7.2

Relations between United States and East Asian Economies (including China)

United States	East Asia
Decline manufacturing	Rise manufacturing
Import oriented deindustrialization	Export-oriented industrialization
Rising productivity, stagnant wages	Rising productivity, rising wages
Reduction in R&D and education	Technological upgrading, innovation
No national economic strategy	National economic strategies
Trade deficit	Trade surplus
External deficit	Financial surplus
Shrinking middle class	Growing middle class
High concentration of income, rising inequality	Relatively egalitarian, rising inequality
Bilateral free trade agreements	Regional trade combinations

neoliberal economies and the resilience of mixed economies. In the 1990s economic growth was most rapid in the US and East Asian exporting countries. For some time growth has been faster in the global South than in the North and most rapid in Asia and emerging economies. Growth has been moderate in the EU and Japan and medium in the US, but burdened by mounting debt.

As the advanced countries are undergoing a transition from industrial to post-industrial service economies, the countries best placed to make this transition without deepening social inequality and social pathologies are the social market economies with substantial public investments in education, health care, social services and ecological innovation.

If we look at the world as a whole, the majority economic form is the mixed economy with the social market in the EU, bureaucratically coordinated market economies (Japan) and developmental states (with different leanings in Asia, Latin America and Africa). On balance, mixed economies are doing better and several are more sustainable in terms of their growth path and energy use. It has become difficult to uphold American capitalism as the norm because it relies on cheap Asian imports and Asian vendor financing.

> The calls for structural reform in Japan and Europe stem from the belief that the Americans and the other 'Anglo-Saxon' economies have the sort of flexibility that breeds success. Yet that hardly squares with the IMF's notion that the US economy could be going down the pan at any moment. (Elliott 2005)

By this reasoning neoliberalism was dominant in 1980–2000 and now mixed economies are the majority accumulation regime, however, matters are not that straightforward.

To begin with this discussion takes place in a battlefield of paradigms, an arena in which few statistics, diagnoses and policies are ideologically neutral.

Economic success and failure do not come with radio silence but are immersed in ideological noise and filtered through representations. The World Bank claimed the 'East Asian miracle' as evidence of the wisdom of its policies of liberalization and export-led growth, whereas according to Japan it showed the virtues of capable government intervention (Wade 1996). According to Alan Greenspan, the Asian crisis of 1997 demonstrated that Anglo-American capitalism was the only viable economic model. Most others have drawn the opposite conclusion that American-led finance capital is crisis prone and this has been one of the spurs of the turn of the millennium trend break in globalization patterns. The subprime mortgage crisis in the US housing market spurs what is called a 'liquidity crisis' (because banks reprise credit risks) but is really a confidence crisis, which betokens the deeper weakness of Anglo-American financialized capitalism.

If the Washington institutions have lost clout, the knowledge grid of financial markets remains intact with ideological ratings such as the Economic Freedom Index and Competitiveness Index. Business media (such as the *Wall Street Journal* and *The Economist*) and the media big six (such as Time Warner and Rupert Murdoch's conglomerate) echo the ideological impression management of conservative think tanks and corporate interests. In the game of perceptions, Western media reports often blame social unrest in emerging societies on state authoritarianism (and emphasize 'human rights'), pro-market economists lay the blame on government corruption and inefficiency, whereas state and social forces focus on capitalist excesses (and local government incompetence). International institutions and free trade agreements, multinationals, financial markets and World Bank economists weigh in on the debates. Thus, neoliberalism remains a prevailing adapt-or-die logic whose influence is transmitted via financial markets, international institutions and free trade agreements.

In relation to the emerging economies I focus on the twin themes of neoliberalism and social inequality. Does the rise of China, India and other emerging economies validate or invalidate neoliberalism?

According to American conventional wisdom and authors such as Thomas Friedman (2005), China's economic rise follows Deng's four modernizations and the subsequent liberalization, and India's economic rise dates from its 1991 liberalization. These views are ideology rather than research based because research indicates different itineraries. Rodrik's work on the 'Hindu rate of growth' argues that the foundations of India's economic resurgence were laid during the 1970s and 1980s (2004). Recent studies of China break the mould of Mao stigmatization and find that improvements in industrial production, rural modernization, literacy and health care during Mao's time laid the groundwork for the post-1978 transformation (Gittings 2005; Guthrie 2006).

Liberalization and export orientation—the Washington Consensus and World Bank formula—have contributed to the rise of Asia. American off-shoring and outsourcing and exports to the US have spurred rapid growth (thus Wal-Mart's imports alone represent 15 per cent of the US trade deficit with China; Prestowitz 2005: 68). But this would not have been possible or pro-duced sustainable growth without Asia's developmental states. Their develop-ment policies enable Asian societies and producers to upgrade technologically and to foster domestic, regional and alternative markets. China's spending on high tech research and development now ranks third after the United States and Japan.

If we consider the *cultural politics* of neoliberalism, emerging economies surely match neoliberal trends. Middle class consumerism and its attendant features—marketing, commercial media, malls and shopping culture—is a leading trend throughout emerging societies. A headline reads 'Developing countries underpin boom in advertising spending': 'Advertising spending is soaring in the developing world, suggesting that US-style consumerism is alive and well from Brazil and Russia to Saudi Arabia and Indonesia' (Silverman 2005).

If we consider *economic doctrine*, market fundamentalism is widely rejected. If we focus on neoliberal *economics*, the picture is less clear. If neoliberalism refers to *monetarism* and fiscal conservatism (which is contentious), many developing countries are *more* neoliberal than the United States' fiscal profligacy. Monetarism and fiscal conservatism aim to counteract inflation and avoid a deficit and the risk of financial turbulence.

Emerging societies must strike a cautious balance. While throughout the global South it is a cliché that neoliberalism does not work, the international financial markets continue business as usual, so for developing countries dip-lomacy is in order. Deficit countries cannot afford to offend the hegemonic institutions and credit regimes. Most countries must walk the tightrope and remain on reasonably good terms with financial markets and credit rating agencies lest their cost of borrowing and doing business goes up.

These are different reasons than during the 1990s. Then the main consid-erations were debt and dependence on the Washington institutions, which now applies to fewer countries, and a default belief in free market policies as the most dynamic and pro-growth, which has lost adherents since the crises of the 1990s and economic and financial disarray in the United States. If American deficits are crisis prone and inequality in the US is growing sharply, why follow this model? Now emerging economies follow neoliberal policies (in the sense of fiscal conservatism) to *escape* from neoliberalism (in the sense of the vagar-ies of the 'free market').

If neoliberalism refers to *high-exploitation capitalism*, again the picture is mixed. It does not generally apply to the tiger economies, South Korea, Taiwan or Singapore, at least in the sense that they have sizeable public sectors. It does apply to China where migrants from the impoverished countryside have been an essential component in the razor sharp 'China price' and to India where the low wage rural economy and the urban poor support the modern sector with cheap labour, services and produce. Thus inequality has not been a just so circumstance or minor quirk en route to growth, but a fundamental factor in production and in establishing the international competitiveness of several emerging economies. In China this has begun to change since the adoption of the 'harmonious society' policy in 2005. In India high-exploitation capitalism, buttressed by caste in the countryside, continues unabated without major changes in government policy.

'Beating them at their own game' and using market forces to develop while keeping one's identity is a difficult balancing act for competitiveness means conforming to business standards in which, so far, neoliberalism remains a default policy. In effect, this means that existing structures of inequality such as caste or ethnicity are reworked. Besides, domestic politics weigh in such as 'governability' in Brazil where the Ponto (PT) governs with a slim margin and must make coalitions with conservative parties in parliament.

Of the two big stories of 21st century globalization, the gradual Asian and East–South turn is widely recognized, but the deepening rural and urban poverty in emerging societies is not. Business media and pro-market economists engage in emerging markets boosterism. Meanwhile for emerging societies the key to sustainable development is to take the peasantry and the urban poor along. Discussions in emerging societies are about rehabilitating the developmental state (where it has been away), not an authoritarian developmental state but one that is democratic, inclusive and innovative.

Throughout the world, in a 'structure of common differences', interests affiliated with state, market or society shape policy debates (for example, in China see Hui 2003; Kang 1998; Mittelman 2006; Xin 2003). This 'structure of common differences' is crosscut by the varieties of capitalism and the transnational interaction of capitalisms (often referred to as 'globalization'). The varieties of capitalism are different ways of distributing risk and of understanding and negotiating inequality, evolving from historical and cultural legacies, such as caste and communalism in India and race in South Africa and Brazil.

The East–South turn introduces a different vortex of capitalisms. China as workshop of the world competes with other developing countries; not just the US, Europe and Japan see manufacturing jobs go to China, but so do Mexico, Kenya and Bangladesh. Garment workers from Bangladesh to South Africa are

under pressure from Chinese textile exports. In 2005 trade unions in Africa issued a call for action against China, noting '250,000 jobs lost in African clothing, textile and leather industries' (International Textile Garment and Leather Workers Federation [ITGLWF] press release 2005).

A budding debate in China concerns the *harmonious world* or the idea that China's rise should not come at the expense of other developing countries and the world's poor. This is new on the agenda and is not nearly as well developed as the 'harmonious society' and is yet to find a balance with China's other pressing priorities.

Alternatives that were sidelined during the epoch of neoliberal hegemony have taken on new influence and legitimacy since the turn of the millennium. The Beijing consensus—'a model for global development that is attracting adherents at almost the same speed that the US model is repelling them' (Ramo 2004) is an emerging alternative in Asia and the Bolivarian alternative (ALBA) in Latin America. Countries that are financially independent and have relative manoeuvring room such as China because of its size and Venezuela because of its oil wealth are in a strong position to articulate alternatives to neoliberalism. Social market and human development approaches have generally come back on the agenda. Global emancipation hinges on rebalancing the state, market and society, and introducing social cohesion and sustainability into the growth equation. This means that each component changes: the state becomes a civic state, the market a social market and growth turns green.

Note

1. In the background alternative options emerge, such as a comeback of the idea of a strategic triangle of China, Russia and India, which goes back to 1998 (Titarenko 2004).

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8

Dialectics of Globalization: From Theory to Practice

DOUGLAS KELLNER

Globalization continues to be one of the most hotly debated and contested phenomena of the past two decades. A wide and diverse range of social theorists have argued that today's world is organized by accelerating globalization, which is strengthening the dominance of a world capitalist economic system, supplanting the primacy of the nation state by transnational corporations and organizations, and eroding local cultures and traditions through a global culture. Contemporary theorists from a wide range of political and theoretical positions are converging on the position that globalization is a distinguishing trend of the present moment, but there are hot debates concerning its origins, nature, effects and future.[1]

For its defenders, globalization marks the triumph of capitalism and its market economy (see apologists such as Fukuyama 1992; Friedman 1999 and 2005 who perceive this process as positive), while its critics portray globalization as destructive and negative (see Eisenstein 1998; Mander and Goldsmith 1996; Eisenstein 1998; Robins and Webster 1999). Some theorists highlight the emergence of a new transnational ruling elite and the universalization of consumerism (Sklair 2001), while others stress global fragmentation of 'the clash of civilizations' (Huntington 1996). While some argue for the novelties of globalization and even claim it constitutes a rupture in history, others stress continuities with modernity and play down differences and novelties (see Rossi 2007). Driving 'post' discourses into novel realms of theory and politics, Hardt and Negri (2000, 2004) present the emergence of 'Empire' as producing and evolving forms of sovereignty, economy and culture that clash with a 'multitude'

of disparate groups, unleashing political struggle and an unpredictable flow of novelties, surprises and upheavals.

Discourses of globalization initially were polarized into pro or con 'globophilia' that celebrates globalization contrasted to globophobia that attacks it.[2] For critics, 'globophilia' provides a cover concept for global capitalism and imperialism, and is accordingly condemned as another form of the imposition of the logic of capital and the market on ever more regions of the world and spheres of life. For defenders, globalization is the continuation of modernization and a force of progress, increased wealth, freedom, democracy and happiness. Its 'globophilic' champions thus present globalization as beneficial, generating fresh economic opportunities, political democratization, cultural diversity and the opening to an exciting new world. Its 'globophobic' detractors see globalization as harmful, bringing about increased domination and control by the wealthier overdeveloped nations over the poor underdeveloped countries, thus increasing the hegemony of the 'haves' over the 'have nots'. In addition, supplementing the negative view, globalization critics assert that it produces an undermining of democracy, a cultural homogenization, hyper-exploitation of workers and increased destruction of natural species and the environment.

There was also a tendency in some theorists to exaggerate the novelties of globalization and others to dismiss these claims by arguing that globalization has been going on for centuries and there is not that much that is new and different. Some imagine the globalization project——whether viewed positively or negatively——as inevitable and beyond human control and intervention, whereas others view globalization as generating new conflicts and new spaces for struggle, distinguishing between globalization-from-above and globalization-from-below (see Brecher et al. 2000).

Engaging the 'dialectics of globalization', I sketch aspects of a critical theory of globalization that will undercut the opposing globophobic and globophilia discourses in order to discuss the fundamental transformations in the world economy, politics and culture in a dialectical framework that distinguishes between progressive and emancipatory features and oppressive and negative attributes. This requires articulations of the contradictions and ambiguities of globalization, and the ways in which globalization is both imposed from above and yet can be contested and reconfigured from below in ways that promote democracy and social justice. Theorizing globalization, critically and dialectically, involves theorizing it at once as a product of technological revolution and the global restructuring of capitalism in which economic, technological, political and cultural features are intertwined (Best and Kellner 2001; Kellner 2002). From this perspective, one should avoid both technological and economic determinism and all one-sided optics of globalization in favour of a view that theorizes globalization as a highly complex, contradictory and thus ambiguous set of institutions and social relations that takes economic, political, social and

cultural forms. Finally, I focus on the politics of globalization, stressing resistance and oppositional movements to corporate and neoliberal globalization, and sketch a 'cosmopolitan globalization' as an alternative model.

Toward a Critical Theory of Globalization

As the ever-proliferating literature on the topic indicates, the term 'globalization' is often used as a code word that stands for a tremendous diversity of issues and problems that serves as a front for a variety of theoretical and political positions. While it can serve as a legitimating ideology to cover over and sanitize ugly realities, a critical globalization theory can inflect the discourse to point precisely to these phenomena and can elucidate a series of contemporary problems and conflicts. In view of the different concepts and functions of globalization discourse, it is important to note that the concept is a theoretical construct that varies according to the assumptions and commitments of the theory in question. Seeing the term globalization as a construct helps rob it of its force of nature, as a sign of an inexorable triumph of market forces and the hegemony of capital, or, as the extreme right fears, of a rapidly encroaching world government. While the term can both describe and legitimate capitalist transnationalism and supranational government institutions, a critical theory of globalization does not buy into ideological valorizations and affirms difference, resistance, democratic self-determination, and an alternative cosmopolitan globalization against forms of global domination and subordination.

Viewed dialectically, globalization involves both capitalist markets and sets of social relations, *and* flows of commodities, capital, technology, ideas, forms of culture and people across national boundaries via a global networked society (see Appadurai 1996; Castells 1996, 1997 and 1998; Held et al. 1999). The transmutations of technology and capital work together to create a new globalized and interconnected world. A technological revolution involving the creation of a computerized network of communication, transportation and exchange is the presupposition of a globalized economy, along with the extension of a world capitalist market system that is absorbing ever more areas of the world and spheres of production, exchange and consumption into its orbit. From this perspective, globalization cannot be understood without comprehending the scientific and technological revolutions *and* global restructuring of capital that are the motor and matrix of globalization. Many theorists of globalization, however, either fail to observe the fundamental importance of scientific and technological revolution and the new technologies that help spawn globalization, or interpret the process in a technological determinist framework that occludes

the economic dimensions of the imperatives and institutions of capitalism. Such one-sided optics fail to grasp the co-evolution and co-construction of science, technology and capitalism, and the complex and highly ambiguous system of globalization that combines capitalism and democracy, technological mutations, and a turbulent mixture of costs and benefits, gains and losses (Best and Kellner 2001).

In order to theorize the global network economy, one, therefore, needs to avoid the extremes of technological and economic determinism and to see how technology and capitalism have contradictory effects, creating both immense wealth but also conflict and destruction. In addition, globalization is constituted by a complex interconnection between capitalism and democracy, which involves positive and negative features that both empower and disempower individuals and groups, undermining and yet creating potential for fresh types of democracy. Yet most theories of globalization are either primarily negative, presenting it as a disaster for the human species, or as positive, bringing a wealth of products, ideas and economic opportunities to a global arena. Hence, I would advocate development of a critical theory of globalization that would dialectically appraise its positive and negative features. A critical theory is sharply critical of globalization's oppressive effects, sceptical of legitimating ideological discourse, but also recognizes the centrality of the phenomenon in the present age. At the same time, it affirms and promotes globalization's progressive features such as global movements of resistance to corporate and neoliberal globalization, which, as I document below, makes possible a reconstruction of society and more democratic polity.

Consequently, I want to argue that in order to properly theorize globalization one needs to conceptualize several sets of contradictions generated by globalization's combination of technological revolution and restructuring of capital, which in turn generate tensions between capitalism and democracy, and 'haves' and 'have nots'. Within the world economy, globalization involves not only the proliferation of the logic of capital, but also the spread of democracy in information, finance, investing and the diffusion of technology (see Friedman 1999, 2005; Hardt and Negri 2000, 2004). On one hand, globalization is a contradictory amalgam of capitalism and democracy, in which the logic of capital and the market system enter ever more arenas of global life, even as democracy spreads, and more political regions and spaces of everyday life are being contested by democratic demands and forces. But the overall process is contradictory. Sometimes globalizing forces promote democracy and sometimes inhibit it, thus either equating capitalism and democracy, or simply opposing them, are problematical. These tensions are especially evident, as I will argue, in the domain of the Internet and the expansion of new realms of technologically-mediated communication, information and politics.

The processes of globalization are highly turbulent and have generated pro-liferating conflicts throughout the world. Barber (1995) describes the strife between McWorld and Jihad, contrasting the homogenizing, commercialized, Americanized tendencies of the global economy and culture with traditional cultures which are often resistant to globalization. Friedman (1999) makes a more benign distinction between what he calls the 'Lexus' and the 'Olive Tree'. The former is a symbol of modernization, of affluence and luxury, and of Westernized consumption, contrasted with the Olive Tree that is a symbol of roots, tradition, place and stable community. Barber (1995), however, is too negative toward McWorld and Jihad, failing to adequately describe the democratic and progressive forces within both. Although Barber recognizes a dialectic of McWorld and Jihad, he opposes both to democracy, failing to perceive how both generate their own democratic forces and tendencies, as well as opposing and undermining democratization. Within the Western democracies, for instance, there is not just top-down homogenization and cor-porate domination but also globalization-from-below and oppositional social movements that desire alternatives to capitalist globalization. Thus, it is not only traditionalist, non-Western forces of Jihad that oppose McWorld. Like-wise, Jihad has its democratizing forces as well as the reactionary Islamic funda-mentalists who are now the most demonized elements of the contemporary era, as I discuss below. Jihad, like McWorld, has its contradictions and its potential for democratization, as well as elements of domination and destruction (see Kellner 2007).

Friedman (1999, 2005), by contrast, is too uncritical of globalization, caught up in his own lexus, high-consumption life-style, failing to perceive the depth of the oppressive features of globalization, and breadth and extent of resistance and opposition to it. In particular, he fails to articulate contradictions between capitalism and democracy, and the ways that globalization and its economic logic undermines democracy as well as circulates it. Likewise, he does not grasp the virulence of the pre-modern and Jihadist tendencies that he blithely identifies with the Olive tree, and the reasons why globalization and the West are so strongly resisted in many parts of the world. In *The World is Flat*, he focuses on parts of the world that have to some degree benefited from neoliberal globalization, while ignoring regions and groups where it has had negative and destructive effects, documented in cascading stacks of studies and books (Amoore 2005; Hayden and el-Ojeili 2005; Stiglitz 2002).

Hence, it is important to present globalization as an amalgam of both hom-ogenizing forces of sameness and uniformity, *and* heterogeneity, difference and hybridity, as well as a contradictory mixture of democratizing and anti-democratizing tendencies. On the one hand, globalization unfolds a process of standardization in which a globalized mass culture circulates the globe creating sameness and homogeneity everywhere. But globalized culture makes possible

unique appropriations and developments all over the world, thus proliferating hybridity, difference and heterogeneity.[3] Every local context involves its own appropriation and reworking of global products and signifiers, thus proliferating difference, otherness, diversity and variety (Luke and Luke 2000). Grasping that globalization embodies these contradictory tendencies at once, that it can be both a force of homogenization and heterogeneity, is crucial to articulating the contradictions of globalization, and avoiding one-sided and reductive conceptions.

The present conjuncture is thus marked by a conflict between growing centralization and organization of power and wealth in the hands of the few, contrasted with opposing processes exhibiting a fragmentation of power that is more plural, multiple and open to contestation than was previously the case. As the following analysis will suggest, both tendencies are observable and it is up to individuals and groups to find openings for political intervention and social transformation. Thus, rather than just denouncing globalization, or engaging in celebration and legitimation, a critical theory of globalization reproaches those aspects that are oppressive, while seizing upon opportunities to fight domination and exploitation and to promote democratization, justice, and a progressive reconstruction of the polity, society and culture.

Globalization as a Contested Terrain

It is clear from the theoretical debates, what globalization is and what are the actual struggles in the world for and against neoliberal globalization, that globalization is a highly contested terrain that is conflictual, contradictory and open to resistance and democratic intervention and is not just as a monolithic juggernaut of progress or domination as in many discourses. The September 11 terror attacks on the US and the subsequent era of terror war shows that capitalism, technology and democracy do not work smoothly together to create a harmonious and increasingly affluent social order, as Friedman (1999) and others have argued. The events of September 11 and their aftermath dramatically disclose the downsides of globalization, the ways that global flows of technology, goods, information, ideologies and people can have destructive as well as productive effects. The disclosure of powerful anti-Western terrorist networks shows that globalization divides the world as it unifies, that it produces enemies as it incorporates participants. The events disclose explosive contradictions and conflicts at the heart of globalization and that the technologies of information, communication and transportation that facilitate globalization can also be

used to undermine and attack it, and generate instruments of destruction as well as production.

September 11 deflated once and for all the neoliberal and globophilia celebrations of globalization. It was evident that globalization produced intense conflicts, and many Western states, led by the US, created more repressive and authoritarian forms of state–corporate globalization in which the state promoted neoliberalism and the interests of some corporations while repressing its own citizens and generating a police-state and military apparatus. Thus, if 1990s globalization was a form of 'deterritorialization' in which the state ceded power to global corporations and institutions, as well as through the power of an increasingly unregulated market, an authoritarian state returned with a vengeance post-9/11—giving rise to another set of conflicts against repressive corporate–state apparatuses.

Seeing globalization as a contested terrain is advanced by distinguishing between 'globalization-from-below' and the 'globalization-from-above' of corporate capitalism and the capitalist state——a distinction that should help us to get a better sense of how globalization does or does not promote democratization. 'Globalization-from-below' refers to the ways in which marginalized individuals and social movements resist globalization and/or use its institutions and instruments to further democratization and social justice. While on one level, globalization significantly increases the supremacy of big corporations and big government, it can also give power to groups and individuals that were previously left out of the democratic dialogue and the terrain of political struggle. Such potentially positive effects of globalization include increased access to education for individuals excluded from entry to culture and knowledge, and the possibility of oppositional individuals and groups to participate in global culture and politics through gaining access to global communication and media networks and to circulate local struggles and oppositional ideas through these media. The role of new technologies in social movements, political struggle and everyday life forces social movements to reconsider their political strategies and goals and democratic theory to appraise how new technologies do and do not promote democratization (Best and Kellner 2001).

In their book *Empire*, Hardt and Negri (2000) present contradictions within globalization in terms of an imperializing logic of 'Empire' and an assortment of struggles by the multitude, creating a contradictory and tension-full situation. As in my conception, Hardt and Negri present globalization as a complex process that involves a multidimensional mixture of expansions of the global economy and capitalist market system, information technologies and media, expanded judicial and legal modes of governance, and emergent modes of power, sovereignty and resistance.[4] Combining post-structuralism with 'autonomous Marxism', Hardt and Negri stress political openings and

possibilities of struggle within Empire in an optimistic and buoyant text that envisages progressive democratization and self-valorization in the turbulent process of the restructuring of capital.

In *Multitude* (2004), Hardt and Negri valorize the struggles of masses of people against Empire. Many theorists, by contrast, have argued that one of the trends of globalization is depoliticization of publics, the decline of the nation state and end of traditional politics (Boggs 2000). While I would agree that globalization is promoted by tremendously powerful economic forces and that it often undermines democratic movements and decision-making, one should also note that there are openings and possibilities for both a globalization-from-below that inflects globalization for positive and progressive ends, and that globalization can thus help promote as well as destabilize democracy.[5] Globalization involves both a disorganization and reorganization of capitalism, a tremendous restructuring process, which creates openings for progressive social change and intervention as well as highly destructive transformative effects. On the positive ledger, in a more fluid and open economic and political system, oppositional forces can gain concessions, win victories and effect progressive changes. During the 1970s, new social movements, emergent non-governmental organizations (NGOs) and novel forms of struggle and solidarity emerged that have been expanding to create a global opposition to corporate globalization, theorized in Hardt and Negri's concept of multitude and other theories.

Against capitalist globalization-from-above, there have been a significant eruption of forces and subcultures of resistance that have attempted to preserve specific forms of culture and society against neoliberal and homogenizing globalization, and have created alternative forces of society and culture, thus exhibiting resistance and globalization-from-below. Most dramatically, peasant and guerrilla movements in Latin America, labour unions, students and environmentalists throughout the world and a variety of other groups and movements have resisted capitalist globalization and attacks on previous rights and benefits.[6] Several dozen people's organizations from around the world have protested World Trade Organization (WTO) policies and a backlash against globalization is visible everywhere. Politicians who once championed trade agreements like the General Agreement on Tariffs and Trade (GATT) and the North American Free Trade Agreement (NAFTA) are now often quiet about these arrangements.

Since the protests in Seattle and throughout the world against the WTO meeting in December 1999, there has been a mushrooming anti-corporate globalization movement. Behind these actions was a global protest movement using the Internet to organize resistance to the WTO and capitalist globalization, while championing democratization. Many websites contained anti-WTO material and numerous mailing lists used the Internet to distribute critical

material and to organize the protest. The result was the mobilization of cara-
vans from throughout the United States to take protestors to Seattle, many of
whom had never met and were recruited through the Internet. There were also
significant numbers of international participants in Seattle which included
labour, environmentalist, feminist, anti-capitalist, animal rights, anarchist and
other groups organized to protest aspects of globalization, and form new
alliances and solidarities for future struggles. In addition, protests occurred
throughout the world and a proliferation of anti-WTO material against the
extremely secret group spread throughout the Internet.

Furthermore, the Internet provided critical coverage of the event, documenta-
tion of the various groups' protests and debate over the WTO and globalization.
Whereas the mainstream media presented the protests as 'anti-trade', featured
the incidents of anarchist violence against property, while minimizing police
violence against demonstrators; the Internet provided pictures, eyewitness
accounts and reports of police brutality and the generally peaceful and non-
violent nature of the protests. While the mainstream media framed the protests
negatively and privileged suspect spokespeople like Patrick Buchanan as
critics of globalization, the Internet provided multiple representations of the
demonstrations, advanced reflective discussion of the WTO and globalization
and presented a diversity of critical perspectives.

The Seattle protests had some immediate consequences. The day after the
demonstrators made good on their promise to shut down the WTO negotia-
tions, Bill Clinton gave a speech endorsing the concept of labour rights enforce-
able by trade sanctions, thus effectively making impossible any agreement and
consensus during the Seattle meetings. In addition, at the World Economic
Forum in Davos, a month later, there was much discussion of how concessions
were necessary on labour and the environment if consensus over globaliza-
tion and free trade were to be possible. Importantly, the issue of overcoming
divisions between the information rich and poor, and improving the lot of the
disenfranchised and oppressed, bringing these groups the benefits of glob-
alization, were also seriously discussed at the meeting and in the media.

More importantly, many activists were energized by the new alliances, solid-
arities and militancy, and continued to cultivate an anti-globalization move-
ment. The Seattle demonstrations were followed by April 2000 struggles in
Washington DC, to protest the World Bank and International Monetary Fund
(IMF), and later in the year, against capitalist globalization in Prague and
Melbourne; in April 2001, an extremely large and militant protest erupted
against the Free Trade Area of the Americas summit in Quebec City; and in
summer 2001, a large demonstration took place in Genoa.

Since 9/11, the anti-globalization movement has increasingly become asso-
ciated with targeting the militarist policies of the Bush and Blair administrations

as a part of a growing anti-war grass-roots movement. In May 2002, a surprisingly large demonstration took place in Washington against capitalist globalization and for peace and justice, and it was apparent that a new worldwide movement was in the making that was uniting diverse opponents of capitalist globalization throughout the world. Indeed, on 15 February 2003, an anti-war/globalization protest was convened that brought together an estimated 15 million people in some 60 countries worldwide, which resulted in media outlets such as the *New York Times* referring to the unprecedented resistance as the 'other superpower'.

The anti-corporate globalization movement favoured globalization-from-below, which would protect the environment, labour rights, national cultures, democratization and other goods from the ravages of an uncontrolled capitalist globalization (see Brecher et al. 2000; Falk 1999; Steger 2002). Initially, the incipient anti-globalization movement was precisely that——anti-globalization. The movement itself, however, was increasingly global, was linking together a diversity of movements into global solidarity networks, and was using the Internet and instruments of globalization to advance its struggles. Moreover, many opponents of capitalist globalization recognized the need for a global movement to have a positive vision and be for such things as social justice, equality, labour, civil liberties and human rights, and a sustainable environmentalism. Accordingly, the anti-capitalist globalization movement began advocating common values and visions.

In particular, the movement against capitalist globalization used the Internet to organize mass demonstrations and to disseminate information to the world concerning the policies of the institutions of capitalist globalization. The events made clear that protestors were not against globalization per se, but were against neoliberal and capitalist globalization, opposing specific policies and institutions that produce intensified exploitation of labour, environmental devastation, growing divisions among the social classes and the undermining of democracy. The emerging anti-globalization-from-above movements are contextualizing these problems in the framework of a restructuring of capitalism on a worldwide basis for maximum profit with zero accountability and have made clear the need for democratization, regulation, rules and globalization in the interests of people and not profit.

The new movements against corporate globalization have thus placed the issues of global justice and environmental destruction squarely in the centre of important political concerns of our time. Hence, whereas the mainstream media had failed to vigorously debate or even report on globalization until the eruption of a vigorous anti-globalization movement, and rarely, if ever, critically discussed the activities of the WTO, World Bank and IMF, there is now a widely circulating critical discourse and controversy over these institutions. Stung by criticisms, representatives of the World Bank, in particular, are pledging reform and pressures are mounting concerning proper and improper roles for the

major global institutions, highlighting their limitations and deficiencies and the need for reforms like debt relief from overburdened developing countries to solve some of their fiscal and social problems.

To capital's globalization-from-above, members of global social movements and cyber-activists have thus been attempting to carry out globalization-from-below, developing networks of solidarity and propagating oppositional ideas and movements throughout the planet. To the capitalist international of transnational corporate-led globalization, a Fifth International, to use Waterman's phrase (1992), of computer-mediated activism is emerging, that is qualitatively different from the party-based socialist and communist Internationals. Such networking links labour, feminist, ecological, peace and other anti-capitalist groups, providing the basis for a new politics of alliance and solidarity to overcome the limitations of postmodern identity politics (see Burbach 2001; Dyer-Witheford 1999).

And so, to paraphrase Foucault, wherever there is globalization-from-above, globalization as the imposition of capitalist logic, there can be resistance and struggle. The possibilities of globalization-from-below result from transnational alliances between groups fighting for better wages and working conditions, social and political justice, environmental protection, and more democracy and freedom worldwide. In addition, a renewed emphasis on local and grassroots movements have put dominant economic forces on the defensive in their own backyard and often the broadcasting media or the Internet have called attention to oppressive and destructive corporate policies on the local level, putting national and even transnational pressure upon major corporations for reform. Moreover, proliferating media and the Internet make possible a greater circulation of struggles and the possibilities of new alliances and solidarities that can connect resistant forces who oppose capitalist and corporate-state elite forms of globalization-from-above (Dyer-Witheford 1999).

In a certain sense, the phenomena of globalization replicates the history of the US and most so-called capitalist democracies in which tension between capitalism and democracy has been the defining feature of the conflicts of the past 200 years. In analysing the development of education in the United States, Bowles and Gintis (1986) and Aronowitz and Giroux (1993) have analysed the conflicts between corporate logic and democracy in schooling; McChesney (1993 and 2000), (Kellner 1990 and 2005), and others have articulated the contradictions between capitalism and democracy in the media and public sphere; while Cohen and Rogers (1983) and many others are arguing that contradictions between capitalism and democracy are defining features of the US polity and history.

On a global terrain, Hardt and Negri (2000) have stressed the openings and possibilities for democratic transformative struggle within globalization, or what they call Empire. I am arguing that similar arguments can be made in which globalization is not conceived merely as the triumph of capitalism

and democracy working together as it was in the classical theories of Milton Friedman or more recently in Francis Fukuyama. Nor should globalization be depicted solely as the triumph of capital as in many despairing anti-globalization theories. Rather, one should see that globalization unleashes conflicts between capitalism and democracy and in its restructuring processes create new openings for struggle, resistance and democratic transformation.

I would also suggest that the model of Marx and Engels as deployed in the 'Communist Manifesto' could also be usefully employed to analyse the contradictions of globalization (Marx and Engels 1978: 469*ff.*). From the historical materialist optic, capitalism was interpreted as the greatest, most progressive force in history for Marx and Engels, destroying a backward feudalism, authoritarian patriarchy, backwardness and provincialism in favour a market society, global cosmopolitanism and constant revolutionizing of the forces of production. Yet in the Marxian theory, so too was capitalism presented as a major disaster for the human race, condemning a large part to alienated labour, regions of the world to colonialist exploitation and generating conflicts between classes and nations, the consequences of which the contemporary era continues to suffer.

Marx deployed a similar dialectical and historical model in his later analyses of imperialism arguing, for instance, in his writings on British imperialism in India, that British colonialism was a great productive and progressive force in India at the same time it was highly destructive (Marx and Engels 1978: 653*ff.*). A similar dialectical and critical model can be used today that articulates the progressive elements of globalization in conjunction with its more oppressive features, deploying the categories of negation and critique, while sublating (*Aufhebung*) the positive features. Moreover, a dialectical and trans-disciplinary model is necessary to capture the complexity and multidimensionality of globalization today that brings together in theorizing globalization, the economy, technology, polity, society and culture, articulating the interplay of these elements and avoiding any form of determinism or reductivism.

Theorizing globalization, dialectically and critically, requires that we both analyse continuities and discontinuities with the past, specifying what is a continuation of past histories and what is new and original in the present moment.[7] To elucidate the latter, I believe that the discourse of the postmodern is useful in dramatizing the changes and novelties of the mode of globalization. The concept of the postmodern can signal that which is fresh and original, calling attention to topics and phenomena that require novel theorization, and intense critical thought and inquiry. Hence, although Manuel Castells has the most detailed analysis of new technologies and the rise of what he calls a networked society, by refusing to link his analyses with the problems of the postmodern, he cuts himself off from theoretical resources that enable

theorists to articulate the novelties of the present that are unique and different from the previous mode of social organization.[8]

Consequently, although there is admittedly a lot of mystification in the discourse of the postmodern, it signals emphatically the shifts and ruptures in our era, the novelties and originalities, and dramatizes the mutations in culture, subjectivities and theory which Castells and other theorists of globalization or the information society gloss over. The discourse of the postmodern in relation to analysis of contemporary culture and society is just jargon, however, unless it is rooted in analysis of the global restructuring of capitalism and analysis of the scientific-technological revolution that is part and parcel of it (see Best and Kellner 1997 and 2001).

Globalization should, thus, be seen as a contested terrain with opposing forces attempting to use its institutions, technologies, media and forms for their own purposes. There are certainly negative aspects to globalization which strengthen elite economic and political forces over and against the underlying population, but, as I suggested above, there are also positive possibilities. Other beneficial openings include the opportunity for greater democratization, increased education and health care, and new opportunities within the global economy that open entry to members of races, regions and classes previously excluded from mainstream economics, politics and culture within the modern corporate order.

For a Cosmopolitan Globalization

The first stage of the anti-corporate globalization movement was largely negative and against corporate globalization and neoliberalism. But pursuing the need for an alternative vision and an answer to TINA (There Is No Alternative, that is, to corporate globalization), in the past years, the search has been for alternative or other globalizations, providing positive visions of what a more democratic, just, ecological and peaceful globalization could be, and how to attain it or at least move beyond the disastrously flawed and largely failed neoliberal vision.

A critical theory of globalization and dialectical emancipatory vision thus needs to not only develop a critique of neoliberal or corporate globalization and analyze its contradictions, but needs to project a positive ideal of alternative globalizations. Resistance and struggle against corporate globalization needs to have a positive ideal of what kind of globalization to struggle for since we are fated to live in a global world. Different societies and groups will, of course, have different alternative versions and strategies in mind but, in conclusion, I want to suggest that corporate and neoliberal globalization could be opposed by alternative globalizations that are multipolar and multilateralist, involving

autonomous partners and alliances that are radically democratic and eco-logical. Such a cosmopolitan globalization would include NGOs, social move-ments and popular institutions, as well as states and global institutions like the UN. A democratic and multipolar globalization would be grounded philo-sophically in Enlightenment cosmopolitanism, democratic theory, human rights and ecology, drawing on notions of a cosmos, eikos, global citizenship and genuine democracy.[9]

The need for cosmopolitan globalization shows the limitations of one-sided anti-globalization positions that dismiss globalization out of hand as a form of capitalist or US domination. Taking this position is admitting defeat before you've started, conceding globalization to corporate capitalism and not articulating contradictions, forms of resistance and possibilities of democracy grounded in globalization itself. Rather, an US-dominated or corporate glob-alization represents a form of neoliberal globalization which, interestingly, Wallerstain (2004: 18) claims is 'just about passé'. The argument would be that Bush administration's unilateralism has united the world against US policies, so that the US can no longer push through whatever trade, economic or military policies that they wish without serious opposition. Wallerstein points to the widely perceived failures of the IMF and WTO policies, the collapse of Cancun and Miami trade meetings that ended with no agreement as strongly united so-called southern countries opposed US trade policy, and, finally, global oppos-ition to the Bush administration Iraq intervention. He also points to the rise of the World Social Forum as a highly influential counterpoint to the Davos World Economic Forum, which has stood as an organizing site for a worldwide anti-neoliberal globalization movement (see Hardt 2002).

A cosmopolitan globalization would overcome the one-sidedness of a nation state and national interest dominant politics and recognize that in a global world the nation is part of a multilateral, multipolar, multicultural and transnational system. A cosmopolitan globalization driven by issues of multipolarism, multilateralism, democratization and globalization-from-below would embrace women's, workers' and minority rights, as well as strong ecological perspectives. Such cosmopolitan globalization thus provides a worthy way to confront challenges of the contemporary era ranging from inequalities between haves and have-nots to global warming and environmental crisis.

The Bush/Cheney administration intervention in Iraq showed the limitations of militarist unilateralism and that in a complex world it is impossible, despite awesome military power, for one country to rule in a multipolar globe (Kellner 2005). The failures of Bush/Cheney administration policy in Iraq suggest that unilateralist militarism is not the way to fight international terrorism, or to deal with issues such as 'weapons of mass destruction', but is rather the road to an Orwellian nightmare and era of perpetual war in which democracy and

freedom will be in dire peril and the future of the human species will be in question. The future of the human race thus demands concepts of cosmopolitan globalization and the renunciation of Empire and militarism.

Notes

1. This article draws on my previous studies of globalization, especially Best and Kellner (2001); Cvetkovich and Kellner (1997); Kellner (1998, 2002 and 2007).

2. What now appears at the first stage of academic and popular discourses of globalization in the 1990s tended to be dichotomized into celebratory globophilia and dismissive globophobia. There was also a tendency in some theorists to exaggerate the novelties of globalization and others to dismiss these claims by arguing that globalization has been going on for centuries and there is not that much that is new and different. For an excellent delineation and critique of academic discourses on globalization, see Steger (2002).

3. For example, as Ritzer argues (1993, revised edition 1996), McDonald's imposes not only a similar cuisine all over the world, but circulates processes of what he calls 'McDonaldization' that involve a production/consumption model of efficiency, technological rationality, calculability, predictability and control. Yet as Watson (1998) argues, McDonald's has various cultural meanings in diverse local contexts, as well as different products, organization and effects. Yet the latter goes too far toward stressing heterogeneity, downplaying the cultural power of McDonald's as a force of a homogenizing globalization and Western corporate logic and system; see Kellner (1999 and 2003a).

4. While I find *Empire* an impressive and productive text, I am not sure, however, what is gained by using the word 'Empire' rather than the concepts of global capital and political economy and 'multitude' in place of traditional class and sociological categories. While Hardt and Negri combine categories of Marxism and critical social theory with poststructuralist discourse derived from Foucault and Deleuze and Guattari, they frequently favour the latter, often mystifying and obscuring the object of analysis. I am not as confident as Hardt and Negri that the 'multitude' replaces traditional concepts of the working class and other modern political subjects, movements and actors, and find the emphasis on nomads, 'New Barbarians' and the poor as replacement categories problematical. Nor am I clear on exactly what forms their poststructuralist politics would take. The same problem is evident, I believe, in an earlier decade's provocative and post-Marxist text by Laclau and Mouffe (1985), who valorized new social movements, radical democracy and a post-Socialist politics without providing many concrete examples or proposals for struggle in the present conjuncture.

5. I am thus trying to mediate in this chapter between those who claim that globalization simply undermines democracy and those who claim that globalization promotes democratization like Friedman (1999 and 2005). I should also note that in distinguishing between globalization-from-above and globalization-from-below, I do not want to say that one is good and the other is bad in relation to democracy. As Friedman (1999) shows, capitalist corporations and global forces might very well promote democratization in many arenas of the world, and globalization-from-below might promote special interests or reactionary goals, so I am criticizing theorizing globalization in binary terms as primarily 'good' or 'bad'. While critics of globalization simply see it as the reproduction of capitalism, its champions, like Friedman, do not perceive how globalization undercuts democracy. Likewise, Friedman does not engage the role of new social movements, dissident groups or the 'have nots' in promoting democratization. Nor do concerns for social justice, equality and participatory democracy play a role in his book.

6. On resistance to globalization by labour, see Moody (1988 and 1997); on resistance by environmentalists and other social movements, see the studies in Mander and Goldsmith (1996).

7. On debates over continuity versus discontinuity in globalization theories, see Rossi 2007. Rossi polemicizes against those who claim that contemporary globalization constitutes a radical rupture with the past and that therefore radically new theories are necessary. I argue for a dialectic of continuity and discontinuity in theorizing globalization and thus argue that while past theories can be of use in theorizing globalization we also need new theories and concepts to theorize its novelties (Kellner 2002 and 2007). On the conjunctions between globalization and the postmodern and debates over the latter, see Best and Kellner (2001); Harvey (1989); Jameson (1991) and Kellner (1998).

8. Castells claims that Harvey (1989) and Lash (1990) say about as much about the postmodern as needs to be said (1996: 26*ff.*). With due respect to their excellent work, I believe that no two theorists or books exhaust the problematic of the postmodern which involves mutations in theory, culture, society, politics, science, philosophy and almost every other domain of experience and is thus inexhaustible Best and Kellner (1997 and 2001). Yet one should be careful in using postmodern discourse to avoid the mystifying elements, a point made in the books just noted as well as by Hardt and Negri 2000.

9. On cosmopolitanism, see Cheah and Robbins (1998) and special issue of *Theory, Culture & Society* on cosmopolis, Vol. 19(1–2), February–April 2002.

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9

Policing Anti-globalization Protests: Patterns and Variations in State Responses

TOMÁS MAC SHEOIN AND NICOLA YEATES

Police in black fatigues and riot gear or unidentifiable under tinted visors or masks are, like it or not, a statement about the state of democracy. (de Lint 2005: 189)

Introduction: Mayday in Dublin

If you were to believe the newspapers, on Mayday 2004, Dublin was faced with grave dangers. The European summit to welcome the new accession members was to take place in the Phoenix Park, Dublin. The local Dublin Grassroots Network announced plans for protests against the summit meeting. The local media had a field day: the local edition of the *News of the World* on 4 April warned 'Anarchist army plot bloodbath in Ireland', while *Ireland on Sunday* 'revealed' that 'stockpiles of weapons have been stashed by anarchists at secret locations across Ireland.' The *Sunday Business Post* carried a warning on 25 April from a senior police source that a hardcore of anti-globalization activists might attack a major shopping centre. The *Star* carried a report on 25 April under the headline 'Gardai [Irish police] told 2000 key rioters are on way for May Day madness', with a sub-headline of 'Anarchists ready for battle on the streets'. The main report revealed police expected 15,000 foreign protesters to arrive for the demonstration.

No official police or government spokespersons were cited in these stories. Indeed, despite requests from the demonstration organizers for police to provide clarification of police plans, in particular in relation to reported arming of police (the Irish police is an unarmed force), the police plans were finally released three days before the march, not in an official statement, but in a television report. These included plans to ban the march, by placing the riot squad at the announced place of assembly of the march, without actually informing the organizers officially. The Phoenix Park was also closed for the first time in its history, while some 5,000 police were mustered to guard the summit, along with specialist army, navy and air force detachments.

On the weekend of the summit, the foreign hordes failed to descend on Dublin; no supermarkets were attacked and no anarchist bloodbath took place. If media reports such as those cited above have two main aims, to justify police repression and to deter people from participating in actions, in the latter, at least, the media demonization campaign was unsuccessful: some 5,000 demonstrators marched to the site of the summit, stopping 200 yards from a blockade staffed by uniformed police, in line with the organizers' stated non-confrontational strategy. A small group left the main march and approached the blockade, where the uniformed police were swiftly replaced by riot police assisted by water cannon. The water cannon was used; some protesters sat on the road, some danced in the water from the cannon and others held their hands in the air, calling out 'this is a peaceful protest'. The riot police advanced (resulting in scuffles), injuring some protesters and arresting others, mainly those who sat on the road at the first sign of police violence in order to lower tension and prevent panic. The march fell back on the centre of the city, followed by the riot squad, who simulated baton charges against an obviously retreating crowd. Only the discipline of the organizers and marchers prevented a panic from ensuing. This was reported in the media as a riot. A small number of demonstrators, all of them Irish, faced charges after the march. Some were denied bail on minor charges, a denial continued the following week until an appeal to the High Court obtained their release.[1]

A New Pattern of Summit Policing?

What occurred in Dublin followed a pattern that, with various amendments, has emerged as the way in which states and police forces manage summit protests by the anti-globalization movement (AGM). This pattern involves some or all of the following tactics: denying protesters physical access to the site or city or

even the country in which the summits are held; increasing the use of physical and geographical barriers to isolate summits from possible protests through the creation of no-go areas and the physical fortification of summit sites; moving summits to remote geographical areas where mass protest is next to impossible; media campaigns of delegitimization and demonization; attempted creation of division between 'good' and 'bad' protestors both in the media and on the ground; pre-emptive arrests; increased surveillance and harassment of political activists and activities; military assistance; freeing prison cells before the protest in anticipation; calling on neighbouring jurisdiction's police force for assistance; suspension of political and democratic rights; suspension of freedom of travel by blocking borders; blocking marches from taking place or blockings groups from marching; ill-treatment of detainees in prison or police cells; police provocation or infiltration and media management through embedding reporters. These tactics go beyond traditional notions of policing protests: we might better describe them as a pattern of state management of summit protests as they go beyond physical policing on the day of the protest, to policing the public image of the protest/ors, anticipatory image management, and an assault on civil and political liberties.

The arrival of the AGM was manifested in a new wave of protests involving innovatory protests whose target was the summit meetings of a variety of international bodies and institutions. In response, a new pattern of state management of these protests has developed which goes beyond traditional methods of protest policing. This chapter attempts to delineate this new pattern of state management of political dissent by examining a wide range of anti-summit protests from a variety of jurisdictions, noting national and regional variations in these state responses.

The discussion is structured in two main parts. The first part looks at general aspects of policing the AGM, while the second looks at policing strategies across five continents. In the remainder of this opening section we shall briefly expand on some characteristics of recent summit policing, struggles over public space, media delegitimization campaigns, the extension of terrorism discourse to political dissent, military involvement and the use of embedded police as agents provocateurs. It then turns to discuss whether these tactics herald a transition to a new model of policing popular protests and the diffusion of a new public order management system (POMS). This first section concludes with an examination of one of these characteristics——the media treatment of AGM summit protests, looking in particular at the construction of anti-capitalist activists as 'folk devils'. The second section of the chapter turns to an empirical examination of summit policing across five continents—North America, Europe, Latin America, Asia and Africa. In particular, we look at policing strategies in peripheral countries, allowing us to supplement existing

accounts of policing of the AGM which are hampered by being confined to protest policing in core countries.

Struggle for Public Space

Some conceptualize this in terms of battles to control public space (Noakes et al. 2005). In response to this contestation the state attempts to pre-empt the battle by cordoning off space in advance. Thus the declaration of a state of emergency in Seattle gave the Mayor special powers which he used to create a 25-block 'no protest zone' around the Convention Centre and later, to call a dusk to dawn curfew in Seattle city centre. Similarly, in preparation for the Free Trade Area of the Americas (FTAA) April 2001 meeting in Quebec City, the Canadian authorities closed down public space in advance, erecting a 4-km long, 3-m high fence of steel and concrete, with security passes to this gated exclusion zone issued only to delegates and local residents. National borders were closed to many intending demonstrators from the United States (US) and Latin American countries.

These attempts to create no-go areas involve fencing off an area which was previously public and refusing both public and protestors access, or providing access only to those cleared by police. This involves the creation of a temporary gated community. The no-go area may be total, as was attempted in the relocation of summits to geographically inaccessible areas (as in Kananaskis [Canada] and Gleneagles [Scotland]) or authoritarian countries where traditionally no open political dissent is tolerated (as in Qatar, Singapore and St Petersburg [Russia]). However, geographical inaccessibility does not guarantee the absence of protest. While the tactic might have been successful at Kananaskis, it did not prevent protest at Gleneagles, nor at Heligendamm in Germany. Furthermore, the creation of no-go areas can lead to relocation, outsourcing or off-shoring of protests. One example is the Word Economic Forum (WEF) protests in 2006, when, for the first time in the 34-year history of the summit, protests were held outside Davos due to its being 'under police occupation during this entire period', according to a spokesperson for the Swiss Green party. Here police preconditions for holding a protest in Davos included submitting to police searches before entering the area and being registered on a list of 'extremists' compiled by the Swiss federal police (Capdevila 2006). The creation of a no-go area can be accompanied by the creation of a controlled, permitted, limited or official protest zone. This zone may be miles away from the summit location. Finally, we should note that this removal or erosion of public forum may be seen as an expression of the privatization and corporatization of public space under neoliberalism.

Media Campaign of Legitimization and Demonization

Well before a summit, a media campaign begins to justify policing measures and expense by warning of the dangers posed by protests, which may include outlandish threats. Often this media campaign will raise fears about 'outside agitators', invoking nationalistic and xenophobic emotions against foreigners. In Dublin, this was expressed as a concern over the possible arrival of European anarchists and English WOMBLES, in Hong Kong it related to Korean farmers. This campaign can involve the creation of moral panic about folk devils such as anarchists or terrorists.

Extension of Terrorism Discourse to include Domestic Political Dissent

We have also seen over the last decade the extension of the terrorist label to political dissent, beginning with animal rights, extending to militant environmental activity and finally to the AGM. As Dunn notes, in the US 'it has been alarming to witness the extent to which the government has sought to conflate the right to protest with the threat of terrorism' (Dunn 2005: 356), while in Europe there has also been an attempt to equate the AGM with terrorism: 'Security forces in Europe…say they face an urban guerrilla movement and must use stern measures to stop it' (Philipps and Trofimov 2001: 1). In England the state's responses to the new environmental activism of the 1990s involved 'the inclusion of largely peaceful actions in the definition of terrorism' (Donson et al. 2002: 12) based on the Consultation Paper on Terrorism Legislation (1998) which 'raised the prospect that environmental activists might, at some future point, change their activities and take on the more serious and dangerous actions of "terrorism". However, no evidence was offered in support of this position' (Donson et al. 2002).

National histories have been important in this use of terrorist labelling. The variations in the police use of the terrorist tag showed the influence of national histories. Two European countries with histories of urban guerrilla groups during the 1960s and 1970s—Germany and Italy—used the terrorism frame, while others who had similar groups—Belgium and France—felt no need for it. The German G8 policing went further than most in using the terrorist threat, justifying a number of pre-emptive raids on AGM groups before Heligendamm in 2007 by alleging that opponents of G8 had created a new terrorist organization: this resonated with historical precedent in which the German state used

the terrorist threat to reduce political conflict to problems of law and order (Cobler 1978). For the Italians, a few letter bombs to ratchet up tension prior to Genoa and the use of right-wing groups and agents provocateurs at Genoa recalls the strategy of tension in the 1970s (Sanguinetti 1982).

Military Involvement

The last decade has also seen an increased militarization of policing: for the Cophenhagen (Denmark) European Union (EU) summit in 2002, for example, 'Danish military forces were directly involved in the preparation for the EU summit meeting, to the extent that they enclosed the conference centre with a man(*sic*)-high barbed wire fence, three kilometres long' (Bjork 2005: 317). Military interest is, of course, inevitable in the case of opposition to military summits, such as NATO summits.[2] There has also been transnational military involvement, for example, in Kananaskis, Canada, where 'securing the airspace' over the summit involved cooperation between the Canadian Forces and US North American Aerospace Defense Command (NORAD) (Barr 2004).

Militarization has also included increased cooperation between police and military intelligence agencies and operations, as in the Swiss response at the Evian summit which 'led to a close and intensive co-operation of the intelligence services of the Department of Defence and the Department of Police' (Federal Office of Police 2003: 3). As well as military intelligence, state security services have made the AGM an object of investigation (see, for example, Canadian Security Intelligence Service [CSIS] 2000). Since September 11 there has been increased use of anti-terrorism tactics as an excuse for a military response to summit demonstrations (for example, surface to air missiles in Genoa [Italy]), as well as alleged concern that terrorists would use the cover of AGM demonstrations to attack. The need for militarization is increased at all summits at which US President Bush is present: thus opposition to many summits co-mingles opposition to war and Bush as warmonger with opposition to other summit organizations' policies.

Agents Provocateurs and Embedded Police

We should also expect that particular tactics will be transferred wholesale from one policing style to another. Thus, just as undercover agents and agents provocateurs were widely used in the 1960s and 1970s, the current policing of the

AGM involves the use of these agents. As well as these various overt methods, police agencies have also responded to AGM protests by covert methods such as the use of informants and agents provocateurs. Regrettably this is an under-researched area of social science, criminologists and social scientists seemingly preferring to research the crimes of the powerless than the powerful. Yet, the classic analysis by Marx (1974) provided a detailed account of the use of such agents in the protest cycle of the 1960s and 1970s in the US. Understandably the police and the state are not forthcoming with information on this aspect of their social control methods. Nevertheless one should expect the use of such agents to be widespread. Rather than attempt an overview, we simply provide two examples.

At the 2007 G8 Heligindamm demonstrations in Germany, on the day that demonstrators took to the fields around the convention site, four agents dressed as Black Bloc were unmasked by demonstrators: 'as the line of cops took up position nearby, it was these four who started picking up stones from between the railroad tracks and lobbing them over the police and shouting 'Get the bulls!' (Grossman 2007). A genuine Black Bloc demonstrator recognized one of the four as the policeman who arrested him in Bremen the previous year, and he and others attempted to apprehend the four trouble-makers. Two of the four escaped through police lines, one disappeared and the policeman who was identified was roughed up before members of the demonstration legal team rescued him and delivered him to the safety of the police line. The result of this generosity was only to be expected: 'Although this episode ended the stone throwing, the police started up with their water cannon anyway, excuse or no excuse' (Grossman 2007).

The second example is useful both because of the blatancy of the police provocation and because of its disappearance from foreign media coverage. The setting is Barcelona in June 2001 when some 50,000 people marched against the World Bank summit on world poverty. When demonstrators entered Placa Catalunya square, police baton charged the crowd and fired rubber bullets after a pretend fight by police provocateurs, leading to 32 injuries and 22 arrests. The original Associated Press story reported:

> Protesters said the police staged a fight on the edge of the demonstration in order to draw in protesters and use the fight as a pretext to charge the crowd. A second charge emptied the park within minutes.
>
> Reporters saw a group of men and women in masks gathered on the fringes of the demonstration in the park. Some wore earphones, and though carrying sticks they were able to walk freely past police, pull on their masks and position themselves between police and protesters.
>
> One man in the group grabbed another and pulled him to the ground, and other members of the group began kicking and slugging each other. When demonstrators saw what was going on and joined the fight, the police charged into the

park. The masked men and women involved in the scuffle walked through police lines and boarded vans.

    A reporter asked one of them if they were police. He at first said yes, and then said no, before walking by police to the vans. (Martorell 2001)

While the report went out on the AP newswire, it was hardly picked up by media outside Spain. In one case where it was, it appeared on the *Guardian* website on Sunday 24 June. By Monday, the reference to police provocation had unaccountably disappeared, and the printed edition and the website now provided a stereotyped story about protester violence (Martorell 2001).

Accounting for Summit Policing

From Negotiated Management to Strategic Incapacitation

Some analysts of the recent policing of summit protests argue that it illustrates a transition from a previous protest policing model of 'negotiated management' of protests to a new model of 'strategic incapacitation' or 'command and control'. The first of these models is described by Ericson and Doyle (1999: 591) thus:

> A departure from more heavy-handed protest policing styles of the 1960s and 1970s, negotiated management strives to avoid coercive intervention through an emphasis on peacekeeping rather than strict law enforcement, and through the increasing formalization of negotiation between police and protest organizers…

while Vitale (2005: 286) notes 'The new approach called for the protection of free speech rights, toleration of community disruption, ongoing communication between police and demonstrators, avoidance of arrests, and limiting the use of force to situations where violence is occurring'. The new model has been seen as a return to the previous model of 'escalated force', or as a 'strategic incapacitation' (Hadden and Tarrow 2006; Noakes and Gillham 2006) or a 'command and control' (Vitale 2005) model of protest policing. The major impetus for this change in policing has been the emergence of new protestors with a new action repertoire (Borum and Tilby 2005; Button et al. 2002), challenging the agreements that underlie 'negotiated management' of protest.[3] Thus, a new policing repertoire is formulated to match changes in protest repertoires. McCarthy et al. suggest the diffusion of protest and social control repertoires are coterminous and interlinked (McCarthy et al. 1999: 93).

While a new global pattern of policing appears to be emerging, national and local variations, traditions, policing styles and histories continue to be of importance. With the diffusion of new POMS comes adaptation to local traditions of policing and protest. Even on a regional basis, variations occur. Here North America is a good example. While the growth of policing in the US led to the 'Miami model' (see the section on '*From Policing Protest to Chilling Dissent*'), in Canada, despite the Quebec example, policing of other AGM protests has been low-key, as in those at cities near Kananaskis. Nor does Asia show uniformity—while Qatar prevented protest; Singapore allowed only highly regulated protest; Hong Kong allowed less regulated protest while other countries encountered more militant protest.

Nor is a lack of uniformity in regulation and management of protests confined to continents or even nations. Given that summit protests involve a diversity of protesters, police respond by treating different groups differently: one decisive factor is the relative institutionalization of the groups being policed. 'At the Summit of the Americas at Quebec City (April 2001) and at the Organization of American States (OAS) Meeting at Windsor (June 2000), for example, unions acted and were treated differently by police than unaligned youths and demand groups' (de Lint 2005: 181). Similar evidence of the variety of police reactions to different constituents of AGM summit protests are noted below in the case of Gleneagles (see the section on policing summits) and Washington, DC (see the section on Washington, DC September 2001 p. 214). Differences in police treatment of AGM protests can also be 'related to police experience, organizational culture, political culture, the activity of civic institutions and the relative authority of authority according to the nature of the political and social consensus' (de Lint 2005: 190).

Just as national and regional variations exist in the AGM, so national and regional variations will appear in responses to summit protests. Indeed just as some analysts previously appeared to conflate the Western or a national expression of the AGM with the AGM itself (thus ignoring the AGM in southern countries) (Mac Sheoin and Yeates 2006), so the description of new policing patterns in North America and Western Europe ignores the policing of AGM protests in peripheral countries/the South, where perhaps there was never negotiated management of protests in the first place.

Diffusion of POMS

The diffusion of POMS involves the adoption of new policing technologies and tactics. There have been large changes in police technologies in the past

four decades with introduction of sophisticated communication technologies, defensive technologies (helmets, Plexiglass face masks and body shields, protective clothing) and offensive technologies (batons, tear gas, rubber bullets, specialized firearms, less-lethal weapons) (McCarthy et al. 1999: 74; BSSRS 1985).

In the US context, McCarthy et al. note POMS are diffused through professional associations, police associations and legal associations. The International Association of Police Chiefs now has a section devoted to policing crowds and holds panel discussions on the subject at its annual meetings (McCarthy et al. 1999: 94). POMS can also be diffused through structured training courses. McCarthy et al. draw attention to a civil disturbance orientation course, SEADOC, which was developed by the US Army Military Police School at the request of the Department of Justice and the Department of Army for civilian police officers at the end of the 1960s to at least 1978, which provided instruction to an estimated 10,000 persons.

Following Seattle, the US Attorney General established a Civil Disorder Initiative (CDI) to respond to the new wave of demonstrations. The CDI established a National Working Group (NWG), which brought together representatives of federal, state and local law enforcement agencies, fire services, experts in community and media relations, emergency management agencies, and military and related professional organizations to provide model training programmes. 'The NWG also provides onsite technical advisors to help jurisdictions plan and prepare for special events and civil disorders' (Beasley et al. 2000: 121). Perhaps a similar role is currently being played by the Homeland Security Office of Domestic Preparedness course, Managing Civil Actions in Threat Incidents (MCATI), which has been provided to many police departments throughout the US.

Just as the new POMS are diffused in the US through training courses, so the US POMS is diffused to some foreign countries through training courses. For example, during April and May 2001, the US Embassy in Jakarta, Indonesia, organized a 3-week training course for 45 members of the East Java Regional Police Command on techniques

> …to cope with riots and mobs. Sponsored by the International Criminal Investigation Training Assistance Program (ICITAP) of the United States Justice Department, the training also covered techniques to overcome civil disorder, mass rallies, snipers and violent resistance, along with legal aspects dealing with those involved in social disorder. (Antara 2001)

Similarly, US and French security specialists trained Mexican elite forces in preparation for the Latin American and Caribbean–European Union summit in Guadalajara, Mexico in May 2004 (Anon 2004). Finally, the elite Italian police unit that attacked the Diaz School, headquarters of the Genoa Social Forum, had been trained for four months by two Los Angeles police sheriffs

(Reuters 2001). In Europe similar information channels exist through Interpol and other international contacts, especially through police attending protests in other cities.

Of course POMS, while useful, is not sufficient in understanding these developments since what is involved is more than a simple technical question of maintaining public order. The AGM is a political as well as a public order challenge and thus the response to the AGM needs to be political also. The general state response has been to repress and attempt to divide the movement into 'good' and 'bad' protesters. This has involved an increase in police attacks on demonstrators as part of a policy of criminalization of dissent. The resultant increase in police violence can be understood as an attempt to increase the costs of taking part in the protests while also attempting to drive a wedge between the 'violent fringe' and the 'respectable' sectors of the AGM, moving the former beyond the pale and attempting to co-opt the latter. In response the AGM has attempted to maintain unity by creating diversified spaces of protest which allow for the different levels of risk that demonstrators want to encounter as in the use of coloured columns in Prague and differently coloured protest zones in Genoa.

Mass Media Coverage of the AGM

Of course, more is going on than a physical battle for the streets in these protests. There has also been an ideological battle going on. Central to this has been the image of the AGM portrayed by the mass media, to which we now turn. A constant finding in the academic analyses of mass media coverage of the AGM is a concentration on violent protest by a minority of activists at the expense of coverage of non-violent protest and the reasons behind the protest. A study of mainstream Belgian media reporting on trade and globalization issues from 1999 to 2002 found little coverage of issues outside coverage of the Seattle (US, 1999), Genoa (Italy, 2001), Doha (Qatar, 2001) and Johannesburg (South Africa, 2002) summits. Analysis of the content of this media coverage— categorized as information on the summit itself, background information on globalization, and so on, and coverage of riots and demonstrations—found stark differences by type of media.

> The quality newspaper has a fairly equally balanced distribution across the three categories, with 40% on the summit, 31% on background information and 30% on the riots and demonstrations. However, the popular press pays hardly any attention to the background information (7%), has 21% coverage of the summit, and

> focuses the vast majority of its coverage on riots and demonstrations. Remarkably, the news on the self-proclaimed quality TV station is quite similar to the popular press in its disproportionate coverage of riots and demonstrations (63%). (Swinnen and Francken 2006: 648)

These analysts calculated a 'riot index' and demonstrated 'a significant positive relationship between the riot index and media coverage' (Swinnen and Francken 2006), a relationship which was especially strong in the popular media, where 86 per cent of coverage of the Genoa summit covered 'riot-related issues', which summit also received two-thirds of all coverage of summits in the popular media, which also reported nothing on violence-free Doha. Again, they observe this concern with violence 'does not only seem to hold for the tabloids, but for all the media: all media pay most attention to the Genoa summit and least to the Doha summit' (Swinnen and Francken 2006).

In coverage by Belgian TV and newspapers of the EU protests in December 2001 'almost half of the news about the movement contained references to violence, be it in writing about violence, expected violence or the absence of violence, or in pictures showing intimidating protesters, their effective violence and the consequences thereof' (Bedoyan et al. 2003: 14). Similarly, Jimenez, reporting on Spanish coverage of the AGM noted 'the AGM media coverage has been bound to the issue of violence' (Jimenez 2003b: 15) while in relation to Gothenburg (Sweden) '[t]he frame of violence is already present in the beginning of the week, way before the "actual" violence, which indicates that the media have decided how they will represent the events before they "actually" occur' (Hultman 2003: 8). Coverage of the AGM has also included animalization and racialization of the protesters, both in the US (Lawless 2001) and Gothenburg, Sweden (Hultman 2003), with the addition, in the latter case, of a metaphor of sexual violence.

Analysis of framing practices in US mass media coverage of Seattle and the A16 protests against the World Bank/International Monetary Fund (WB/IMF) in Washington DC 2000 identified five predominant frames in that coverage—the violence frame, the disruption frame, the freak frame, the ignorance frame and the amalgam of grievances frame (frames which are not mutually exclusive) concluding that 'the Violence Frame is the most dominant of the five, as it appears in 59 per cent of all mass-media accounts. In other words, the Global Justice Movement was portrayed as violent in nearly three of every five segments' (Boykoff 2006: 224), compared with 39 per cent for the Freak Frame, 26 per cent for the Amalgam of Grievances frame and 19 per cent for the Ignorance Frame. TV coverage emphasized violence with 'nearly 70 per cent of television segments focused on the ostensibly violent protests' (Boykoff 2006: 225). The violence frame was most visible in relation to Seattle, where 63 per cent of news stories featuring the Violence Frame, 'more than half of

all newspaper accounts and almost three quarters of every television segment focusing on violent protestors' (Boykoff 2006: 211). Even when violence did not occur, the frame remained in place 'as journalists remarked on the lack of destruction, the absence of violence or the potential for violence' (Boykoff 2006: 211). Boykoff notes the frequent application of war vocabulary to the protestors, as in the *Washington Post* story with the lead 'A guerrilla army of anti-trade protestors took control of down-town Seattle today' (cited in Boykoff 2006: 212). Boykoff also noted how this framing 'advances the impression that violence dominates the protest terrain when, in fact, it is the exception rather than the rule' (Boykoff 2006: 213).

A striking example of the selectivity of press coverage can be found in the photographic treatment of the killing of Carlo Giuliani by police during the Genoa G8 protest in July 2001. As Perlmutter and Wagner (2004) note, the photographic icon chosen

> …is the fourth in a series of 11 images taken in sequence by Dylan Martinez before, during and after Giuliani's shooting. Rather than feature the scene where Giuliani lies contorted on the ground in a pool of his blood or even an image where the police jeep has backed over his body, the mainstream press selected the suggestive image of Giuliani lifting the fire extinguisher and the police officer pointing the gun out of the back of the vehicle…the content of this image…was selected by mainstream media to assert a simple narrative of protester violence, not police violence. (Perlmutter and Wagner 2004: 102)

Nor was this the only choice made in photographic constructions of Genoa: available photographic evidence of collusion between police and 'Black Bloc' activists was ignored by the mass media. The violence in Genoa was dismissed by many protesters as the work of agents provocateurs. These claims were supported when

> Italian newspapers printed a photograph that showed people dressed as Black Bloc protesters, their faces covered, standing at the gates of a local carabineiri barracks. The men in the photo clutched what appeared to be metal rods as a smiling uniformed officer stood nearby. Other pictures showed presumed Black Bloc members engaging in what appeared to be a friendly chatter with police before starting a riot. (Philipps and Trofimov 2001: 10)

Needless to say, these photographs did not grace the pages of the international media. Finally,

> More revealingly, as a cue to a process of purposive framing at work, many mainstream media sources discontinued their coverage of the G8 by the Monday following Giuliani's death. It was almost as if once the metonym of 'anarchist violence provokes police response' had been shown and written up, the work of these press agencies was complete. (Perlmutter and Wagner 2004: 103)

The media has not only reported AGM protests within a frame that delegitimizes the protests and vilifies the protesters, but has also been instrumental in building an expectation of violence at AGM protests, thereby justifying and legitimizing police actions in limiting and repressing protest. Whether actively participating in a strategy of tension, or simply playing to its own worst interests, the media has hyped the possibility of violence and thus contributed to state attempts to criminalize the AGM.

Anderson (2004) reports a 'sad but familiar pattern' in relation to six different AGM protests between 2000 and 2003 in the US (WB/IMF April 2000; Republican National Convention (RNC) July 2000; WEF February 2002; Anti-war protests February 2003; World Agricultural Forum May 2003 and FTAA November 2003) showed 'the same pattern of police exaggeration, governmental fear mongering and media gullibility': drawing from mainstream media reports he documented the climate of fear created before the protests, media descriptions of arrests during the protests and (often revised) media accounts of the same arrests after the protests were over and cases which came to court were dismissed while the media belatedly realized the damage done to civil liberties. Anderson summarizes the process as follows:

> Police officials, aided by a hype-hungry mainstream media, exaggerate the possible dangers posed by consistently non-violent protesters. Using the climate of fear created by this hype to justify their actions, the police consistently engage in extra-constitutional and illegal behaviour, such as mass pre-emptive arrests, the interference with media outlets, and brutal protest behaviour. Inevitably the mainstream press realizes the hype once the protests are safely over and sheepishly admits its mistakes. (Anderson 2004)

The point has been made more succinctly by another analyst: 'the media did not just report on the space of terror in Genoa, they helped produce it' (Juris quoted in Goringe and Rosie 2007: 4). Even the police occasionally have considered pre-summit coverage to be excessive. Thus in Miami, even the Miami PD considered the anticipation of violence in the media coverage prior to the FTAA to be excessive: 'The level of alarm in these stories increased as the FTAA Summit approached and it reached a point of near hysteria in the weeks and days prior (sic)' (MPD 2004).

One method of delegitimizing the AGM is through the construction of anti-capitalist activists as a new form of folk devil. In the sociology of deviance a folk devil is a class or group of people who have become constructed through media coverage and expert commentary as the personification of evil, a group with no redeeming characteristics. The state and the media co-produce the folk devil:

> New stories are often led by the press releases issued by government and the police as the establishment engages in its own efforts to control the debate particularly

where the folk devil is a person or group who is a challenge to the established order of society. They will report on events and behaviour, habitually in a way that initiates, reinforces and embeds the public's suspicion and fear. (Donson et al. 2002: 5)

Media production of the folk devil proceeds through exaggeration (including distortion of events reported to increase numbers, violence and destruction involved), prediction (that similar events involving the folk devil will become more violent and destructive) and symbolization (which sees a word (such as anarchist) become symbolic of status (deviance); objects (such as black clothes and masks/bandanas) symbolize the word. In the process the objects become symbols of the status (and the emotions of fear and hate that accompany the status). When fear within general society of the folk devil has been created, it is expected by the public that the powers that be will take strong action against the folk devil. This allows those who exploit the folk devil by censuring it and taking action against it to make gains—

…more resources and greater powers for the police, the press sells papers, politicians reinforce their authority and can be seen to be strong in the face of attacks upon society which can improve electablility. However, gains can be seen in ideological and symbolic terms—reinforcement of the credibility and support for the police, silencing of diverse voices which offer difficult challenges to the status quo and resulting reinforcement of the established order of things. (Donson et al. 2002: 7)

Donson shows the folk devil being constructed in relation to the May Day protests in London.

The ease with which activists are now publicly connected with extreme violence and criminality can be seen in relation to the ritual protest actions of May Day in London. …in the context of anti-capitalist activists we have the creation of suspicion and fear in the mind of the public, and the expectation on the part of the police that activists are anarchist thugs. The obvious conclusion to be drawn by the authorities and the media, and therefore to be passed on to the public is that there will almost certainly be trouble. (Donson et al. 2002: 11)

Donson looks first at the guerrilla gardening May Day 2000 protest in Parliament Square in London, explicitly organized by activists to be non-violent, it passed off peacefully until riot police blocked all exits from the square, until at one exit the police line was miraculously broken and police allowed demonstrators to move to a street with an empty and unguarded McDonalds, when, according to an eyewitness 'for a full quarter of an hour those who wished to had a free hand to smash up the restaurant. It was only when surrounding

shops were started on that the police miraculously reappeared and swiftly and easily corralled everyone in that section of Whitehall into the secured pen of Trafalgar Square' (quoted in Donson et al. 2002: 18). Thus, by a sleight of hand and police tactics, a peaceful day's protest was transformed into a riot.

Policing the AGM in North America

From Policing Protest to Chilling Dissent

We will begin by looking at North America, as it is here that the model of re-pression has been perfected and where state and police repression has had its greatest effect: according to Hadden and Tarrow (2006) the decline of the US AGM can be partly attributed to state repression. While the death notice of the AGM may be a little premature, there is no question but that this repression has had a major impact on the AGM and its constituent movements. The loss of civil liberties, the encroachment on the public forum, the chilling of freedom of speech and freedom of expression and the undermining of freedoms considered basic to the American way of life have been documented and decried by civil libertarians, lawyers, legal scholars, critical social scientists and movement spokespeople (see, for example, Boghosian 2004; Dunn 2005; Ford 2005; Seattle National Lawyers Guild 2000; Starr et al. 2007; Temple 2003).

An adequate account of the developments in the US would require all the space allotted to this chapter: we will, therefore, deal with selected protests and developments only, in the US capital, in New York, in Miami—where the ferocious Miami model was unveiled—and, finally, at Sea Island, Georgia to see how little room for manoeuvre the state has left the US AGM. While much has been made of the importance of 9/11 in the shutting down of US democracy and dissent, it needs to be emphasized that these new policing strategies and tactics predate the so-called 'war on terror' and represent part of the US imposition of neoliberalism at home as well as abroad.

The background to the change in policing in the US, as in Europe, was the emergence of a new type of protester who was no longer satisfied with the pre-viously agreed rules of the game where demonstrations were concerned (Borum and Tilby 2005). Table 9.1 shows a US police view of the differences between the recent protests and those of yesteryear.

Noakes et al. note the change in police tactics from negotiated management resulted from the emergence of new groups of protesters in the late 1980s and early 1990s who refused to play the game by the agreed rules. This came to a

Table 9.1

Police View of Changing Nature of Protest in the US

Protests of yesteryear	Protests of today
Low-tech: bullhorns, speakers, telephones	High-tech: Internet, cell phones, police scanners, pirate radio stations, homemade munitions, gas masks
Mass meetings, not highly mobile	Smaller groups, highly mobile, well organized
One main issue as focus	Multiple groups with multiple issues: Students, labour, anarchists, human rights, environment, animal rights, genetic engineering activists
An identified leader	No identified leader
Arrests made for individual acts committed incidental to protest	Arrests made for mass civil disobedience and random violence targeting all authorities

Source: Beasley et al. 2000: 121.

head in Seattle, where innovative tactics gave control of the streets to demonstrators, leading to a police backlash. One police official compared Seattle to Pearl Harbour 'to some degree' (Noakes et al. 2005: 241). In its aftermath, police departments attempted to learn lessons from that experience, consulting with each other, viewing videotapes of demonstrations, visiting cites where demonstrations were taking place and attending FBI training sessions. We already mentioned above one response: the establishment of the Civil Disorder Initiative and its associated National Working Group. Another response involved the collection of intelligence on these new demonstrators. In January 2001 'Under US Secret Service direction, the Washington police, US Park Police, the Federal Bureau of Investigation and others teamed up…to collect intelligence on the Black Bloc and other protesters' (Philipps and Trofimov 2001:10).

Noakes et al. identified five major elements of this new policing strategy:

1. the establishment of extensive no protest zones, often by installing large concrete and metal fence barriers;
2. the disruption of safe spaces such as convergence centres where protesters would congregate to sleep, eat and acquire information;
3. the use of less-lethal weapons to temporarily incapacitate protesters so police could retake spaces of contention;
4. the use of electronic surveillance technology to increase the transparency of spaces of contention and provide real-time information on demonstrators activities to police; and
5. pre-emptive arrests to reorganize leaders and large numbers of protesters (Noakes et al. 2005: 241).

The 'War on Terror' has been used to advance the political agenda of the neoconservative Bush regime at home as well as abroad: thus bizarrely 'a wide

range of initiatives apparently unrelated to anything to do with terrorism—including tax cuts, 'fast track' authority and deunionization of federal jobs—have all been advanced as critical components of the war on terror' (Lafer 2004: 331). In Lafer's view the aim of the war on terror is the imposition of neoliberal policies at home and abroad. In the US central goals include 'the repression of labour and the prevention of potential political alliances that might challenge the prerogatives of American capital' (Lafer 2004: 333). The AGM certainly fits that description, so it was no surprise that 'shortly after the 9/11 attacks, the president sought to taint anti-globalisation protesters as terrorist fellow-travellers' (Lafer 2004: 340).

The initiation of the 'War on Terror' gave added impetus to the new policing developments. 'The "War on Terrorism" quickly expanded to a generalized chill on dissent. This was most visibly directed at the AGM, as seen in the sanctioning of police violence in a string of cities from Seattle to Quebec City, New York and Genoa' (Wekerle and Jackson 2005: 35). Following September 11 media

> …shifted their focus from an analysis of the anti-corporate agenda to one of diminishing and disparaging AG groups…In their analysis of media coverage, Fair [*sic*] and Accuracy in Reporting (FAIR) found there was a consistent characterization of public assembly as a terrorist threat, which in turn created the climate in which enforcement agencies felt justified to exercise undue force. (Wekerle and Jackson 2005: 35–36)

Washington, DC September 2001

Originally plans were in train for a major AGM demonstration to protest the World Bank and IMF autumn meetings and the Metropolitan Police (MPDC) had planned to follow the example of the Quebec police at the April 2001 FTAA protests by encircling '2.7 miles of central Washington, including the WB and IMF buildings and the White House, with a nine-foot high, galvanized steel fence' (Noakes et al. 2005: 236). However, after the attacks on military and financial targets on 11 September 2001, many groups abandoned or scaled down their plans to demonstrate, while even more groups opted out after World Bank and IMF cancelled their meetings in response to an appeal by the MPDC police chief. Instead three anti-war demonstrations were organized.

These analysts argue that the policing style and tactics varied depending on the police's assessment of the different groups involved: 'the more transgressive the historic tactics and ideology of the group sponsoring the demonstration, the more aggressively the MPDC attempted to control the space in which the

demonstration occurred' (Noakes et al. 2005: 251). Thus, the Anti-Capitalist Convergence (ACC) demo was faced by a strategic incapacitation strategy, using three techniques: partitioning space, rearranging of protestors and less-lethal weapons use. Partitioning space involves denying protesters access to specific areas by erecting barriers or physically blocking areas with riot police—in this case the police penned ACC demonstrators in a two block area bordered by metal barriers for nearly 2 hours and refused them exit. Rearranging of protestors involves moving protesters from place to place at the will of police, keeping groups of demonstrators away from the scene of the action or merging groups of protestors—in this case after the 2 hours penned up, the police frog-marched the ACC demonstrators to merge with another march. Less-lethal weapons used in this case involved the use and threatened use of pepper spray. Noakes et al.'s analysis centred on struggles over the control of space between police and demonstrators and they concluded 'the clashes between police and protesters were sparked by the MPDC's attempts to control the spaces of contention, not ACC's attempts to employ transgressive tactics or disrupt public space' (Noakes et al. 2005: 251). ACC had announced that their march would involve no transgressive tactics and would be non-violent. This analysis of these three anti-war demonstrations in Washington, DC, on 29–30 September 2001 shows how policing style and tactics can vary in the same city even over one weekend.

Policing Protest in New York

Dunn summarizes the New York Police Department (NYPD) policing of protest after September 11 as follows:

> Since September 11, the NYPD has sought to impose an unprecedented level of control over protest activity. As an initial matter, the department has been much more aggressive in trying to stop events entirely…For those events that have taken place, policing has been quite aggressive, with the department assigning huge numbers of officers to events and imposing substantial physical constraints on demonstrators, notably through limits on event access and use of interlocking metal barricades to create pens in which those attending events have been required to assemble. Finally, the department has significantly increased its intelligence gathering about political activity. (Dunn 2005: 355)

Intelligence gathering has included pervasive videotaping of all demonstrations, blanket fingerprinting of all arrestees, including those charged with the

most minor offences (where fingerprinting is illegal under New York law, Dunn 2005: 354–355) and 'debriefing' of arrestees. The latter involves filling in a form with arrestee personal details, including passport number, name of protestor's organization and position in that organization, and the protestor's 'prior demonstration history'. Lawyers for the National Legal Guild were told that 'using this form, the NYPD had interrogated protestors, often while in handcuffs, about a range of their political associations and activities' (Dunn 2005: 347).

In the case of New York it should be pointed out that the changes after September 11 were simply an intensification of an already existing tendency to crack down on protest under the authoritarian rule of Mayor Rudy Giuliani. Dunn (2005) (associate legal director of New York Civil Liberties Union [NYCLU]) is a good guide which attempts to restrict protest in New York both before and after September 11, especially the use of 'terrorist' concerns to prevent protest, or, failing prevention, to aggressively constrain protest, by a participant in legal challenges to NYPD. Some indication of the over-policing involved can be seen from responses to protest by AIDS advocacy group Housing Works which planned a protest in front of City Hall in November 1998, well before September 11. The completely peaceful event involved 250 protesters: 'there was a massive police presence, with hundreds of officers surrounding City Hall and the rally. Police sharpshooters with rifles also patrolled the roof above the rally' (Dunn 2005: 334).

This position is confirmed by Vitale's analysis which attempted to explain differences between the NYPD's response to the major anti-war protests of February 2003 and that of other police forces throughout the world. While these protests passed off peacefully throughout the world, in New York 'police responded by denying [protest organizers] a march permit, deploying thousands of police officers, severely limiting access to the demonstration, charging crowds with horses, and making hundreds of arrests' (Vitale 2005: 284). The main reason for this response was political: the application of Mayor Giuliani's 'zero tolerance' policy to demonstrations. Vitale describes this as 'command and control' policing, in which police control all the rules of the game, using five tactics: aversion to disruption; controlled access; divide and conquer; shock and awe and zero tolerance, all of which the NYPD applied to the February 2003 protest. Vitale analyses two further demonstrations in 1998 and the anti-WEF 2002 protest to demonstrate the use of these tactics, which he quotes criminologist Lawrence Shepherd as representing 'the extension of Mayor Giuliani's "zero tolerance" approach to policing to the realm of demonstrations' (Vitale 2005: 296). The 'zero tolerance' approach had been developed in the context of 'the growing crime and low-level disorder that emerged in relationship to homelessness, the crack epidemic, and the

economic downturn of the post-1970s fiscal crisis' (Vitale 2005: 291). Thus, it represented an attempt to maintain social discipline in a period of economic and social crisis resulting from imposition of neoliberal policies in New York. The use of these policing methods in relation to AGM protests simply involved the intensification of already existing policies developed to manage the crisis resulting from neoliberalism.

Bringing the War Home: Constructing the 'Miami Model'

At the anti-FTAA protests in Miami in November 2003, the police were left off the leash:

> The forces fired indiscriminately into crowds of unarmed protesters. Scores of people were hit with skin-piercing rubber bullets; thousands were gassed with an array of chemicals. On several occasions, police fired loud concussion grenades into the crowds. Police shocked people with electric tazers. Demonstrators were shot in the back as they retreated. One young guy's apparent crime was holding his fingers in a peace sign in front of the troops. They shot him multiple times, including once in the stomach at point blank range. (Scahill 2003)

What happened at Miami has been described as the Miami model. This involves:

1. Pre-emptive arrests: Pre-emptive arrests included detaining neutral parties such as legal observers and journalists. Most of the arrest charges 'did not stand up to scrutiny' according to the Miami–Dade Independent Review Panel (IRP) while a spokesperson for the State Attorney's Office admitted only 57 persons out of 219 arrested during the FTAA protests were convicted (Getzan 2004).
2. Massive, costly and aggressive police/security forces presence. Security costs at Miami were estimated to top USD 24 million and involved 25 local law enforcement agencies, seven state agencies and seven federal agencies, including the Coast Guard, INS. Security operations involved 'unrestrained and disproportionate use of force' (IRP). Others described what happened at Miami as the paramilitarization of policing, including the deployment of heavily armed and often unidentifiable police.
3. Intelligence gathering by police and others on activists engaged in lawful protest.
4. Embedding of reporters and media management.

The 'Miami model' can be seen as the culmination and refinement of the policing that preceded it, but with added extras. Miami authorities received USD 8.5 million in federal funds from the USD 87 billion Iraq spending bill, while Miami's mayor called police actions at the FTAA protests a model for homeland security. The Miami model brought the Iraq war back home, not only because the funding for the repression in Miami came from the funding for the Iraq war but also because of the adoption of tactics for the management of the media war in Iraq. Basic to the model, and in line with our emphasis on the importance of the media management of the protests, was the embedding of reporters with the police. This direct echo of the Iraq war was mirrored by another—the way in which television images of the conflict were taken from the air and not from the ground. 'So dangerous was the scene that the overwhelming majority of the images of the protests on TV were from helicopter shots, where very little could be seen except that there was a confrontation between police and the protestors' (Scahill 2003). This distancing effect helps to dehumanize the protesters.

This embedding also allowed the division of the media into 'good' and 'bad' elements—our media and their media. Thus, as in Iraq, the Miami Police Department embedded reporters with their forces, issued them with bullet-proof vests and police-issued riot helmets, to create identification between police and news media. Independent press, who were not embedded with police, were treated as the enemy. Scahill reports on how one independent journalist videotaping a melee wearing press credentials in full view, was treated:

> As [journalist Ana Noguiera] did her job 'videotaping the action' Ana was wearing her press credentials in full sight. As the police began handcuffing people Ana told them she was a journalist. One of the officers said 'She's not with us, she's not with us', meaning that although Ana was clearly a journalist, she was not the friendly type. She was not embedded with the police and therefore had to be arrested.
>
> In police custody, the police made Ana remove her clothes because they were soaked with pepper spray. The police forced her to strip naked in front of male officers. Despite calls from Democracy Now!, the American Civil Liberties Union (ACLU), lawyers and others protesting Ana's arrest, she was held in a cockroach-filled jail cell until 3.30 am. She was only released after I posted a USD 5000 bail bond. Other independent journalists remained locked up for far longer and face serious charges, some of them felonies. Ana was charged with failure to disperse.
>
> The real crime seems to be 'failure to embed'. (Scahill 2003)

Embedding extended beyond the media. Undercover police were also embedded with protestors, with one reporter noting (in an echo of Genoa) 'the Independent Media Center (IMC) has since published pictures of people dressed like Black Bloc kids "ski masks and all" walking with uniformed police behind police lines' (Scahill 2003).

After Miami: Chilling Protest

Elements of the Miami POMS were quickly diffused. Organizers of proposed demonstrators in 2004 at both Democratic and Republican national conventions and at the G8 Summit in Sea Island, Georgia 'say they are already finding evidence that tactics similar to those used in Miami are being replicated by law enforcement officials at all three locations' (Getzan 2004). More generally, some analysts attribute an alleged decline in the US AGM partly to the change in the US protest policing strategy after September 11 from negotiated protest management to 'strategic incapacitation'. As Hadden and Tarrow observe, these new policing practices—including the establishment of red zones, use of less-lethal arms, creation of intelligence data-banks on protestors, creation of specialized anti-insurgent units and occasional military deployment—'have been adopted throughout the industrialized West, but nowhere else with the energy and viciousness of police behaviour in the US' (Hadden and Tarrow 2006: 10).

In October 2003, Georgia State obtained USD 25 million from the Iraq Appropriations Bill for G8 summit security at Sea Island. Georgia declared a state of emergency along its coast from 31 May to 20 June 2004, while the protest permit ordinance passed by the local city of Brunswick in anticipation of the G8 protests was so restrictive that the ACLU went to court to challenge its constitutionality. The low turn-out of protesters at the G8 meeting can be attributed at least in part to the success of the policing strategy. The area, which is inaccessible, was rendered even more inaccessible through a combination of massive policing and local legislation restricting demonstrations. For the former, some 20,000 security personnel from no less than 50 various US law enforcement agencies were involved in securing the summit; for the latter, the Georgia governor had declared a state of emergency in the area for the duration of the summit. In response to these measures, protests were small, with only some 400 braving the police state atmosphere to participate. Thus, the scare stories circulated in advance of the summit scared off protesters, who also vividly remembered how they had been treated in Miami and had little appetite for another dose of the same medicine.

Sea Island is an example of how state policing and protest management tactics can affect social movement protest activity. More generally, research by Starr et al. (2007) confirms that current surveillance of social movements in the US is comparable with that during the Counter Intelligence Program (COINTELPRO) era in the 1960s and 1970s and has severely impacted on social movement activity in a variety of ways. Overall it has chilled political activity by intimidation and led to isolation of movements under surveillance. In particular, the use of long-term infiltrators and informants has undermined

basic characteristics of the movement; it has dissolved trust, increased paranoia, replaced open planning with secretive planning, replaced an open organizing culture with a security culture, shifted organizations from their original projects to self-defence and chilled internal communication within organizations, and led to the abandonment of civil disobedience for less 'dangerous' methods. Particularly chilling has been the redefinition in what has been called the 'Green Scare' of non-violent direct action, 'specifically property crime against private interests involved in controversial practices' (Starr et al. 2007: 9) as 'domestic terrorism'. Some of the Green Scare cases have involved indictments and convictions for incitement to property crime. Combined with this attack on the green non-violent direct action movement has been a creeping criminalization of previously legal political behaviour resulting in activists concluding 'there is no safe political activity, no safe place and no safe relationship any more' (Starr et al. 2007: 10).

Policing the AGM in Europe

The first part of this section will look at the growing Europeanization of policing over the last decade. The second part will look at the reintroduction of border controls as a response to summit-hopping protesters within the EU, while the third section will look at the policing of two summits at opposite ends of the continent, at Gleneagles in Scotland and St. Petersburg in Russia.

Europeanization of Policing

For Europe we should note some important recent trends in policing as background to our consideration of policing of AGM protests. First is the increase in transnational aspects of policing, both in terms of increased cooperation between national police forces and proposals to create a European police force in what has been described as 'the Europeanization of internal security' since the mid-1980s (Anderson and Apap 2002). Second is what Lutterbeck (2005) refers to as 'the militarization of policing and the policeization of soldiering'. While police forces are acquiring military characteristics, increasing their use of military technology and undertaking activities that extend beyond the borders of the nation state, military forces are increasingly being used in internal security contexts, both nationally and extra-nationally. Finally, national foreign intelligence services, increasingly taking on internal security tasks, are involved in

ever closer collaboration with law enforcement bodies nationally. While all this is occurring in the context of fighting transnational crime, illegal migration, trafficking and anti-terrorist activities, it is not hard to see it spilling over into the control of national and transnational political dissent.

The growing Europeanization of policing seems to provide particularly good circumstances for the establishment and diffusion of new POMS to respond to summit protests. Attempts to formulate a united European Union (EU) response to the AGM include the development of an intelligence system, a manual for dealing with policing of major public events (European Council 2002), a research programme (Anon 2006a), as well as a more general research programmes on the AGM, such as the Democracy in Europe and Mobilization of Society (DEMOS) programme.[4] Police forces happily provided their counterparts in other countries with lists of undesirables to be stopped at the (newly reintroduced) border, police officers travelled to other cities to see how they deal with AGM protests (in planning for Genoa, for example, Italian police attended protests in Gothenburg (Sweden), Nice (France) and Salzburg (Austria) (Philipps and Tromifov 2001: 10), while others brought in external consultants to advise them on how to handle the protests. There was also growth of European cooperation even outside the EU context: for example, the Swiss response to Evian drew on the services of 1,000 German police officers, as reinforcement for their own 3,700 police, 5,600 military troops and 1,000 military reserves (Federal Office of Police 2003: 3). All was not sweetness and light and cooperation, however. Greece, for example, refused to provide a list of undesirables to Italian police prior to Genoa, and after that fiasco, some European nation states were forced to reassume the mantle of protector of their citizens from foreign police forces, given the abuse their citizens suffered from the Italian police.

Furthermore, despite these European commonalities, we still see national differences in policing the AGM. Summits in neighbouring countries could see highly differing policing strategies, while the reintroduction of border checks (see below) was in no way uniform. In the case of the EU summits in Gothenborg (Sweden) and Cophenhagen (Denmark) in 2002, differences in policing included a police riot in the former, as well as the shooting of protesters. Bjork ascribes these differences in policing in part 'to differences in the national legal framing of public order policing' (Bjork 2005: 309). We should also note della Porta's conclusion that policing in Genoa reflected a 'partial reaffirmation of the traditional response to new "challengers" in Italy: that is, an overall strategy of exclusion that lies behind the subsequent heavy-handedness of the police response to these new challengers' (della Porta et al. 2006: 9) and also recall the national differences in the use of the terrorism frame referred to earlier.

Finally, what needs to be emphasized in relation to Europe is once again how early these police tactics were being used. In a critique of the policing of the EU summit in Amsterdam in 1997, FECL reported that large areas of Amsterdam's

inner city were declared 'security zones' and 5,000 police were given special powers to maintain public order. Tactics used by police included pre-emptive arrests; holding of 130 Italians on board in the train that brought them to Amsterdam before sending them back to Italy under police guard in the middle of the night; summary deportations of between 200 and 300 foreigners from other EU countries; videoing of those entering and leaving an information centre of one of the Dutch anti-summit organizations; arrests of those leaving the same building the day before the summit opened and later the same day a mass arrest of 350 people who left the same building intending to protest at the earlier arrests (FECL 1997b). Arrests were made on the charge of suspected 'membership in a criminal organisation', which allows the police 'to make use of extensive investigation techniques and to collect comprehensive personal data, far beyond what is allowed in normal criminal investigation' (FECL 1997a). None of those arrested were formally charged, 'a further indication that the purpose of the arrests never was to actually start penal procedures…but merely to keep them away from the streets during the days of the Summit' (FECL 1997b). FECL concluded the policing of this summit showed

> …that in the EU, the mere expression of political dissent can indeed lead to your being treated as a presumed member of a criminal organization, with all the ensuing consequences ranging from pro-active observation, computerized storage, processing and exchange of sensitive personal data, to arbitrary detention and removal from an EU member state. (FECL 1997a)

Finally, we may note that some of these tactics cited above, including a media scare campaign, declaration of a state of emergency using anti-terrorist legislation, compilation of lists of those to be stopped from travelling to the city hosting the summit, freeing of prison cells to hold those to be arrested and a series of raids carried out throughout West Germany on groups organizing against the summit on anti-terrorist grounds, were used by German police in relation to the IMF/World Bank conference in West Berlin in 1988 (Grauwacke n.d.).

Reinstatement of Border Checks within the EU

One tactic adopted to respond to summit protests involved the reinstatement of controls at internal EU borders. From 2000 to 2003 Groendijk identified 33 cases in which national governments reintroduced border controls: 'the large majority of cases…were related to political activities (25 out of 33), either of the political leaders of the states concerned or of citizens of EU/EEA states' (Groenendijk 2004: 159). Of these events, more than half (18) were summits—European Council meetings, EU Council of Ministers or G8, European Economic Forum,

NATO, World Bank, and so on. Almost half of the cases occurred in 2002 which 'may be due to the first reaction of authorities to the large scale and partially violent demonstrations at the occasion of the European Council in Gotenborg and the G8 meeting in Genoa' (Groenendijk 2004). Groenendijk identifies the following occasions (see Table 9.2).

Table 9.2
Reintroduction of Border Controls in the European Union

2000	Spain	Seville summit
2000	Spain	Barcelona summit
June 2001 (2 days)	Sweden	Prevent passengers on Friedrikshaven ferry from disembarking at Goteburg
July 2001 (several days)	Austria	At German and Italian borders. European Economic Council meeting, Salzburg
July 2001 (one week)	Italy	Controls at internal borders
2001	Nice, France	European Council meeting
2001	France/Spain	European Council meeting at Biarritz
2001	Norway	World Bank economic development conference
2002	Spain	EU Defence Ministers' informal meeting
2002	Iceland	NATO Foreign Affairs Ministers meeting
2002	Austria	European Economic Forum
2002	Italy	Florence European Social Forum
2002	Denmark/Sweden	European Council meeting in Copenhagen

Source: Groenendijk 2004.

Despite this seemingly wholesale reintroduction of border controls in response to summit protests, there were exceptions, showing once again the existence of national differences: Belgium did not introduce border controls during the Summit in Laeken in December 2001, nor did Greece during the Summit in Thessaloniki in June 2003' (Groenendijk 2004: 162). More generally, 'host Member States of most European Council meetings over the last four years decided not to reinstate controls at the internal borders' (Groenendijk 2004: 164).

Reinstatement of border controls peaked in 2002 and declined massively in 2003, probably due to negative evaluations of the effectiveness and cost of this measure. A draft resolution on security at European Council and similar summits produced by the Italian Presidency in June 2003 (Council Document 10965/03) acknowledged problems caused by these measures, noting they should only 'be applied where really necessary'. The draft shows that security measures were being refined, illustrating 'as trend that general measures, like control at internal borders, get less preference than more targeted measures, such as exchange of information on suspected persons, registration of persons with a record of violence and terrorism, measures in the area where meetings are held, rather than at the borders' (Groenendijk 2004: 166). Of these various measures, the final one has been the most important.

This retreat from internal freedom of movement may seem to contradict the European project of integration: of course all it does is reaffirm that the important freedom of movement is economic: as is true globally, capital is increasingly free to transcend national borders, but no such freedom is guaranteed to labour or people.

Policing Summits

Gleneagles, Scotland

Analysis of media coverage in the six months prior to the Gleneagles G8 summit found 'anticipations of violence and disorder' were central themes in the press imagination (Rosie and Gorringe 2007: 8), while the proposed protests were situated largely within media accounts of Genoa 2001, rather than other previous summits (Kananaskis [Canada], Okinawa [Japan], Sea Island [US]) where protests were non-violent. Even regarding Genoa itself, they note how media accounts involved 'simplistic portrayal of the Genoa protests as violent— even though most protestors were peaceful and that much of the violence involved police authorities' (Rosie and Gorringe 2007: 4). Reportage focused on the anarchist and direct action fractions, describing what were open and publicized preparatory events and meetings in conspiratorial tones as 'secret meetings', while also presenting these preparatory activities in militaristic terms. One quote from the *Times* will suffice to give a taste of the coverage:

> A remote farm in the Lanarkshire countryside was transformed…into a city of well-laid out army tents and marquees resembling a military encampment. The military aspect was no accident. This was a 'war summit' where about 300 anarchists—some dressed in urban guerrilla garb in freezing temperatures—had gathered to draw up plans to paralyse Scotland during the G8. (quoted in Rosie and Gorringe 2007: 13)

This emphasis on violent means of protest (how) drowned out the reasons for protest (why): 'more articles contained references to riots, violence and/ or anarchists than to Make Poverty History's key aims' (Rosie and Gorringe 2007: 9). This violent frame was extended even to the highly respectable Make Poverty History (MPH) organization: 'the constant invoking of "Genoa" and "chaos" also characterized coverage of "mainstream" organizations including MPH' (Rosie and Gorringe 2007: 14). Given that it would be difficult even for the British tabloids to present MPH's plans in this light/frame, much coverage

was devoted to the possibility that militants would hijack MPH's activities to create disorder.

Finally, we should note that this violence-obsessed coverage was most pronounced in the local Scottish media: 'Premonitions of impending violence were most pronounced in Edinburgh's Scotsman Group titles (the *Scotsman*, *Evening News* and *Scotland on Sunday*)—to the point that they constituted a virulent, if localized moral panic' (Rosie and Gorringe 2007: 15). So that by June the local media were 'questioning the motives (and sanity) of even the most respectable protestors' (Rosie and Gorringe 2007: 15).

In their analysis of the policing of the actual protests in Edinburgh, Gorringe and Rosie point out how the policing of global protesting is mediated by local police styles, experience and judgement. The Edinburgh protests provide a useful case study as 'the disparate strands that feed into the loosely aligned mass of people clubbed together under the "Global Justice" moniker, were sequestered off into separate spheres' (Gorringe and Rosie 2007: 3). Thus the respectable NGO and Church element organized the MPH march, 'a meticulously planned "set piece" which was carefully coordinated with the police and deliberately distanced itself from the protests surrounding other such summits' (Gorringe and Rosie 2007), the traditional socialists marched in the Stop the War coalition (STW) while the anarchists organized a Carnival for Full Enjoyment. The way the different protests were policed was intimately connected with police perceptions of the different groups based on previous local policing experience of protests. MPH were basically 'good protesters', STW, though socialist, was run by people 'who know what they were doing' (Gorringe and Rosie 2007: 6) while the Carnival for Full Enjoyment represented 'anarchist tourists'. Policing of MPH was restrained and facilitatory, while policing of the STW march

> …accords perfectly with the preconceived notion that STW cannot be fully trusted and have a 'history' in Edinburgh. The police, thus, melted away as the rally neared its conclusion and showed no signs of the spontaneity that marked previous protests. The initial intimidatory presence, in this light, was intended to deter a deviation from the prearranged route. (Gorringe and Rosie 2007: 8)

The anarchist Carnival was much more aggressively policed—a move by several hundred protesters towards the city's financial district led to the blockading of that group for 5 hours. Otherwise protests were diffuse and, mainly, small group activities. 'Criminal damage' by the anarchist hordes consisted of 'two windows, 200 geraniums and several park benches' (Lothian & Borders Police officer quoted in Gorringe and Rosie 2007: 12). Indeed the whole weekend was remarkable for the disparity between the media's prior fears and the actual events.

St Petersburg, Russia

For its July 2006 meeting in Russia, the G8 met behind the locked gates of the Konstantin Palace at an isolated location outside the city. The Russian authorities had no need to request international advice on dealing with protests, as they were able to call on a long tradition of repression of political dissidents. In June, the police in St Petersburg began calling in left and right wing activists to police stations to tell them to stay quiet during the summit. Nationally, the police were mobilized in operations 'Highway Interception' and 'Shield' to prevent activists reaching St Petersburg with assistance from mobile phone and railway companies. People preparing to take the train were pre-emptively arrested, others were taken off trains, had their tickets confiscated and forced to return to their home towns, while others were visited by the police in their home towns and forced to sign declarations that they would not leave their cities: activists of the Network Against G8 and trade unionists were among those targeted. The Trade Union Solidarity Action Committee of St Petersburg and Leningrad Region called for international solidarity, reported that

> Up to this date at least 100 people have been detained under various pretexts having no legal force. People are forcefully deprived of their documents, transportation tickets, stalked by unknown individuals and then once again arrested by police on pretext of protecting their personal safety. On different occasions people have brutally been mishandled by police and secret service agents. (http://info. interactivist.net/print.pl?sid=06/07/12/13333253)

Other activists received short prison sentences (7–10 days) that coincidentally ended after the summit finished. On the opening day of the summit, the authorities allowed a small communist march in the city centre, but a small march by the communist youth group was brutally dispersed by police, who arrested 20 of them. Attempts by the Russian Social Forum to hold a rally were foiled when the gates of the Kirov Stadium where they were meeting were locked and blockaded by a large contingent of police. The following day 31 activists were arrested for demonstrating outside the Radisson hotel where some of the delegates were staying, six Belorussian activists were manhandled and arrested for holding a press conference, and photographers and journalists were attacked and arrested, including an accredited Associated Press journalist. Thus freedom of movement, participation in peaceful meetings and expression were denied while Russia was chairing the G8 and the Council of Europe.

Ironically, Russia combined stifling public protests with successful cooptation of Russian and international civil society organizations (CSOs) through the foundation of Civil 8, intended to broaden consultation between G8 and civil society. The main expression of Civil 8 was an International NGO Forum on 3–4 July 2006, attended by 700 global civil society representatives. On the last

day of the summit Putin attended to be presented with formal policy recommendations (Lin and Yuan 2007). Having thus got the reformist NGOs out of the way before the summit itself, Russia could then return to its traditional methods of interacting with civil society.

Policing the AGM in Latin America

For Latin America we will examine only one case of summit policing, as summit protests have not been the major manifestation of the AGM on the continent. It seems best to begin with the only academic analysis of policing protest in the periphery we have been able to locate (Sheptycki 2005). This compares and contrasts anti-globalization policing in Canada and Bolivia: for the latter, his analysis centres on popular resistance to the Lozada regime during 2003, while the transnational influence is the spectre that has haunted Latin America throughout the 20th century, the USA, specifically, 'the American-sponsored militarization of the policing system in Bolivia, another commonality that it shares with its Andean neighbours' (Sheptycki 2005: 333).

In January 2003 peasants set up roadblocks in the countryside to protest coca eradication policies, while protests against unemployment and austerity policies led to urban public unrest, which continued until late October when Lozada fled the country. Three examples of militarized response (it's difficult to conceptualize it as policing) are cited by Sheptycki: 'In late January, confrontations between the public and the forces of law and order (7,000 troops supported by tanks) resulted in 13 deaths and scores of injuries' (Sheptycki 2005: 335). In late February at least 14 people were killed and scores injured in protests against increased taxes and cuts in government spending, in line with IMF-recommended austerity measures. Striking police officers took part in the protests.

> Eyewitnesses reported that the military was out in full force, with armoured vehicles and hundreds of soldiers armed with rubber bullets and live ammunition mustered against civilian protesters armed with stones and other rudimentary weapons. Bolivian television footage showed soldiers firing at police headquarters after police fired teargas against them. Although the figures were disputed, some put the death toll at 33. (Sheptycki 2005: 335)

Finally in October, came 'a full-scale military assault on an industrial suburb of El Alta' to end a month-long occupation by petroleum industry workers who had cut off the capital's fuel supply, as part of the 'gas war' opposing export of natural gas to the US. 'Witnesses reported troops opening fire with

heavy machine guns and that an attack helicopter was also used in the assault' (Sheptycki 2005: 336). We are far from negotiated management of protest rituals here: as Sheptycki notes 'in Bolivia, public order policing is always confrontational, thoroughly militarized, heavily armed and marshalled against a desperate population with almost no access to weapons' (Sheptycki 2005: 344). As Sheptycki dryly notes, 'the systematic comparison of policing of political protest in Bolivia and Canada does not reveal a convergence in policing tactics for crowd control' (Sheptycki 2005: 346).

One further example of the fatal results of police responses to popular resistance in the area may be cited from the strike and protests timed to coincide with talks between the IMF and the Government of the Dominican Republic. Some 600 people were reported to have been rounded up by police and army units prior to the protest, while six people were shot dead and at least 20 others injured during street clashes on 11 November 2003 (Jimenez 2003a).

We can see reflected here the fact that the AGM in Latin America is not simply a movement that opposes the meetings of international agents of economic and political coordination and dominance. In dealing with the AGM in Latin America we meet a popular protest against the imposition of neoliberal measures influenced by the prescriptions of the IMF and World Bank by governments whose forces of social control are (often) armed and trained by the US. Despite these major differences between the AGM in Latin America, North America and Europe and the policing of the AGM, certain aspects of northern policing of summits have diffused to Latin America. Thus, even when little or no protest is expected, summits are accompanied by large security operations. For the Ibero–American summit, held in Montevideo, in November 2006, for which 'no risks have been identified so far and protest and street demonstrations are expected to be minimal' (Anon 2006b), possibly the greatest security operation in Uruguay's history was staged:

> Some four thousand security forces under a joint command; one three-dimensional air space radar; thirty aircrafts, helicopters, battle ships and coast guard patrols, land patrols, mounted police, sharp shooters in strategic positions, trained dogs and three armoured limousines are among some of the resources displayed plus surveillance of communications and electronic mail. (Anon 2006b)

In preparation for the APEC summit in November 2004 in Santiago, Chile, the usual media demonization campaign began in September 2004. According to Alvaro Ranis of ATTAC Chile, who was organizing the Chilean Social Forum parallel to the APEC summit, 'the most powerful media outlets' were waging a campaign to 'demonize, ahead of time, the demonstrations to be held by citizens who express Chilean civil society's dissent regarding neo-liberal globalisation policies'. Alarmist press reports included alleged preparations for

'terrorist' acts against the summit as well as the traditional reports on meetings of the coordinating committee in a 'dimly lit' trade union office, where the committee meets to plot violent action. According to the conservative daily *El Mercurio* (2 October 2004) the APEC security operation could be threatened by the committee, which linked 'around 30 ultra-left and anarchist groups' and 'black-clad punks'. This seemed unlikely given that the summit was to be protected by 3,500 military police, 155 police patrol cars, 185 motorcycles and three helicopters. Despite these impressive arrangements, the visiting President Bush was expected to sleep on board a US aircraft carrier anchored off the coast, from where he was to descend on the summit by helicopter (Gonzalez 2004).

Beginning on 16 November for four days there were confrontations between police and anti-APEC activists, beginning with an unauthorized protest by university students, which was attacked by police as it attempted to assemble, leading to hundreds of arrests. The major permitted march on Friday, 19 November, saw 50,000 demonstrators march along a predetermined route lined with Chile's military police to a rally in a downtown park, far from the conference centre hosting the APEC meeting. When the authorized time for the march elapsed, police released gas to disperse the demonstrators, leading to clashes between riot police and hundreds of masked street fighters that spilled onto nearby streets (Loto 2004; *Santiago Times* 2004).

Policing the AGM in Asia

For Asia, our main focus will be on policing of summits. We begin by noting the existence in Asia, as in Latin America, of popular resistance to neoliberalism, in, for example, response to restructuring after the Asian financial crisis. In addition, the state response to such popular resistance can be, as in Latin America, fatal for the protesters: in Papua New Guinea in June 2001 during widespread protests against privatization and land ownership 'reforms', three students were shot dead by armed riot police while reportedly holding their arms in the air to show that they were unarmed (Anon 2001). We will look in brief at the sites for global summits in Asia, beginning with the World Trade Organization (WTO) meetings at Qatar, Singapore and Hong Kong, the last two city–states of varying authoritarian hues, before turning to the WEF in Australia, again briefly. We will then proceed to look at some interregional summits. This will show a variety of state and policing responses to summits in Asia, varying from prevention of all protests to more permissive strategies. One interesting similarity is shown by the reaction of authoritarian states, whether of the right (Qatar, Singapore) or of the left (Vietnam), in banning political protest outright.

Policing Global Summits in Asia: WTO and WEF

In Qatar, a country which represses dissent as a matter of routine, state authorities simply eliminated public space and prevented any protests from taking place during the WTO summit by refusing to issue entry visas to all foreign visitors and anti-globalization NGOs.

In Singapore, the state has a long-standing policy of preventing the public expression of dissent. In keeping with this established policy, Singapore imposed restrictions on outdoor protests and demonstrations during the World Bank (WB)/IMF summit in 2006, while expressing some of its unique national character by threatening to cane protesters who committed violent crime during the summit (Anon 2006c). In response, civil society organizations (CSOs) decided to move operations offshore to the neighbouring Indonesian island of Batam. Singapore police blacklisted 28 activists who had been accredited by the WB/IMF to attend the meeting. Entertainingly this led to criticism from none other than the WB President, Paul Wolfowitz. The criticism was dismissed as hypocritical given the general perception that the WB had in fact chosen Singapore (as it had previously chosen Qatar) precisely because of its authoritarianism. In response to this criticism, the Singapore government allocated a space measuring 14 by 8 metres for protest: while over 500 CSOs were accredited by WB/IMF, the police noted they did not

> …expect the majority of them to stage an indoor protest at the same time. The police added that, even though demonstrations are allowed here, they will move in to control the crowd if the crowd gets too rowdy. Wooden placards and metal poles will also not be allowed for safety reasons, and police will provide cardboard and paper poles. This protest space is offered on a first come first served basis. (Anon 2006d)

An attempt by a local opposition politician to march past the convention centre 'was blocked by a "human barricade" of police, a stand-off which only served to give more international attention to the small gathering' (Bunnell 2007); other local dissidents were arrested or had their computers confiscated.

Thus, in Singapore also, national characteristics, rather than global models, determined policing strategies: 'permission to conduct outdoor demonstrations has in fact been routinely declined in Singapore since long before what is today imaginatively evoked by terrorism' (Bunnell 2007). Finally, just as protest was off-shored, so was repressive policing:

> Plans for the International People's Forum were initially rejected by Riau Islands Police on the grounds that they could cause 'economic disadvantages' to Indonesia.

The eventual compromise announced by the national chief of police was that 'seminars are welcome' but 'there should be no political agenda, let alone rallies, because this could make foreigners think Indonesia is not safe for investment'. What this amounted to was the extension of Singapore's limited interpretation of acceptable 'protest' to Batam. (Bunnell 2007)

The policing of the WTO summit in Hong Kong in 2005 included some of the same traits as elsewhere. To begin with, police use of the media build-up, in advance, was present and correct: in August 2005 Lee Cheuk-yan of the Hong Kong Confederation of Trade Unions accused the police of demonizing protesters:

The Hong Kong police lose no time in jumping on the opportunity to demonise civil society as organisers of violent protests…We are also worried that this is a tactic to implant the wrong impression of the protesters in the minds of the public to justify rough handling and suppressing the protests. (Cheung 2005)

A year before the protests Hong Kong police collected information on handling of AGM protests elsewhere (Shiu-hing 2006: 144). The police also followed international precedent by barring protesters from entering Hong Kong, operating from a blacklist of undesirables (Shiu-hing 2006: 150, 155). 'Dangerous elements', such as anarchists, who were allowed entry, were kept under close surveillance. The convention areas involved was cordoned off as a restricted zone, prison cells were prepared to house 700 prisoners and Hong Kong police attended the Gleneagles G8 summit to observe security strategies there.

In Hong Kong, the foreign bogeyman was Korean and a farmer:

…the police were anxious that the South Korean farmers, some of whom had undergone military conscription and training, would constitute a menace to the security of WTO participants. Prior to the WTO's ministerial conference in Hong Kong, the mass media in the Hong Kong Special Administrative Region (HKSAR) highlighted the ways in which the Korean farmers clashed with the Korean police, especially their proclivity of vandalism. (Shiu-hing 2006: 145)

This image was undermined by a superb piece of political theatre which gained great sympathy among the Hong Kong population for the Korean contingent of protesters, when on 15 December on one march by the Koreans at every three steps participants knelt on the ground. The protesters were accompanied by a Chinese translator, explaining the march as a symbol of the Korean farmers' deep love and respect for the land.

For a supposedly authoritarian government, media coverage had a major impact on state and police actions. Therefore, in Hong Kong also media coverage

contributed to conflict: 'the media's prediction of an inevitable violent confrontation appeared to reinforce the police's hard-line strategy. The HKSAR government closely followed the media coverage and comments on the protests' (Shiu-hing 2006: 154). This is partly explained by particular local factors that had a determining effect on how Hong Kong police handled the protests. The major pressure on the police was to adequately deal with the protests without calling for assistance from mainland China, as doing so would create a political crisis that could undermine Hong Kong's autonomy, a situation neither Hong Kong nor mainland China desired. The previous history of riots in Hong Kong and police response to them also had a strong influence. So, as Shiu-hing (2006: 153) notes 'the Hong Kong police used their own yardsticks perhaps far more than the adoption of international standards in managing anti-WTO protests'. Finally, while the protests resulted in conflict in which the police were accused of 'employing "excessive" force, using pepper spray extensively, teargassing protesters without prior warning, utilizing rubber bullets and beating up some protestors' (Shiu-hing 2006: 141), in their general strategy Hong Kong police deviated from the international model: 'What distinguished the police handling of the 2005 anti-WTO protests …were their new reliance on negotiators and the adoption of largely defensive tactics' (Shiu-hing 2006: 159). In sum, the handling of the December protests by the Hong Kong police showed a fusion of local and international tactics and strategies.

The 11 September 2000 WEF protests in Australia were much closer to the new model. For three months prior to the protests a concerted media campaign warning of violent protests was carried out, including warnings, for example, in the *Herald Sun* (a Murdoch paper) of 9 September, of 'arson and chemical attacks'. The casino where the meeting was taking place was surrounded by 3-metre concrete and wire barricades. Over 2,000 police were on duty, including the paramilitary Force Response Unit. While media coverage alleged protester violence over the three days of the protest, analysis of this coverage found 'the media's written claims about assaults committed by citizens were, in fact, not supported by (and were, in some cases, contradicted by) the TV footage… during the three days, the television coverage showed footage of punches and beatings being committed by police and none being committed by civilians' (Barrett 2000). Indeed the report shows the major violent events consisted of unprovoked police attacks on peaceful protesters and on media covering the police violence. An indication of who was violent and who was peaceful can be seen in the contrast between arrested and injured protesters: 12 protesters were arrested over the three days, all on minor charges, none of which were processed through the courts, while at least 70 protesters were injured by police, including 24 who were taken to hospital (Barrett 2000).

Policing Interregional Summits: APEC and ASEM

While the first three APEC meetings met few protests, the fourth in the Philippines resulted in three counter-APEC conferences, each of which attempted to send a 'people's caravan' to Olongapo City, near Subic, where the APEC meeting was taking place. The policing of the protests, as well as the protests themselves, showed definite national characteristics. The militarization of central Luzon in preparation for the conference led to a letter of protest from church leaders, including Bishop Leo Drona, complaining of 'arming and training of civilians, youths and *tanods* [thugs]; the surveillance and intimidation of leaders and members of people's organizations, and all forms of military acts and exercizes inflicting terror and fear among the people' (Nichols 1996). The largest caravan, organized by Solidarity of Labour Against APEC (Slam APEC), consisting of jeepneys carrying tens of thousands of protesters, stretched 12.5 kilometres in length and took nearly 24 hours to cover the 80 kilometre drive to Olangapo, being delayed and harassed by no less than 18 army and police checkpoints, before finally being prevented from reaching its destination by a blockade of '2000 paramilitary backed by a dozen dump trucks and graders' (Nichols 1996). That night, demonstrators who attempted to protest in Olongapo, despite their supporters being prevented from joining them by the blockade 'were attacked by hired goons wielding steel pipes and baseball bats' (Nichols 1996).

In October 2003, APEC came to Bangkok, Thailand. The Prime Minister Taksin Shinawatra banned demonstrations during the summit and banned the entry of 700 foreign activists. Despite this, some 1,000 people took part in a protest against the summit and George Bush, who was attending it. Ji Ungphakorn, a political scientist at Chulalongkorn University, one of the demonstration's organizers, told *The Nation* 'Today is a day of victory for the people who stood fast to their right to protest despite threats and harassment from the government.' Seven Thai senators attended to monitor the march to ensure the authorities did not use violence against it. A farmers' leader said 400 farmers were prevented from attending the protest when police threatened to confiscate the licences of bus operators they had hired to bring them to Bangkok (Collins 2003; Rojanphruk 2003).

In preparation for the APEC summit in Busan, South Korea on 18–19 November 2005, South Korea's national Police Agency banned 998 members of 20 foreign NGOs from entering the country until the summit had ended. Furthermore,

> …the Agency also said it had submitted a list of 400 foreigners who will be allowed entry but will be subject to close monitoring, as it is feared they could organise

anti-APEC demonstrations here, the police said. Notices will be distributed in and around Pusan (Busan) to inform foreign activists of possible punishments, including deportation, if they take part in anti-APEC protests. (*Korea Times* 2005)

On the 15 November in a typically militant demonstration thousands of farmers clashed with riot police in Seoul for three hours, following a rally against free trade, at which the slogan 'No to WTO, no to APEC, no to Bush' was chanted (Reuters 2005).

For the November 2006 APEC summit in Vietnam, Vietnam posted heavily-armed police outside the hotels at which APEC leaders were staying, tightened border patrols, stopped issuing visas to independent tourists ahead of the summit and stepped up control on local dissidents. The International Federation for Human Rights reported that during the APEC meeting in Hanoi

…the security police have set up permanent surveillance posts outside the homes of many pro-democracy activists and placed signs saying 'No Foreigners' in English on their doors…Several dissidents were threatened, physically assaulted and subjected to intensive interrogations in the run-up to the meeting of the APEC. (FIDH 2006)

For the Asia–Europe (ASEM) summits, street demonstrations in Asia only occurred at the Korean meeting in 2000, when the Korean state refused entry to the country to over 300 foreign activists, and an attempt to march on the summit venue by 4,000 trade unionists was blocked by 3,000 riot police. However, even the shadow summits themselves were not welcomed by the Asian host governments, with the first in Bangkok in 1996 threatened with closure by the Thai government and the fifth in Vietnam in 2004 only taking place due to diplomatic pressure from other ASEM members on the host country (Yeates 2007).

Policing the AGM in Africa

In the literature on policing responses to the AGM, as in much of the literature on globalization, Africa is mainly absent. We note first how in July 2007 the Zambian government announced it would ban protests at the Southern African Development Community summit the following month in Lusaka. The Home Affairs Secretary 'threatened the civic groups with arrests if they go ahead with plans to picket at the summit' (Anon 2007). For the rest, we shall confine ourselves to short note on the responses to popular protests against the

World Environment Summit in South Africa, which may be seen as emblematic of the South African state—and ANC—response to popular resistance to neoliberalism.

The police response to protests targeting the World Summit on Sustainable Development (WSSD) in Johannesburg, South Africa, in September 2002, appeared to show little difference between the ANC government and other supposedly more right wing governments worldwide, perhaps unsurprisingly, given the ANC's embrace of neoliberal policies of opening up to foreign investment, privatization of public companies and strict fiscal restraint. In response to these policies, opposition was expressed in the growth of organizations such as the Anti-Privatization Forum, the Landless People's Movement (LPM), the Soweto Electricity Crisis Committee and many others whose protests and direct action was met by police repression. In the run-up to the summit activists were monitored and questioned, and some were arrested and jailed. On the Saturday before the summit, after a conference of the International Forum on Globalization at Witwatersrand University, a group of 700 people carrying candles attempted to march to Johannesburg Central prison 'in solidarity with hundreds of people who had recently been arrested by police in pre-WSSD intimidation raids' (Bond 2002). The march was ambushed by police who fired 'smoke and concussion grenades into the centre of the march without warning' (ENS 2002).

The following day, South Africa's Safety and Security Minister promised to clamp down on any protesters demonstrating at the WSSD without government approval. Following international media attention to the repression of dissent, the police were forced to give reluctant permission for a protest march to the WSSD's heavily fortified and guarded site in the prosperous Sandton area. (South Africa had mobilized some 8,000 police and army officials to provide security to the summit.) Some 20,000 people joined the march, including anti-privatization activists, members of Jubilee South, the LPM and Via Campesina. It took marchers six hours to reach Sandton due to police constantly blocking marchers and changing the permitted route of the march several times during the march itself (Vidal 2002).

Conclusion

This chapter has argued that a new model of protest policing is being diffused in response to new protest repertoires introduced by the AGM. This model, however, shows significant national and regional variations. Our analysis of

policing of summit protests across five continents showed: the policing of AGM protests is mediated by local police styles, experience and judgement; separate constituents of AGM summit protests receive different policing methods; state form has a strong influence on policing—authoritarian states continued their existing policies on preventing public displays of dissent; and, finally, these changes in policing were already under way before the rise of the AGM in parts of Europe and North America and before the attacks on financial and military targets in the US on September 11. Our review shows much greater uniformity among media treatment of AGM summit protests than among police management of summit protests.

This model of protest policing has been formulated and adopted by analysts who have only examined protest policing in core countries. In 2006, della Porta, Peterson and Reiter published an edited volume on the policing of transnational protest. Yet aside from one reference that grouped Bolivia and Turkey as authoritarian states, nowhere was attention paid to policing outside the core. Thus their collection is another proof of Sheptycki's contention that 'Studies of the policing of political protest taking place on the periphery (or even semi-periphery) of the global system is generally absent from the accounts of trends and developments of public order policing' (Sheptycki 2005: 329). As we have seen, most of the evidence for this new policing style comes from the advanced industrial economies of North America and Europe. Such material as is available on policing in the periphery gives little evidence of this new style, nor of the previous style of negotiated management. Our chapter has extended the analysis of protest policing beyond the core. From this, we can safely conclude that there is no simple globalization of a new POMS or replacement of negotiated management policing model. Public order policing, like globalization itself, is mediated by national, regional and local factors, histories, experiences and balances of power.

Finally, in an age of globalization and the alleged associated phenomena of deterritorialization and unbounded flows, our examination of protest policing has found increased obstruction of flows through the policing of public space and limitations on civil liberties along with increased territorialization through the creation of fortified zones. Responses to the AGM show the limits of the supposed hypermobility that is a much-praised characteristic of globalization: while elites have been free to flow across state borders with ease and in comfort, increased regulation and restrictions have been placed on the movement of those that challenge the elite. While some theorists have associated globalization with an increase in democracy, opposition to globalization has been met with the closing down and restriction of democratic rights in Western core countries, the diffusion of these restrictions to other areas, and the continuation of previous methods of repressing dissent in peripheral countries.

Notes

1. This section is based on the eyewitness account of Tomás Mac Sheoin, who was in Dublin over the period and took part in the march on Farmleigh House. For a short presentation by the organizers of the march see Dublin Grassroots Network (2004); for the police view see *Garda Review* (2004); for the media scare before the march, see Make Some Noise (2004) and Hederman (2004). For further details, consult www.indymedia.ie

2. See www.stopthenato.org for details of some of these protests as well as their banning and repression.

3. We should also note that the notion that negotiated management was accepted practice for policing protest has been questioned by a statistical analysis of protest policing between 1998 and 2004 in three Canadian cities—Montreal, Toronto and Vancouver (Rafail 2005).

4. Demos is a European Commission-funded project on democracy in Europe and the mobilization of society. See http://demos.iue.it for details.

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10

Globalization Politics with Women's Empowerment

SAMIR DASGUPTA

Introduction

We have perhaps talked too much, and for much too long, about women's empowerment. In seminars, symposia, workshops and conferences, we have delivered lectures, lectures and more lectures which are mostly 'full of sound and fury'.

Sometimes I am confused whether there is any impact of politics on globalization or any impact of globalization on politics. My answer to both the cases is 'no'. I can only argue that globalization is itself a political catchword. And we are dancing on a pin ball named globalization. To the 'West' globalization is a blessing, and to the 'rest' it is a curse; and now to the people of the world it is a mixed blessing.

The speakers in most of the seminars and symposia talk too much about women's inequality and empowerment. All are no doubt impressive and passionate too. But the rhetoric contradicts the grim reality.

The term 'gender' refers to the socially-constructed roles of women. Gender equality means an equal level of empowerment, participation and visibility of both sexes in all spheres of public and private life. Gender equality is not to be thought of as the opposite of gender difference but rather of gender inequality. It aims to promote the full participation of women and men in society. Gender equality, like human rights, must be constantly fought for, protected and encouraged.

Many women's campaigners recognize that globalization affects women in different ways, creates new standards for the treatment of women and helps women's groups to mobilize. In situations where women have been historically repressed or discriminated under a patriarchal division of labour, some features of globalization may have liberating consequences (S. Dasgupta, 2006). Globalization presents opportunities to some women but causes marginalization of many others; it advocates, 'mainstreaming' as the way to achieve gender equality. Women play a distinct role in globalization, experience more harmful effects and become a constituency for anti-systemic movements. S. Dasgupta, (2006) notes:

> The philosophy of globalization process is to promote gender disparity and the empowerment of women as efficient ways to combat poverty, hunger and disease and to stimulate development that is truly sustainable, and also to combat all forms of violence and assault against women. But the recent trend shows a rather sordid picture of gender exploitation and a nexus between the increase in workplace based sexual harassment claims and the proliferation of work-based email and Internet use is quite visible now. (p. 148)

We can view how Internet technologies are implicated in sexual pestering and consider some of the reasons why these technologies have aggravated nuisance claims. This is, of course, the dark side of globalization, which is very perilous for the identity of womanhood or motherhood. It is evident from the facts and figures that 98 per cent of wealth on Earth is in the hands of men, and only 2 per cent belongs to women; the 225 richest 'persons' in the world, who are men, own the same capital as the 2,500 million poorest people. Of these 2,500 million poorest people, 80 per cent are women but USD 780,000 million are spent on armaments worldwide compared to USD 12,000 million spent on women's reproductive health. In terms of child prostitution, 90 per cent are girls and 100 per cent of the beneficiaries are men. This is the unobtrusive and deadening condition of women in this era.

Amartya Sen's (2001) work on gender inequality is of seminal importance. His work on the theory of the household represents the household not as an undifferentiated unit, but as a unit of cooperation as well as of inequality and internal discrimination. He has worked on problems of discrimination against women in the development process, on survivorship differentials between men and women under conditions of social discrimination against women, and on women's agency in the process of social development. Sen (2001) proposes and popularizes the concept of 'missing women'—estimated to exceed 100 million round the world—which has given us a new way of understanding and mapping the problem. The empowerment of Indian women is still a long way if the World Economic Forum report, which has put the country among the bottom 10 when it comes to their partaking in the economic schema, is a tip-off.

According to the *World Economic Forum Report*, in the gender gap index India's rank is 114, after taking into account the economic, political, educational and health factors, amongst 128 countries.

The afflicted world in which we live is characterized by deeply unequal sharing of the burden of adversities between women and men. Gender inequality exists in most parts of the world, from Japan to Morocco, from Uzbekistan to the United States of America. However, inequality between women and men can take very many different forms. Indeed, gender inequality is not one homogeneous phenomenon but a collection of disparate and interlinked problems. Sen (2001) notices six types of women inequality in our society:

1. Mortality inequality
2. Natality inequality
3. Basic facility inequality
4. Special opportunity inequality
5. Professional inequality
6. Ownership inequality

The current wave of globalization has greatly improved the lives of women worldwide, particularly in the developing world. Nevertheless, women remain disadvantaged in many spheres of life. For example, the Center for Global Development estimates that 43 million primary-age girls are not enrolled in school. In only 18 countries in the world do women hold even one-third of seats in the legislature. Five hundred thousand women die in pregnancy or childbirth each year. An African woman, for instance, faces a one in 16 chance of dying in childbirth in her lifetime, while in the industrialized world the chance is one in 2,800. Almost half of the adults living with AIDS and HIV are women. The number of women and girls infected with HIV has increased in every corner of the globe. It has increased at a high rate in Europe, Asia, Latin America and Sub-Saharan Africa. In India women account for around 1 million out of 2.5 million estimated number of people living with HIV/AIDS. Their heightened vulnerability has both biological and socio-economic reasons. Early marriage, violence and sexual abuse against women are the major socio-economic reasons of their vulnerability to HIV infection. Their biological construct makes them more susceptible to HIV infection in any given heterosexual encounter.

The spread of such a disease is mainly due to the powerlessness of women in controlling or negotiating power in their sexual relationships, including marriage. They have pitiable entrée to information and education. This is aggravated by deadening poverty among women. Sexual assault, violence, sex selling, prostitution, sex trafficking and overuse of genital organs of porn stars also expose women to HIV infection. Violence against women and HIV/AIDS continue to be inextricably linked: rape, incest, assault by males, violence in the course of trafficking or at workplace exposes them to HIV infection.

Women have poor access to health services because lower priority is given to their health and they lack decision-making powers within the family. Also, women usually have poor mobility, which inhibits access to information and services.

The UN's Millennium Development Goals put stress on the issue of gender equality and especially on empowerment of women. As part of the Millennium Goals, the international community, especially the UN will monitor the indicators of gender equality such as levels of female enrolment at school, participation in the workplace, and representation in decision-making positions.

Gender Politics and Globalization

Sociologists always construct methodological mapping on the basis of objective paradigm of the phenomena. The situation of subjective reality merges with the speculation and imagination which contradicts with the systemic sociological methodology. For example, I have an objection in the matter of running the department of women studies or any women cell or commission only by women. It means the women themselves are the best spokeswomen. The mechanism or social policy is totally gender-biased. As if women are creating their own orbit where they can nest and settle. Second, I have some reservations regarding the term *Naribadi* (Feminist). Some women intellectuals and academics claim themselves *Naribadi* (Feminists). They generally express their rhetoric protests (I have doubts about the protests) using their skill of poem writing, essay writing, research paper writing and public lectures, seminars, conferences, and so on, which I am convinced have a very feeble access to the vast bulk of rural and illiterate women populace.

Third, if we claim ourselves as human beings then the issue of inequality appears a misnomer. A good number of gender schools of thought such as the Radical feminist school, Liberal feminist school, Socialist school and Marxist thought have emerged in Gender Sociology. The approaches have just supplied us the rhetoric and historical source materials of gender issues. But, in reality, today's feminist movement mostly gives us the message of heterosexual freedom and to be free from the family bondage and marital tie. This has every possibility to invite the sordid picture of sex abduction and sex marketization. Important conversations are currently taking place about a confusing phenomenon regarding a specific group of contemporary women. These conversations relate to some young women today who embrace pornography and prostitution, and the sexual objectification of women. Rejecting the feminist struggles of an earlier generation, these young women seek to advance this so-called 'post feminist' agenda.

In her book Levy (2005) explores this phenomenon. She writes that suddenly we were getting implants and wearing the bunny logo as supposed symbols of our liberation. How has culture shifted so drastically in such a short period of time? Levy interviewed men and women involved with the media's representations of this cultural shift. She interviewed strippers, porn stars, porn star wannabes, the crew from *Girls Gone Wild*, Olympic female athletes who pose nude for *Playboy*, the female producer of *G-string Divas* and many others.

> This new raunchy culture didn't mark the death of feminism, they told me: it was evidence that the feminist project had already been achieved. We earned the right to look at *Playboy*; we were empowered enough to get Brazilian bikini waxes. Women had come so far, I learned, we no longer needed to worry about objectification or misogyny. Instead, it was time for us to join the frat party of pop culture, where men had been enjoying themselves all along. If Male Chauvinist Pigs were men who regarded women as pieces of meat, we would outdo them and be Female Chauvinist Pigs: women who make sex objects of other women and of us. Is this the echo of empowerment in the globalization era?
>
> I am a man and writing on woman. And I don't think that being a man writing on feminine is a fun or foul play with the rhetoric discourse. I agree with the proposition that a patriarchal society depends in large measure on the experience and values of males being perceived as the only valid frame of reference for society and that it is therefore in patriarchal interest to prevent women from sharing, establishing and arresting their equally real valid and different frame of reference, which is the outcome of different experience. (Dale 1982: 4–5)

But I am not convinced with Spender that women's experience is non-existent, invisible and unreal from the outset. In the era of globalization or otherwise in the era of postmodernism, women are very much visible, existent and real. The pre-reservation of patriarchy does not matter with the centrality of women in society. It is a popular saying that it is men, not women, who control knowledge; it is men, not women, who control the economy and politics; it is men, not women, who act as decision makers; it is men, not women, who advocate the general currency of thought.

But with the emergence of globalization the objection of such a gender gap or gender discrimination has been sustained and overruled. Because the entire history of women's struggle for self determination has not been muffled over time and space, so it is not the right time for the elite women who are with the mainstream to look back in anger. But the vast bulks of rural populace who are the victims of poverty, dejection and illiteracy, and the housewives, in both rural and urban areas, who obey their husbands as lord or God are still disempowered and marginalized in the sense of socio-economic and politico-cultural status. To them male power dominates their existence. Smith (1978: 281–96) notes, 'Because men have power, they have the power to keep it.'

Perhaps Smith speaks of the domination of knowledge as the expression of the power of the male which 'consists of specific, localized relationships which together constitute the social body' (Foucault 1982). If we analyse male domination over female then male power seems positive, but gender inequality emerges from the act of repressing and controlling nature of patriarchal man. Foucault (1982) notes, 'where there is power, there is resistance'. But when we speak of male domination in the patriarchate society the question of resistance emerges from the side of women. So we see women's protest movements in the world.

Theoretical Game with Women Power

Foucault, setting aside the question of sexuality or biopower, makes a significant comment on the issue of gender equality. He states, 'Real strength of the women's liberation movement was not having laid claim to the specificity of their sexuality and the rights pertaining to it, but that they have actually departed from the discourse conducted within the apparatus of sexuality' (Foucault 1980: 219–20; cited in Adams and Sydie 2002). This departure resulted in a

> …displacement effected in relation to the sexual centering of the problem, formulating the demand for forms of culture discourse, language and so on, which are no longer part of that rigid assignation and pinning-down to their sex which they had initially in some sense been politically obliged to accept in order to make themselves heard. (Foucault 1980: 219–20; cited in Adams and Sydie 2002)

The transformation of biopower of women to social, cultural and political power is important for the notion of empowerment for which women are still struggling. A section of feminists, of course, deny the relevance of biopower in the context of women's movements. They are in favour of having an equal share of economic, social, cultural and political rights. They oppose the rationale of awareness of gender inequality that 'came after a folding experience of sex-discrimination' (Rossi 1988).

The feminist sociologists who are mostly intellectual feminists by profession and live within the urban and especially elite orbit speak about the women's movement from their knowledge–sociological which does not match with the practising perspectives of gender discrimination. They belong, we can easily argue, to a relatively privileged group of women who have 'access to higher education' (Adams and Sydie 2002) and who are very loud in their academic discourses and seminar-voices. But they are barely in touch with the applied

perspectives of gender discrimination. But it is a fact that feminist sociologists' discourses help the women's movement to a considerable extent. Practically, women are second-class members of society. They are only useful in the kitchen to cook for their male partners; they act only as a nurse when their male partners feel sick; and are useful as a sex object in bed when their male partners desire them. This philosophy of deprivation helps the feminist sociologists to develop a new wing in the world of sociology. Adams and Sydie (2002: 207) observe that 'feminism in the academy mounted critiques of the masculine theoretical canon in what Bernard has called the "Feminist enlightenment"'. Bernard's 'enlightenment' yields sexism as an 'invisible paradigm' (Jessie 1989). De Beauvoir's (1974) *The Second Sex*, an important text for the current women's protest movements, explains man as the 'subject and absolute' and woman as the 'other' or 'second'. She writes in this context with a crushing and tragic reality that 'one is not born, but rather becomes, woman' (de Beauvoir 1974: 36). De Beauvoir was not in favour of explaining gender inequality in terms of sex and productive relations. But one cannot deny the sexual difference between man and woman. Both male sex and female sex are the products of sexual mating which take its shape in the womb of mother following the genetic process of chromosomal arrangement or gene permutations and combinations. I do not call woman the 'second sex'; rather I call them woman in terms of her sexual dispositions. Both male and female are indispensable for creation and procreation. Otherwise society would either be a 'gay society' or 'lesbian society'. And both these societies are unusual societies which symbolize sex-identity disorder. Natural or usual society consists of both men and women and they are complementary objects: when someone undermines a woman and calls her the 'second sex', a sex object, discrimination becomes apparent. And such an attitude of men towards women disempowers them. Disempowerment is a relative term which should be carefully explained. It is generally stated that men always dominate (active) over women's sex (passive) and reproduction. But this sort of domination–subordination paradigm does not identify any gender universalism. The issue of male-specific society largely depends on capitalist expansion and capitalist domination. Here the idea of self-explanatory gender oppression transforms into a social explanatory oppression universal. For example, in the rural sector both male and female equally participate in social, familial, economic and cultural activities. Both the men and women equally enjoy sex and equally participate in domestic and agricultural activities. The rural women are quite ignorant of the concept of the domination-subordination paradigm or the empowerment-disempowerment dilemma.

It is an accepted phenomenon that 'men talk more than women. It is not because they are men, but because there is a tendency for higher status people

to talk more' (cited in Walia 2007). In a newspaper(*Guardian*) it is reported that both men and women speak almost exactly 16,000 words a day. Besides both the male and female brain are capable of dealing with real life situations (Walia 2007). So we can argue that the sex clash is nothing but the clash of biopower.

Women in India

Jawaharlal Nehru states, 'You can tell the condition of a nation by looking at the status of its women.' In India males appreciably outnumber females, and this imbalance has increased over time. India's maternal mortality rates in rural areas are among the world's highest. In this era of globalization India accounts for 19 per cent of all live births and 27 per cent of all maternal deaths.

As per one of the estimates, the death of young girls in India surpass those of young boys by over 300,000 each year, and every sixth infant dies mainly due to gender favouritism.

> Of the 15 million baby girls born in India each year, nearly 25 per cent will not live to see their 15th birthday. Brawny patriarchal traditions attach with it. In India, a daughter is still viewed as an appendix, and she always faces with the grim reality that she is passive and weak. Males are adored and desired. *May you be the mother of a hundred sons* is a common Hindu wedding blessing.[1]

It is evident from the sacred text of Manu that by a young girl, by a young woman, or even by an aged one, nothing must be done alone, even in her own house. In her childhood a female must be conditional to her father, in youth to her husband, when her master is dead to her sons; a woman must never be independent. The females in India are victims of malnutrition, disease, illiteracy, ill health and deception. They are treated as only child bearers. Desai (1994) in *Gender Inequalities and Demographic Behavior* asserts that:

> …parents' reluctance to educate daughters has its roots in the situation of women. Parents have several incentives for not educating their daughters. Women in our country are generally battered both by their husbands and in-laws. Domestic brutality against women is the most unrelenting human rights infringement in the global world. *Opening the door on the subject of violence against the world's females is like standing at the threshold of an immense dark chamber vibrating with collective anguish, but with the sounds of protest throttled back to a murmur. Where there should be outrage aimed at an intolerable status quo there is instead denial, and the largely passive acceptance of 'the way things are'.* (Desai 1994)

In recent years, there has been an upsetting rise in anarchy against women in India. It is evident from different studies and reports that every 26 minutes a woman is physically abused. Every 34 minutes a rape takes place. Every 42 minutes a woman is sexually harassed. Every 43 minutes a woman is kidnapped. And every 93 minutes a woman is burnt to death over dowry. One-quarter of the reported rapes involve girls under the age of 16 but the vast majority are never reported.

A December 1997 article in *India Today* titled, 'Victims of Sudden Affluence' states:

> A woman on fire has made dowry deaths the most vicious of social crimes; it is an evil endemic to the subcontinent but despite every attempt at justice the numbers have continued to climb. With get-rich-quick becoming the new mantra, dowry became the perfect instrument for upward material mobility. (Vinayak 1997)

A study done by a policy thinktank, the Institute of Development and Communication, states, 'the quantum of dowry exchange may still be greater among the upper classes, but 80 per cent of dowry deaths and 80 per cent of dowry harassment occurs in the middle and lower strata'.[2] The article goes on to state, 'So complete is the discrimination among women that the gender bias is extended even toward the guilty. In a bizarre trend, the onus of murder is often put on the women to protect the men. Sometimes it is by consent. Often, old mothers-in-law embrace all the blame to bail out their sons and husbands.'

As UN Secretary General Kofi Annan has stated, 'Gender equality is more than a goal in itself. It is a precondition for meeting the challenge of reducing poverty, promoting sustainable development and building good governance.' According to a recent report by the United Nations Children's Fund (UNICEF) up to 50 million girls and women are missing from India's population as a result of systematic gender discrimination in India. In most countries of the world, there are approximately 105 female births for every 100 males. In India, there are less than 93 women for every 100 men in the population. The accepted reason for such a disparity is the practice of female infanticide in India, prompted by the existence of a dowry system which requires the family to pay out a great deal of money when a girl is married. For a poor family, the birth of a girl child can signal the beginning of financial ruin and extreme hardship.

Women do not speak of their captivity or express any voice of protest against their male partners. In reality, they are not 'captive ladies', but in terms of their socio-economic status they are dejected just like their male partners. For survival they adopt unusual occupations—they sell their bodies—and become the victims of malnutrition mainly because of insufficient intake of food (the rural women mostly like to distribute food among the male members not because of their subordinate status but because of their love, passion,

feeling and sense of nurturing motivation). Now the question of empowerment-disempowerment dilemma should not be treated as hereditary or genetic—it is certainly the expression of acquired instinct bound by environment. In our Hindu Philosophy *Devi Durga* and *Devi Kali* are treated as the goddesses of power, energy and vitality. This *Shakti Cult* contradicts the issue of women's disempowerment.

Those Days are Gone

Those days are gone when men echoed the words of the great poet Lord Tennyson, '*Man for the field and woman for the hearth. Man for the sword and for the needle she; man with the head and woman with the heart; man to command and woman to obey*….' Those days are gone when a woman was subjected to her father in her infancy, to her husband in youth and in her old age to her son. She is now free from such subjugations. She is now performing seven roles: parental role, conjugal role, domestic role, kin role, community role, individual role and occupational role in society. It is because of their mind-power that women can take such a role-load. I do think women should not undermine themselves because all the role-performances express their sense of empowerment and pride. Some say it is the men who are behind such institutional actions. Approval of such an imaginary social construct disempowers women. But today's women are more conscious of their social and economic activism. They are conscious of their undefined work of their freedom.

Practically in the era of globalization women's empowerment may be interpreted in the context of power relations. The power relations may be social economic, political, cultural and familial. Shifting of biopower to institutional power is now being considered as the prime agenda of gender empowerment. And behind such a power play, with women hidden in the politics of globalization, 'women have been drawn into paid labour under corporate capitalism which Marx and Engel expected as gender empowerment' (Adams and Sydie 2002: 454). But this is not enough to measure the degree of empowerment. Women are now equipped with modern technologies, they are taking advanced academic courses; getting access to the wider world—using computer and Internet on a very large scale; participating in public performances and television; appearing nude on film, theatre, soap operas and advertisements; going in for abortions; getting involved in pre-marital and extra-marital sexual relations; becoming careerists without emotional stimulation; taking part in active politics; becoming nude protesters, and so on. Are these the symbols of disempowerment? I say the issue of gender inequality varies from space to

space, economy to economy, class to class, individual to individual and family to family. It cannot be a universal phenomenon. It is problem-specific and depends on the mind set and temperament of men. I must not argue that all men are bad or all women are good; more likely I want to say that most men in this world are good and a feeble percentage of women are bad. It means both men and women in our global society are good and empowered. The philosophy of empowerment exists in the mind. If a woman feels mentally stable and upright, she is empowered in the real sense. No man can make her feel disempowered. Mind is the only power to get rid of emotional or socialization strain. Pooja Chauhan of Rajkot (India) had that mind-power. Perhaps that is why she stripped to protest against the dowry system. Another set of protesters were a section of women in Manipur (India) who stripped in front of the 17 Assam Rifles gate in 2004 against ruthless killing of Manorama. This type of nudity is not an expression of exhibitionism or 'shame', rather it expresses women's empowerment which develops from mind-power. They have expressed their voice of protest against social anarchy and gender oppression.

Postmodernists' Views

A section of the postmodernists view neoclassical economics as a sexually specific subject (Hewitson 2001).

The female body as defined by neoclassical economists is 'constituted as the excluded other', that is, 'the other' (women) outside the fence of neoclassical economists. Cornell (1991) notes that woman 'is' only in language, which means that her 'reality' can never be separated from the metaphors and fiction in which she is presented. But I argue that women are not either 'the other' or just language but they represent a reality—a reality in the sense of their reproductive power. The male, who claims himself as the symbol of patriarchal superpower is totally dependent on female's body. In this regard the women, in the sense of bio-divinity, are totally empowered. They are the mothers—the creators of both the sexes who are always regarded as two contending forces like Marx's *proletariat* (female) and *bourgeois* (male).

The human being, as we know and as gender history taught us, are the two divided forces like 'we' (men) and 'they' (women). The women are expected to perform the multiple roles of housekeeping, motherhood, wife, cooking, nursing, rearing and caring of children, cleaning and washing of utensils, and so on. In other words, they are compelled to sell their labour and we act as the masters, as the feudal lords or as the capitalists to dominate over them. As

if women are the satellites and men are the metropolises. And the capital (labour and plight of women) comes dripping from every pore, from head to feet with blood and dirt. Second, in the era of globalization female bodies sell as commodities. Surrogate motherhood is increasing day by day; sex crime is crossing limits, our 'global village' is very worried about sex-trafficking, wife battering, dowry killing, AIDS contamination and premature death caused by unwanted pregnancies. Are women becoming the prime object or commodity in the era of neoclassical economies and globalization? Can we claim that globalization is affecting inequalities between the two sexes?

The postmodernization depicts a hyper-knowledge regarding feminism. Most of the viewpoints are mainly concerned with the hyper language game. Here reality has no room.

> A feminist post-structuralist takes quite a different view of the relationship between neoclassical economics and women or the feminine…neoclassical economics is a discourse which actively produces its objects as well as its subjects of knowledge, rather than being a knowledge in relation to which the 'real world'…Has a separate existence. (Hewitson 2001: 223)

Ulrich Beck (1992) argues that the omni-dimensionality of gender inequality began to change in Western countries over the past decade or two. He notes, 'Epochal changes have occurred especially in the area of sexuality, law and education' (Beck 1992: 103). Do these changes exist on paper? This is the point of contradiction that should be noted by the gender sociologists. A section of social scientists and development experts argue that globalization has a direct impact on such a change which they claim is not rhetoric but real. But the clash of the sexes and the violence of intimacy do not support such a view. The blending of traditional conditions of women with the new consciousness is becoming very explosive. Beck's (1992) statement was straightforward:

> Men have practiced a rhetoric of equality, without matching their words with deeds … the contradictions between female expectation of equality and the reality of inequality, and between male slogans of mutual responsibility and the retention of the old role assignments, are sharpening and will determine the future development in the thoroughly contradictory variety of their expressions in politics and in private. (Beck 1992: 104)

Modernization, a by-product of industrialization, has already divided the biological self. The degree of inequality between the two sexes increased very promptly. Beck (1992) states, 'The image of the bourgeois industrial society is based on an incomplete or more precisely, a divided commercialization of human labour power' (p. 104). On the basis of such a theoretical paradigm we

can say that gender inequality is the product of globalization where we notice that multinationals take over the world with the motive of capitalist implosion by the process of technological revolution. So Beck rightly states, 'Industrial Society is dependent upon the unequal positions of men and women' (p. 104). Second, the rise and dominance of individualism also created gender inequality which has diluted gender reciprocity, gender cohesiveness and personality make-up. In the era of globalization the rise and dominance of the 'I' feeling has created a situation of confusion regarding gender roles, gender empowerment and 'sexed body versions'. Women celebrities in the global era are very loud when saying 'I am I'. Males are also high sounding in this context. Now the clash between two 'I's is creating an empowerment-disempowerment dilemma. On 4 July 2007 one Indian woman, Pooja Chauhan (22 years old) walked down the streets of Rajkot in her undergarments to protest against the inhuman treatment meted out to her by her husband for delivering a baby girl. This had created a sensation nationwide, but in the course of time the matter was settled. Here Pooja's attitude may be referred to as '*I am I*'. Otherwise such a case of rebellion may have had a wider impact nationwide.

Sunny Leone, a porno star in the West with an Indian background who once shaved off her pubic hair to protest against George Bush's presidentship in 2004 (gimmick?) is in favour of the economics of sexed-body. In an interview with Priyanka Dasgupta, she says: 'I look at it this way that I am extremely happy with my life and decisions I have made…I idolize women who have stepped forward in life and stepped past boundaries that the world has set for us' (P. Dasgupta, 2007). Sunny Leone, a porn star has the view of '*I am I*'. A very interesting view of wifehood has recently been noticed across the globe. Like motherhood, the concept of wifehood in the era of globalization is taking shape among both working men and women. Joyce Lustbader, a research scientist at Columbia University says:

> The thing I most want in life is a wife. I am not kidding. I work all day, sometimes seven days a week, and still have to go home and make dinner and have all those things to do around the house. (Lusbader cited in Boss 2007: 10)

Economic emancipation as the sole searching deduction of women empowerment has diluted with the old axiom of traditional role performance of the women. Wifehood, the neo-feminists will certainly confuse, is redefined as old fashioned standards of household management and housekeeping. Women in this globalization era occupy a major per cent of managerial, professional and clerical positions.

Shira Boss (2007) notes, 'Having children is, overall, an impediment.' Not only that, working women with children get a penalty—they are paid less than

working women without children. If globalization has opened the economic, cultural, political and social doors to the women, then why such a penalty? Motherhood is the most beautiful and aesthetic truth of the planet. If it is so, can we claim that globalization is playing politics with women's empowerment?

I can mention another incident which contradicts the notion, rationale and philosophy of globalization. Very recently an Indian woman, Amrit Lalji, aged 40, who had been working in the catering services of British Airways, was suddenly dismissed from service on account of wearing a traditional Indian nose pin. Wearing of such a nose pin is obligatory for women as it is the symbol of marriage in a number of states such as Gujarat (India). In the age of globalization when we utter very high sounding words like 'global communication', 'free trade', 'border less education and interaction', 'local–global continuum', and so on, how could it be possible to impose such a restriction? Is this the philosophy of multiculturalism?

I say it is an incident of 'local–global' clash. Of course Ken Livingstone, the Mayor of London condemned the incident. He said, 'I unreservedly condemn the sacking of Amrit Lalji for wearing a Hindu nose stud. It is an attack on her right to freely express her religion and an attack as a woman to dress as she wishes' (cited in the *Times of India*, 25 September 2007).

We can cite thousands of such cases which narrate the impact of the dark side of globalization. A number of conventions have been held on the issue of women's empowerment—a great number of laws have been enacted to safeguard women globally. But the reality sometimes depicts a very sordid picture; sometimes creates confusion and mostly creates a dilemma. Since the 4th World Conference on women in 1995 in Beijing, more than 60 countries have changed laws that discriminate against women. It is undeniable that women are getting education, job opportunities, political power and sexual freedom. But these gifts of globalization do not identify gender inequality. Multicultural feminists argue that as yet a number of contributing factors reinforce gender discrimination such as race, caste, class, age, religion, sexism and biological disability (Tuna and Tong 1995: 242 cited in Bradshaw et al. 2001).

Second I can argue that the women who live in urban elite areas, who are celebrities, and who always speak of empowerment and the women's liberation movement, are very much empowered. The indicators of such empowerment are a high level of education, high job status, holding of political power, culture-specific style of living, good earnings, elitist lifestyle pattern and sexual freedom. But a vast bulk of the total global woman populace is still deprived of having such privileges and empowered status. They earn less money, receive less education and are subjected to domestic violence and male atrocities. Worldwide 70 per cent of women still live in poverty. They are still unable to walk, talk and interact like men.

Sex and Empowerment

Globalization makes women 'sexy' and uses them as the sex-commodities. The sexed-body of women is now on the Internet and on television screens and uses them as an enchanting bonanza of global tourist economy. A newly married girl said, 'He watches porn every night and then wants me to try those facts. I find it absolutely abhorrent.' So globalization accelerates the rate of breakdown of the traditional marriage system. Only sex dominates the sanctified marriage system. And now bad sex is everywhere. Bad sex or sexual freedom should not be the only symbol of women empowerment. It is reported that 30 per cent women turn to porn films and playboy, sexy lingerie, sex toys and lubricants to spice up their sex lives.

Under the shadow of globalization women empowerment is measured as sex-consumerism which has clouded the global sky. Different adult Internet sites, increasing sex crime, expansion and growth of sex-tour trade across the globe, the uncontrolled global sex trafficking, selling of distressed women in the Third world, free sex trade, and so on, identify the female body as a global sex commodity. Is this the image of women's empowerment? Bradshaw et al. (2001: 277) notes, '*Western marketing around the world not only communicates information about products but conveys implicit messages about the kinds of people who consume the products, messages about their modernity and their desirability.*' Global players, by the process of marketing, exploit sexuality of women in packaging goods to ensure greater saleability. Global consumer culture, we can claim, promotes the 'sexualization of consumption' and the 'consumption of sexuality'. Here 'biopower' converts into 'sex-commodity'. And selling of the sexed-body disempowers women in the real sense. The women who enter into such a hell are subjected to the paralysis of hopelessness and helplessness. This is the hidden coma of women's empowerment. The ultimate result is death either by AIDS or by the diseases caused by the excessive and 'wrong' use of genital organs. The expansion and growth of global tourist centres, fast food centres, private rooms which are the creations of the capitalists use distressed women as the capital of their trade growth. Women as the 'subjects of desire' become the subjects of consumer culture. Now women begin to suffer from identity crisis. In the era of globalization they have, in the true spirit of humane sense, become de-signified; and in the sense of sex subjects became highly significant. The metamorphosis from gender neutrality to gender differentiation becomes a regendering phenomenon with regard to empowerment, which ignores gender pluralism.

If we explore the hidden side of sex tourism, the other side of globalization comes to the fore. Thailand is regarded as the turning point of a notorious sex-industry, which serves the desire of mainly Japanese and Western tourists.

In 1967 Thailand made an agreement with the US government to provide 'Rest and Recreation' services to the military during the Vietnam War. It is reported that that Korean and Philippine women were tricked, raped and forced to work as prostitutes. During the past decade Cuba has become a haven for international sex tourists. In Thailand, for instance, travel brochures promote 'sun, sea and sex'. They build on the patriarchal and racist fantasies of European, Japanese, American and Australian men by touting the exotic, erotic subservience of Asian women.

> They [sex tours] offer meetings with the most beautiful and young Eastern creatures (age 16 to 24 years) in a soft and sexy surrounding and in the seductive and tropical night of the exotic paradise. You get the feeling that taking a girl here is as easy as buying a pack of cigarettes. (Excerpts from a Dutch tourist pamphlet on sex tours in Thailand cited in *Feminism and Women Studies* 2005)

The war in Vietnam brought a military build-up in Asia that ironically proved fortuitous for the economies of many countries. Korea, Vietnam, Thailand, the Philippines and Okinawa built up a burgeoning sex industry outside the bases. Rest and recreation actually created new cities and added much-needed capital to the overall economy of each nation. It is estimated that by the mid-1980s the sex industries around the bases in the Philippines had generated more than USD 500 million. At the end of the war in Vietnam, Saigon had 500,000 prostituted women—this is equal to the total population of Saigon before the war.

Here are some estimated figures (excluding the US and Canada):

1. 75,000 prostituted women in Japan
2. 50,000 maids in Singapore
3. 50,000 domestics/prostituted women in Hong Kong
4. 75,000 domestics in England
5. 50,000 domestics in Spain
6. 75,000 domestics in Italy
7. 50,000 in Germany
8. 150,000 in the Middle East

Source: *Feminism and Women Studies* 2005.

So it can be argued that women's disempowerment is very much related to the expansion of war and regimentation. Slogans like 'sex for military' shatter the noble sentiments of the slogan 'food for the hungry'. The question may thus arise: is a woman food for people at war? This also represents the negative version of globalization. I argue that this is a deadly game of globalization with women which results in capitalist implosion. This represents another kind of

modernity which symbolizes a newly shaped holocaust. It is not the burning of human flesh which occurred during the fascist colonialism. It is more cruel, more horrible and more inhumane.

In 2000, *New York Times* report ('International Trafficking in Women to the United States: A Contemporary Manifestation of Slavery') estimates the number of women and children trafficked to the United States for sexual slavery to be as high as 50,000 per year. They are forced to satisfy the desire of the males, they are forced to dance nude, forced to serve sometimes as domestic servants and sometimes as sex sellers. A section of globalization narratives of new-liberals speaks of 'rape scripts', which are based on the assumption that men and women play out fixed gender roles of aggressors and victims (Marchand and Runyan 2001). So we see such a capitalistic penetration (masculinity) into a non-capitalist system (feminity).

The sex industry has come to occupy a strategic and central position in the development of international capitalism. For this reason the sex trade is increasingly taking on the guise of an ordinary sector of the economy. This particular aspect of globalization involves an entire range of issues crucial to understanding the world we live in. These include such processes as economic exploitation, sexual oppression, capital accumulation, international migration and unequal development, and such related conditions as racism and poverty.

Capitalist globalization today involves an unprecedented 'commodification' of human beings. The fast-growing sex trade has been extremely 'industrialized' worldwide. Millions of women around the world are victimized by traffickers each year. Women and girls are particularly susceptible to the trafficking industry. Some are abducted, some are deceived by offers of job opportunities in another country, some are sold by their distressed parents or are themselves driven by vicious poverty into the lure of traffickers who prey on their distraction. It is reported that regardless of how they are propelled into the multi-billion dollar industry of sexual exploitation whether through force, deception, coercion or simply through desperate poverty these women and girls suffer unimaginable human rights violations as commodities of the trade in human beings by third-party profiteers.

The process of industrialization produces profits amounting to billions of dollars. It creates a market of sexual exchanges in which millions of women are converted into sexual commodities. This sex market has been generated through the massive operation of prostitution.

The industrialization of the sex trade has involved the mass production of sexual goods and services structured around a regional and international division of labour. These 'goods' are human beings who sell sexual services. Prostitution and related sexual industries—bars, dancing clubs, massage parlours, pornography producers, and so on,—depend on a massive unfathomable

economy controlled by pimps connected to crime. Businesses such as international hotel chains, airline companies and the tourist industry benefit greatly from the sex industry. The International Labour Organization (ILO) estimated that prostitution represented between 2 and 14 per cent of the economic activities of Thailand, Indonesia, Malaysia and Philippines (Jeffreys 1999). According to a study conducted by Bishop and Robinson (1998), the tourist industry brings four billion dollars a year to Thailand. Over 10 years, 200,000 Bangladeshi women and girls were the object of trafficking to Pakistan, and we find that 20,000 to 30,000 Thai prostitutes are from Burma. A good part of the migratory stream makes its way towards industrialized countries.

UNICEF estimates that a million children are brought into the sex industry every year. The industry of child prostitution exploits 400,000 children in India (UNICEF 2003); 100,000 children in the Philippines; between 200,000 and 300,000 in Thailand; 100,000 in Taiwan (UNICEF 2001); 500,000 children in Latin America; and from 244,000 to 325,000 children in the United States. If one includes children in all the sex industries, the US figures climb to 2.4 million (UNICEF 2001). In the People's Republic of China, there are between 200,000 and 500,000 prostituted children. In Brazil, estimates vary between 500,000 and 2 million (UNICEF 2001). About 35 per cent of the prostitutes of Cambodia are less than 17 years old (Coalition against Trafficking of Women, CATW). Certain studies estimate that during one year, the prostituted 'sexual services' of one child is sold to 2,000 men.[3] The growth of sexual tourism over the last 30 years has entailed the 'prostitutionalization' of the societies involved. In Thailand, with 5.1 million sex tourists a year, 450,000 local customers buy sex every day (Barry 1995). The now massive South East Asian sex industry began with the Vietnam war. The US government stationed servicemen not only in Vietnam, but also in Thailand and the Philippines (Jeffreys 1999), these last two countries serving as rear bases in the fight against the Vietminh. The resulting increase in local prostitution established the infrastructure necessary for the development of sexual tourism. The presence of the military created an available workforce.

Looking at the growth and profits of the sex industry, it is easy to overlook the human cost. The profits of the sex industry are based on sexual exploitation, which first has to be acted out on real women and girls. Sexual exploitation traumatizes and scars women and girls for life.

Many critics fear that globalization in the sense of integration of a country into world society will exacerbate gender inequality. It may harm women economically through discrimination in favour of male workers; marginalization of women in unpaid or informal labour; exploitation of women in low-wage sweatshop settings; and/or impoverishment though loss of traditional sources of income; politically, through exclusion from the domestic political process

and loss of control to global pressures and culturally, through loss of identity and autonomy to a hegemonic global culture.

Women and Media

Women are portrayed negatively by the media even when it takes up the cause of women. To give one example, the media, from time to time, tries to expose what is described as the flesh trade. However, there is little attempt on the part of the media to thoroughly expose the men involved in the trade.

Women are glorified by the media only in advertisements. The female figure, often scantily clad, is used to advertise all kinds of products ranging from tooth paste to automobiles. The wide use of the female figure in advertisements has only further degraded the image of women. Unfortunately, the people in the media, mostly men, have not given any thought to bringing in some semblance of decency in the advertisements.

The past few months have seen much discussion, heated debates and controversies, pertaining to whether television has been appealing to the baser instincts of the viewers, in order to keep them attuned to the television sets. The issue that has claimed much attention and protests keep taking place regarding to the portrayal of women on television. There have been persistent questions arising from several quarters, as to whether there is an increasing distortion, an unfair and unrealistic projection of women on the medium.

The portrayal of women in advertisements reinforces and creates impression of women being mere sex symbol. Advertisements use beautiful women to sell the products to both male and female consumers by virtue of two dimensional roles as house wife, mother and daughter and her function as a decorative sexual object. Women's entire being is reduced to physical appearances only. Advertisers exploit women's sex appeal by vulgar exposure of her body. There are many advertisements which show half dressed young seductive looking women in suggestive and revealing poses advertising for motorbikes, cars, radios, beer, cigarettes, machinery and all such products which have no relation whatsoever to her figure as shown in the advertisement. Both in their content and presentation such advertisements are aimed at attracting male consumers. Such a distorted portrayal of women is not only humiliating and dehumanizing but it also reinforces male sexist attitude towards woman as playthings. Despite the media's aim of raising the general awareness in regards to the status and problems of women, these advertisements reinforce stereotypes and thereby project contradictory images of women. An advertisement depicts that there is some special joy derived by women from washing clothes with a particular

brand of detergent. Women are seen lovingly feeding their families with food cooked in a particular oil medium. To treat household consumers as only feminine is yet another attempt to reinforce a stereotype image of women. Use of a particular soap is shown as essential to get married and win the husband's heart. This again projects male superiority over the female.

Globalization and Internet Sex

Feminist movements should be associated with the philosophy of being free from mental bondage such as freedom of speech, freedom of mind-set, freedom of making decisions, and above all, attainment of economic emancipation and emancipation of the soul.

The mission of rhetoric globalization was to promote gender equality and the empowerment of women as effective ways to combat poverty, hunger and disease, to stimulate development that is truly sustainable, and also to combat all forms of violence and assault against women. But the recent trend shows a rather sordid picture of gender exploitation and a nexus between the increase in workplace-based sexual harassment claims and the proliferation of work-based email and Internet use. We can look at how email and Internet technologies are implicated in sexual harassment and consider some of the reasons why these technologies have provoked harassment claims. This is of course the negative and other side of globalization, which is very dangerous for the identity of womanhood or motherhood in the future.

Many urban and rural women are forced into prostitution in cities. Sex trafficking of women and children is increasing due to the wide network of multinational corporations in the industrial and rural areas. The facts and figures reveal that 98 per cent of wealth on Earth is in the hands of men and only 2 per cent belongs to women; the 225 richest 'persons' in the world, who are men, own the same capital as the 2,500 million poorest people. Of these 2,500 million poorest people, 80 per cent are women. About USD 780,000 million are spent on armaments worldwide compared to USD 12,000 million spent on women's reproductive health. In terms of child prostitution, 90 per cent are girls and 100 per cent of the beneficiaries are men.

Wars turn women into sexual slaves. Incidents of sexual assault, I strongly consider, are the impact of digital globalization and deregulated cultural and moral freedom. The young generation is adversely affected and influenced by globalization of media, travel, fashion, McDonaldization and economic changes.

The Internet as a medium of communication would exist without the sex industry, but the Internet industry would not be growing and expanding at its

present rate without the sex industry. The Internet industry does not like to admit how much it is being supported by the sex industry, but a few indicators are revealing.

1. The sex industry is among the top five groups buying state-of-the-art computer equipment.
2. Sex industry businesses were the first to buy and use expensive T3 phone lines that transmit compressed, high-resolution images.
3. One of the largest Internet companies in the world, Digex, whose largest customer is Microsoft Corporation, has a sex industry site as its second largest customer.
4. A website designer who works at a large sex industry website, described his work as a 'dream job' because any new technology was available for the asking.
5. In 1998, USD 1 billion was spent online on 'adult content', 69 per cent of the total Internet content sales.

Source: Hughes 2000.

Most of the owners of sex industry sites with live-sex shows moved to the Internet from phone-sex operations. One advantage they had was money for the capital investment. For example, the Internet Entertainment Group (IEG), owned by Seth Warshavsky who had a phone-sex business, invested USD 3 million in computers and communications equipment to start up his website. The Internet industry flourishes on the sex industry and technicians from the Internet sex industry have developed new techniques to deliver high quality multimedia (Rose 1997a).

Pornography is a divisive issue among feminists. Women who call themselves feminists can view pornography in two very different ways. There exists both printed and video form. No, that's not what I mean. What I mean is that pornography can be seen as: *(a)* an exploitative industry that reaps large profits by degrading of women. An industry that sends a message to society at large that women are nothing more than sex objects, merely existing as both amusement and jack-off material for men; and *(b)* The ultimate empowerment of woman—the true test of woman's independence. The idea that a woman can do and be anything she wants to be—even if daddy does not like it or it makes you squirm. These examples may be extreme, yes. Just as with all issues, there are shades of grey. But which side leans closer to the truth? (Hagood 2007).

The speedy growth of the global Internet sex industry has deepened the harm to the victims and globalized women's victimization and exploitation. Two components of globalization the rapid development and operation of information technology and the industrialized commodification of women and children

are linked and help to expand and truly internationalize sexual exploitation. The lack of regulation of the Internet and prevailing uncritical views on the sex industry are contributing to the escalation of the global sexual exploitation of women and children through global advertising of prostitution tours and online marketing. The global players have created an enchanting Disneyland of industries, but their impact spreads all over the world, especially by women.

At its 40th session, in 1996, the Commission on the Status of Women considered the critical area of concern—women and poverty—within the context of reviewing the implementation of the Beijing Platform for Action. The deliberations resulted in the adoption of resolution 40/9 which emphasized that the empowerment and autonomy of women along with the improvement of women's social, economic and political status are essential for the eradication of poverty.

> The empowerment and autonomy of women, and the improvement of their political, social, economic and health status, constitute an important end in themselves and one that is essential for achieving sustainable development. There should be full participation and partnership of both women and men in productive and reproductive life, including shared responsibilities for the care and nurturing of children and maintenance of the household.[4]

Women Empowerment and Globalization

Our world witnesses the clash between globalization—politics of identity and politics of difference. On the one hand, the women in the global era suffer very badly from identity crisis which results in desperate sex selling; entering into the porn world; enjoyment of over-freedom; destruction of traditional, ethical and aesthetic sense; bohemian style of living; deregulated cultural and moral freedom; identifying celebrity status in terms of sex power; unnatural, morbid and grimy exposure before male audiences and in adult sites, and so on. On the other hand, women in the Third World countries are becoming the victims of politics of difference. In this critical juncture one can argue that changes in the global political economy since the 1980s have had a dramatic effect on the lives of women. They have already entered into the arena of global production and consumption processes. And the effect of globalization on women seems 'contradictory, inclusionary and exclusionary' (Afshar and Barrientos 1999: 1). Shifting of women from local to global space to share political, economic and cultural opportunities has accelerated the degree of gender disparity. It is a never-ending story like a refrain that is played again and again. Through the decades in many survey reports, conference proceedings, books and newspaper

articles, both in developed and developing countries, feminists have documented and decried the commercial media's treatment of women and stories that have perpetrated violence against them. It seems that their battles have not yet been won. A few lines of a poem written by Kaplan tells just such a sad story of empowerment:

Today another woman died
and not on a foreign field
and not with a rifle strapped to her back,
and not with a large defense of tanks rumbling and rolling behind her…/
the target was simply her face, her back her pregnant belly.
the target was her precious flesh
that was once composed like music in her mother's body
and sung in the anthem of birth.
Another woman died today.
not far from where you live;
Just there, next door where the tall light falls across the pavement.
Just there, a few steps away
where you've often heard shouting,
Another woman died today.
She was the same girl
her mother used to kiss;
the same child you dreamed beside in school
The same baby her parents walked in the night with
and listened and listened and listened
For her cries even while they slept.
And someone has confused his rage with this woman's only life.

Rabindranath Tagore wrote, 'Man gathers round him rubbish, woman comes and constantly cleanses it away.' But Tagore's idea appears epitomic to us. Because the sublime image of woman has been distorted by the influence of consumer culture in the globalized era.

Is this the hidden politics of globalization that the global players are playing with the enchanting word empowerment? Can we argue that globalization has perpetuated women's discrimination?

But women, the beauty of nature and symbol of love and divinity who can bear the pain of creation, can also give pain to the so-called first sex as *Stree Shakti* (woman power). In Hindu cult, *Devi Durga* (the Goddess of power and strength) slayed *ashura* (the Demon). Women should be proud of their ovary which is the source of the creation of the human beings of this planet and they also should be proud of their twin X chromosomes (P. Dasgupta 2006).

Women, you are blessed!
You have your home your house hold work.

In the midst of it you keep a little gap
Through which you hear the cry of the weak.
You bring your offering of service
And pour out your love.

Rabindranath Tagore

Notes

1. See http://www.thp.org/reports/indiawom.htm#m7 (downloaded on 5 March 2008).
2. See www.india-today.com/itoday/15121997/behave.html
3. See http://sisyphe.org/article.php3?id_article=965
4. 'Empowerment of Women through the life cycle as a transformative strategy for poverty eradication'. Division for the Advancement of Women, Expert Group Meeting. New Delhi, 26–29 November 2001. Available online at http://www.un.org/womenwatch/daw/csw/empower/aide-memoire.html

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www.india-today.com/itoday/15121997/behave.html

11

Coping with Market Liberalism: Politics of Trade Unionism in Contemporary India

BISWAJIT GHOSH

Introduction

We now live in an era of globalization. The 'New World Order' has made the Liberalization, Privatization and Globalization (LPG) model of development almost irreversible with no escape for any country or region at least in the present context. The neoliberal prescription of economic or market relationship stretching worldwide through *structural reforms* has been ushered in by the expansion of capitalism in the post-Fordist and more particularly post–cold war era. 'Globalization', being a short hand description of a set of processes leading to 'increasing interdependence of world society' (Giddens 1997: 64) today, represents a major break even in the history of capitalism.[1] This is because this 'globalization' now represents an economy that is dominated by services, footloose labour, global finance capital and modern electronic technology. The current phase of 'accelerated globalization' (Nederveen Pieterse 2001: 46) has already proved its potential to initiate changes in each and every aspect of our lives even though the process is much broader, complex and multifaceted. To many critics, however, globalization is a new logic of Western economic, technological and cultural domination. It is often argued that 'globalization' is nothing but a trendy word for advanced capitalism, which faces the crises of accumulation and stagnation. I prefer to call this neoliberal argument 'market globalism' which is a typical European–North America centric concept (Ghosh 2004: 73).

Dependency theorists have called it 'recolonization sweetened by charity', or 'cultural imperialism', and to some others, this is 'crony' or 'casino' capitalism. Falk (1993: XI) has identified the present process as 'globalization from above' as it proceeds under the banner of a 'free market' economic liberalism or 'New World Order', but ends in increasing power, wealth and domination of the leading Western states and transnational business. He has therefore stressed on a contrary process of 'globalization from below' which shows concern for better environment, human rights, equality and seeks to end poverty, oppression, humiliation and violence. It cannot be denied that the process of globalization has given rise to 4 Ds, that is, disparity, discrimination, distress and displacement. Hence, it is not working for many of the world's poor, for much of the environment and for the stability of the global rural economy (Stiglitz 2002). Several other terms like Americanization, Coca-Colaization, McDonaldization, Disneyfication of the world, Globalization of Poverty, New World Disorder, and so on, are used to characterize the current process of 'market globalism'. If contemporary globalization has initiated certain rapid changes in different spheres of our lives, the field of labour is the most affected one. New forms of industrial organization, including enormous growth of informal work relations, spatial reorganizations, flexibility, changes in the skill levels of working 'classes', and so on, have initiated qualitative changes in our industrial life today. Drawing on several secondary sources and personal experience, this chapter primarily focuses on understanding and exploring particularly the responses of Indian trade unions to these developments in an attempt to judge their viability, modus operandi and the nature of working-class politics in contemporary life. As a corollary, this chapter would also try to locate the changing nature of labour–management relations in India.

Role of Trade Unions Today

Trade unions have acquired legitimacy in the modern world as organizations that promote and protect workers' political and economic interests. While they have attained legal recognition in many parts of the industrialized world, in several developing countries they are still waging struggles to gain legitimacy. More particularly, in the contemporary global world, organized labour's challenge to the capital appear to have become almost feeble due to changes in the structure and processes of modern industry. The Fordist 'phase' of organized capitalism is today overtaken by the post-Fordist strategy of Human Resource Management pushing personnel management and industrial relations steadily into the background. Attempts are also being made to obfuscate the bilateral

nature of labour–management relations today by a unitarian management project. Under such a context, trade unions are fighting afresh for their right to organize, bargain and participate in decision making involving workers' interest. The growth of service sector in the post-industrial society, casual and part-time employment, use of information technology, flexible production processes and the like have led to a redefinition of concepts like work or industrial relations. As Bauman (2001: 24) argues, 'flexibility' is the slogan of the day, and when applied to the labour market it means an end to the job as we know it, work on short-term contracts, rolling contracts or no contracts, position with no inbuilt security but with 'until further notice' clause. In other words, capital has cut itself loose from its dependency on labour through a new freedom of movement undreamt of in the past. The *disengagement* between labour and capital, argues Bauman, also produces a docile population, unable or unwilling to put up an organized resistance to whatever decisions capital might take. One may also find a link between the collapse of confidence and the fading will of political engagement and collective action in the contemporary world (Bourdieu 1998). The spread of the prescriptions and politics of neoliberal globalization has already led to a widespread belief in the 'death of the working class' (Gorz 1982). A casual or a 'flexible' worker does neither see much point in developing attachment or commitment to his job, nor does he enter into lasting association with his workmates. The point to be noted further here is that due to the systematic process of industrial restructuring and the rise of service sector, there has been a very sharp decline in 'class unity' among the workers due to the process of 'individualization'. Hence, trade unions today neither can remain confined to their traditional arena of operation, nor can they provide any viable opposition to global capitalism on its own. The shift from manufacture to service has qualitatively changed the character of capitalism. The entry of multi-skilled and flexible 'super workers' along with reduced number of 'manual' workers have made the process of unionising an uphill task. The 'new' industrial relations, therefore, require a different mindset of the workers and their unions (Ramaswamy 1994: 14) and hence one can see the rise of a *new politics of trade unionism* under market globalism today.

In countries like India, although unions are legally recognized institutions, their influence has historically remained confined to certain industrial enclaves or 'citadels' (Holmstrom 1976). The existence of a large pool of unorganized labour has made our unions inherently weak. In spite of some best efforts by a few organizations, our brand of unionism has failed to generate any hope for this vast majority. Preoccupation with the already organized workers has led many national unions to neglect the task of organizing the unorganized. It is only in recent years that efforts are being seriously made to establish trade unions in those sectors of Indian industry, which were hitherto regarded as un-organizable (Ghosh 1988). But the package of economic policies unwrapped

since June 1991 in the country has threatened the interests of even so-called organized workers and their unions. The main thrust of our economic reforms has been to allow a wider scope for the operation of free market by dismantling the old structures of licences, controls and regulations. Concerns related to equity, social justice or self-reliance have become subordinated to the logic of the market. The vulnerability of labour has been enhanced by the accelerated mobility of capital in an intensely competitive product market. The 'disorganized capitalism' has become successful in tackling its 'inherent contradictions' by reshaping the production process through swift technological changes.

Let me begin by mentioning in brief the major features of pre-reform labour movement in India. Before economic liberalization, the state maintained a complex set of labour regulations that aimed at strengthening trade unions, improving wage outcomes and increasing job security in the formal economy. But contrarily, these laws have also made our unions and workers dependent on the government machinery for settling any issue. The pre-reform industrial relations in India are, therefore, typically marked by third party intervention that stood in the way of a rapid growth of genuine collective bargaining. In fact, it has been argued that state regulations have perpetuated, if not also actively contributed, to a weak and divided labour movement that remained dependent on external props (Ramaswamy and Ramaswamy 1981: 201). Problems like fragmentation and intra-union rivalry, narrow sectarianism and lack of ideological base, short-term objectives, economism and electoral considerations for trade union struggle, corrupt leadership with managerial support, and so on, broadly characterize trade unionism in post-independent India. The existence of a vast pool of unorganized labour has made our unions inherently weak. In spite of some of the best efforts by a few organizations, our brand of unionism has failed to generate any hope for them. Also, our trade unions have mostly ignored the important social issues and the workers in general have remained ignorant and non-committal about 'class issues'.

The overall impact of government control over industrial relations has also been to rob the labour movement of its vitality and perpetuate a superficial parity between labour and management. As such, the government could not make union recognition statutory. Alternatively, the employer can weaken a genuine trade union by sponsoring a rival union that would remain loyal to him. Indian labour laws have, thus, ironically prompted the employers to promote a *company union* (Mamkoottam 1982: 91–92).

Considering the gains made by trade unions for a small section (around 7–8 per cent) of the labour force in India, it is also argued that they have created an 'aristocracy of labour'. Workers in the 'factory sector' enjoy higher wages, different statutory benefits and trade union protection, and are, therefore, considered 'privileged'. The thesis of 'aristocracy of labour' is however misleading, considering the general failures of even factory sector unions. There may be

differences in the socio-economic aspects of the labour force in the formal and informal sectors. Nevertheless, the terms and conditions of employment vary not only between various industries or within an industry, but also within the units in the so-called formal and informal sectors. It is misleading to characterize the whole factory sector as a 'citadel' and their workers as the 'privileged class'. All that can be said about trade unions in our country is that if they had not existed, even workers in the large and registered factories would have lost much.

Challenges before Our Old Unions Today

India's economic reforms have posed serious challenges before the old unions. The introduction of the LPG model of development has opened a veritable Pandora's Box with far reaching implications for labour, their unions and management as well. In the name of efficiency, for instance, the Voluntary Retirement Scheme (VRS) and the Exit Policy are being indiscriminately adopted to retrench the organized workforce and to close down most of the sick industrial units. The proposed Industrial Relations Act (lying with our Parliament for some years) would break down the strength of organized labour. The recommendations of the Second National Commission on Labour (2002) also have threatened the interest of permanent workers.[2] The right to strike may soon become a prerogative only of the negotiating agent and that too after it attains the support of 51 per cent of the workers through ballot. This may however infuse greater democratization in the functioning of our unions with regards to vital decisions. Some state governments like Gujarat, Andhra Pradesh, Madhya Pradesh, Maharashtra and Karnataka have also proposed to introduce 'flexible labour policy' applicable to the units working under Special Economic Zones. With increasing state support for the capital and expanding culture of 'free market', trade unions now face the writing on the wall. There were several instances of political, administrative, legal and police support or protection being provided to prospective investors, the Haryana Honda Motors case being the brightest one. Even the Left parties and their governments cannot take the risk of providing blanket support to trade unionism that might antagonise the prospective investors or hamper productivity of a firm.

The Union Government has, however, initiated 'The Trade Unions (Amendments) Act, 2001' in an attempt to stop mushrooming of unions as well as to reduce the number of outsiders into any union. The new law, which has come into effect from January 2002, has also imposed some restrictions on the registration of unions.[3] In other words, trade unions will now face the threat of

losing affiliation if workers do not support them in substantial numbers. Thus, the Government of West Bengal, like many others, has amended the Trade Union Act, 1926 to strengthen the position of a union as a bargaining agent. Now, only a single union in one industry/factory or a majority union elected through secret ballot can be the sole/principal bargaining agent.

Notwithstanding such 'positive reforms', economic liberalization has caused more harm to our unions through job losses in the organized sector. The curtailment of public investment, growing sickness and closure of sick units, exit policy, and so on, have together accelerated the process of labour retrenchment. Loss of employment has also been caused by mechanization, reengineering and technological upgradation. Though technology places demand for 'high jobs', it also makes many jobs obsolete. Thus, organized sector employment (public and private) has come down from 282.85 lakh in 1997 to 264.43 lakh in 2004. Over the last one-decade nearly 8.34 lakh workers in the organized sector have already lost their jobs, as regular jobs are being casualized gradually. In some and particularly traditional sectors, liberalization has caused loss of employment without creation of new ones. It should be noted here that due to sickness, sluggish industrial growth and cheap agricultural import, unemployment has risen sharply during the reform period. The unemployment rate has shot up from 5.99 per cent in 1993–94 to 8.90 per cent in 2005–06 and it is expected to reach double digits by 2010.

The rising unemployment level has worked as a necessary means to destroy the achievements of the workers' movement. When trade unions fail to defend the rights of their members and management finds it easy to retrench workers or replace them with machines, incentives for union activities decline. Consistent with this, union membership and the number of trade unions are showing declining trends in recent years (Mamkoottam 2003: 70; Ratnam 2001: 49). Thus, for instance, the number of trade unions furnishing return in the country has come down from 8,152 in 1999 to 6,531 in 2001 with a corresponding decline in their membership from 64 lakh to 58 lakh during the same period (GOI 2005). Similarly, in West Bengal the number of live registered trade unions has declined from 13,059 in 1995 to 10,872 in 2004 (GOWB 2004). This is not only due to job losses, but also due to the entry of 'new workers' in the emerging areas of our industrial expansion. These new tribes of 'knowledge workers' (Sheth 2004: 171) work as individuals with distinctly individualistic equations with their work technology and organizations. It has, therefore, been possible to patronize non-unionism very strongly in the information technology industry even after the formation of West Bengal IT Services Association at Kolkata in recent times.

Disinvestments or privatization of the public sector industries and mass scale casualization of the labour force have further aggravated the agony of trade unions. These steps have broken the walls of the so-called 'citadel' of formal

sector workers. It is quite apparent that in a changed environment where the state reverses its role from being the 'protector' of the labour to the 'mediator' of the capital, working-class movement would meet with many setbacks. While casualization is causing increased employment opportunities for some, it also means loss of jobs for others. On the whole, casualization displaces the better-paid, more protected workers, and increases insecure and low-paid employment (Jhabvala and Sinha 2002; Pais 2002).

Today, the process of casualization has also intensified another labour process called 'feminization'[4] of workforce in several industries. This may be mainly due to the readiness of women to do any kind of work to maintain the survival level of family these days (Breman 1996: 227; Kalpagam 2001: 311). Although technical changes have eliminated many jobs traditionally performed by women, there has also been mass scale replacement of permanent male workers by casual female workers in some industries. Feminization and flexible production are argued to be the central features behind the success of many modern industries. This 'gendering' of jobs helps the employers to pay less and get rid of powerful protesters as well. Women workers hardly join any union activity and their image of 'supplementary wage earner' helps in perpetuating the myth that they are easily 'dispensable' (Ghosh 2001a).

Obstacles to successful trade union mobilization also emerge from the fact that casual and temporary workers in the informal sectors generally remain less enthusiastic about union activity. With little or no job security, they also cannot always take the risk of engaging their masters. The growing size of the informal employment, therefore, is a major challenge before the existing unions. Conventionally, very few of our central trade unions have involved themselves in organizing the so-called unorganizable. The entry of global traders, subcontractors or third party in between the workers and employers makes such endeavour even further difficult. When the 'employer' of a company merely serves the interest of some invisible forces, traditional trade unionism is put into an awkward position. The working class then requires a new weapon to strike the far off targets. It should be noted here that processes like casualization or subcontracting are not new. Even in pre-liberalized India, these strategies were used widely to avoid statutory obligations. But in the post-reform period, there has been a phenomenal growth of these work processes. The rising trend towards casualization is an indication of the extent of informalization of the economy. Recent estimates show that regular wage employment in the country consists only of 14 per cent of total employment with self-employment (53 per cent) and casual employment (33 per cent) dominating the scene (Papola 2007).

Apart from informalization, modern electronic (henceforth ME) technologies also have caused fragmentation of the labour processes and the consequent segmentation of the workers (Bagchi 1995). Centralized unions with

compactness now find it difficult to handle the situation. Trade union leaders today are concerned about the effects of new technologies, but they cannot seriously oppose them. This is because technological superiority is required for any survival in the competitive market today. Trade unions cannot indefinitely postpone or prevent modernization when other competitors are doing it. The ME technologies not only increase profitability and productivity, but they also heighten the prestige and pride of the workers. Trade unions are, therefore, often seen engaged in suggesting and implementing plans and programmes of modernization. But such modernization is not without any cost. First, new technology has labour saving capacity. So it causes redundancy and unemployment and consequent shrinkage of a union's power. Second, ME technologies break down established job classification. Flexibility and redeployment break down workers' groups on the shop floor. Third, new technology creates a new set of 'elite' workers whose interests are distinct from traditional workers. Established trade unions face problems of managing these young, energetic and skilled workers in the absence of senior workers who might have opted for VRS. Fourth, new technology has strike-breaking and labour-control capacity. Standardization of methods, lean and thin staff, better working conditions, and enforced cooperation and productivity norms shift the balance of power in favour of the management. Finally, new technology has led to de-unionization or weakening of the bargaining strength of trade unions.

All these challenges have called for qualitative changes in the modus operandi of our old unions. The expanding horizon and challenges of trade union struggle have introduced both compulsions and hope for the future of working-class struggle in the country. Let me now look into the responses of trade unions today.

Trade Unions' Response to New Challenges

Contrary to common belief, the neoliberal prescription of the LPG model of growth could not put an end to trade unionism in any part of the world. In both service and manufacturing sectors, trade unions are able to make their presence felt in spite of certain marked changes in their stratagems. It should also be recognized that the need for genuine trade union movement has increased manyfold after reforms. As Sheth (2004: 176) has correctly argued, 'trade unions are necessary and relevant as long as unfairness and injustice remain in employment relations. The logic of trade unionism has just got more widely

open'. One cannot just hope that in the absence of state regulation, our capital-
ists would become generous enough to protect their labour. Data on industrial
disputes after reform in India rather indicate that employers have become
aggressive on certain matters. Field experience further lends little support to
the argument that non-unionism is better that unionism. Contrarily, a strong
union has several positive features in terms of accountability and enforcement
of contracts (Rao and Patwardhan 2000: 138). Therefore, the responsibility to
restore economic growth and win the confidence of labour lies mainly with the
management. Let me now discuss the major changes in trade union's actions
and policy prescriptions in India in some details.

Indian trade unions, barring a few, have responded to the new challenges
with a kind of pragmatism that not only seeks to forge the long cherished ideal
of working-class unity, but also helps them to accommodate and adjust with
the new reality. They have been able, at least partially, to halt privatization of
the Public Sector Undertakings (PSUs) and to obstruct labour law reforms.
Nevertheless, they have accepted by now that globalization is irreversible ir-
respective of their politico-ideological differences. There is, therefore, a per-
ceptible change in the plans and programmes of trade union actions today as
they have to comply with the compulsions of the market on the one hand, and
also to act against the social and economic consequences of liberalization, on
the other. The pattern of responses, however, differs at the national, regional,
sectoral or enterprise levels depending on socio-political and other factors. The
divergent faces of the same union at different levels explain the complexity of
union politics today.

The first perceptible change that many of us have noted in trade union action
is that they are *defensive* today, in general. This is in spite of the fact that trade
unions normally suffer from certain inherent structural limitations (Anderson
1977: 333–49). Their maximum weapon against the capitalist system is a simple
absence—the strike, which is withdrawal of labour. The efficacy of this form
of action is by nature very limited. But even this weapon does not appear to
be viable for the working-class struggle today. Contrarily, if such an activity
results in job losses through closure of the unit, workers become suspicious and
sceptical about any attempt to 'organize them' (Roychowdhury 2005: 2252).
Hence, strikes or *Gherao*'s are being converted into gate meetings at lunch
break, wearing a black badge during work or other innovative protest actions
to draw public attention.[5] Table 11.1 clearly shows that the proportion of
strikes in industrial disputes has declined even more sharply as compared to
that of lockouts. In between 1995 and 2004, the number of strikes has declined
by 68 per cent as compared to a 28 per cent decline in lockouts. Conversely,
the number of man-days lost due to strikes went down by 5.77 per cent while
lock-out's share in it has gone up by 13.34 per cent during the same period.
Most remarkably, lockouts are not only frequent; they also now last longer than

Table 11.1

Industrial Disputes in India, 1995–2005

Year	Number of disputes		Number of mandays lost (in millions)	
	Strikes	*Lockouts*	*Strikes*	*Lockouts*
1995	732	334	5.70	10.60
1996	763	403	4.80	12.50
1997	793	512	6.30	10.70
1998	665	432	9.40	12.70
1999	540	387	10.62	16.16
2000	426	345	11.56	16.80
2001	372	302	5.56	18.20
2002	295	284	9.66	16.92
2003	255	297	3.20	27.04
2004	236	241	4.83	19.04
2005 P	155	185	2.83	4.47

Source: Economic Survey, 2005–06.
Note: P = Provisional (Jan–Sept).

strikes. Almost similar experiences have been documented in other developing countries (Chakravarty 2002). This clearly supports the 'employer's militancy' view. Even in West Bengal, where militant trade unions, of particularly the left variety, had established a strong tradition, management's increasing aggression has now added a new dimension to the state of industry in the state.

This does not, however, mean that workers and their unions are accepting closure or retrenchment willingly. In spite of industrial unrest being subdued on the whole, trade unions are *militant* in those industries facing closure or mass retrenchment. In most cases, these industries are experiencing the rise of *Bachao* or save committees, a type of union formation stressing the unity of workers. The workers of some cotton mills in Haryana, for instance, formed a Trade Union Council (TUC), a non-political joint front of the Indian National Trade Union Congress (INTUC), All India Trade Union Congress (AITUC), *Hind Mazdoor Sabha* (HMS) and Centre of Indian Trade Unions (CITU). The formation of TUC has led to the return of militant trade unionism in an otherwise peaceful Haryana. In the jute mills and engineering units of West Bengal, a number of 'save committees' comprising all the workers irrespective of their union membership were formed during the last one-decade or so. The strike called by the *Sangrami Yukta Mancha* (joint platform of four labour unions) from 13 March 2007, on survival issues involving nearly 5,000 workers at the Uttarpara plant (West Bengal) of Hindustan Motors, had continued for about a month before the management came out with a 'work suspension' notice. There are also instances of a breakaway group of workers directly affected by restructuring becoming militant.

The question of *technological modernization/up-gradation* of the industry in a competitive market has also received a productive response from our unions.

Even though unions had little or no choice on the process and pattern of such change, they, in most cases, accepted industrial restructuring. Initially however labour flexibility measures are not welcomed by trade unions in any part of the world (Mamkoottam 2003: 67). But in spite of their opposition to job loss and other related processes, unions gradually understood that they could not resist the process for long in the greater interest of workers and industry. Ratnam (2000: 261) has found in a study of 234 collective bargaining agreements during the 1990s that unions were not a hindrance to introducing labour flexibility measures in the firms.

Consequently, the new role that trade unions have picked up at plant level as compared to that in the national level should also receive our attention. They are now seriously concerned about the *efficiency and productivity level of workers.* Instances of unions negotiating with the management to ensure higher productivity through technological changes in return for higher wages are not few (Mamkoottam 2003: 105–29). In three Public Sector Enterprises (PSEs) in Bangalore city, a general change in the philosophy of industrial relation was noticed by Roychowdhury (2003: 38). The change was from a 'management versus worker' approach to a 'we versus the problem' approach. In all these PSEs, steps were taken to form joint committees, composed of the representatives from labour and management since 1985. One direct consequence of such a realization is that labour productivity levels and work culture in several industries today show definite signs of improvement. Labour productivity is still a matter of concern for us even if it is rising. Sinha (2000) argues that a number of organizations have made vigorous efforts to improve their productivity, operating efficiency and process/product quality after liberalization. Many have introduced quality circles and obtained ISO certificates. There were about a dozen ISO 9000 certificate holders in 1990, but the number has gone up over 15, 000 by 2006.

Cordial industrial relations in PSEs have also facilitated the process of *productivity bargaining* in many Indian industries. In recent years, several PSEs have introduced productivity linked incentive payment schemes. For instance, in Steel Authority of India Ltd, National Thermal Power Corporation, Indian Oil Corporation, and so on, schemes have evolved to link earnings to performance. The lead was equally followed up in several private sector firms. As a consequence, Indian companies today are noticing a better work culture and higher productivity levels of their workers.

One direct result of workers' concern for survival has been to strike a deal with the management at the local level without the involvement of any third party so that their interests can best be defended. There are also instances of workers forming *independent unions* while defending their immediate interests against the will of established trade unions (Davala 1996). Such bilateralism requires a measure of cooperation for labour and management to escape state

regulations. In West Bengal too, the stress today is to solve a problem as quickly as possible through bilateral processes, as arbitration or adjudication involve a too long and often unpredictable process.

The growth of such independent unions is also influenced by the fact that today our unions can hardly remain complacent with their traditional dependence on even a 'friendly' government. Conversely, the prolific growth of *decentralized bargaining* in many factories has also given rise to independent company unions who basically concentrate on economic issues sacrificing their political radicalism or even affiliation to political parties. One direct result of such formation has been declining membership per union. The growth of such small and independent unions is also a reflection of the inability of major political unions to meet workers' need. Often the retrenched, unemployed, or workers in the informal sectors are turning to ethnic, linguistic and regional movements for assistance. The tea gardens of North Bengal or the cotton textile mills of Mumbai had earlier experienced such qualitative change (Ghosh 2001b: 91). These developments have reinstated the need for broad-based struggle of different sections of workers on common issues.

The decentralized unions are also expected to move from leader-centred to *activist-controlled unions*. Lesser dependency on outside political control is very much linked up with this process. Also, the stress on workers' unity at the grass-roots level through the formation of majority union cum negotiating agent through the ballot box may reduce the dependency on outside leadership. This is in spite of the fact that trade unions' dependency on a wider network and legal support has increased manyfold these days. The issue of 'leadership crisis' at the plant level is circumscribed by the fact that many of the senior workers and old trade union leaders have either retired or opted for VRS and the new generation of skilled 'achievers' is showing very little interest in replacing them. The setting up of the Asian Trade Union College at Kolkata is a welcome development in this respect as it aims at training rank and file workers to trade unionism.

The limit imposed by economic liberalization on trade union actions is only a part of the story. This is because the process has simultaneously forced our existing unions to forge working-class solidarity, which Marx had argued so passionately about 150 years ago. *Trade union unity* is a necessity today at both national and international levels to sustain and keep such movement alive.[6] Our union leaders are now desperate to stop or at least limit their marginalization in industrial life. The formation of National Campaign Committee of Trade Unions a couple of year's back, which includes all central but *Bharatiya Mazdoor Sangh* (BMS) and Indian National Trade Union Congress (INTUC) unions, has showed the beginning. But later on when the government proposed reforms in labour laws, there was unusual blending of unions from red to saffron. There

are several instances of unions like the Bharatiya Kamgar Sena (BKS), BMS, INTUC, CITU, AITUC and HMS coming together under one aegis and resisting anti-labour laws and globalization, in essence.

This is certainly a qualitative improvement given the structural limits of working-class struggle as in the pre-liberalized period trade unions' fight was basically narrow and often against the respective employers. But now they have to fight unitedly against bigger enemies that may either be the government initiating anti-labour reforms, or the powerful multinational making use of the International Division of Labour, or even the entire system of capitalist economy. It is due to such compulsions that our central trade unions are coming together under one aegis. These unions today organize joint rallies, joint strikes or joint actions at plant, state and national levels. Several general strikes involving millions of workers and employees were called over the last one and half decade. Notwithstanding the differences among labour unions on several counts, they are united in opposing retrenchment, downsizing, closure, privatization, disinvestments and proposals to amend Industrial Disputes Act, Contract Labour Act or Trade Union Act. There is also some *unity of workers at the grass-roots* level irrespective of union affiliation. For instance, the industrial strike of 21 May 2003, called by the Leftists' unions to protest against general anti-labour issues received the support of several INTUC and BMS members in spite of their top leaders' opposition. Similarly, trade unions unanimously protested against Supreme Court's observation on banning strikes and called an all India general strike on 24 February 2004 raising some 'national level' demands. The ground reality, thus, favours unity of even politically opposed trade unions. In the strategic industries like banking, insurance, steel, transport, coal, power, fertilizer, telecom, shipping, post and telegraph, port and dock, mining and oil, this unity of workers has already set an example for all others. As such 'contract of convenience' has found wide acceptance for more than a decade, one can now perceive the rise of a *new brand of trade unionism* in contemporary India. The trade unions are now gradually trying to forgo the 'tradition' of fragmentation, economism and sectarianism, and evolve strategies to tackle general and national issues. A change in policy and perspectives of unions in this direction has called for greater involvement of society and people at large.

Unions' new stratagems also attempt to *appease the general masses* that hardly had any sympathy for our traditional brand of unionism. But today, trade unions need the support of the people more than ever before. They are now exposed to greater risks involving the 'entire system' and not just any particular enemy. Hence, involving the people in the unions' fight can help them bolster the working-class movement. The preference for state or national level strikes with the support of different sections of our society is another indication of our

unions' changed approach. Also, the unions are seen squatting on the streets instead of the factory gate or office to explain and influence the public about a particular development.

Thus, the issues that trade unions are picking up today relate to *general concerns* of the society that are being opened up by the new policies and new logic of development. These issues include unemployment, poverty, human rights, job security, social security, minimum wage, redeployment and rehabilitation of displaced workers, skill upgradation of existing workers, occupational training for the unemployed, privatization, contract labour, workers safety and health issues, concern for clean environment, and the like. This means that our trade union leaders today are willing to handle social, psychological, health or distant-economic interests of the workers, a development that hardly could find a place in the history of our trade union struggle so far. What our unions also need to do is to cooperate with NGOs working in related fields and draw sustenance from expanded activities. They can no longer ignore the social and cultural issues of our working class. *Open-source unionism*, where members coming from different backgrounds get support and advice of professionals through the Internet, could be an alternative. Trade union membership today cannot be defined by workers' temporary affiliation to any organization or trade. Hence, cross-employer-unions defined either by any kind of geographical unity (say, workers of a locality in different informal sectors industries which may even include agricultural labourers) or professional unity (say, workers of all IT and related industries) should gradually replace the old unions. It is through such open-source-unions that a blending of labour and non-labour issues as well as numerical strength, required for the sustenance and growth of trade unions, could be made. Hopefully, our trade union leaders have already begun moving in this direction.

The need and desire for new horizons of trade union struggle have left some imprints on their stratagems. Unions today are concerned about the expanding 'unorganized' section of labour as they face an uphill task to increase their support base. It is now being realized that whatever gains unions could achieve cannot be defended for long if workers remain 'unorganized'. Such a realization has prompted some NGOs and new trade unions to involve casual, temporary and workers of informal sectors in their fight for social security, minimum wage and justified life. This is not to deny that some of our old and particularly Left unions had attempted to *organize the unorganized workers* (Ghosh 1988). But today there are encouraging signs of new thinking and efforts by some unions and NGOs in this direction. For instance, the National Centre For Labour (NCL) was formed in May 1995 by nearly two dozen labour unions with an aim to organize informal sector workers. NCL is an independent union and it represents nearly six lakh workers in different informal sector industries (Mani 1995: 2486). Similarly, in recent times the *Krishak Sabha*—an agricultural

workers' union of the Communist Party of India (Marxist) (CPI [M])—in West Bengal has resolved to organize the unorganized industrial workers apart from its traditional constituency. Also, some of the large CITU unions have begun training unskilled workers and helping the Self-help group members to market their products (Chakraborty 2006). Not only this, unions are also considering the problems of ex-workers affected by industrial restructuring. As these unions or proto-unions of informal sector workers cannot function like old unions, a new path of trade unionism is gradually emerging in the country. I have noticed earlier that in the book binding and leather industries of Kolkata, Centre of Indian Trade Union (CITU) and AITUC unions have evolved new stratagems like blurring of class lines, collaboration with the small employers to oppose the 'big bosses', stressing on informal, caste and geographical networks, and so on, to organize the scattered, illiterate and migrant workers (Ghosh 1988). There are many other recent examples of unions/NGOs taking up developmental and welfare activities (health, housing, education, street light, water, sanitation, credit, and so on) of the unorganized and self-employed workers while avoiding any direct confrontation with the employers (Jhabvala and Subrahmanya 2000; Kalpagam 1994; Roychowdhury 2005).

The new roles that our workers and unions are gradually pressed into also include their concern for *managing a company professionally*. Hence they have stepped up their vigilance over company corruption and mismanagement. In the PSUs, for instance, the demand for appointment of sufficient number of professional and top level managers has gained currency today. Similarly, the 'workers management' movement today is to a large extent an expression of workers' commitment to industrial survival. The most celebrated experience of workers' cooperatives at Kamani Tubes Ltd in Mumbai speaks about the changed mood of labour to take up managerial responsibilities.

So far as management is concerned, such changes are bound to impress upon them as well. Though globalization offers them the opportunity to expand and promote business to new horizons, it also puts them into a competitive culture where productivity, quality, efficiency, creativity and innovation matter. Hence, issues like employee motivation, empowerment, commitment as well as freedom to evolve a more open and participative corporate culture have become crucial. Notwithstanding the fact that a general culture of 'hire and fire' still prevails in our industrial life, Indian entrepreneurs are slowly showing signs of professionalism. Rather that treating workers as 'dispensable', managements now realize that their competitive edge cannot be maintained without workers' commitment to work and active support. The responsibility to ensure participation of young, skilled and casual workers and thereby guarantee a better work culture has increased manyfolds after liberalization. There, however, remain serious doubts as to whether employers in India consider sound labour–management relations a prerequisite for corporate wellbeing

(Ratnam 2001: 23). In a recently conducted survey on corporate governance and development in India, Mukherjee (2004: 145–65) has found that senior executives of 80 major Indian companies (public, private and multinational corporations [MNCs]) typically do not like measures that impinge on their autonomy. But in another survey conducted among 102 manufacturing companies, it has been found that more than 80 per cent of them have implemented workers' participation, quality evaluation and obtained ISO 9000 certification (Bhadury 2000: 256). It appears that with the passage of time, resistance to democratic and participatory governance would gradually become feeble. The post-liberalized scenario, thus, depicts a gradual though slow shift towards co-operative, stable and peaceful industrial relations.

Conclusion

The current trend in industrial relations is, however, far from the extension of 'industrial democracy' in work places. The employer's aggression, as evident from lockout statistics, remains unabated despite labour's defensive posture. Yet, one can notice several instances of labour cooperating with the management for the introduction of techniques and processes that lead to reduction in manpower and union's strength. Economic liberalization has subdued industrial unrest by putting several constraints particularly before labour. It is however argued that the very nature of the traditional union movement is responsible for this crisis; exogenous factors like globalization at best intensify it. In a changed industrial scenario, our old trade unions have become concerned with the survival question and apprehensions about the future of our working-class movement were expressed in many quarters. But to the surprise of many, our old unions, in spite of certain initial desolations, have began reacting pragmatically to scale down militancy, reduce inter- and intra-union rivalry, and ensure better efficiency and productivity of the organization through democratization and decentralization. The unity of the workers brought forward by the formation of joint forums of major trade unions at different levels has also contributed to the rise of concern for common and untouched issues of trade union struggle. There is, therefore, a perceptible change in the union's strategy and approach to labour problems although some pockets of resistance still exist in certain industries. The need to expand the horizons of the trade union struggle beyond the so-called 'citadel' and incorporate the general socio-economic and political issues in the agendas of trade unions have initiated a new beginning in the history of our working-class movement. For the management too, transparency in handling labour and their unions becomes an utmost necessity.

A culture of industrial democracy is definitely still a far cry. Yet, it is in the interest of management that genuine and responsible unionism should take charge of workers. The need for such transformation in outlook and action of all concerned has increased manyfold after the economic reforms. It is im-perative that the old perception and mindset about the workforce should change to elicit cooperation and involvement. Changes cited in the policy and prescriptions of our unions in this chapter also suggest that it is too early to write off their potential. It is important for us to note here that the gloomy picture about the fall of trade union's influence just after the introduction of reforms does not match with the fact that the verified membership strength of five of India's major central trade unions (BMS, INTUC, AITUC, HMS and CITU) has gone up from 91 lakh in 1996 to 189 lakh in 2002 (*The Hindu* 2006). Three new bodies, namely, the Self-Employed Women's Association, the *Dravida Munnetra Kazhagam* (DMK) affiliated Labour Progressive Front and the Communist Party of India (Marxist-Lennist) (CPI [ML]) supported All India Central Council of Trade Unions, have been added to the list of central unions as their membership has crossed the mandatory five lakh. The mammoth increase (108 per cent) in the membership of five major central trade unions within a time span of just six years is explained by the rapid expansion of their base among the unorganized workers. This is a positive sign given the general failure of our unions in the public sector so far. It should be further noted that the decline in union membership is also *not* uniform globally (Carley 2004; Sundar 2007;).[7] Contrarily, trade unions are finding new avenues and platforms to accommodate and incorporate the wider socio-political issues in their struggle for a justified living. As the marked feature of the New Times is 'the proliferation of the sites of antagonism and resistance' (Hall and Jacques 1989: 17), a simple 'capitalist control versus worker resistance' model may appear to be very inadequate in the contemporary context.

Notes

1. It is argued that due to the 'end of history' there is no alternative (TINA) to capitalism or more particularly American hegemony.
2. The Second National Labour Commission has recommended, among other things, that— *(a)* factories can retrench any person any time*; (b)* factories employing workers up to 300 can be closed down any time; *(c)* right to strike be restrictive; *(d)* there would not be any further pay commission to revise wages; and *(e)* social security measures (PF, Gratuity) be withdrawn (see, for details, Varadarajan 2002).
3. The amended law amongst others declares that *(a)* no Union shall be registered unless at least 10 per cent (minimum 7 per cent) or one hundred of the workmen, whichever is less, engaged or employed in an industrial establishment or industry are the members; and *(b)* no member

of the Council of Ministers or a person holding an office of profit in the union or a State shall be a member of the executive committee or other office-bearers of a registered trade union.

4. According to the International Labour Organization (ILO), casualization of employment worldwide is also accompanied by 'feminization of poverty'. Women are more and more forced to earn a livelihood and seek their survival needs.

5. Bombay workers of Hindustan Lever, for instance, produced 110 tonnes of their own washing detergent powder under the brand name 'Lock-Out' during a lockout of the factory and also called a parallel annual general shareholders' meeting so as to inform investors of various managerial and financial irregularities (Setalvad 1992). Similarly, cotton textile mill workers from Central Bombay marched through the streets in underpants and undershirts denouncing India's independence and commitment to eradicate poverty (Bakshi 1992).

6. The 15th Congress of the World Federation of Trade Unions (WFTU) was held at Havana in December 2005, with representatives from 273 organizations of 78 countries. Among other issues, this congress has stressed on the need for global unity of workers as well as on the solidarity between workers and people of the world.

7. Aggregate union membership in 26 European countries fell by around a sixth over 1993–2003. However, 13 countries, namely France (+44.0 per cent), Luxembourg (+43.3 per cent), Ireland (+19.2 per cent), Malta (+17.6 per cent), Netherlands (+7.2 per cent), Norway (+13.1 per cent), Belgium (+6.8 per cent), Spain (exact figure not available), Portugal (+1.3 per cent), Italy (+6.3 per cent), Denmark (+1.7 per cent), Finland (+2.6 per cent) and Cyprus (+10.1 per cent) recorded an increase in such membership during the period. The downfall is due to of massive membership losses in countries like the United Kingdom (–12.2 per cent), Germany (–23.9), Sweden (–7.2 per cent), Bulgaria (–76.5 per cent), Estonia (exact figure not available), Poland (–70.8 per cent), Slovakia (–63.6 per cent), Austria (–12.9 per cent), Greece (–11.4 per cent), Romania (exact figure not available) and Latvia (–28.6 per cent), some of which are large countries. As a result, the loss of members across the European countries is high in absolute terms. Consequently, the trend in union density is downward across Europe. Of the 20 countries for which comparative data is available, 19 experienced a fall in union density. This is most notable in Central and Eastern European countries. Even in countries where absolute union membership has risen over 1993–2003, density has declined because of increase in absolute number of employees. See, for details, Carley (2004).

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12

Globalization and the Human Empire

STEVEN BEST

The Rise and Fall of the Human Empire

Typically, discussions of globalization focus on questions of ethics and social justice such as stem from dynamics, that include the growing power and influence of transnational corporations, growing levels of economic inequality on a global scale and the obligations of rich developed nations to poor underdeveloped nations. These discussions, however, tend to look at social issues among humans without fundamentally questioning the existence of the human species itself—*Homo sapiens*—as problematic. Thus, in this chapter, I forego the usual questions of what humans owe one another within a global context, to look at humans themselves as the first and only *global species*. Rather than the standard left or radical move of interpreting the history, politics and ethics of nation states as imperialist forces, I examine *human beings* as an imperialistic and colonizing species. And rather than considering the issue of the United States (US) as a global empire in decline, I shall look at *humanity itself* as a decadent empire whose future is bleak at best.

Homo sapiens: The Global Species

I'd like to share with you a revelation I've had, during my time here. It came to me when I tried to classify your species and I realized that you aren't actually mammals.

Every mammal on this planet instinctively develops a natural equilibrium with its surrounding environment, but you humans do not. You move to an area and you multiply, and multiply until every natural resource is consumed. The only way you can survive is to spread to another area. There is another organism on this planet that follows the same pattern. Do you know what it is? A virus. Human beings are a disease, a cancer of this planet. You are a plague. 'Agent Smith',… (*The Matrix* 1999)

The present rate of increase of Earth's swarming population qualifies Homo sapiens as an ecological cancer, which will destroy the ecology just as surely as any ordinary cancer would destroy an organism. (Asimov 1970)

If a path to the better there be, it begins with a full look at the worst. (Thomas Hardy)

Just one among tens of millions of existing animal species—many on the brink of extinction and some yet to be discovered—*Homo sapiens* has risen from humble mammalian origins tens of millions of years ago to become the most dominant, violent, predatory and destructive species on the planet. Nearly everywhere it has journeyed and lived, *Homo sapiens* has wrought social and ecological devastation and as its empire expanded in size, scope and complexity, so too did its destructive impact and legacy. In less than two hundred thousand years, modern human beings migrated from central Africa to Europe, Asia, Australia, Siberia and, 20,000 years ago, into the Americas, establishing their empire in every corner of the world.

In all likelihood, the modern humans that migrated from Africa into Europe some 45,000 years ago did not breed or peacefully coexist with Neanderthals, but rather waged a genocidal war against them over a 15,000 year period (Wade 2007: 90–94). The argument that the first modern humans interbred or peacefully interacted with Neanderthals in some ways is highly dubious. As Wade explains,

Given the hostility of human hunter-gatherer societies toward each other, and the extreme fear that Neanderthals seem likely to have evoked in modern humans, it is hard to imagine that the two species enjoyed hanging out with other, let alone that they would welcome an exchange of marriage partners. (Wade 2007: 91)

Thus, having made their descent into Europe from by way of Iran and Turkey, humans waged a genocidal war against Neanderthals for a protracted period of 15,000 years; Neanderthals resisted their aggression intensely, but steadily lost ground and numbers and once forced out of their refuge in the Iberian peninsula they disappeared from the Earth altogether.

With the demise of the Neanderthals 30,000 years ago, and the disappearance of a *Homo erectus* variant (*Homo floresiensis*) from the remote island

of Flores 10,000 years later, *Homo sapiens* became the sole heir of a stunning evolutionary journey of bipedal animals. Unlike *Homo erectus*, the dynamic evolutionary changes of *Homo sapiens* began with killing and disrupting eco-systems, starting its dominator culture with annihilating its ecological competitor, *Homo neanderthalensis*. The first act of human genocide, the massacre of the Neanderthals was a prelude to the assault of agricultural societies against primal peoples for thousands of years: Columbus' slaughter of the Taino Indians, Pizarro's extermination of the Kayapo peoples of South America, the US massacre of Native American nations, the Nazi annihilation of Jews and the massacres at Rwanda and Darfur.

Having vanquished their *Homo* rivals through superior technologies and brainpower, humans did not go on to establish a lasting peace on the planet they ruled; rather, from one continent to another, they exterminated animal species, waged war on one another and laid waste to their natural surroundings. Humans moved throughout Europe, into Asia, Siberia, Indonesia, Australia and the Americas; all the time multiplying, diversifying, dispersing, distributing and scattering, on their way—in a mere 20,000 years—toward planetary colonization and becoming the world's first 'global species'.[1] Their descendants radiated into a plurality of physical characteristics, ethnicities, languages and cultures; all of which are now shrinking back, imploding, homogenizing, as humans simultaneously extend their planetary domination and threaten their future existence.

As they moved from Europe into North America, Australia, New Zealand and elsewhere, humans drove many animals of the late Ice Ages to extinction, including the mastodons, giant woolly mammoths, sabre-tooth tigers, giant bears and ground sloths, flightless birds, tapirs, large lizards and the wild ancestors of horses. Only those animals wary of humans and small and agile enough to evade their assault survived.

Theorists reluctant to confront the brutal impulses manifest in *Homo sapiens* from its early beginnings attribute the extinction of dozens of large animal species to climate changes at the end of the Ice Age. Yet Richard Leaky and Jared Diamond, among others, have shown that the mass extinction of animals coincided not with dramatic weather changes, but rather with the migration of humans into their environments (Leakey 1996). As Eldredge notes:

> The evidence is straightforward: Wherever we went, other species seem to have become extinct shortly after our arrival. Whether it was Malagasy peoples reaching Madagascar a scant 2,000 years ago, or peoples arriving on Caribbean Islands at about the same time; or people living in the New World 12,000 years ago; or aboriginal Australians getting to *their* home 40,000 to 50,000 years ago, the results always seems to have been the same: Substantial numbers of species soon disappeared, especially but not exclusively prime hunting animals, such as large game animals and, in a few instances, large birds. (Eldredge 1997: 83–84)

Similarly, Jared Diamond writes: 'On every one of the well-studied oceanic islands colonized in the prehistoric era, human colonization led to an extinction spasm' of geese, seals, moas, lemurs and other species (Diamond 2005b: 42–43).

There is a persistent and influential myth that warfare, massacres, environmental destruction and the slaughter of animals began with modern Europeans, or perhaps with the emergence of Western civilization. As part of this utopian fantasy and cultural Manichaeism, scores of writers have portrayed native Americans and other non-Western cultures in Rousseauian terms of noble, peaceful peoples who never killed needlessly, without reverence and in harmony with the greater ecosystems.

Despite the predominance of essentializing myths that attributed ecological despoliation only to invading Europeans at the dawn of the modern era and characterized groups such as native Americans as carrying out a pristine ecological equilibrium, theorists like Eldredge, Diamond and Wade see problems arising much earlier, not only in the romanticized pre-modern cultures, but in the earliest actions of *Homo sapiens*.

While certainly no cultures, peoples and systems have been as devastating to animals and the environment as modern capitalism, it is important to recognize that there was never an Edenic time, a Golden Era, when humans lived in peace and harmony with one another, other species and their natural surroundings. In truth, beginning with their first migrations into Europe and Australia, human beings began a cross-continental rampage that already had devastating effects on other species and the environment, and their destruction only grew over time in proportion with their growing numbers, consumption rates, and technological and economic development. Thus, it was not only modern humans who caused extinctions; rather, this is a consistent pattern reaching back into our early history and *shows a systematic problem inherent in our species itself*—a proclivity towards violence that is likely to abide whatever the social setting (although, to be sure, some social forms promote peace far better than others).

The real problems stemming from human existence on this planet began in the seismic shift from hunting and gathering societies to sedentary and agricultural societies. Some 15,000 to 10,000 years ago, throughout the eastern Mediterranean and the Near East, a truly revolutionary shift unfolded, as humans were about to change the basic mode of social organization that abided throughout all the changes in technological and cultural development, as well as throughout the changes in the *Homo* genus and the transition from ancient to modern humans. This rupture from at least 90,000 years of prior human existence and millions of years of history in the evolution of *Homo* species and ancestral humans emerged once humans began to abandon nomadic hunting-gathering lifestyles in favour of settling in one area and eventually producing their own food through farming. Thus, instead of scavenging, small-scale

hunting, taking foods found in nature and roaming from one locale to another, humans began to root themselves in one area, and ultimately began to *cultivate* the plant and animal species they deemed most useful. In this process of *domestication*, humans take, grow and care for plants and animals that provide them with reliable sources of food and, regarding animals, services as well.

Once humans began to grow wheat and barley, to adopt and tame the offspring of scavenging wolves, to pen and herd wild goats and sheep, to incorporate wild wolves into their societies and to breed animals (and thereby change their genetic make-up), they had abandoned the hunting-gathering life in order to create *agri-culture*, an unprecedented new social form that radically transformed every aspect of all prior human and hominid history. Once they developed not only agriculture but also cattle-keeping, or pastoralism, they truly had laid the foundations for all history to come; for, as Paul Shepard writes, the agriculturalists and herdsmen of the Neolithic world forged 'the two great paths leading into the civilized world, and without [their] myths, traditions, and economy the modern world would be incomprehensible' (Shepard 2004: 109).

Although the transition to agricultural society took different paths in difference places, it always had the same destructive results such as replacing harmonious relations among humans, and between culture and nature, with antagonism, disconnectedness and unsustainability. Key to the complex changes was the production of surplus goods and growth of the human population. With the resources available to sustain it, there was a burst in human population growth. For once, humans could produce enough food resources to support burgeoning populations, they stepped outside of ecological constraints on their numbers; whereas all species including our closest ancestors lived as small populations within the constraints of local ecosystems that set limits on their numbers, agricultural society enabled humans to cross beyond the confines of local ecosystems and the limits they imposed on population growth, enabling them to transcend earlier peak thresholds and spatial boundaries (Eldredge 1997: 5).

Surplus production was crucial for the origin of hierarchy and domination as it generated a system of bureaucracy, a state structure and the division of society into economic classes. Whereas hunter-gatherer societies consumed what they needed, shared what they had and produced no surpluses, agricultural societies produced more than they needed and stored and traded their extra goods. Surplus goods allowed trading and the increasing complexity of managing trade, investment and defence required stronger leadership and produced chiefs, elites and specialists (Wade 2007: 179). The surplus was siphoned off by those with an interest in wealth and power and who accrued it through the possession of valuable goods. Surplus production allowed some individuals to remove themselves from labour and instead devote their time to writing, manufacturing, metallurgy or serving in a professional army. Moreover, scribes and priests emerged to monitor and administer the resources, to plan and

implement field use, to organize crop rotation, and so on, and thereby formed a privileged group in relation to manual labourers. Around all of this, a political state emerged to keep administrative records on census, taxes, currency and trade; this generated the technology of writing and thus precipitated the transition from preliterate oral cultures to literate written cultures——ones that can also write the records of history itself. Villages joined forces under the rubric of a centralized government, expanding the state's reach and power. Kin relations were engulfed by political affiliations as spiritual connections to animals and the land became purely instrumental and pursued the goal of control instead of harmony.

Whereas in hunting-gathering societies individuals often performed many tasks, in agricultural society a division of labour emerged whereby people were trained in specific tasks and functions. While in hunting-gathering tribes individuals enjoyed a wholeness and integration of activity in agricultural society their activities became specialized and fragmented, alienating them from the social totality. Hunting-gathering bands were egalitarian and knew no patriarch, cult of experts, king, or class or state; in agricultural society, by contrast, one finds alongside the domination of humans over animals, the domination of men over women, wealthy classes over labouring classes and, ultimately, the state over citizens. Quite unlike the use-oriented and egalitarian nature of hunting-gathering bands, agricultural societies were organized to advance the interests of powerful, wealthy, propertied elites through control of labour, slavery, warfare and empire. The conflicts of small bands of foragers were replaced by large-scale military warfare; there was territory to protect and territory to acquire.

Eldredge sees the shift to agricultural society as momentous: '10,000 years ago, we became the first species to venture beyond the confines of the local ecosystem' (Eldredge 1997: 98). By this Eldredge means that we saw ourselves free from the confines and limitations of one particular area, free from the dependence on what is available to take in at any particular place, as we empowered ourselves not only to take from nature but also to transform it. Accordingly, we began to approach nature less from an enchanted viewpoint than one that is detached, mechanist and, ultimately, hubristic. As Eldredge notes:

> We had removed ourselves from the fundamental position in nature that we had heretofore shared with absolutely all other species since life began: we abruptly stepped out of the local ecosystem. We told Mother Nature we didn't need her anymore; that we could take care of ourselves. (Eldredge 1997: 93)

Andrew Bard Schmookler underscores this point. The shift to agrarian society was the most significant change in history, for 'When plants and animals were domesticated, mankind began truly to depart from the place in the living

order given to it by nature' (Schmookler 1995: 17). The genetic, biological and environmental constraints on life forms, he argues, frayed and broke once humans produced a 'civilization' that gave them significant powers to shape the natural world to their needs. With agricultural society, there emerged the 'possibility of indefinite social expansion: more and more people organized over more and more territory', and thus the colonization of the planet took its first giant step at that point (Schmookler 1995: 19). Having emerged as the sole survivor of hominid evolution, having migrated from African into other continents and having developed sophisticated technologies, languages and cultures, humanity had, with the construction of an agricultural society, taken another giant step towards colonization of the planet and becoming a global species. It would take 10,000 years for humanity to begin awakening to the fact that their visions of grandeur and anthropocentric worldviews were flawed, dangerously deluded and needed to be radically changed in conformity with ecological realities.

With the production enabled by slave-based agriculture, rulers could afford to pursue conquest and expansion. With animals already enslaved, humans turned to enslaving their own kind. Whether or not slavery is necessary for civilization to emerge and expand, as some argue, it is certainly the case that the wealth, power, cities and empires of civilization grew through a formidable minority enslaving a vast majority. From Mesopotamia, Egypt and China to Greece, Rome and Ottomans to European nation states and the US, empires and powerful states arose through the exploitation of slave labour, such that the wealth and luxuries of elite classes grew through the subjugation of working masses, just as rich and strong cities and states fattened on the resources of other societies they impoverished and destroyed. In the very 'cradle' of Western civilization, in Sumer and the Fertile Crescent, human societies exploited animals for food, clothing, transportation and labour power, as some began to augment their illicit wealth by exploiting human populations, with a primary source of slaves coming from captives of war. Although, with rare exceptions, humans did not exploit and kill one another for their skin or flesh, both animals and humans were appropriated to supply sheer energy and labour—through the musculature of back power, arm power and leg power—the basis of all other advantages.

Once capitalist ideologies and global market systems emerged, after the long stretch of pre-modernity, desires for power, property and profit became completely unhinged from social restraints (via religion and philosophy) and swelled to utterly new levels of malignancy; greed and materialism were championed rather than condemned, consumerism grew cancerous, and everything was subsumed by the imperatives of commodification, industrialization and mechanization. Capitalism spread throughout Western nation states to the other continents, engulfing the world (by the late 20th century) in a global

economy dominated by transnational corporations. Driven by a grow-or-die logic, inherently unsustainable, capitalism has devoured the Earth's resources, spewed out pollution and poisons and precipitated a planetary ecological crisis. The modern dream of progress as realized by infinite expansion of desires, multiplication of needs, endless consumption and inexhaustible resources has become the 21st century's nightmare as the consequences of a fatally flawed epoch become visible and real.

The Metastasis of Growth

In a journey without precedent, *Homo sapiens* evolved from vulnerable prey to top predator; from threatened species to threatening species; from a narrow pocket of East Africa to planetary domination. The burgeoning, rapacious social machines it assembled have wreaked havoc on a prodigious and profligate planet now in the throes of devolution and entropic breakdown.[2] First slowly and then rapidly; from thousands to billions; from Eastern Africa Asia and Europe to Australia, New Guinea, and North and South America and beyond; from tiny groups of islands to a dense global mass, humans became world conquerors. One species has colonized a world replete with millions of other species. Humans have occupied or visited all continents; we are probing the depths of the sea as we sail to the stars. All along the way, we waged warfare, drove animals into extinction and destroyed natural environments. 'We might already have brought about the end of vertebrae evolution,' writes Soule, and thus we have stopped the fecund speciation process of evolution to bring about the entropy of devolution (Soule 1980).

Humans made the transition from prey to predator, from threatened to threatening species, from an isolated pocket of Africa to planetary dominance. Their descendants radiated into a plurality of physical characteristics, ethnicities, languages and cultures; all of which are now shrinking back, imploding, homogenizing, as humans simultaneously extend their planetary domination and threaten their future existence. Humans have built their empire in a fraction of a fraction of Earth's dynamic history, within the last 10,000 years where they fully exploited a narrow window of opportunity after the last Ice age. They have become the first global species, one that occupies all areas of the Earth and is networked on a planetary level through complex communication and economic systems.

Few indicators dramatize the malignant ascendance of humans to global species that was better than its geometric growth rates. Fifty thousand years

ago, when, on many accounts, modern humans first migrated from Africa to Europe, Asia and Australia, their population was between one and five million; their numbers grew to 500 million by 1000 CE. The human presence first reached the billion mark eight centuries later, in 1800. At an ever-quickening rate, the human population doubled to two billion in 1930, hit three billion in 1960, climbed to four billion in 1974, pushed to five billion in 1987 and rose to six billion in 1999. There is an obvious pattern of accelerating growth. If we start from a common date for the emergence of *Homo sapiens*, it took human beings 200,000 years to break the billion barrier, but only 130 years to expand to two billion, then 30 years to add a billion more, just 14 additional years to grow to four and a mere 12 more years to add yet another billion. 'In less than a tenth of a per cent of the total history of humanity, we've experienced over 90 per cent of the total growth of the human population' (Hartmann 2004: 15).

Now six and a half billion human numbers mushroom by over 70 million a year, such that 'the number of humans born in a single day almost equals the total global population of great apes'.[3] The human population is expected to swell to 10 billion in 2030, double to 20 billion in 2070 and top 80 billion by 2150 (Hartmann 2004: 14–16). Of course, no one expects humans to ever reach 80 or even 20 billion, as there will not be enough land, food, water and other resources to sustain such a behemoth; one way or the other, whether humans reduce their own numbers or nature does the pruning for them, there is a ceiling beyond which human numbers cannot expand on an ever-shrinking and resource-challenged planet. Following the old adage that what goes up must come down, the growth of human civilization would not have been possible without the discovery and exploitation of stored sunlight power in coal and oil deposits and since these reached peak levels in the 1970s and began to steadily decline, the basis of expansion is fast eroding. The portentous fact that the projected population of 10 billion people living in 2050 will only have oil supplies that would accommodate only three billion suggests a grim future of war, famine, suffering and death (Hartmann 2004: 16–19).

At the five billion mark, humans became the most numerous species on the planet in terms of total biomass and by 1990s their numbers exceeded all other mammalian species, even eclipsing rats (Hartmann 2004: 15). As Mark Lynas describes it:

> Within the earth's biosphere, a single species has come to dominate virtually all living systems. For the past two centuries this species has been reproducing at bacterial levels, almost as an infectious plague envelops its host. Three hundred thousand new individuals are added to its numbers every day. Its population of bodies now exceeds by a hundred times the biomass of any large animal species that has ever existed on land since the beginning of geological time … Nothing like this has happened before in the earth's history. Even the dinosaurs, which dominated

for tens of millions of years, were thinly spread compared to the hairless primate *Homo sapiens*. (Lynas 2005)

Beginning around 1980, Lester Brown argues, humanity's demands on the Earth began to exceed its regenerative capacity. '*Homo colossus*', in William Catton's apt term, had colonized nearly half of the planet's ice-free land areas. Humans consumed over 40 per cent of the solar energy captured by planets and 54 per cent of the Earth's available fresh water (Chen 2005: 282). About 80 per cent of the world's grasslands and 40 per cent of the planet's land surface suffer from soil degeneration. They shrink the Earth's forest cover by 40 million acres each year (Larsen 2004). Every hour, 1,500 acres of land become desert (Hartmann 2004: 45). As things now stand, *Homo colossus* has destroyed half of the world's rainforests, destroyed a quarter of shallow coral reefs and depleted or over-fished 70 per cent of the major marine fisheries. Already, by using technologies such as bottom-trawling nets that scrape along ocean floors and strip up everything in their path, humans have sucked up 90 per cent of the large fish in the ocean; scientists predict that by 2050 world fish populations will collapse as a result of gluttonous appetites (Black 2006). The combination of advancing deserts (caused by overgrazing) and rising seas is rapidly shrinking the land area that can support human habitation (Brown 2006b).

The pace of destruction by the human locust is utterly mind-boggling. As Thom Hartmann notes:

> In the 24 hours since this time yesterday, over 200,000 acres of rainforests have been destroyed in our world. Fully 13 million tons of toxic chemicals have been released into our environment, Over 45,000 people have died of starvation, 38,000 of them children. And more than 130 plant and animal species have been driven to extinction by the actions of humans … And all this just since yesterday. (Hartmann 2004: 1)

Penned in 1998, the numbers can only be higher still. Lester B. Brown notes that 'Resources that accumulated over eons of geological time are being consumed in a single human lifespan. We are crossing thresholds that we cannot see and violating deadlines that we do not recognize' (Brown 2003).

As Jim Chen writes:

> We may be witnessing the first geological episode in nearly 400 million years—or perhaps even 2.2 billion years, if we prefer counting back to the boundary between the Archaean and Proterozoic eras of Precambrian time—in which rampant success of one form of life has doomed many unrelated species. (Chen 2005: 288–289)

If mass extinctions mark the end of an epoch, then we are entering a new geological period, one that Lynas calls the 'Anthropocene', a planet colonized and dominated by the human type.

Yet the recipe for human 'success' also is the formula for its failure and potential demise. In general, human 'success' in colonizing the Earth threatens other species with oblivion, leaving them increasingly small (and environmentally challenged) spaces (Kirby 2002). In the dysfunctional zero-sum game of 'progress', humans 'gain' at the expense of other species and the environment, but this is a Pyrrhic victory that calls into question a viable future for humans. While insipid ideologues like Tibor Machan still publish books such as *Putting Humans First: Why We Are Nature's Favorite*, it is more accurate to see *Homo sapiens* as the invasive species and agent of mass extinction par excellence—not 'nature's favorite', but rather nature's *bete noir*.

The human species has exceeded all ecological boundaries and has grossly overextended its presence on this planet, such that it has become a malignant force devastating the natural environment and robbing life from other species and future human generations. *Homo sapiens*, this 'wise man' and crown of creation we pretend to be, has stripped the Earth bare of its rich fruits, turned grasslands into deserts, reduced rainforests into smouldering ash, choked the atmosphere with toxic gases and degraded oceans into seas of acid. We have entered the urban age, such that by 2030 two-thirds of the human population will live in cities, many in mega-cities such as Mumbai or Sao Paulo that will swell with over 10 million or even 20 million. Meanwhile over a billion people— one sixth of humanity—will live in filthy and disease-producing slums as a conse-quence of globalization, International Monetary Fund (IMF) and World Bank policies and 'structural adjustment programs.'[4]

To be sure, the ecological impact of middle class and affluent Westerners is far greater—some 27 times per capita the amount of resources consumed in undeveloped nations—than the three billion (half of the world) living on less than two dollars a day, the three billion who have no access to sanitation and the two billion with no access to electricity (Brunell 2000). Yet human populations everywhere continue to grow and expand, as resources steadily dwindle. The problem of *sheer numbers* (people who require land if not resources) is evident in how the expanding territories of poor African villages overtake wildlife habitat and bring humans and elephants into ever-sharper conflicts. Indian villages are invading tiger reserves and driving them into oblivion. While the planet can barely handle one gluttonous nation like the US, the rise of meat consumption, car sales and consumer aspirations in China and India—the world's most populous nations—portends utter calamity.[5]

The causes have much to do with capitalist growth imperatives, consumerist mentalities, surging growth in human population, but the values, ideologies, worldviews and core social institutions informing modernity have their roots in agricultural society and the first forms of settled existence.

Post-Apocalypse History

Forests precede civilizations and deserts follow them. (Francois-Rene de Chateaubriand)

If we do follow that path, even for another ten years, it guarantees that we will have dramatic climate changes that produce what I would call a different planet—one without sea ice in the Arctic; with worldwide, repeated coastal tragedies associated with storms and a continuously rising sea level; and with regional disruptions due to freshwater shortages and shifting climatic zones. (Dr James Hansen, NASA scientist, 2007)

Species extinction is the fuel that supports the ever increasing progress of the machinery of civilization. (Captain Paul Watson)

We are in the midst of the planet's sixth great extinction crisis, the last one occurring 65 million years ago with the demise of the dinosaurs. Unlike past extinction events, present waves of annihilation are caused not by *natural* phenomena such as meteor strikes but rather by *human* actions. This time, humans are the meteor striking the Earth and the ramifications of their presence is rippling throughout the globe like a tidal wave. The chief cause of species' endangerment and extinction is habitat loss such as induced by mining, forestry and agriculture. Over the past several decades, the land range of 173 species of mammals around the world has been halved. Human-induced changes are driving species to extinction at 1,000 to 10,000 times faster than the natural rate that prevailed since the demise of the dinosaurs (Chen 2005). Conservation biologists predict that one half of the world's plant and animal species will be extinct by the end of this century (Wilson 2002). Each year, the planet loses over 27,000 species, over three each hour (Chen 2005: 282). According to Paul Watson, 'We are losing and will lose more species of plants and animals in the period between 1980 and 2045 than we have in the last 65 million years.' Currently, over 11,000 animal species are threatened with immanent extinction, including the great apes, the African and Asian elephant, the Florida panther, the cheetah, the leopard, the tiger, the blue whale, the polar bear, the sea turtle, the grey wolf, the giant panda, the California condor, the great white shark and the black rhino. In the rainforests, oceans and elsewhere, we are wiping out life forms we do not even know exist.

What seemed impossible, and what scientists once dismissed as improbable—the ability of human beings to disrupt the planetary ecology—is now a fact. Humans—the global species out of control—have intervened in the natural world to the extent they have dramatically upset its temperature balance and

sea-levels, destabilizing global ecosystems held in a delicate balance for billions of years. There is little room for doubt that humans have induced another form of catastrophic change in the form of human-induced global warming and climate change. As overwhelming evidence mounts and consensus grows, there are ever fewer scientists (many bankrolled by corporations such as ExxonMobil or free-market fundamentalists who rebuff any attempt to control the growth of global markets) and sceptics.[6] While the scientific debate is drawing to close in favour of a consensual view, it is time to shift from research to an action paradigm. Annual global carbon emissions have been increasing since the beginning of the Industrial Revolution in the late 18th century, when humans first began burning fossil fuels on a large scale for energy production, and in 2005 the number climbed to a record high of 7.9 billion tons. The US, with less than 5 per cent of the world's population, accounts for 21 per cent of carbon emissions. Since researchers first began to keep temperature records in the 1860s, there has been a rise in the global average surface temperature of the planet of about 1°F, and scientists predict additional increases of 3.2°–7.8°F over the next century. Snow cover is receding and mountain glaciers are shrinking, as Artic ice caps melt and crash thunderously into the sea, raising water levels globally. In recent years, the rate of melting has increased and even during the long dark months of the Artic winter the sea ice shows no signs of recovering. Many scientists predict that we have already reached the tipping point, such that by 2040 the North Pole could be completely ice-free (Connor 2007).

Sea-levels have risen six inches in the past century, and are projected to rise by 7–23 inches by the end of the century. The rising waters threaten to engulf islands; inundate low-lying coastal lands such as in India, Thailand, Vietnam, Indonesia and China; and engulf some of the world's largest cities including London, Alexandria, Bangkok, Shanghai and New York. Global warming will bring about a dramatic rise in drought, skin cancer, diseases such as malaria and political conflict. The tens of millions of environmental refuges in developing countries and elsewhere will overwhelm the ability of societies to respond, creating political chaos and nations will struggle over scarce resources. The poor and underdeveloped countries that have contributed least to global warming will be affected the most.

We are not talking here only about some future dystopian scenario, but rather real effects already manifest, from the melting of the Artic ice shelf and rising of sea levels to the warming of average temperatures and disasters wrought by Hurricanes Katrina and Rita on the Gulf Coast. Already, climate change has had a drastic impact on animals, fracturing the icy habitats of polar bears, seals and penguins; already, it is a key contributing factor to the death of hundreds of thousands, perhaps millions, of people in poor countries (Hirsh 2005; Vidal 2005). The World Health Organization attributes 150,000 deaths each year to

the effects of climate change. The poor nations who have contributed least to climate change will unfortunately be the most affected (Revkin 2007). Whereas the US still refuses to join the 166 nations who have signed the Kyoto Protocol in a pledge to reduce greenhouse gas emissions, Senator James Inhofe (R-Ok.) dismisses climate change as a 'myth', and big energy corporations take little action beyond greenwashing commercials that proclaim their allegiance to environmentalism.[7] In sober contrast, (former) United Nations (UN) Secretary General Kofi Annan urged the world to take immediate and drastic action to stop the 'all-encompassing threat' global warming poses to people, biodiversity, economies and world peace.[8] In January 2007, the UN panel on global warming used its strongest language to date to warn of serious, long-lasting, now-unstoppable changes.

With rare exceptions like the brown tree snake in the islands of the eastern and central Pacific that drove several birds to extinction on the island of Guam (because humans introduced foreign elements into local ecosystems), humans are the only species that drive other species into extinction and they are rapidly driving this process today; whereas the planet can eventually recover from catastrophic events like the meteor that crashed into the Yucatan area 65 million years, which was a one-time event that happened and was over, but the planet cannot regenerate if the pressures continue and build; humans are not only the meteor crashing into the planet now, we are a *meteor storm* that continuously, repetitively keeps pounding into the planet.

This is an entirely new era in the history of planet Earth, and we are all witnesses to dynamic changes, as is evident in soaring temperatures, rising sea-levels and shrinking forests.[9] We already live on what NASA scientist James Hansen calls 'a different planet'. The human presence has grown so great that in a significant sense it has brought about what Bill McKribbin calls the 'end of nature' (McKribben 2006). Now that the human species have altered the world's climate, there is not a raindrop or breeze that is not somehow influenced or altered by its existence. And through the genetic revolution science has begun to refashion the genetic structure of plants, animals and humans; mixing genes from any species at will in a 'second genesis' and new alphabet soup of Deoxyribonucleic Acid (DNA).

The Decline of the Human Empire

It's all a question of story. We are in trouble just now because we do not have a good story. We are in between stories. The old story, the account of how the world came to be and how we fit into it, is no longer effective. Yet we have not learned the new story. (Berry 2006)

> That's the premise of your story: The world was made for man. Your entire history, with all its marvels and catastrophes, is working out of this premise. (Quinn 1995)

> We stand at a critical moment in Earth's history, a time when humanity must choose its future. As the world becomes increasingly interdependent and fragile, the future at once holds great peril and great promise. To move forward we must recognize that in the midst of a magnificent diversity of cultures and life forms we are one human family and one Earth community with a common destiny. We must join together to bring forth a sustainable global society founded on respect for nature, universal human rights, economic justice and a culture of peace. Towards this end, it is imperative that we, the peoples of Earth, declare our responsibility to one another, to the greater community of life and to future generations.' (The Earth Charter 2002)

> As an evolutionary strategy, exploitation has had its day. (Tudge 1997)

History is replete with examples of the decline and fall of empires. Whether Mesopotamian, Mayan, Greek or Roman great societies have come into being and vanished into nothingness due to over-population, over-farming, over-grazing, over-hunting, deforestation, soil erosion, and starvation brought about through exhaustion of plant and animal food sources (Diamond 2005a).

The dynamics and mentalities have not changed over the centuries and the same arrogance, alienation and illusions inform the most powerful empire of current times, the US. The US Empire began in the 19th century, established clear global dominance after WWII, and strives to remain the sole super power after the collapse of communism in 1989, even though there are already clear signs that the short-lived 'American Century' is over with systematic economic collapse; failed military adventures; terrorist–guerrilla threats; and the rise of China, India and Islam. The US likes to see itself as like the Roman Empire by being a superior civilization that can bring peace and prosperity to the world; clearly, this is a farce, and the most salient analogy between the US and the Roman Empire is that both overextended their reach, transformed democracy into tyranny and lapsed into a state of decadence.

But there is an even greater and more decadent empire than ancient Rome or post-war US—the imperialism of the Human Empire, the reign of *Homo sapiens*, the Imperial Species. The *Human Reich* over nature also is inherently flawed, catastrophically overextended and soon to fall on its own sword. This decadence is evident in numerous ways, ranging from Hummer stretch limos and the growing gap between the rich and poor; to 'supersize-me' meals and obesity as a national health care crisis. In the decadent 21st century empire of *Homo sapiens*, people are consuming resources faster than they can regenerate them, and belching methane, carbon dioxide and other potent greenhouse gases into the atmosphere faster than they can be absorbed and dissipated. By the end of 2008, the rampant greed, deregulation, political corruption, market

manipulations and corporate gigantism that defines US political culture had precipitated the greatest economic crash in the nation's history since 1929 and threatens to hurl the entire global capitalist system into a twisting tailspin and catastrophic crash that marks the beginning of the end for industrial civilization and the Human Reich.

The human species is driving itself full speed into an evolutionary dead-end. We are destroying the planet, and everything we do murders animals and dismantles ecosystems. We have lost our moral compass. We think in terms of profit and power rather than ethics and compassion. We no longer have reverence for life or any sense of connection with the natural world. We see ourselves as conquerors of nature rather than citizens of a vast bio-community. We are technologically sophisticated and morally stunted. We have no conception of the importance of nonhuman life forms in sustaining ecosystems and no sensitivity to the inherent value of species outside of our exploitative purposes. We fail to realize that what we do to animals and the Earth, we do to ourselves. And all the while, we live in a fantasy land of entertainment and distractions whereby we focus more on the sex lives and surgical makeovers of movie stars than the greatest challenge our species has ever confronted: *How can we overcome our dominator mentalities, our alienation from the natural world, and our unsustainable social systems to harmonize our existence with the Earth before it is all too little, and much too late?*

Re-Stor(y)ing History

The old geocentric and anthropocentric stories are false, limited, dysfunctional and dangerous; wholly unsuited for the destructive power of an alienated and technologically advanced civilization. The modern metanarrative of inexhaustible needs, endless growth and universal happiness has been exposed as the primitive lie it always was. Once stripped from the metaphysical wheels of fate, in comparison to modern metaphysics, one can recognize the ultimate truth and wisdom of the ancient cyclical view of history that all civilizations rise and fall, grow and die.

There is a desperate need for a new consciousness, for more universal and new cosmopolitan identities, in the broadest and most literal senses of the terms. Human beings must begin seeing themselves not as citizens of one nation or another, but of the Earth, indeed, of the dynamic cosmic matrix itself. Homocentric dramas need to be superseded by cosmological narratives that situate human life in the larger evolutionary process of the universe. As Thomas Berry writes, 'The story of the universe is the story of the emergence of a galactic system in which each new level of expression emerges through the urgency of self-transcendence.' Despite the possible religious or metaphysical

overtones, this new story can be understood in strictly scientific terms of dynamic, evolving matter, leading to ever greater complexity of life.

The new cosmological narratives often seek to reconcile science and religion, using science to explore the physical nature of the universe while retaining religious sentiments as a source of meaning and reverence for life (re-ligere means 'to re-connect'). Unlike the mechanistic science of the modern period which disenchanted the world, reduced nature to objects of manipulation and estranged humanity from the process of life, the *postmodern science* developing in the last few decades is telling a new story. This narrative reintegrates humanity into the entire drama of evolution, and finds the higher apes in our DNA, the oceans in our blood and the stars in our cells. It brings science into contact with ethics and values, which the dominant modern tradition eschews in the value-laden name of value-free 'objectivity'. At stake is the creation of a scientifically accurate *and* life-enriching new story that emphasizes the vital links among human beings, other species, the Earth and the entire universe.

In their fascinating book, *The Universe Story* (1994), historian Thomas Berry and mathematical cosmologist Brian Swimme construct an evolutionary epic story that ranges from the big bang and the creation of the Earth to the emergence of life and development of human culture. For all matter and life can be seen as the offshoots of differentiation (biodiversity), communion (cooperation and coevolution) and self-organization. While different cultures generate different cosmologies, Berry and Swimme believe that 'there is eventually only one story, the story of the universe.'

The idea that matter and life are self-organizing, complex systems provides cosmology with a key to reintegrate human beings into the universe. Self-organization cosmology overcomes the long-standing dualities in Western thought between matter and spirit, and nature and freedom, and allows a theory of a highly complex universe without positing God or teleology. Where the Newtonian view radically separates human beings from the universe, leaving them alienated and forlorn beings amidst biological alterity and a dead material world, postmodern science seeks to make us, once again, 'at home in the universe' (Stuart Kauffman). If life, order and structure are the natural state of the cosmos, then human existence can be grasped as created naturally by the world, rather than in opposition to it.

'The present disintegration of the life systems of the earth is so extensive,' write Berry and Swimme (1994), 'that we might very well be bringing an end to the Cenozoic period that has provided the identity for the life processes of earth during the past sixty-seven million years.' Given the urgency of the ecological crisis, they emphasize the need for a new story and lay out two main options for our problematic future. One path is to continue our tortured journey into a 'technozoic era' that sees nature as resources for human exploitation and gradually dismantles all life-support systems. Another way takes us into

a new 'ecozoic era' that views the universe as a communion of subjects rather than a collection of objects; this road begins with reawakening consciousness to the 'sacred' dimension of life, appreciating the limits of nature and the need for sustainable cultures.

While humanity is free to write its own social and ethical laws, we have yet to learn that we must conform to the laws of nature. These are the laws of ecological balance that are inconsistent with our burgeoning population, insatiable consumption levels, global markets, carnivorous lifestyles and ideology of limitless growth. The *new story* informs us that humanity survives and flourishes not by opposing itself to nature, as the old story has it, but rather by harmonizing with all that has come before it in the multi-billion year odyssey of evolution.

The universal vision of history as one people as developed by Stoics, Christianity and some Enlightenment thinkers occluded vast cultural differences and dynamics, and subsumed all peoples into a totalizing vision of history that ultimately succumbed to a racist Eurocentric tale. The universal narrative, nonetheless, captured the truth that the human adventure ultimately was one. Even more expansive, the new universal story involves solidarity and interconnectedness of all species and their profound interrelationships and interconnected fates.

It is a promising sign that science, which has done so much to falsify and eradicate our ties to life, is beginning to help rebuild vital connections through new holistic and ecological theories. We truly are 'in between stories', as Berry says, as we struggle to shed the dominator worldview in favour of an ecological narrative that emphasizes our responsibilities in the larger bio-community that engulfs us, in which we are only one of millions of interdependent, coevolving species.

But it certainly is not, as Berry insists, 'all a question of story'. It is *also* a question of politics, of how we struggle against hierarchies and domination, and what alternative institutions we seek to put in their place. The future depends not only on the dismantling of global capitalism and hierarchical systems of any kind, but also on the emergence of a new sensibility that devolves around animal liberation, ecology and reverence for life. Instead of embarking on the current disastrous project of remaking nature through genetic engineering, we ought to be fostering the far more sane and profound goal of remaking ourselves, in a fashion that restores the connection between humanity and humility, economy and ecology, equality and democracy, and the principles of society and the laws of nature. Animal liberation is crucial to these changes and to any viable vision for human liberation.

The future, if there is to be one for humans and countless other species, depends on the ability of people to unite, act collectively, and radically change

their worldviews, values and social structures. After millions of years of pre-history, some two hundred thousand as *Homo sapiens*, we have reached a *pivotal point in history*, a crossroads for the future of life, such that we can choose either breakdown or breakthrough (Korten 2006). In the language of scientific chaos theory, there have been numerous bifurcation points of social disequilibrium in history when a fundamental system transformation could have occurred, but the new fluctuations did not provoke change in fundamental structure. New arrangements will arise, however, that we must exploit for their potential to bring about charge.

Human evolution is not a given—neither in the naïve modernist sense that social life will increasingly improve over time through limitless production and consumption, nor in the literal sense that it will continue at all. Under the spectral shadow of global warming, resource scarcity, biological meltdown, environmental entropy, renewed nuclear threats and escalating global conflicts, the future of human evolution is problematic at best and unlikely or doomed at worst.

The shift from an economic fetish to an ecological ethic requires a revolution in human consciousness, such as which Aldo Leopold hoped could unfold with a new 'land ethic'. While hopeful, Leopold had no illusions this process would unfold in the rapid and timely manner required by the current ecological crisis: 'It took 19 centuries to define decent man-to-man conduct and the process is only half-done; it may take as long to evolve a code of decency for man-to-land conduct.' The looming question here, of course, is: *do we have the time?* do we have another 19 centuries, another 9 centuries, or even another 90 years?

The main drama of our time is which road will we choose to travel into the future—the road that leads to peace and stability or the one that verges towards war and chaos; the one that establishes social justice or the one that generates ever-greater forms of inequality and poverty. Will we stay on the same modern trail of irrational growth and development, of the further uncontrolled expansion of global capitalism, or will we stake out an alternative route, one that radicalizes the modern traditions of enlightenment and democracy and is guided by the vision of a future that is just, egalitarian, participatory, ecological, healthy, happy and sane? Will we move, in Korten's phrases, toward the 'Great Unravelling' and plummet deeper into the unfolding crisis or will we embark on a 'Great Turning' where we finally learn to live in partnership with one another, animals and the Earth? What will future generations say of us, our generation and our time of global warming, extinction crisis, biological melt-down and the 'Great Unravelling'? Will they look back in anger, contempt, and loathing at our blindness and apathy or will they extol us for our courage, insight and conviction?

The Twilight of the Idols

Windows of opportunity are closing. The actions that humanity now collectively takes—or fails to take—will determine whether our future, and that of biodiversity itself, is hopeful or bleak. In the aftermath of 10 millennia of incessant growth and war waged upon itself, other species, and the Earth, in the presence of a global capitalism that is clearly unsustainable and is driving global social and natural systems to an irreversible tipping point of catastrophe, the greatest challenge in the history of our species is *staring us right in the face*: can humanity dramatically change its entire mode of existence—from their economic and political institutions to their cultures, traditions, worldviews, values and ways of living and thinking—in order to forestall a global crisis; or will people worldwide numbly continue to plummet toward disaster in the tailspin dive of inertia?

While the result is horrible to contemplate from *our* perspective, *Homo sapiens* may not have the will or intelligence to meet this challenge, and might thereby succumb to the same oblivion that engulfed its many hominid ancestors and into which it dispatched countless thousands of other species. Despite the technologically advanced nature of global capitalism, it is hardly immune from the problems that plagued primitive communities in the remote past. Indeed, while a sober theorist like Diamond does not argue that we are doomed (he emphasizes the importance of awareness and choice), he shows that social and ecological collapse on a global scale is a likely outcome *if* we continue to ignore portentous warning signs. Like Thomas Malthus at the turn of the 19th century, Diamond reminds us that infinite progress and expansion are goals incompatible with natural dynamics and limitations, such that if pursued 'progress' will morph its opposite, if entropy—as current planetary trends in global warming suggest is happening already.

But, considered from the perspective of *animals and the Earth*, the demise of human beings in the form they have evolved could be the best imaginable event possible, as it would allow healing, restored balance and a regeneration that would bring about entirely new species and a new Cambrian explosion of biodiversity, just as occurred with the demise of the dinosaurs. Whereas worms, pollinators, dung beetles and countless other species are vital to a flourishing planet, *Homo sapiens* is the one species—certainly the main species—the Earth could well do without.

As Michael Boulter notes in his book, *Extinction: Evolution and the End of Man* (2002), one species—*Homo sapiens*—is precipitating a catastrophe on Earth that threatens to drive humanity and countless other species into extinction. Reminiscent of Lovelock's concept of Gaia, Boulter sees the Earth as a

self-organizing system that strives towards balance—by any means necessary—when disrupted. One way the Earth achieves homeostasis is through extinction. Even though species vanish, the planet survives and regenerates—as the demise of dinosaurs 65 million years ago enabled a new ecological niche for the ascendancy and diversification of mammals. Species lose out, if necessary, to the larger dynamics of ecological balance. As Boulter writes, 'Extinctions are necessary to retain life on this planet … extinction thrives on culling.' Humans are not only expendable in the overall calculus, their demise would be a positive event of enormous historical proportions that would no longer be measured by any advanced rational mind; if humans went extinct, Boulter writes, 'peace and quiet would return' (Boulter 2002). He notes:

> If human behavior cannot evolve, …[t]here will be no reprieve, no stopping of the progress of mass extinction, and man will surely be a victim within that…It seems that the largest genomes, the most complex physiology and neurology don't guarantee a permanent place on the throne of biodiversity. What we naively saw as an evolving hierarchy does not have ourselves, the human race, in its upper branches. The whole tree needs equal respect for all its parts. (Boulter 2002)

But unlike books such as Douglas Dixon's *After Man*, that envision a new Cambrian Explosion after the demise of the human, Eldredge thinks we might be around for a long time in one form or another, continuing to block the evolutionary process: 'After every mass extinction in the geological past, life rebounded…But that sort of recovery is simply not in the cards for today's ecosystems—not, that is, as long as Homo sapiens is around continuing its present course' (Eldredge 1997: 128). For Eldredge, 'there is no dust settling' after the human meteor strike, it keeps hitting and hitting; we are 'the irritant that does not go away' and so 'evolution will not be trigger. The long-term evolutionary restitution of the natural world must await our own demise' (Eldredge 1997: 130).

Despite folklore phrasing, humans cannot 'destroy the Earth', and it will carry on long after our demise. The Earth has survived cooling and heating periods, turbulent change and five mass extinctions before the one currently precipitated by humanity. As a middle-aged planet, the Earth still has 5 billion years left to create thousands of new species before the sun explodes and obliterates every trace of pain and joy ever experienced here. Thus, the question is not will the Earth survive, but rather will we survive and how many species will we take down with us.

There is no telos or destiny to which we will arrive in glory, however tardy, tattered, bruised and blackened. There are no guiding angels to protect us from

failure and no God to save us from total darkness. But nor are there inexorable laws or wheels of fate that have pre-determined disaster and demise. We must change our course, and we can—if a critical mass of people throughout the world can understand the crisis and respond with the level of urgency, solidarity and militancy necessary to move down the best path at our current evolutionary crossroads.

The only solution lies in radical change at all levels. A future free of apocalypse requires a collective will and cooperation such as has never existed before, as every individual must assume unparalleled responsibility for their own lives and ecological footprint. World War II historians have often said that the American and alliance forces were the 'greatest generation' to ever live. The defeat of Nazism was a mighty victory secured by the courage and sacrifice of US, European and Russian soldiers; but we can and must be an ever greater generation because we are fighting a far more powerful, global and menacing foe, no longer just a nation that seeks to conquer other nations, but a transnational corporate alliance that aims to colonize the Earth itself.

As the corporate engines continue to slash and burn the planet, as inequalities widen and power grows, as human numbers and insatiable appetites continue to swell and as regimes of human and animal torture and murder span throughout the globe, it is easy to become fatalistic and resigned to the catastrophe playing out on this planet, to the epic tragedy of the downfall brought on by humanistic Hubris, and insatiable capitalist drives for growth and profit.

We have no choice but to live in the twilight and tension of optimism and pessimism, hope and despair. As Italian theorist Antonio Gramsci wrote, 'The challenge of modernity is to live without illusions and without becoming disillusioned.' Crisis situations always harbour opportunities for profound and progressive change; these openings are real and alive in the form of global resistance movements rising up and uniting against hierarchical domination on every possible level.

Progress is something human beings still can and must aspire to, and can achieve, but only with revolutionary changes in society, culture, politics, worldview and human identity. A new moral compass is desperately needed to guide and inform the radical institutional and conceptual changes necessary in this world. Progress can no longer entail the zero sum game of human 'gain' at the expense of animals and the environment. Rather, a deeper concept of progress eliminates the opposition between human and nonhuman animals, between society and nature; it understands the profound interrelatedness of all aspects of or planetary ecology, and enables us to become good citizens of the biocommunity rather than Huns, barbarians and invaders bringing down the whole house.

Notes

1. On the concept of 'global species' see Eldredge (1997).
2. For reliable data on the crisis, see the various reports, papers, and annual *Vital Signs and State of the World* publications by the Worldwatch Institute. On the impact of *Homo sapiens* over time, see Foreman (2004). On the serious environmental effects of agri-business and global meat and dairy production/consumption systems (which include deforestation, desertification, water pollution, species extinction, resource waste and global warming), see Robbins (2001).
3. The world population climbed from 2 billion in 1927 to 6 billion in 1999; see http://en.wikipedia.org/wiki/World_population#Rate_of_population_increase. Human population was 10 million, 10,000 years ago; see Larson (2004).
4. See Doyle (2006). Also see Davis (2007) for a horrifying description of the bleak lives of urban slum dwellers and the disease producing conditions that ultimately affect all of humanity.
5. In all areas but oil (where it is fast catching up), China has replaced the US as the leading consumer of commodities; in 2005, China's meat consumption of 67 million tons was considerably higher than the 38 million tons consumed in the US. By 2031, India is projected to have more people than China (Brown 2003: 10–11).
6. The best recent data stems from the collaborative efforts of hundreds of scientists from many nations, or organizations such as the Intergovernmental Panel on Climate Change (IPCC 2007); a collective of over 2500 leading climate scientists, economists and risk experts created in 1988 by the United Nations Environment Program and the World Meteorological Organization. From their First Assessment Report in 1990 to their Third Assessment Report in 2001, the IPCC shifted from a cautious conclusion that the science for human-induced climate change is sound and possibly portends major environmental impacts; to an urgent warning that the Earth may warm up by six degrees Celsius by the end of this century. In 2006, 1,360 researchers and 600 peer-reviewers from 95 nations, collaborating for a 4-year period, released the fourth Millennium Ecosystem Assessment report. Considered by many to be the most authoritative study to date on the state of the planet, the report warned that the survival of future generations is threatened and far-reaching solutions are urgently required to address an emergency situation. The report is online at: http://www.ipcc.ch/SPM2feb07.pdf.
7. While an important first step toward global regulation, the Kyoto Protocol aims only to reduce emissions from industrial nations by 5 per cent, whereas the consensus among climate scientists is that emission cuts as great as 60 per cent are needed immediately to avoid the worst consequences of climate change.
8. Kofi Annan's speech to ministers in Nairobi, 15 November 2006 (see *CBC News* 2006).
9. 'The experience with more destructive storms in recent years is only the beginning. Since 1970, the Earth's average temperature has risen by one degree Fahrenheit, but by 2100 it could rise by up to 10 degrees Fahrenheit' see Brown (2006a).

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13

*Exploring Global Agrifood Politics and the Position of Limited Resource Producers in the United States**

JOHN J. GREEN AND ANNA M. KLEINER

Introduction

Agriculture and food are of paramount importance to development processes (Hall and Midgley 2004). Food and fibre are necessary components to livelihoods, they constitute important economic sectors in many places around the globe, and production and consumption shape the physical world for better or worse. Given the importance of agrifood systems, it is little wonder that globalization entails tension between national, international and transnational interests. In some cases, agrifood policies are the key points of conflict in negotiations through bodies such as the World Trade Organization (WTO) (McMichael 2000).

Discussions of agrifood politics in the global context often focus on the differences in position between farmers in highly developed core countries and those in the broader semi-periphery and periphery. Of major concern are the subsidies and other forms of assistance offered to American and European producers by their governments, while those in other countries are left largely without such supports and face global competition with artificially low prices.

A comprehensive policy package of farm and food programmes renegotiated approximately every five years, the United States (US) Farm Bill occupies an important place in domestic and global agrifood politics. Commodity programmes influence what goods are grown/raised, processed and traded, and through their support of mass production, they influence the world market. Criticism of the dominant agrifood regime has brought together strange bedfellows. For instance, there are vocal liberal-minded policy-makers concerned with inequality, and financial conservatives worried about government spending and the negative influences that subsidies have on markets. Even some progressive civil society organizations such as Oxfam International, a consortium of organizations focused on global poverty and injustice, have found an ally in the rulings of the WTO against the US cotton regime.

Although informative, the typical analysis of 'poor farmer' versus 'rich country' obscures the diversity within and between countries' national agrifood systems in the global context. This dichotomy downplays the role of policies and programmes in both opening up and closing off pathways of development. As one way of broadening the discussion, this chapter uses the position of limited resource producers in the United States in the context of changes in the agrifood system to explore global politics.[1] We maintain that if more attention was given to the needs and interests of these traditionally-underserved farmers, policies and programmes in developed countries like the US would be less problematic for a large part of producers across the world. Many civil society organizations have recognized the need for policies to assist these producers and they have made a variety of alternative proposals. Despite the potential of such alternatives, US policy continues to support industrialization and corporate consolidation of the agrifood system while only giving piecemeal attention to limited resource producers, both in the US and abroad.

Globalization and the Agrifood System

McMichael (1996, 2004) conceives of globalization as a contested process. It involves conflict over power and who sets the development agenda. To describe global development, he uses the term 'project' to convey the intentionality of efforts to shape the world. The prevailing agenda shaping the globalization project is to subject the world and its resources to management under free trade. The globalization project is largely directed by political–economic institutions—including corporations, core countries' governments, the World Bank, International Monetary Fund (IMF) and WTO—that are unaccountable to many of the people who experience the costs of globalization in their everyday

lives (Stiglitz 2006). Recognizing this problematic structure, McMichael (2004) also emphasizes the importance of social movement responses in shaping more humane and sustainable forms of development.

Literature examining agrifood elements of the globalization project tends to come from three general positions: the structuralist perspective, the actor/ network perspective and the critical perspective. They are premised on varying perceptions of the power of multinational and transnational corporations, the changing role of the state, and opportunities for response and/or resistance by local groups (see Arce 1997; Bonanno and Constance 2001; Bonanno et al. 2000; Friedmann 1995; Friedmann and McMichael 1989; Kleiner 2004; Long and Long 1992; McMichael 2004). Their differences not withstanding, taken together these theoretical perspectives offer a broad conceptual framework for exploring constraints and opportunities in the agrifood system, ranging from the local to global levels.

Structural theory views corporations as having powers that can be resisted only minimally by opposing segments of society (Bonanno et al. 2000). Corporations control markets, world resources, other segments of the production process and the nation state. The state loses its ability to mediate conflicts between opposing class factions and instead acts to facilitate corporate requirements. The class conflict character of the nation state intensifies in global capitalism as corporations and elites capture greater shares of resources and wealth. Structural theory maintains that resistance to corporations by subordinate groups is possible. However, it is limited to specific niches and is vulnerable to counterattacks by the dominant centre (see Friedmann 1995; Friedmann and McMichael 1989; McMichael 2004).

Actor/network theory contends that globalization is not a homogenous process, but a fragmented coincidental process with a diversity of outcomes (see Arce 1997; Arce and Fisher 1997; Long and Long 1992). Adopting the actor-oriented perspective, Long and Long (1992) maintain that global processes are reinterpreted at the local level as actors make sense of situations and construct their daily lives through interpretations of these situations. This perspective asserts that people's interpretations relative to corporate actions and other global phenomena are mediated and reconfigured by local actors. Bonanno et al. (2000) note that corporate power is reinterpreted locally to produce opportunities that may empower local actors and institutions. Resistance and alternatives are available as people make sense of daily life and generate opportunities for their existence.

Critical theorists Bonanno and Constance (2001) discuss how the concept of Fordism, as introduced by Gramsci (1971), describes the form of highly rationalized capitalism involving mass production and consumption, vertical integration, and new cultural and political arrangements. This concept not

only refers to the system of industrial production introduced in the United States by carmaker Henry Ford, but also to broader constructs featuring distinct economic, political and cultural dimensions unevenly distributed across societies and groups. Fordist production was based on the rationalization of production processes aimed at increasing output through the elimination of unnecessary operations, and the acceleration and coordination of those which remained. The objective was to create a vertically-integrated system featuring concentrated ownership and central control of production. Fordist production was reinforced with advanced forms of labour control, such as higher wages and fringe benefits, to ensure a stable and committed workforce. Fordism required state intervention and a standardized system of cultural values (for example, public schools and state support of credit), with the interests of the ruling class becoming shared by subordinate segments of society (Gramsci 1971).

Bonanno et al. (2000) contend the growth of capitalism was regulated and promoted by a strong intervening state for much of the 20th century. The state fostered capital accumulation while legitimizing its actions to segments of society that did not directly benefit from these actions. However, there have been changes in terms of the interactions between the state and corporation. The emergence of transnational corporations (TNCs) and the hypermobility of these corporations are regarded as two of the primary characteristics of global post-Fordist capitalism (Bonanno and Constance 1996; Harvey 1990). Hypermobility refers to corporate actors' capacity to move assets, resources and business structures across national borders (Harvey 1990). TNCs operate globally in pursuit of profitable forms of production and resources, and they increase profitability by reducing unwanted links and responsibilities to national entities and their associated regulations (Bonanno and Constance 1996). Thus, according to some analyses, TNCs are linked to deteriorating environmental conditions; the limiting of food quality and regional/local food security; the poor socio-economic conditions of petty commodity producers, wage labourers and rural communities; increased concentration in production; and other phenomena viewed as threatening the wellbeing and aspirations of communities around the globe (Magdoff et al. 2000).

Bonanno and Constance (2001) and Constance et al. (2003b) note the relevance of the debate over how globalization is manifested through national policies. The debate poses challenges to the assumptions that attracting external direct investment as national, regional and local development strategies, and providing tax incentives and similar financial packages are necessary conditions for preferred forms of growth. The authors contend that global post-Fordism is a system that allows corporations to be mobile and to take advantage of qualitatively new instruments employed to avoid perceived rigidities in the economy and society. Corporations view local consumption and labour markets as resources to be included or excluded from global circuits in accordance with

corporate needs. Localities are viewed as social relations capable of opposing and of favouring corporate strategies. Global sourcing is the post-Fordist strategy developed by firms to obtain the optimal factors of production, including labour, raw materials, transportation, government regulations and access to consumer markets (see Constance and Heffernan 1991; Constance et al. 2003a; 2003b; Friedmann and McMichael 1989). Agrifood systems were traditionally organized on the local and national levels even with elements of industrialization, and they were often considered exempt from broader free trade initiatives. However, since World War II, there has been a reorganization of these systems as they feed the needs of corporate interests looking to globally source materials and distribute goods.

On the whole, Bonanno et al. (2000) describe the critical perspective as one, maintaining that structures are powerful yet corporations' powers are limited, and there are opportunities for local response and resistance. The global arena is a contested terrain characterized by the struggle of opposing class-based groups. From this perspective, corporations do not exercise total control of the global economy and society, but rather they employ globalization as a strategy for revitalizing accumulation and business profits. Globalization may even sometimes be a liability for TNCs, in that the possibility of anti-corporate actions exist and even proliferate. Environmental and labour issues challenge corporate interests at the economic, social and cultural levels.

The social science of development literature focused on livelihood systems may be used to bring together the theoretical arguments from the structuralist, actor/network and critical perspectives of globalization, and augment our understanding of the agrifood system. 'Livelihood' generally refers to the manner in which individuals, households and their communities struggle for survival, and attempt to achieve a particular standard of living. Livelihood strategies involve continuous processes of (re)construction of social, economic and political relations within communities and broader social institutions in an effort to meet material and experiential needs to achieve some level of security and acceptable standard of living (Bebbington 1999; De Haan 2000; Ellis 1998; Green et al. 2007; Hall and Midgely 2004). Major concerns in this line of analyses are the threats and opportunities made available through political–economic and ecological restructuring. Oftentimes, there are threats to livelihood systems posed by both short-term shocks and long-term stresses. Access to or exclusion from resources—environmental/natural, physical/built, human, social, financial and political capital—shapes producers' and their communities' capability to handle these changes (Bebbington 1999; De Haan 2000; De Haan and Zoomers 2005). Institutions, rules, regulations and organizations mediate people's access to the assets necessary for coping with change by opening and closing pathways for development (De Haan and Zoomers 2005). Global processes and national policies influence which pathways are available.

People need access to the assets that provide them with the capacity to respond to broad-based social change, such as globalization of the agrifood system, accompanied by the diminishing influence of the nation state and growing power of corporations. Limited access to these assets results in greater vulnerability. When problems arise due to limited resources in the face of broader structural problems, people often expect the state to respond. If the state fails to act sufficiently, given the need to please corporations and multinational governing bodies, collective action may occur through civil society. These groups attempt to fill gaps in services and advocate for changes that are often perceived to be more responsive to the needs of the underserved when compared to the bureaucratic inefficiencies of private and public service delivery. In the following section of this chapter, we explore the agrifood system and US policy based on this understanding of livelihood concerns in the face of broader constraints and opportunities.

Changes in the Agrifood System and Agrifood Policy

When analysing the dramatic changes in the agriculture system, Lobao and Meyer (2001: 103) conclude that, 'The exodus of Americans from farming is one of the most dramatic changes in the US economy and society in the past century.' Changes have been in the direction of large-scale, capital intensive and structurally complex modes of production, processing and distribution (Heffernan 2000). There is increased corporate consolidation in the supply and sales sectors through horizontal and vertical integration (Heffernan 2000, Heffernan et al. 1999; Hendrickson et al. 2001). These changes were in tandem with the increasing power of multinational/transnational agribusiness corporations and pressures on domestic agricultural protections under the direction of free trade pacts (for example, the North American Free Trade Agreement and the proposed Free Trade Area of the Americas) and global economic governance through the WTO.

Many of the agricultural policies of the first half of the 20th century, especially those stemming from the farm crisis and later depression of the 1920s and 1930s, were aimed at supporting farm income, reducing commodity surpluses and maintaining the family farm structure. After World War II and implementation of the Marshall Plan of US aid to rebuild Europe, emphasis shifted to agribusiness growth, protection of US export interests and, ultimately, support of free trade (McMichael 2000; Saloutos 1982).

Embedded in federal level Farm Bills renegotiated approximately every five years, US agrifood policy is administered through the US Department of Agriculture (USDA).[2] International bilateral and multilateral trade agreements influence much of this policy, although domestic stakeholders are particularly powerful. There continues to be a tension between protectionist and free market interests as specific groups seek to promote and protect their commodity (for example, corn, cotton, soybeans) while supporting liberalized trade in other areas. This tension is evident within the cotton regime where commodity groups want to expand exports from the US while at the same time protecting producers and processors from global competition through subsidies. Over time, the trend in the policy debate has favoured free trade. The dominance of free trade results, at least partially, from the rise in economic power of agribusiness firms globally, the shift toward export reliance and drastic economic polarization in the farm economy. In this context, family farms and programmes aimed at helping them are viewed as obstacles for agribusiness firms. Still, agrifood policy is piecemeal as powerful interest groups in favour of specific commodity supports continue to lobby for their constituents, including not just medium- and large-scale farmers but more importantly, agribusiness corporations.

Although this approach to agrifood policy dominates, there have been, and continue to be, some policies and programmes of potential benefit to small-scale and limited resource farmers. For example, in response to the economic depression of the 1930s, there were numerous attempts made to protect the position of agricultural producers. Work in this realm included the Agricultural Adjustment Act (AAA) (1933) designed to curb overproduction and raise commodity prices; establishment of the Farm Security Administration (FSA) to assist displaced tenant farmers and sharecroppers, many of whom were landless because of landowners' greed in wanting to capture AAA payments; and the creation of a variety of rural development programmes. Multiple credit programmes were created, including government backed farm ownership and farm operating loans to assist low-income producers. There are currently some programmes directed towards assisting minority farmers through education and outreach such as the Outreach and Technical Assistance Program for Socially Disadvantaged Farmers and Ranchers (Section 2501 of the 1990 Farm Bill).

Despite the existence of some fairly progressive programmes and the opportunities that they provide to agricultural producers and ecological wellbeing, they currently represent a small part of government assistance provided in the agrifood sector. As Glenna (1999) noted in his analysis of the 1985 Farm Bill,

the instrumental logic of capital accumulation is difficult to overcome. In most cases these programmes are distributed on a competitive grants basis and many of them do not even receive the full amount of funding for which they were authorized. For instance, the 2501 programme was authorized for USD 10 million annually following the 1990 Farm Bill, but by 2001 it had never received more than USD 6 million in annual funds. The President's 2007 fiscal year budget for this programme was only set at USD 6,930,000 (USDA 2007). Furthermore, there are situations where agribusiness and large-scale farm interests have captured programmes that could be of assistance to other producers. This has happened with many of the income supports and some conservation programmes whereby large-scale farmers receive funds to subsidize overproduction and use environmentally destructive production practices. Of special concern in this realm is the use of Environmental Quality Incentive Program (EQIP) funds to build waste management systems for 'concentrated animal feeding operations' (CAFOs) producing livestock in industrial conditions.

On the whole, US agrifood policies have been re-channelled from the early focus on inner-directed domestic development of both agriculture and industry to the global focus on food and fibre companies' goal of dominating world markets (McMichael 2000). The latter approach has led to low market prices that undercut producers across the globe and a payment system that allows some farmers to stay in production while simultaneously promoting increased farm and corporate consolidation. In tandem, agricultural markets are consolidated into fewer and fewer corporate hands at both the national and global levels (Heffernan 2000; Heffernan et al. 1999; Hendrickson et al. 2001), even in so-called niches such as organics (Howard 2003).

Like many core countries, the US subsidizes production of agricultural commodities, including food and fibre. Much of this production is exported on the world market, often at low prices as a way to move goods. Developing countries maintain that these subsidies hurt their ability to compete with more wealthy countries. Furthermore, exports from core countries undercut the farmers trying to sell similar or substitution goods in their own domestic markets. The result is greater international trade of agrifood products, but typically in a manner that results in heightened dependency by poorer countries on wealthier countries (Stiglitz 2006). These competing interests have been the fuel for conflict at many of the trade negotiations under the auspices of the WTO.

Given these trends, it is still important to recognize that it is a more complicated issue than simply poor farmers versus rich countries. Farmers in developing countries are clearly put at a disadvantage because of subsidies in core countries. However, it should be recognized that farmers in the core have practically little choice than to participate in this system if they are to actively

engage in commercial farming. In other words, the structure influences individual agency. Not participating leaves them with lower prices and less stability. While farmers could produce other crops, much of the rural infrastructure and credit opportunities are based on traditional commodity crop production. Furthermore, some of the most problematic subsidies are received by corporations rather than farmers. There is also inequality in agricultural programmes in terms of who receives the most assistance. All farmers in the US are not rich, at least in relation to the rest of the country. There has been a massive loss of farmers, family-owned and controlled farms, and rural infrastructure in the US. It is the system that is flawed and the negative consequences are most apparent to limited resource producers, especially minorities, who try to participate in that system.

Constraints Faced by Limited Resource Producers

Both the historic and contemporary dominant agrifood system has negatively impacted much of rural America, having particularly troubling consequences for limited resource and minority farmers (CRAT 1997; Green 2002; Wood and Gilbert 1998). The 2002 Census of Agriculture showed 1,817,594 farms with sales of less than USD 100,000 accounting for 85.37 per cent of the total number of farms (2,128,982). During this time there were, estimated to be approximately, 29,090 Black/African American farmers. According to data from the 2004 Agricultural Resource Management Survey, limited resource farm operations represented 9.4 per cent of the total number of US farms, and an additional 18.8 per cent were classified as small farms with low sales (Hoppe et al. 2007). These may be low estimates. Given their smaller size in acreage and sales and their relatively low participation rates in government programmes, it is likely that limited resource and low sales farmers often go undercounted.[3]

Conventional agricultural market access points are increasingly being cut off by the growing concentration of control over the agrifood system by corporate firms (Heffernan 2000). Marketing problems encountered consist of the prevailing systems privileging large-scale producers, insufficient information on market outlets and prices and the ongoing cycle of market price disasters (Green 2001; Green and Picciano 2002). Many of these characteristics leave limited resource producers vulnerable to risks (Dismukes et al. 1997; Green 2001).

Limited resource farmers have been underserved by the institutions expected to function as mediators between the macro-level of global, regional, and national political-economic forces and the micro-level of farmers' everyday lives.

Arguably, the state has provided an inadequate response for protection of livelihoods for these producers (see CRAT 1997; Green et al. 2003; Grim 1996; Jones 1994; NCSF 1998). Though numerous government programmes have been developed to assist farmers, a variety of barriers prevent these producers from fully participating in and receiving the benefit of potentially helpful programmes. Farmers cite preferential attention given to large-scale producers employing technologically complex and capital intensive strategies, personal and institutional discrimination, and insufficient outreach efforts. Many agricultural programmes were designed to provide the greatest benefits to those farmers with the highest level of production rather than those in the greatest need of assistance (Jones 1994). These farmers also face challenges in regard to managing risk and the financial intricacies of agricultural production and marketing, while little technical assistance is available to them to address these aspects of operating a farm (Green and Green 2006). Many of these criticisms have been voiced not only through protest and advocacy, but also through legal challenges such as the *Pigford versus Glickman* (1999) class action case of Black farmers who believed that the US Department of Agriculture had been discriminatory in its credit and other programmes.

Within the US system, it was estimated that only 47 per cent of farms received government payments in 2005 (Hoppe 2007), and studies show that nearly four-fifths of this was for commodity crops as opposed to conservation activities (Hoppe et al. 2007). Anecdotal evidence and empirical research both suggest that there is inequality in existing agricultural programmes. Lines of difference include the crops produced, farm structure, farm scale, race/ethnicity and gender of the farm operator (CRAT 1997; GAO 2001; Green 2001; Jones 1994). There is also an increasingly popular critique of the current system and in that many of the programmes provide financial incentives for overproduction and use of unsustainable practices. Although there are negative dimensions to these agricultural programmes, they continue to play an important role in family farm survival in the commercial arena, especially given the current state of corporate consolidation, control of markets and constraints on price.

In many ways, limited resource producers in the US face similar constraints to development as those confronted by small-scale producers worldwide. They must compete with highly capitalized, technologically-intensive large-scale farms. Access to markets is limited, as corporate firms demand a steady stream of high quality and high volume output, often delivered on a 'just in time' basis. Furthermore, there are few policies and programmes with the specific intent of assisting more limited resource enterprises. This is ironic. Many limited resource producers might like to participate in traditional commodity programmes, but research has demonstrated that for the most part they would rather have better access to information, low-interest credit and assistance with developing alternative markets (Green 2001, 2002; Kleiner 2006). With this in

mind, the following section explores policy frameworks being promoted by civil society organizations that are intended to better serve limited resource producers and move US agrifood policy to a position that is less damaging to the broader global context.

Civil Society and Alternative Agrifood Policies

Debate is likely to continue concerning whether the dominant agrifood regime can and/or should be altered. Given the US role in international trade and the potential of sanctions, it is probably safe to assume that changes will be made to some degree. However, political leaders from across party affiliation in the US have for the most part been resistant to any substantial changes. Still, analysts argue that reducing/redirecting funds away from US commodities would result in less production, higher prices in the world market and savings in government funds. This may prove useful to producers in developing countries, but it could also shift production to other less capital-intensive commodity crops thus stimulating overproduction and lower prices in those arenas (Ray et al. 2003). In conjunction with seeking more secure and sustainable livelihood opportunities for people globally, we argue it is necessary to pursue policy changes that offer alternative development pathways that will also improve the economic conditions of agrifood producers, their families and communities, rather than only removing current subsidies.

On this basis, there is a need to explore not only what changes will take place and their potential impact on farmers and their communities, but also what might fill the void as traditional programmes are phased out. Rather than take a purely reactionary stand on this issue as many stakeholders will likely do, we argue that a critical livelihoods approach should be taken to develop and advocate for policy alternatives that are more equitable and comprehensive in their scope and have a positive effect on rural development. This is particularly important given evidence that while the dominant agrifood system may no longer produce sufficient development outcomes for limited resource farmers on its own, those agricultural strategies which emphasize sustainability may have the potential to expand livelihood security and quality of life (Clancy et al. 2003). For instance, researchers at the Agricultural Policy Analysis Center released a study in 2003 that argued for policies which focus attention on prices that are liveable for producers worldwide. Acknowledging the influential role of US policies in this regard, they maintain there is a need for domestic acreage diversion, farmer-owned reserves and price supports through government purchases (Ray et al. 2003).

There is a wealth of information to build upon when attempting to identify possible pathways to move forward in creating a more sustainable and socially just agrifood system in this global age. Numerous civil society organizations, policy-advocates and researchers have taken a stand on this issue, and they have pushed a wide variety of alternatives. Although imperfect and often presented through competing campaigns, their work warrants attention, especially since many of them have gone to great lengths to obtain inputs from limited resource producers in the US while also engaging with those from outside of the country through venues such as the World Social Forum, a civil society alternative to the World Economic Forum.

As an example, it is helpful to draw from projects undertaken by the Rural Coalition and its many partner organizations, including the Federation of Southern Cooperatives/Land Assistance Fund and the Missouri Rural Crisis Center. The Campaign for a Just Food and Farm Policy synthesized four years of research where it was made obvious that small-scale, limited resource, and minority farmers and their community-based organizations have much to contribute to dialogue on agrifood system changes. Research participants expressed goals for the future that would contribute to the social, economic and environmental viability of rural communities. These included efforts to ensure fair competition, access to affordable credit, revamping of conservation programmes and the creation of holistic approaches aimed at broad development. Participants emphasized that they will need assistance to stay on the land and reach their goals, and they maintained that programmes must be more responsive to locally-situated and experienced needs. Furthermore, they argued that attention needs to be focused on how assistance is provided—there are biases in how programmes are currently implemented and resources are distributed (Green 2001; Green and Picciano 2002; Green et al. 2003).

In the current 2007 Farm Bill debate, many of these organizations are pushing for a socially disadvantaged producers risk management and market access initiative, as part of the broader Farm and Food Policy Initiative (see Rural Coalition 2007). The programme is a comprehensive approach to preserving and building land ownership by socially disadvantaged farmers and ranchers through specific strategies: bringing them into USDA programs, building small farm agriculture and addressing challenges through risk management and disaster protection, access to credit and to markets, development of organic and value-added production, and improved financial management. This initiative calls for funding and technical assistance to be made available to producers and farm workers wishing to become independent producers.

Also instructive are the recommendations made through special commissions, such as the CRAT (1997) and the NCSF (1998), which have included participation by limited resource producers and civil society organizations. For instance,

framing the NCSF report (1998) was the argument that small-scale family farms should be considered a priority for federal policy and that sustainable agriculture should be viewed as a legitimate approach. Additionally, the Commission called for attention to remove programme biases that favour large-scale farms. Among specific programme positions was a call for providing better access to credit (both direct and guaranteed loans) with special attention to small farmers and those operated by new and minority producers. There was a demand for the development, promotion and enforcement of fair and competitive markets in which small-scale farmers may participate. This would include not only attending to traditional markets but also creating local and regional food markets and value-added alternative enterprises.

Taking inputs such as this into account, this section of the chapter reviews a variety of policy alternatives that offer progressive responses to potential changes in the agrifood system and broader rural development policy domains. We first discuss those efforts that may help to address the needs of farmers in particular, followed by an analysis of more comprehensive rural development efforts. Of course, none of these policy alternatives stand alone. Rather, they are parts of a large set of alternative ideas and there is variance in the political feasibility of these approaches. Many of these proposals would assist limited resource producers in the US while posing fewer constraints to those in developing countries when compared to the current policy regime.

Competition and Fair Price

The primary call for policy change consistently made by a diversity of farmers has been to create a system that promotes a fair playing field for market competition rather than the current system that stifles competition by promoting consolidation of market power. In addition, there has long been a demand for a fair price that covers the cost of production and provides a decent profit for enhancing quality of life. This has been the topic of several populist movements responding to corporate power by attempting to limit monopolies and oligopolies, and it continues to be an avenue favoured by many family farm advocacy organizations.

The challenge with promoting competition and fair price policy as a way to off-set the impact of subsidy changes is that there does not appear to be widespread agreement that consolidation of market power is *the* main problem. Some of those who view it as a barrier may mistakenly consider this as the unavoidable 'nature of the market'. It is also assured that corporate interests will work diligently to oppose changes in this regard.

Another route of competition policy that might be of interest is to consistently advocate for subsidy payment caps. This has been a major point of contention in both the 2002 and 2007 Farm Bill debates, and although the initiative routinely stalls, it received widespread support from family farm groups and environmentalists. Again, it is anticipated that this strategy would face stiff opposition, especially from within those commodity sectors that receive large subsidy payments.

Conservation

Limited resource producers could benefit from more attention on and support for conservation measures. Augmenting the Conservation Reserve Program (CRP) and Wetland Reserve Program (WRP), the 2002 Farm Bill included the Conservation Security Act (CSA) which provides financial incentives for use of sustainable practices. This programme could be expanded as a way to promote conservation and counter the economic impact of subsidy reductions. This is a crucial strategy because environmental problems necessitate focusing attention beyond land set aside (the primary conservation mechanism under CRP/WRP) to make actual production practices used on 'working lands' more sustainable.

A different strategy could entail the creation and promotion of incentives for greater crop diversity, a strategy that would lead to less intensive production of commodity crops in the same place over the course of many years. This would require policy changes to allow for rotation with alternative fruit, vegetable, nut and even fibre crops.[4] This might help to reduce dependence on specific crops and reduce overproduction which could stimulate price. However, it should be recognized that national policies are implemented in a global context. Increases in commodity production in another country may off-set any gains in price initiated through the lowering of production levels in the US.

It is likely that taking some form of a conservation-based approach will garner political support from an array of interests. Mainstream farmers would have the opportunity to benefit, and incentives for pro-social/environmental practices would be heralded by environmentalists and others. There is the challenge that despite such potential, much like the overall history of conservation programmes, it is probable that large-scale landowners, and increasingly, absentee landowners will be the most likely to directly benefit from incentive payments.

The conservation route could be designed to conform to 'green box' options within the WTO that allow for policies to promote environmental protection

and rural development if they minimally distort trade and are decoupled from particular commodities (see WTO 2007). However, acceptance of conservation-oriented programmes in trade negotiations is not a certainty. Brazil's WTO complaint against the US cotton system included conservation programmes that provide support for farmers beyond the cost of implementing such measures.

Access to Short and Moderate Term Credit

Limited access to affordable credit continues to plague many farmers, especially those operating at a small- or medium-scale and those pursuing alternative enterprises. Policy change may include revision and expansion of both direct and guaranteed loans, with special attention on efforts that will involve crop diversity, use of conservation practices and innovative marketing.

It is often assumed that access to land is not problematic in the US, because there are believed to be smoothly functioning real estate markets where supply meets demand for the most profitable use. This may be the case to some extent, but farmers report challenges with rising land prices and taxes, consolidation of ownership, competition for rental land and pressure from suburbanization. This limits small- and medium-scale farmers and other rural businesses from maintaining and expanding their efforts.

Increasing access to affordable credit would potentially provide benefits to limited resource farmers. The positive impact could be augmented by providing credit-based incentives for diversification and alternative enterprises. Still, for many farmers, the problem is not *only* access to credit but also, as mentioned previously, access to a fair price. More credit without the income to pay it back will only spell disaster.

Beyond credit specifically targeted to farmers, efforts have been made to provide access to a larger audience, including those people typically excluded from commercial lending, for the purpose of community development. Broadly designated as community development financial institutions, these credit unions, revolving loan funds and other entities, are often used to provide working capital for innovative economic endeavours. Some of these have been originally funded by private sources but state and federal agencies are also involved. For example, the Economic Development Administration and the Community Development Financial Institutions Fund (US Department of the Treasury) have invested heavily in such organizations (CDFIF 2009; Robinson 2003).

Micro-enterprise, Value-added Processing and Alternative Marketing

In rural areas traditionally dependent on production and export of raw or slightly processed commodities, there is a need for greater attention to micro-enterprise, value-added processing and alternative marketing. The USDA already operates some programmes to support these efforts. Such programmes could be expanded to help redirect agriculture in search of a wider array of income generating endeavours to garner greater profits for the farmer and additional benefits to their community (for example, jobs, local purchases).

Value-added processing adds considerable depth to the agricultural economy of a region. This is especially important in those cases where fewer people are involved in direct agricultural production when compared to the past. By focusing attention on increased processing at the local or regional level, more profit may be captured through increased return on sales, more employment opportunities, and greater transaction of funds and thus expansion of the multiplier effect. There is certainly room for expansion in the area of alternative products.

There are numerous state policies and some federal efforts that focus on providing access to capital, business expertise and marketing assistance to expand value-added processing. For instance, Kilkenny and Schluter (2001) reported on states providing subsidized loans, loan guarantees, grants, tax abatements and other incentives to promote this form of development. Analysis shows that focusing attention on smaller-scale businesses may be the most beneficial for rural areas, as larger-scale operations are more likely to locate near or in metropolitan centres. There are real-world examples upon which to build. The Federation of Southern Cooperatives/Land Assistance Fund and its state associations have assisted many cooperatives in developing value-added processing and alternative marketing businesses. This has resulted in greater fruit/vegetable production and marketing (for example, sweet potatoes, watermelons, leafy greens).

Working towards innovative and responsive outcomes, the Rural Coalition and its allies advocated for the Small Farms of the New Millennium (SFNM) Program in 2001 as part of the Campaign for a Just Food and Farm Policy. The proposed programme consisted of three main elements: direct payments to producers involved in alternative enterprises, enhancement of technical assistance and incentives for cooperative development. SFNM would have offered annual payments ranging from USD 5,000 to USD 10,000 for a maximum of three years to qualifying small-scale, non-commodity producing farmers to transition some portion of their enterprise to value-added production. Participants would also be entitled to access direct technical assistance from approved community-based organizations and educational institutions. Producers who

chose to combine some portion of their resources from this programme for the establishment or expansion of cooperative businesses would be provided with extra incentives, including a 1:1 match to the cooperative on capital investments. Expanding from this programme that was focused primarily on limited resource, non-commodity crop producers, such incentives could be offered as part of a package for farmers to transition some of their production out of commodity programme crops into more diverse systems.

US Policy and Limited Resource Producers in the Global Context

> Agricultural liberalization is deeply symbolic of the attempt to legitimize world-economic integration, precisely because of agriculture's identification with place and nation. While greater integration transforms all states through economic liberalization, it also reinforces global power relations—in this case the relations of agribusiness imperialism. That is, what are presented as universal trade rules (to which states individually commit) really serve to reinforce *extant* geo-political and corporate interests. (McMichael 2000: 141)

McMichael emphasizes the importance of tracing the agrifood system in studying the politics of globalization. As part of this, we have argued that agrifood policies and programmes open up and close off development pathways for limited resource producers. Critical theorists help to explain this by highlighting political–economic structures and processes while also taking into account social actors' attempts to survive. Global agrifood political conflicts are often conceived of as poor farmers versus rich countries; however, the framework we present maintains that there are complexities in need of attention within and between countries. Focusing on the situation faced by limited resource farmers in the US, it is apparent that these traditionally underserved producers face many of the same constraints as small-scale farmers across the globe. Attending to their needs and interests would help to open up development pathways and mitigate some of the problems that US agrifood policy causes at the global level.

Civil society organizations have worked to promote some policy alternatives. However, the dominant agrifood project prevails. The global free trade agenda is paramount, although large-scale industrial commodity producers are protected fairly well. There is the rhetoric of free trade at the same time as selective protectionism. This allows multinational and transnational corporate agribusiness firms to source, manufacture and market products globally at the same time as political support for the ruling regime stays intact.

Pressure on the US system by civil society organizations has resulted in some notable changes, including attention to the needs of limited resource and minority producers. However, the most progressive programmes are offered through competitive grants, receive limited financial support and are contradicted by the more prevalent commodity programmes.

Overall, there is a bifurcated policy response to changes in the agrifood system. On the one side, there are small-scale programmes and agency reforms intended to address some of the past inequalities and constraints faced by underserved producers. On the other side, there is an ever-increasing attempt to promote global trade while simultaneously attempting to protect the least vulnerable of producers. Instead of simplifying the issue to one of poor farmers versus rich countries, it will likely prove more fruitful for analysts to attend to these complexities in the global context from a critical livelihoods perspective that allows for broader exploration, and hopefully development of international solidarity around opening pathways for limited resource producers, no matter their geographic location.

Notes

1. According to the US Department of Agriculture (Hoppe et al. 2007; also see ERS 2000), limited resource farms are those with gross sales less than USD 100,000, and total operator household income less than the poverty level for a family of four or less than the county median. Small farms are those with less than USD 250,000 in annual sales, and those with low sales have under USD 100,000 annually. For this chapter, we use the term 'limited resource' as a general label for producers in both the limited resource and low sales groups.
2. As of this writing, the 2002 Farm Bill, entitled the 'Farm Security and Rural Investment Act' was in effect. The 2007/2008 Farm Bill was under negotiation between the US House and Senate.
3. The 2007 Census of Agriculture data had not been released by the US Department of Agriculture during preparation of this chapter.
4. See NRC (1989) for a discussion of this issue.

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14

Nothing has been Decided: The Chances and Risks of Feasible Globalization

NICO STEHR

The word 'globalization' is … a *simultaneously descriptive and prescriptive pseudo-concept* that has taken the place of the word 'modernization', long used by American social science as a euphemistic way of imposing a naively ethnocentric evolutionary model that permits the classification of different societies according to their distance from the most economically advanced society, which is to say American society.

Pierre Bourdieu (2001: 2)

I will attempt to make the case that the risks of feasible globalization tend to be exaggerated while its chances have not yet been fully realized, be it in practice or in theory. It therefore makes sense to suggest, contrary to widely held beliefs of many enthusiastic advocates as well as fierce opponents of the impacts of globalization (such as the subordination of nations under the power of the corporations [cf. Boggs 2000; Derber 2000]) that the exact trajectories of globalizing processes have yet to evolve.

Both critics and proponents of globalization, although fundamentally at odds in their judgements, both among themselves and across the divide of their verdicts about the nature and the consequences of globalization, deploy similar metaphors and are in the main convinced that significant consequences of globalization already are irreversible and inevitable, constituting a profound transformation, even revolution of ordinary life around the world. The peculiar consensus about the effects of globalization is then seen as either profoundly harmful or as of great utility to humanity. However, history provides much

evidence that such widely celebrated sweeping and undifferentiated judgements are either self-destructing prophecies or just plain wrong.

Still, it seems hard to abstain, even within social science discourse confronted, as it were with the general prohibition to avoid assumptions about inescapable social developments, from passing such broad verdicts concerning these processes of globalization. I shall thus start my observations by pointing towards a genuine communicative dilemma. Such a dilemma has long been of great influence on the theoretical reflections about social phenomena and their depiction, often distorting them or leading to unnecessary misunderstandings. The positive incarnation of this dilemma can nevertheless point us to prospects of intellectual work, especially regarding a struggle of concepts that emerge from observations of the same social reality by different observers. The dilemma I am talking about is—aside from the openness of the notion globalization (only a couple of decades old), its essential contestedness (cf. Connolly 1983) and the methodical uncertainty it harbours (for example, quantitative versus qualitative approaches)—one of the *non-contemporaneity of the contemporaneous*[1] and the *discursive* interpretation and representation of such social processes.

The essential, that is, inevitable and in many regards functional, dispute about societal observations which are linked to the non-contemporaneity of the contemporaneous can be illustrated by means of the following two events:

1. Throughout most of humankind's history, the world we inhabited was limited to a day's journey by foot.
2. In the year 1347—when the first observation was still valid—a virus (possibly related to the Ebola disease) spread throughout Europe from Constantinople and killed (probably) half of the continent's population within only a couple of months (cf. Cantor 2002; Cunningham and Grell 2002).

It seems that as Hans-Georg Gadamer had said 'What is old has never been as old, and the new never as new as it may seem', the rapid spread of the plague (that is, the 'homogeneity of the prevalent impacts' [Mannheim [1928] 1964b: 516]) and the limitedness of our horizons (that is, non-contemporaneity of the internal processing of these impacts) supports and contradicts the assumption that the 'affairs of humanity [always already] somehow correspond' (Luhmann 1991: 51). On the other hand, my example supports and, at the same time, questions the notion that human societies have just begun to converge towards a global society.

The simultaneity of the non-contemporaneity of the contemporaneous of society becomes a problem only if a reductionist urge to create a generalizing picture of a complex social reality prevails. A less biased view seems boring and denotes indifference. Is even-handedness thus nothing but a sign for

indecision or even a lack of courage? The discourse of globalization can escape these conflicts, for it is difficult to be presented with two alternative perspectives simultaneously.[2]

I shall try to point out the risks as well as opportunities of globalization without falling prey to either euphoric or lamenting global judgements.[3] This means, for example, that neither globalization nor the progression of the world's societies is the result of a simple, one-dimensional process of change. Although innovations in the fields of communication and transportation shrink distances between people; isolation and segregation remains a widespread reality in this world, be it between regions, cities or villages. While, at the same time, parts and spheres of the world move closer together in terms of the circulation of goods, people and styles, different beliefs and convictions about what is sacred remain the barriers of ideas and realities. The importance of time and space changes but still we retain and cherish the old frontiers and borders. In an age that seems fascinated with globalization, we celebrate our obsession with identity and ethnicity. Hand-in-hand with the territoriality of sensibilities and the regionalization of conflicts, we see the increasing concurrence of events on all continents.

I want to start by pointing to instructive examples by some of the pioneers of the theories of globalization. Then, I shall explicate a selection of aspects of globalization before I eventually direct my attention anew to the risks and chances of the globalization process.

Mass Societies, Modernization and Rationalization

Often the journey is more interesting than its destination. Many of the recent theories that seek to grasp the unique aspects of modernization are written in the past tense, as if the changes they deal with had long been completed. The discourse of mass society, of modernity and rationalization of society, suggests an autonomous process whose logic has long since pervaded and structures society as a whole. What is really a complex process of forwards and backwards, hither and thither is thus often portrayed as the final order of the (world-) society. The same reductionism applies to today's reflection of globalization.[4]

During the past 60 years or so, there have been many serious reflections by social scientists and cultural critics concerning the dangers of modern society evolving into a *mass society* (for example, Horkheimer and Adorno [1947] 1972: 120–67).[5] These fears no doubt were substantiated and accelerated by the novelty, potential power and eventual ubiquity of mass communication and the mass media. And in line with these fears, a subtle but significant shift occurs in the analysis of the workings of modern society. Concerns about manifest

exploitation, intimidation, force and coercion give way to discussions about the psychological effects of mass persuasion, 'rendering mass publics conformative to the social and economic status quo' (Lazarsfeld and Merton [1948] 1957: 458).[6] The almost magical belief in the enormous cognitive persuasiveness and power of the mass media on popular culture, in deteriorating aesthetic tastes and the lessening of critical faculties,[7] resonates to some degree with similar present-day concerns now directed toward the massive forces of cultural globalization.

Some of the reflections on mass society represent plausible efforts to come to terms with certain unique features of the present cultural epoch, while others have been little more than unconvincing cultural critiques proclaiming the imminent destruction of culture itself. In many cases, these reflections are manifestations of the very phenomenon they claim to have discovered (cf. König [1956] 1965). In recent years, the mass society and mass culture thesis has lost much of the appeal it still possessed after World War II, when totalitarianism was politically the most significant experience; presumably held in place, last but not least, as a result of the control of the mass media by the rulers in these societies.

But mass culture research in the post-war era typically revealed as much about the norms and values of the researchers as it did about the societies they analysed.[8] Cultural critics, social scientists and intellectuals declared that motion pictures, popular music, jazz, dance halls, romance novels, television and even fashion are harmful, and lead to the standardization, uniformity and general decline of culture. However, actual societal developments, it seems, and the rediscovery of many persisting cleavages in modern society, eventually compelled social scientists to realize that mass culture and its willing instruments were by no means the potent levelling force they had thought leading to eradication of even such ancient distinctions as those based on religion, ethnicity, class, generation, gender or age.[9]

In the 1970s, undoubtedly stimulated by the expressive events of the late 1960s, one is able to note a quickly growing concern about exactly the opposite development, namely an increasing fragmentation and 'separateness' of consciousness within modern societies. The fear now arose about the emergence of a world of 'convulsive ingatherings' of groups, or that manifestations of tribalism around the globe would be more and more common. Fragmentation, rather than homogenization, of life-worlds is now among the threats apprehended most. This fragmentation alarms many observers of contemporary social change, and as one of these observers (Isaacs 1973) almost despairingly notes:

> …it forms part of one of our many pervasive great paradoxes: the more global our science and technology, the more tribal our politics; the more we see of the planet, the less we see of each other. The more it becomes apparent that man cannot decently survive with his separateness, the more separate he becomes. (Isaacs 1973)

This belated recognition of an almost ubiquitous social fragmentation does not mean, however, that claims that resonate with the alleged psychological, cultural and social consequences of mass society have become an almost entirely discredited form of reflection.[10] On the contrary, clearly similar observations that now captivate and concern critics and observers of contemporary societies are usually discussed under the heading of 'globalization'. Globalization is described—driven above all by technology—as an overarching transnational system shaping not only domestic politics and foreign relations of virtually every country in the world but also mundane everyday life. While the mass culture and mass society critique may be largely dormant in social science at a time when the fascination with popular culture has taken on an affirmative tone, the earlier critique has not altogether vanished from intellectual discourse, as the alarm about the moral and social consequences of television, movies, popular music and the Internet indicate. Attitudes toward and expectations about the consequences of technological achievements have always differed.[11] Indeed, every major social, political and technological innovation has been and continues to be feared by vocal critics as a serious threat to individuality and spirituality, and as a certain path on the road to ever-greater monotony of social life.[12] The advent of information technology or the new media are regarded as the most immediate present-day threat (see Marx 1999; Schiller 1996),[13] while the evolution of the modern mass media (radio, film, television) is already perceived as part of the previous historical phase on this road to mass society. The conviction that the Internet contains mainly 'information garbage' is, at least in Europe, by no means a peripheral opinion. Nor is the thesis that the Internet does not multiply and enhance the chances of participation of individuals but that it constitutes a novel and threatening 'central production and control apparatus of an increasingly supranational market system' (Schiller, 1999: xiv); or a generalized form of some of the worst attributes of the capitalist system, a view that is merely a marginal conception.

Critics of modern society observe that new technologies have made it possible, for example in advertising, to reach every person as an individual member of a particular segment of the total market. In the past, individuals had to be homogenized, as it were, before they could be reached in large numbers. Today, while the main threat of mass society continues to be the destruction of individuality, it is claimed that the additional danger, as a result of new techniques of control and advertising, is the emergence of a hereditary form of social inequality. Curtis (1988: 104), for example, regards recent developments as a 'powerful reinforcement of social stratification that could be hereditary'. In this view, modern society may assume caste-like characteristics, since advertisers 'socialize' *new* cohorts in each market segment into similar values and life styles, thereby perpetuating structures of inequality. Perhaps such warnings represent little more than the hopes and aspirations of the state, corporations and those

multinational political organizations that invest vast amounts of energy and enormous resources in order to achieve precisely the degree of control some observers ascribe to their efforts. It may well be that the major victims of such alleged massive influence and control are, in the end, the clients and observers who are overly impressed by the efficacy claims made on behalf of the new instruments of social control.

The typically despondent view of modern society, global modernization and 'modernity' that is evident in many social theories of *advanced society*, is best encapsulated in the notion that we are facing the threat of an increasingly greater degree of homogeneity and uniformity, pervading virtually all aspects of social and cultural life and eventually leading to a depressing existential monotony. The observation that modern society from its beginnings embarks on an apparently irreversible course towards homogenization has, from the start, also accompanied reflections of social science discourse about the nature of the development of modern society.[14]

In this century, mass-psychological processes such as imitation, suggestibility and lack of psychological resistance are seen as transmission belts for the global spread of mentalities and of habitus. Passive consumers, audiences, citizens or tourists engaged in activities that lack authenticity, that are trivial and self-centred, or leave them without autonomous voices and choices, are usually asserted to be the psychological preconditions for the smooth functioning of mass society. And consumers are described as incapable of gaining meaning and genuine satisfaction from the objects of their consumption (see Douglas and Isherwood 1979: 3–11; Falk and Campbell 1997; König [1956]1965: 486–87; Miller 1998). However, the evidence indicates that developments are moving in a different direction, namely, towards a 'moralization of the markets' (cf. Stehr 2008), that is, towards a co-determination of the use value of commodities and services on the basis of broader moral and ethical considerations.

Local and Global Social Action

> For almost all of us, everyday life experience in communities and networks—no matter how influenced we are by global forces of communication, commerce, and the flow of people—centers on what is locally at stake.
>
> (Arthur Kleinman 1999: 70)

In a number of present-day theoretical analyses, the concept of globalization, although by no means a self-contained concept or perspective, therefore appears to be little more than a convenient substitute and extension for what used to be

labelled the inevitable master process of rationalization (homogenization and standardization)[15] or later the even more widely discussed perspective of the modernization and convergence of social relations (cf. Inkeles 1998); or more negatively, as an unmasking of the enlightenment as a form of *mass* deception under the rule of capitalist market relations (cf. Robinson 1996: 15).[16]

Indeed, the affinity to discussions of mass society phenomena was particularly evident in the early literature on globalization, for there existed (and continues to exist in some countries) a heightened sensibility about the dangers of a cultural imperialism that would result in the obliteration of regional and national cultural differences in the face of an onslaught by American culture (Featherstone 1990):[17] 'the sun does not set on the empire of Coca-Cola or MTV' (Sen 1999: 240).

The critique about the growing, worldwide dominance and unipolarity of the American culture typically underestimates the power and persistence of existing cultural phenomena or the fact that even in a global age different worldviews, and local cultural conventions and practices are a significant feature determining social and political action: *Culture Matters* (Archer et al. 2007; Ellis 1997; Harrison and Huntington 2000; Kennedy 2007) even in the case of popular, 'mass' culture (see Street 1997).[18] Or, as Roland Robertson has reminded us, the globalization process in the end also is 'about people as anything else ... Once one has begun to appreciate this so-called micro dimension then one can very easily produce multitudes of examples of the "the local in the global"' (Robertson 2001: 465–66).

The discussion in the social sciences that explicitly occurs under the heading of 'globalization' since the second half of the 1980s, can be divided into observations that deal with three different consequences of globalization: *(a) economic* (and perhaps political as well as technological) consequences; *(b) cultural* consequences of globalization (including the internationalization of knowledge and information); and *(c) ecological* consequences, that is, the impact on the environment of increasingly global life styles and of the machinery that generates and sustains these.

The reality, the interpenetration and the impact of economic and ecological globalization (for example, Hines 2003) as well as the internationalization of knowledge and information (Petit and Soete 1999: 171–75) is practically uncontested in the literature.[19] In discussions of the economic globalization of national economic systems, it is the globalization of financial markets or transactions, the internationalization of production (see Held 1995: 127–34), and perhaps the global technological convergence along the path of specific economic-technical regimes and the logic of increasing returns that are least controversial (cf. Nelson and Wright 1992).[20] The emergence of a global market that deals in symbolic, rather than conventional commodities is one of the important outcomes of these developments. Another recent general economic

trend that is difficult to overlook after the virtual disappearance of centrally planned economies is the move towards market-driven forces and policies that enhance the establishment of economic markets, including the liberalization of trade in commodities. However, even though such developments and, in particular, economic processes appear to penetrate virtually all national and regional systems, they are not simply one-way streets.

Among the most frequently debated consequences of globalization are its ecological and economic consequences. The welcome or positive consequences as well as the negative outcomes associated in these debates with the economic and ecological globalization process are often less contested and may be examined empirically more readily than the alleged socio-cultural impact of globalization.

Market economies evolved at different times, in different places and within the context of diverse national laws, cultures and social structures, constitutions and policies. Whether these varied patterns are bound to surrender to a common, global logic of capitalist production and exchange is a contentious assertion. Some bet, this will happen (Strange 1997: 182), others are more sceptical and expect that robust multinational, national or regional diversities will persist (cf. Crouch and Streeck 1997). It remains the case, moreover, that contemporary economic changes as well as competitive patterns among nations cannot be easily, if at all, uncoupled from cultural and political figurations that are specific to particular societies and traditions (for example, Buctuanon 2001).[21]

So far, every political system has employed political means to support and shield economic actors—from unemployment, for example—and every political regime has utilized political instruments to redistribute market outcomes, there-by affecting subsequent market processes. Pressures to extend self-regulated economic markets will always be tempered by different kinds of social movements, social institutions, political parties and other national or regional organizations that champion redistributive interests as well as non-economic goals. These concerns will be translated into regulations and constraints for the market by government and international organizations. Ultimately, they will affect international trade competition and its reciprocal impact on national economies.[22]

In general, economic activities continue to be mediated, though in a stratified pattern, by a broad range of non-economic factors, including national and multinational government regulations (compare the trade imbalance between the USA and Japan and the difficulties in concluding a General Agreement on Tariffs and Trade [GATT] agreement). We are still considerably removed from what might be called a single, global market. I will return to this observation later as I discuss the missed opportunities of economic globalization.[23]

There have been, and likely will continue to be, different but equally successful paths to economic growth. A country may, for example, concentrate on

supporting and realizing innovations that enhance multiple opportunities in optimizing and enlarging its micro-economic infrastructure (Porter 2000); another national economic system may achieve the same economic goals through relevant collective or institutional changes while still another avenue is the sucessful transfer and diffusion of new technologies (Warner 2000).

The debates surrounding the feasible and actual cultural consequences of the globalization process are frequently carried out under emotionally charged circumstances and often with considerable bitterness. The substance of these debates involve the standardization of life worlds and therefore the growing disappearance and disintegration of the great variety of cultures in this world. Still impressed by the strength and the plausibility of variants of the rationalization thesis, many observers feel compelled as they reflect about the nature of globalization to prematurely write about the essential fragility of tradition, belief systems and value orientations that are invariably destined to disintegrate and disappear faced by the onslaught of more modern, rational conceptions. But the underlying assumption of such disparaging reflections that certain 'irrational' convictions are manifestations of the 'childhood of the human race' (Bell 1990: 45), and thus inherently have merely brittle social functions which are easily replaced by 'rational' doctrines, is not supported by social and cultural reality (cf. Snow and Machalek 1982).

The premise that guides many reflections about a rapid and irresistible cultural, economic and social globalization, which in its wake eliminates all local, regional and even national life-world peculiarities in its path towards a homogenized world contains a number of erroneous assumptions which are: *(a)* the observations that many different socio-cultural figurations already are virtually identical and hardly differentiated any longer; *(b)* that such socio-cultural systems are merely passive recipients and willing hosts of the 'exports' of the dominant system; *(c)* that the possibility of choices in light of the tremendous attractiveness, authority and efficacy of the 'winning' social facts has virtually been eliminated; *(d)* the assertion that local cultures faced with the overwhelming power of imported cultural practices and codes will be completely shut out as relevant points of reference for future social action or simply be incorporated by oblivion and become invisible;[24] and that *(e)* globalization, given these assumptions about the enormous power of dominant artefacts and cultural codes, will lead to a kind of uniform social world.[25]

The assertion about a kind of unstoppable authority of a self-propelled logic of social change is based in strict analogy to an unrestricted climate or technological determinism on an essentialist vision of globalization.[26] An essentialist perspective denies the relevance and influence of all contextual or situational factors. The assumed, underlying logic of the process asserts itself against whatever (particularistic) resistance may be imagined. What a systemic restraint. Adaptation and not steering would be the order of the day. Under

these circumstances, any 'global opposition' to globalization, now increasingly taken seriously even by many politicians, and any resistance organized by groups and institutions of civil society to globalizing forces would appear to be quite meaningless.

The assumptions I just enumerated express perhaps last but not least the desires of those who colonize and hope and anticipate that local cultures can easily be supplanted by imported practices and codes.[27] Closer to reality, however, are observations indicating that dominant civilizations in the past were rarely able to establish domination without encountering resistance and therefore it is not likely that contemporary local cultures and identities are simply vanishing and supplanted by 'global' trends.[28] On the contrary, the likelihood of such transformations recedes as modern societies evolve into knowledge societies.[29] In knowledge societies the relation between basis and superstructure is reversed. Value-adding activities are more and more based on knowledge. The source of economic growth increasingly relies not on the factors of production that prevail in industrial societies but on cognitive forces. The motor of social change generally will differ from one which assured that industrial societies are dynamic social systems. Instead of conventional international trade with customary commodities and services, economic globalization will more and more rely on the diffusion of ideas and knowledge (Storper 2000: 387–88).

In any event, the limits faced by cultural homogenization on a world scale, as well as by ancient civilizations in the past, have to do with the fact that 'every culture has assimilated the symbols of modernity in its own traditions; every individual converts these symbols into part of his own and only his own life' (Dahrendorf 1980: 753). Local contexts cannot be adequately apprehended as entirely passive situations under the dominance of powerful outside influences. Local contexts not only offer resistance but also the means of transforming and converting ('assimilating') cultural practices that are not native to the context in question. Moreover, local and regional contexts as collectivities are stratified in relation to each other, displaying very different patterns of internal stratification that affect the impact of practices and products originating elsewhere, but are now consumed locally and sensitized to contingent local circumstances. In short, cultural products and practices are used and enacted in quite diverse ways, depending on the context in use.

In other terms, the globalization process, especially the growing wealth in many nations, the gradual extension of cultural capital in many societies and the mounting access to information and knowledge in many countries, represent new and enlarged capacities to act for many actors in these societies and this now applies not only to developed countries. Friedman-Ekholm and Friedman (1995) in their study of the Hawaiian village Miloli'i on the island of Hawaii offer many specific examples for the interaction of global and local practices,

and in this instance, for absorption of the global into the local world. The result of such a process is that 'imports' become local attributes and peculiarities.

The general chances of globalization or 'deep integration' are linked to the utility of the capacities to act for actors and institutions set in motion by the globalizing process. Among the chances as yet unrealized are the implementation of a fair global market in which goods and services of the poorer countries of the world are, as is the case today, no longer discriminated against by virtue of insurmountable trade barriers: 'blatant hypocrisy and double standards … govern the behavior of rich countries toward poor countries,' as the World Bank (2002) concludes in its most recent report about the economic prospects of the poorer societies. These trade barriers have to be lowered and ultimately eliminated. More specifically, trade is much more important for the poorer countries of the world than aid.[30] If one would succeed in raising the export volume of the poorest countries by only 0.7 per cent, the economic benefits for these countries would then exceed the total aid they receive.

Among the capacities to act opened by globalization are, listing but some of the more important ones, a possible convergence of ecological and economic imperatives (see Stehr 2001a, 2002), a strengthening of inclusive democratic regimes,[31] the development of forms of governance free of corruption (Stewart 2001) and the worldwide diffusion of legal institutions (Soto 2000), the creation of parliamentary arenas and transnational institutions (Cladis 2001), the promotion of public debate (in new public spheres, see Kellner 2002: 299) in which the international civil society searches for solutions to pressing global problems (and follows their implementation, see Wolf 2001), a reform of existing international economic organizations such as the International Monetary Fund (IMF), World Trade Organization (WTO) and the World Bank (for example, Stieglitz 2002: 214–52), an effective regulation of financial markets (including the financial transactions of large corporations) and, finally, the multipliers of an improved global distribution of and access to economic resources, cultural capital and technical opportunities (for example, Warschauer 2002).

Outlook

The world is an immensely stratified figuration. It has multiple social, cultural, economic and political cleavages. These are observations that conform with reality as we experience it. But it also is a reality that is often forgotten in the search for the main engine that drives social change in modern societies. The population of the world is growing at an unprecedented rate. The global population growth occurs mainly in the poorest countries of the world. In

most societies, nationalism is still an influential cultural and economic point of reference. The majority of the so-called global corporations or firms that are present in many countries are still linked with justification to a particular home base.[32] Multinational corporations continue to carry out the vast majority of their research and development efforts right at home (see Stichweh 1999: 32–36).

Technically the world may be closely connected as a result of satellite television and the Internet, but this does not extend to the cultural, social and political realities. We see each other much more often, faster and better. But this does not mean that we understand each other better and that our capacities to learn from each other have much improved. On the contrary, the technical integration and connectedness, the worldwide migration and mass tourism produce and sustain envy, misunderstandings and often generate much more stress and anxieties than anything else. Global communication facilities and access to the Internet have not really transformed this world into a more civilized place. Some of the risks of the globalization process may be found in a reified, alienated understanding of the globalization process itself: actors, corporate and political systems primarily conceive of themselves as objects of the globalization process. What is equally true is that the globalization process cannot simply be reversed by decree or the will of groups and institutions.

The chances of the globalization process therefore have to be seen to rest in the emerging capacities to act which the globalization process affords and to deploy and implement these capacities in a constructive fashion. Even the critics of globalization must be interested in knowing or assuming that nothing has been decided as yet and that the history of globalization is still open.

Notes

1. As far as I can see, it was Karl Mannheim (1964b: 518–22) who first introduced this metaphor into sociology and applied it to genuinely *social phenomena*, especially in the context of his, now classical, essay on generations following and developing an idea first suggested by the art historian Wilhelm Pinder (1926). But relevant also is Ernst Bloch's ([1918] 2000) theory of non-contemporaneity in relation to art forms as developed in *The Spirit of Utopia* as well as William F. Ogburn's ([1922] 1950) thesis of *cultural lag* or resonating with Ogburn's thesis, the 'law of differential development' of social phenemena formulated by Arnold Gehlen ([1957] 2004: 35). The observation of the simultaneity/juxtaposition of dissimilar social processes—for example, within the global society—shows that a (simultaneous) presence of global interdependences and discrepancies is not necessarily contradictory; on the contrary, such divergent processes are interdependent (cf. Luhmann 1988: 170).
2. Not to mention the considerable risk that consolidated perceptions may be constantly torn apart again (cf. Pierre Bourdieu's [2001]).

3. See also Douglas Kellner's (2002: 286) examination of the globalization process conscious of the 'progressive and emancipatory features and oppressive and negative attributes' enabling him to articulate, for example, both the contradictions and ambiguities of globalization as imposed from above as well as contested and reconfigured from below.

4. Compare the analysis of Tieting Su (2002) tracing 'world trade networks' in the years 1928, 1938, 1960 and 1999, especially their rise and decline in the sense of long cycles.

5. In lectures offered in 1944 at Columbia University—and published in modified form in 1947 under the title *Eclipse of Reason*—Horkheimer, obviously very much under the impression of the horrors imposed and the deadly powers exercised by Hitler, the War and Stalin—inquires into the logic of rationality, the resulting dehumanization in an age of industrial culture and the mutation from enlightenment to positivism. The trajectory of his thinking was influenced, as Horkheimer and Adorno ([1947] 1972: vi) note, by the realization that in spite of the utilization of the fruits of science and growing technological knowledge, man's 'autonomy as an individual, his ability to resist the growing apparatus of mass manipulation, his power of imagination, [and] his independent judgement appeared to be reduced.'

6. Lazarsfeld and Merton (1957: 472), in taking up the themes of the mass society perspective, in the end, offer a differentiated treatment of the power of the mass media. Their examination of the pre-conditions in which the mass media may be able to achieve their 'maximum propaganda effect' (when they operate in a situation of virtual 'psychological monopoly', or when the objective is one of canalizing rather than modifying basic attitudes, or when they operate in conjunction with face-to-face-contacts) leads them to conclude cautiously that these social prerequisites 'are rarely satisfied conjointly in propaganda for social objectives.'

7. For a contemporary contrasting view, see Riesman ([1950]1961: 290–92), who stresses the liberating and competence-enhancing role of the movies of the day, for example.

8. Among social scientists of the post-war era, the concepts of mass society and mass culture were indeed considered to constitute key terms in any analysis of modern society and culture. These concepts were the currency of most introductory textbooks written in the decades of the 1940s and 1950s. Hence the 'most important aspect of the analysis of American culture', for example, 'lies in the study of the American mass culture' (Bennett and Tumin 1949: 606). Mass culture 'is composed of a set of patterns of thought and action which are common to the subcultures of a heterogeneous society. These patterns have common meaning and value for all or most of the members of the society and serve as points of mutual identification and recognition for these members. The mass culture thus can be seen as a kind of common denominator, or as the over-all configuration, or as a kind of film hiding the diversity beneath. Such patterns may be of many different kinds and may involve different areas of experience—patriotism, advertising, the movies, economic exchange, and others' (Bennett and Tumin 1949: 609).

9. In the 1950s, the Modern Language Association of America established a section for the study of mass culture. Its mission was 'to learn what clearly separates the bestseller from the work of distinction, and to offer our students the necessary exercises in discrimination' (cf. Gorman 1996: 2).

10. Leon Mayhew's (1997: 4) discovery and examination of the 'new public' may be seen as a recent extension of the mass society theory in general, and Horkheimer's vision of contemporary industrial culture in particular, for as Mayhew points out, among the new public, 'communication is dominated by professional specialists. The techniques employed by these specialists are historically rooted in commercial promotion, but beginning in the 1950s, rationalized techniques of persuasion born of advertising, market research, and public relations were systematically applied to political communication….The experts of the New Public have brought us the often impugned methods of civic persuasion that now dominate public communication.' The new public is often as helpless and subject to manipulation as was the preceding generation of voters, consumers and listeners of the post-war era.

11. Cooper (1995: 7–18), for example, examines the rhetoric of the welter of the pro and con claims made in terms of the opposing notions of either 'liberation' or 'enslavement' that are allegedly embedded in technological developments.

12. The economist and sociologist Werner Sombart, for example, then Professor at the University of Breslau, was in 1896 elected to the municipal council of the city of Breslau (today Wroclaw) and launched an emotional and widely noticed appeal against the 'destruction' of his own middle-class suburb by way of the planned extension of the streetcar system. Sombart's speech is a broadside against modern technology and the further penetration of city life by mass culture: in passing Sombart refers to 'Amerikanische Schaukeln' (Ferris wheels), a symptomatic comment that resonates with present-day claims about the global expansion of American mass culture and socio-technical artifacts (cf. Lenger 1994: 59).

13. Herbert Schiller (1996: xi), for instance, warns about a growing national crisis in the United States: 'The ability to understand, much less overcome, increasingly critical national problems is thwarted, either by a growing flood of mind-numbing trivia and sensationalist material or by an absence of basic, contextualized social information' in the US media. Neuman (1991: 5–7) has assembled a long list of the social effects of the new media found in the literature. Many of the apprehended effects are adverse consequences, in that they minimize the intellectual autonomy of the individual and his/her capacity to act independently. In contrast to these observations, the findings of an empirical study by Tichenor et al. (1970) about the correlation between the intensity with which topics about science and other public affairs issues are covered in the print media and information or knowledge acquisition, show that the increasing flow of news on a topic leads to greater acquisition of knowledge about that topic among the more highly educated segment of society and to an increase in the 'knowledge gap' among different strata of the population.

14. Whether the 'massification' of modern life involves political dangers, or to the contrary, offers new opportunities for previously underprivileged groups and classes and will therefore lead to general political emancipation, depends of course on the world view of the analyst as well as on particular political circumstances. Conservative intellectuals, for example, abhorred the very same Paris Commune that Marx hailed as a progressive development for all of humankind.

15. The universalistic aspirations of the political movements of socialism and liberalism during much of this century, and their affinity to the rationalization or modernization process have their functional equivalent in the universalistic ambitions of such social movements as environmentalism and feminism.

16. I refer here to the pessimistic diagnosis of the prospect of culture as mass culture found in Horkheimer and Adorno's *Dialectic of Enlightenment* ([1947] 1972: 121). Their diagnosis resonates indeed with many current analyses of the media: 'Under monopoly all mass culture is identical, and the lines of its artificial framework begin to show through. The people at the top are no longer so interested in concealing monopoly; as its violence becomes more open, so its power grows. Movies and radio need no longer pretend to be art. The truth [that] they are just business is made into an ideology in order to justify the rubbish they deliberately produce. They call themselves industries; and when their director's incomes are published, any doubt about the social utility of the finished product is removed.'

17. While Immanuel Wallerstein (2002) already anticipates the end of the global dominance of the United States, the Brazilian author Alfredo G. A. Valladão (1996) diagnoses—very much more in tune with the spirit of the critique of the United States outside the United States—in his appropriately titled book *The Twenty-First Century will be American*, a global cultural revolution because 'as the twenty-first century dawns, Americans are suddenly in the unprecedented position of being able to weave the history of all humanity into their own national history' (also Kuisel 1993). The cultural, 'soft power' of the United States is at the present time likely more significant than its material, 'hard power' (cf. Judge 2002). Hegemony

and dominance triggers resistance and 'cultural' opposition in modern societies as knowledge societies can be quite effective (see Stehr 2001b). Thus, only a few years after such 'confident' prognoses, the end of the Anmerican 21st century is already seen on the horizon.

18. The global popularity of a movie, a song or a pop star does not offer sufficient evidence that we are confronted with a global culture. The societal context remains significant. In a comparative study of Muslim and non-Muslim societies, Pippa Norris and Ronald Inglehart (2002) examine the context dependence of value orientations. Using data of the *World Values Study* covering 75 nations, they document the cultural differences among societies. The differences Norris and Inglehart describe are not merely simply dichotomous differences between Islam and the West. If one does not focus on religious convictions, which serve as the backdrop of the study, then it is noticeable that the political attitudes of respondents in some of the Islamic and non-Islamic societies converge. Differences between Western and Islamic countries, especially in the area of sexual attitudes and the perception of the role of gender are particularly pronounced. (see Norris and Inglehart 2002).

19. Whether economic globalization or the nature of the relations of humans to their environment are the greater sources of instability is a contentious matter; Dunn (1993: 255) advances a clear vision in this regard when he observes that 'there is … good reason to believe that, within the national economies of the world as these now exist and are likely to develop in the near future, even the bemusing challenges of international economic operation are a less drastic and alarming source of instability than the interaction between human beings and the natural habitat within which they live out their lives.'

20. One of the few exceptions to an otherwise virtually uncontested economic globalization thesis is Hirst and Thompson's (1992, 1996; also Mann 1997; Meyer et al. 1997; Sparks 2007) analysis of a steady, long-term development of internationalization. Hirst and Thompson counter the globalization arguments by pointing to the persistent strong national linkages of multinational corporations and the concentration of various economic exchange processes in but a few regions of the world. Moreover, on the basis of a comparison of the relative trends in trade, migration and capital flows, the present globalized world is less integrated than was the case in the early decades of the 20th century (see Hirst and Thompson 1996: 26–27; 2002: 248–50; also Stehr 1991: 101–06). And, the role of major states as international actors are in fact enhanced and may grow even more in the future, as the result of international connectedness (Hirst and Thompson 2002). Finally, Goldthorpe (2002) questions the often only implicit assertions of 'grand globalization theorists' about a profound effect of globalization on social class formation, class inequalities and class politics in contemporary societies. Such scepticism or realism, however, competes with alarming assertions on the left about the world war of capitalist globalization (cf. Robinson 1996: 13) and the widespread assumption that technological-informational inventions are at the core of the radical transformations of our age (see Castells 1996; Stehr 2000).

21. Although it may well be the case that a smaller (manifest) variability of cultural and social processes in society goes hand-in-hand with a much more pronounced stability, transparency and predictability of social systems, one ought to be sceptical when it comes to a thesis that is not merely a theoretically plausible proposition but an empirically accurate description of contemporary societal affairs. It is possible to imagine that knowledge, limiting my consideration of the hypothesis to this social phenomenon alone, assures that existing social variability is maintained or even enhanced. It is, at the same time, not entirely accurate to date the start of globalizing processes to the present age. Between the two world wars, for example, economic interdependencies existed among the developed economies which rival contemporary conditions. Even the extensive, and at times rather fragile, global networks of

financial markets are not necessarily a recent historical phenomenon: 'Many of today's global markets are not a creation of our contemporaries but have existed in similar, if not identical forms long ago. The book in the 1980s in the syndicated lending market strongly resembles the nineteenth-century cycles of lending, over-lending, default, rescheduling, and fresh lending. And the current discovery of "emerging markets" by institutional investors is not fundamentally different from nineteenth-century portfolio investment in the United States, Latin America, Asia, and Eastern Europe on behalf of British small savers' (Cable 1995: 24). In other words, the specific issue still in need of examination is whether modern societies as knowledge societies are characterized not only by a higher level of political contingency than industrial societies but also whether such contingency is manifest and present in many other social institutions of society. It is of course possible that contingency and concentration are attributes of a complimentary process and a manifestation of the persistent *extension* of social action. This applies for example to contradictions between claims of universal human rights and particularistic identities based on language, religion, nationality, race and ethnicity (Benhabib 1999).

22. However, it is inaccurate to conclude that markets relatively free of government regulation, for example, in the US, in the field of health care, are necessarily more competitive internationally (cf. Block 1987: 179–84).

23. The persistent importance and impact of national boundaries, regulations, restrictions to trade and cultures for the direction and the volume of the flow of goods and services, even within the European Union, can be demonstrated with reference to the following statistics: 'The Canadian province of Ontario is an equal distance from Washington state and the province of British Columbia. In a borderless world, one might expect Ontario's level of trade with Washington State and with British Columbia to be about the same, at least after adjusting for the size of the local economies. Yet this is not the case. The levels of trade have been measured between pairs of Canadian regions, pairs of US regions and pairs of US–Canadian regions, and it turns out that trade between regions of Canada, and between regions of the US, is commonly 12 times higher than trade between equivalent regions across the US–Canadian border. In Europe, similar studies have found that trade between regions within countries is three to 10 times higher than trade that crosses national borders, even after adjusting for factors like size of local economies and geographic distance (Taylor 2002).

24. The thesis concerning a productive, even progressive clash of cultures, celebrated not so long ago by Karl Popper ([1981] 1992 but also Lyotard [1979] 1984) as the condition for the possibility of innovation and progress is impossible, even meaningless to advance in the context of such reflections about the unavoidable consequences of globalization.

25. The economist Xavier Sala-i-Martin (2002) in a recently published study examines the question of the possible linkage between the development of income differences among countries and the globalization process. He pursues an issue that widely had been seen as settled; for in a range of studies concerned with patterns of inequality in modern societies we typically encounter the assumption that income differences within as well as between societies have increased in recent years (for example, United Nations 1999). Sala-i-Martin, however, points out that income differences have increased in the majority of countries in the last few decades whereas they narrowed in some nations. And even if one examines the income differences among countries using the purchasing power (and not the differences as reflected in terms of their currencies) as the basis for the comparison, income differences have risen among countries. Nonetheless, Sala-i-Martin advances the conclusion that global inequality (and the degree of poverty) has narrowed between 1980 and 1998. Sali-i-Martin's surprising conclusion is based on a combination of indicators for national and international income differences

as well as difference indices such as the Gini co-efficient. In any event, the careful study by Sala-i-Martin demonstrates that the globalization process may not only have inequality enhancing, but also inequality reducing outcomes. A report of the International Monetary Fund (2007: 31) that also deals with the issue of the globalization process and (societal) inequality comes to the conclusion—although these findings are subject to a number of data limitations that 'technological progress has had a greater impact than globalization on inequality within countries. The limited overall impact of globalization reflects two offsetting tendencies: whereas trade globalization is associated with a reduction in inequality, financial globalization—and foreign direct investment in particular—is associated with an increase in inequality.'

26. See Barry Hindess (1977: 95) as well as the critique of technological determinism as an essentialist perspective in Grint and Woolgar (1997), as well as the anthology about the relation between technology and society from a philosophical perspective assembled by Feenberg and Hanney (1995).

27. In much the same sense, Manuel Castells (1989: 2) emphasizes that new information technologies have 'a fundamental impact on societies, and therefore on cities and regions, but their effect varies according to the interaction with the economic, social, political, and cultural processes that shape the production and use of technological medium.'

28. Terrance Turner (1991) has captured the reflexive relationships of resisting and adapting, in this instance, both to the anthropologist as participant observer and the challenges represented by the encroachment of national Brazilian society on the contemporary reality of the social institutions and culture of the Kayapos communities in Brazil. Turner (1991: 309–10) describes, for example, the use of technology by one of the Kayapos communities of Brazil in the form of videos to defend and preserve their culture. In the process, the Kayapos became consummate ethnic politicians, as Turner (1991: 311) confidently notes, 'fully engaged, defiantly confrontational, coolly calculating how far they could go without giving a plausible pretext for violent repression by the army or police, and extremely self-conscious of the cultural dimensions and meanings of their struggle for themselves.'

29. Niklas Luhmann (1988: 170) offers a similar claim for the modern economy: 'A simultaneous increase in regional differences and global interdependencies is perhaps the most remarkable fact [about modern societies committed to growth]. Global society more and more becomes a unitary system and, at the same time, a system that produces and has to cope with enormous discrepancies. Such a development precludes "a political unification" without offering a functional equivalent.'

30. In economic theory and practice one of the acknowledged but unintended consequences of global trade and the global presence of service companies (such as McDonald's) is the diffusion of knowledge and information but also elevated standards of hygiene (Park 1995 and Douglas Irwin's [2002] plea for free trade despite its acknowledged drawbacks).

31. Dani Rodrik (2002) makes the case that self-determination, which comes with the nation state, democratic politics and full economic integration, cannot be achieved simultaneously. The alternative is a global agreement in analogy to the Bretton Woods treaty that establishes limits on the degree of 'deep' economic integration. Rodrik therefore assumes that globalization has by no means run its course and that many different paths toward globalization are still open, enabling countries to choose how tight economic interdependence ought to be, at some future point. However, Shaw (1997) argues that the nation state is not even threatened or undermined by globalization; that globalization produces new state forms instead.

32. *The Economist* (6–12 February 1993: S. 69) reports that in 1991 only '2% of the board members of big American companies were foreigners. In Japanese companies, foreign directors are as rare as British sumo wrestlers.'

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15

The Boundaries of Citizenship: Dual, Nested and Global

PETER KIVISTO AND THOMAS FAIST

Nation states in the modern era have claimed a monopoly on defining the specific parameters of citizenship regimes and establishing the ground rules for inclusion and exclusion (Tilly 1990). However, recent challenges to the container concept of citizenship have arisen, whereby the nation state is viewed as the ultimate arbiter of both questions concerning membership and the content of citizen rights and duties (Faist 2001a, 2004, 2006; Münch 2001). This discourse arises in the context of the growing interdependency of nations—economically for certain, but also politically and culturally. Located in terms of what scholars variously refer to as transnationalism (Faist 2000b, 2000c, 2004; Kivisto 2001) and globalization (Lechner and Boli 2005), new modes and loci of belonging that transcend existing political borders have begun to arise. It should be noted that the novelty of this discourse is such that it is a relatively new topic in the social sciences (Turner 2006) and at the level of public policy. In those nations that have entered into parliamentary discussions about the viability of expansion, the topic has percolated into public discourse, while in other places where such initiatives have not taken place it has not become a topic of public interest.

Seyla Benhabib describes contemporary developments in the following way:

> The modern nation–state system has regulated membership in terms of one principal category: national citizenship. We have entered an era when state sovereignty has been frayed and the institution of national citizenship has been disaggregated or unbundled into diverse elements. New modalities of membership

have emerged, with the result that the boundaries of the political community, as defined by the nation–state system, are no longer adequate to regulate membership. (Benhabib 2004: 1)

Although the rapidly growing literature on the new modalities of citizenship is rich and complex, we think that the discussions can be divided into two central themes about the way citizenship is coming to be redefined. The first shift concerns the impact of the rapid proliferation of dual citizenship (Faist 2006; Faist and Kivisto 2007), while the second entails the emergence of various modes of what has come to be referred to as post-national citizenship. In terms of the latter, there are two distinct foci. One looks at 'nested citizenship', which implies a set of two or more memberships located in concentric circles. The only significant instance of this development at present exists in the case of the European Union (EU), where national identities do not disappear, but become embedded in the larger, overarching trans-state entity (Faist 2000a; Faist and Ette 2007). The second focus is on what has variously been described as global, world or cosmopolitan citizenship (Lechner and Boli 2005).

It should be noted at the outset that dual citizenship does not challenge the nation state per se, but rather calls into question any one state's right to claim a monopoly on the membership of its citizenry. On the other hand, although nested citizenship is also an empirical phenomenon that requires scrutiny, it is solely confined to Europe, for there is no truly emergent parallel regional counterpart to the EU in any other part of the world. Thus, this is a more circumscribed topic. When at the conclusion we briefly touch upon the debates about citizens of the world, we increasingly enter the realm of speculation, addressing issues that can only be understood in terms of the *longue durée*.

Dual Citizenship

Dual citizenship increased dramatically in the latter decades of the 20th century and this trend has continued unabated in the present century. An ever-increasing number of nation states, for a range of reasons, have come to accept, or at least tolerate, dual citizenship. On the face of it, this is a surprising trend because in the not-too-distant past it was widely assumed that citizenship and political loyalty to sovereign states were thought to be indivisible. This new development casts doubt on the assumption that overlapping membership violates the principle of popular sovereignty and that multiple ties and loyalties on the part of citizens in border-crossing social spaces contradicts or poses a serious challenge to state sovereignty (Faist 2004).

To appreciate this fact, we will explore dual citizenship by first examining its history, with an eye to identifying factors that have contributed to its rapid expansion. Second, we offer a brief review of the role played by international law and covenants. Finally, we will summarize what is known at present about the number of dual citizens in the world today. This discussion is intended to offer us some clues about future trends.

Factors Contributing to Dual Citizenship

What are the major reasons that dual citizenship in the past has been viewed negatively, as something that should be both prohibited and avoided? One primary reason has been a concern that issues of diplomatic protection of dual nationals could result in conflict between nations. Peter Spiro (2002: 22) contends that, contrary to what might be assumed, this negative attitude towards dual citizenship resulted not from cases of 'disloyalty and deceit, divided allegiances and torn psyches'. Rather, countries were much less concerned about the dual nationals themselves, and much more about how they could treat their dual nationals. In a time before international human rights agreements, nations did whatever they wished to their own citizens, but were limited in terms of what they could do to citizens of other countries. Conflicts between nations over citizens of both states could result in war. For example, the war of 1812 between Britain and the United States (US) was in part instigated over a disagreement concerning the treatment of individuals claimed as nationals by both the countries.

Such issues were problematic for the US in particular during the founding period of the republic due to the fact that many European nations did not acknowledge the naturalization of their citizens in the new nation. As Spiro (2002: 23) observes, 'At times the issue even inflamed the public imagination, as when Britain put several naturalized Irish-Americans on trial for treason as British citizens.' The US also confronted a number of cases wherein naturalized citizens returned permanently to their countries of origin, but demanded that the US afford them diplomatic protection. This historical backdrop notwithstanding, despite the early emphasis on international relations, much of the subsequent rhetoric against dual nationality has focused on the individual's presumed divided loyalties—which were commonly seen as being tantamount to political bigamy.

A second and related concern about dual citizenship involved the matter of military service. Referring again to the war of 1812, one of the precipitating factors that led to war was the decision of British military officers to press

naturalized Americans of British descent into their military. Other nations attempted to similarly induct naturalized Americans from their particular nations when those nationals ventured back to their respective homelands. This included France, Spain, Prussia and various other German states (Koslowski 2003: 158). In the German case, issues surrounding military service became increasingly knotty by the middle of the 19th century. In 1849, the US Ambassador to the Northern German Federation, George Bancroft, made a vigorous case against the idea of dual citizenship, arguing that countries should 'as soon tolerate a man with two wives as a man with two countries; as soon bear with polygamy as that state of double allegiance which common sense so repudiates that it has not even coined a word to express it' (quoted in Koslowski 2003: 158).

What Bancroft was reacting to was the fact that according to the German law of that time German citizenship could not be lost. Thus, even as German emigrants become naturalized citizens of their new homeland, they also remained German citizens. Germany was not unique in this regard. US opposition to dual citizenship led to a series of diplomatic initiatives with Germany and other states, spearheaded by Bancroft. In 1868, a treaty was entered into between the US and Germany that provided for the right of a German national to expatriate after five years residence in the US (Koslowski 2003: 158–59). Clearly by the second half of the 19th century, the idea that dual citizenship was a situation to be avoided gained adherents among political leaders in both immigrant exporting and receiving nations. Thus, similar agreements, known as the Bancroft Treaties, were entered into between the US and 26 other nations, including Austria–Hungary, Belgium, Britain, Denmark, Norway and Sweden. These treaties served chiefly to establish a situation in which one nationality would be gained at the expense of the other; dual citizenship was construed as an undesirable and, in general, an impermissible outcome.

The Bancroft Treaties were emblematic of an increasingly shared position among political elites about the need to prevent dual citizenship whenever possible. Nevertheless, while not always welcomed, dual citizenship has long existed, due to differing criteria employed by various nations in granting citizenship. To make sense of these differences, it is important to realize that specific states responded in various ways to the following four criteria. The first criteria is *jus soli*, or birthplace, which means that citizenship is extended to all individuals born within a nation's borders—generally including territories or protectorates under the jurisdiction of the state in question. The second criteria is *jus sanguinis,* which refers to citizenship determined by lineage, which typically has meant that it is determined by parentage, but sometimes has meant that it can be acquired on the basis of a more distant familial relationship. Third, marital status can serve as a criterion. Marriage to a citizen of a different nation can affect one's own national affiliation in two ways. In some instances, marriage can result in the loss of citizenship, while in other instances it can mean the

acquisition of a new citizenship (in any particular case, either one or the other or both can occur). Fourth, residential location can be a criterion. Living in a country of which one is not a citizen for a specified length of time in some cases alters one's citizenship ties to both the nation of origin and the nation of residence (Hansen and Weil 2002: 2).

The interaction of these four criteria can and has resulted in legitimacy being accorded to dual citizenship. For example, *jus soli* and *jus sanguinis* criteria in tandem can readily result in dual nationality as the result of population movements from one state to another. If a child, whose parents are nationals of a country granting citizenship on the basis of ancestry, is born in a nation operating with *jus soli* then that child automatically has two citizenships from birth. While this scenario is not a new one, the number of children attaining two nationalities from birth in this way rises with population mobility (Hansen and Weil 2002: 2). In practice, many countries use a combination of these two criteria, and in fact none use *jus soli* exclusively. Immigrant-receiving nations tend to favour *jus soli,* as this best reflects the needs of both the nation for new settlers and for the settlers themselves. On the other hand, emigrant-sending nations—including most European nations historically—tend to favour *jus sanguinis.* What this illustrates is the fact that although the desire to unify citizenship attainment policy across nations in order to cut down on the incidence of dual nationality has been strong, each nation has its own interests in mind in creating its own distinctive policies related to citizenship (Martin 2003: 9).

In an effort to avoid according dual citizenship to the offspring of couples with differing citizenships, it was customary for citizenship laws in the 19th century and first part of the 20th to dictate that a woman marrying a citizen of another country lose her original citizenship and attain that of her husband. Therefore, any children born to them would be citizens of a single nation. However, such explicitly gender-biased laws have increasingly been challenged. Feminist demands have led to the revision of such laws to allow women to retain their former citizenship ties; hence, children born out of such unions have dual nationality (Spiro 2002: 20). In fact, if a child was born of two nationals of different *jus sanguinis* nations in a third *jus soli* nation of which neither parent was a citizen, the offspring could potentially have three citizenships. Many nations have attempted to prevent such a situation arising from the passing down of nationalities from parent to child by requiring dual (or multiple) national children to choose a single nationality upon reaching adulthood. Germany, for example, in its passage in 1999 of what is arguably the most liberal citizenship law in Europe, mandated such a requirement. Nonetheless, as David Martin (2003: 10) has noted, even where such legal provisions exist, they are typically not vigorously enforced.

Stephen Legomsky (2003: 81) succinctly summarizes the factors at play in creating the preconditions for dual citizenship despite opposition to it in principle. He describes three maxims that interact in a variety of ways to yield dual

or plural citizenship: *(a)* 'each state decides who its own nationals are'; *(b)* 'a state typically provides alternative multiple routes to nationality'; and *(c)* 'the rules vary from state to state'.

Within this framework, one can point to a variety of reasons that dual nationality is increasingly accepted—if not necessarily legally sanctioned. In the first place, one can point to globalizing forces. As noted above, most of the world was quite averse to the idea of dual citizenship until about three decades ago, when a profound shift of opinion became evident. Martin (2003: 4) contends that this move towards growing (if sometimes grudging) acceptance of this shift has resulted from 'the expanding interconnection of the world community'. While dual nationality has always existed, due to a lack of uniformity of nationality laws from nation to nation, the dramatic increase in international mobility, marriage and commerce has elevated the number of dual citizens and, with it, the growing call for accepting dual citizenship. A substantial number of people today live in countries of which they are not citizens, desiring to naturalize, but also desiring to continue to be citizens of their countries of origin, with which they continue to maintain ties (Martin 2003: 5).

Legomsky (2003: 82) points to the centrality of increased levels of migration to the proliferation of dual citizenship, which has been spurred by 'technological advances in information, communication, and transportation, combined with sizeable economic disparities among nations, widespread armed conflicts, systematic violations of fundamental human rights, and other worldwide forces'. Looking specifically at Western Europe, which had in the 19th century exported more people than it imported and during that time had preferred to define nationality along ancestry lines, Weil (2001) notes that after World War II, these nations were forced to rethink such policies. The result was a dramatic increase in the number of dual nationals within their borders.

A second factor contributing to the growth of dual nationality is the fact that concerns over diplomatic protection no longer have the same relevance that they did in the 19th century. While it may be too much to contend, as some have, that the historic concern over conflicts of diplomatic protection have become virtually obsolete, it is the case that in an era of international sensitivity to human rights, whether or not individuals are a nation's own citizens makes less difference than it did in the past in terms of the country's treatment of them due to the growing significance of an international human rights regime. As Spiro (2002: 25) points out, if Germany is treating a German citizen badly, members of the international community will protest even though they have no nationality ties to the individual.

The women's movement represents the third factor. This is particularly the case in nations where nationality is transmitted by ancestry. Although it has traditionally been the rule that children born in wedlock take their father's nationality while those born outside of marriage take that of their mother's, thus in both instances discouraging dual nationality, the push for women's equality

during the past century has resulted in increase in the number of nations that legitimize the passing on of both nationalities to the offspring (Koslowski 2003: 161). One result, perhaps unintended, has been that efforts to promote gender equality have made it more difficult for women to take their spouse's nationality.

As noted above, many older nationality laws granted foreign women automatic citizenship upon marrying a citizen of that country (and many also automatically stripped a women's citizenship upon marrying a foreigner). The general trend during the 20th century was to repeal such laws, beginning in the 1930s in some nations and continuing until the last decade of the past century in other nations. Spouses of both genders now often have to be a resident of a country for a specified number of years and undergo the same naturalization processes. Weil (2001: 28) has noted that a stimulus for this change is the desire to avoid 'false marriages' that are designed to expedite the acquisition of citizenship.

The fourth factor contributing to the expansion of dual citizenship involves the shifting interests of immigrant-sending countries. During the 19th and early 20th centuries, political and cultural (including religious) elites tended to be opposed to emigration; this situation has changed dramatically during the past several decades. In part, the reversal from opposition to general support of the idea of dual citizenship has arisen as a result of demands made on the part of overseas nationals to their native homelands. However, state elites would not likely have been prompted to support the desires of their expatriates, particularly when they are motivated by the fact that immigrants who naturalize enjoy more rights and benefits than do foreign residents. Realizing that the retention of homeland nationality is largely an identity issue, they came to see that if they could maintain ties with a constituency abroad, it might be to the state's benefit. For one thing, dual nationals with a favourable orientation towards their homeland might in various ways use their political influence (voting, lobbying and the like) in their new nation to promote policies favouring the homeland. In other words, nations of emigration have a vested interest in promoting political transnationalism (Guarnizo et al. 2003).

Another, and perhaps more significant, reason that countries of emigration want to encourage enduring ties with their foreign nationals is economic in nature. If allowed to remain citizens even after naturalizing elsewhere, emigrants will be more likely to continue travelling back to the country of origin and maintain close ties with individuals and institutions there, which as Martin (2003: 7) points out, 'might foster continued [economic investment] or charitable donations in the country of origin, thus boosting the national economy'. On the one hand, developing nations seek to encourage immigrant entrepreneurs to create and sustain economic networks with the homeland. As Portes et al. (2002: 294) contend, although the percentage of immigrants

who are entrepreneurs is quite small, nonetheless the 'transnational firms' they create 'can be viewed as bridges helping to keep ties alive with the home countries and even strengthening them over time'. In addition, remittances have become a major factor contributing to the gross domestic product (GDP) in many developing nations.

Fifth, the dissolution of empires and nations has led to the expansion of dual citizenship. When colonial empires crumbled after World War II and former colonies became independent nations, many former empires allowed their own citizens who had settled in the colonies to exercise full citizenship in these newly formed nations while simultaneously preserving their citizenships in the metropole—either by formal treaty or more informally. For example, with the demise of Spain as a colonial power, it entered into treaties with Chile, Peru, Paraguay, Nicaragua, Guatemala, Bolivia, Ecuador, Costa Rica, Honduras, the Dominican Republic and Argentina. In a different era and context, when the Soviet Union disintegrated, 25 million people of Russian ancestry found themselves residing in non-Russian states. To allow these people to be part of the new Russia, dual citizenship was legitimated (Koslowski 2003: 161).

Miriam Feldblum (2000: 478) summarizes the factors that have led to a progressive loosening of restrictions on dual citizenship, particularly since the 1980s, as follows: 'increased migrations, gender equity reforms in nationality transmission and retention, reforms in nationality criteria, informal policy practices to ignore the ban on dual nationality, and actual legislation to lift the traditional ban on dual nationality.' Koslowski (2003: 160) adds to these internal causes the following external forces when he contends that the 'trend toward increasing toleration of dual nationality is enabled by international security factors such as post-war European integration, North Atlantic security structures, the end of the cold war, and the decline of conscription'. At the same time, it is useful to observe that despite these internal and external forces contributing to a profound shift in the way states and publics view dual citizenship, many of the old laws, nonetheless, remain unchanged (de la Pradelle 2002: 194).

Excursus on International Laws and Conventions

The Bancroft Treaties noted earlier became something of a model insofar as they ratified the generally agreed upon opposition to dual citizenship on the part of governments. The Convention on the Status of Naturalized Citizens, entered into by many Western nations in 1906, declared that naturalized individuals who left the country in which they naturalized and returned permanently to

their original homeland lost their naturalized citizenship (Aleinikoff and Klusmeyer 2001: 73–74).

Of particular significance was the 1930 Hague Convention concerning certain questions relating to the conflict of nationality. In part a consequence of conflicts arising over military service in World War I, the convention's preamble states, 'it is in the interest of the international community to secure that all members should have a nationality and should have one nationality only' (quoted in Koslowski 2003: 159). Although the US supported this ideal, in the end it did not sign the convention because it failed to provide that a woman's nationality should be considered independently of her husband's and that her citizenship should not be automatically revoked upon marrying a foreign national. The convention was intended to deal with the issue of the diplomatic protection of dual nationals. In principle, a state cannot afford protection to a dual national against the other country whose citizenship the individual holds. Since this guideline was established, there have been many exceptions on the grounds of universal human rights, and in many cases arbitration between the nations involved has been employed to resolve disputes. Frequently, the nation with which the individual has stronger ties is permitted to intervene on that individual's behalf (Hailbronner 2003: 22–23).

The Hague Convention was intended to promote single nationality. However, in declaring that each state had the right to determine who were and who were not its citizens and in offering no uniform guidelines for such determinations, it actually did very little to curb the incidence of dual citizenship (Aleinikoff and Klusmeyer 2001: 72). Thus, it is not surprising that over the next several decades the issues posed by the Hague Convention were revisited again and again. The effort to reduce the number of dual citizens and to sort out military obligations in the case of dual citizenship were addressed both by the United Nations and by the Council of Europe, as the emergence of the EU raised questions about the impact of greater labour mobility within Western European nations and the opening of borders to new immigrants from outside of the EU. However, at the same time, the move to reduce gender discrimination in citizenship laws, such as the 1979 UN Convention on the Elimination of All Forms of Discrimination against Women, inevitably meant that there was a greater openness to dual nationality. At the same time, there was a concern about people who were stateless. The Hague Convention argued that every person should have one nationality, but some displaced persons lost their citizenship of origin and were not readily granted citizenship by the nations that offered them asylum. This, for example, was a problem confronting Western Europe after World War II as political refugees fled Warsaw Pact nations.

By the end of the 20th century, the primacy accorded to preventing dual nationality had eroded considerably. Thus, Aleinikoff and Klusmeyer (2001: 73) note that the European Convention on Nationality of 1997 no longer sought

to reduce or eliminate dual nationality, which had been the chief goal of its 1963 Convention. Rather than being primarily concerned about split national allegiances and security, this convention was much more focused on achieving 'greater unity between its members', the 'legitimate interests' of individuals, averting statelessness and discrimination, and determining 'the rights and duties of multiple nationals (Council of Europe 1997: 5). In addition to the EU signatories of this Convention, several non-EU members were also signatories, including Albania, Bulgaria, the Czech Republic, Hungary, Moldova, Poland, Russia, Slovakia and the former Yugoslav Republic of Macedonia (Koslowski 2003: 170).

How Many Dual Citizens are There?

Given the growing openness to dual nationality, it is clear that the number of dual citizens in the developed nations has grown significantly in recent decades. However, just how many dual citizens reside in these nations is far from clear. Spiro (2002: 21) summarizes the situation in the US as follows: 'No national or international statistical surveys of the incidence of dual nationality have been conducted to date, but the trend… has clearly been upward.' The same can be said of the other industrial nations.

The number of individuals marrying outside of their own nationality as well as moving about from one nation to another is increasing, hence increasing the number of dual citizens (Schuck 2002: 66). Worldwide there are tens of millions of people who find themselves in situations where, laws permitting, they could be eligible for dual citizenship (Aleinikoff and Klusmeyer 2001: 79). Add to this the fact that worldwide the number of nations permitting dual nationality is growing. Renshon (2001: 234–36) refers to previous studies that concluded, for example, that in 1996 there were 40 nations granting dual nationality. Two years later, another estimate placed the figure at 55. Renshon (2001: 236) himself finds that at the turn of the century there were 93 nations that allowed dual citizenship, albeit, in most instances, with some restrictions.

Turning to specific countries, it is estimated that there are between four and five million American citizens residing permanently in other countries, many of whom already have or likely will obtain dual citizenship in the nation of residence (Spiro 2002: 21). Meanwhile the number of dual nationals residing in the US is due in part simply to increased naturalization in the US. To illustrate this fact, Spiro (2002: 21) notes that, 'More individuals naturalized in 1997 than in the entire decade of the 1970s.' Aleinikoff and Klusmeyer (2001: 63) report that 'more than a half million children born each year in the United States have

at least one additional nationality'. Renshon (2001: 234) observes that the US, like most countries, fails to keep track of how many of its citizens are dual nationals. He reports that between 1961 and 1997, 17,437,607 immigrants entered the US from nations that permitted dual nationality. Theoretically, all of these immigrants are potential dual nationals. At this point, we simply do not know how many of them have pursued this option; however, the figure suggests that the pool of those who might at some point in the future become a dual national is large and growing over time (Renshon 2001: 268–69).

Both Feldblum (2000: 478) and Zappala and Castles (2000: 56) concur that by the early 20th century Australia had about 5 million dual nationals. This is a remarkable figure given that it represents nearly a quarter of the total Australian population. Koslowski (2003: 162) estimates that there are over a million French citizens who maintain dual nationality. Looking at Western Europe as a whole, Feldblum (2000: 478) estimates that the figure is 'at least several million and rising'. However imprecise these estimates are, they clearly point to the fact that dual nationality is a significant phenomenon in the world's liberal democracies and is likely to increase in significance over time.

Nested Citizenship

If dual citizenship is a pervasive feature of a majority of the world's nations, developed and developing states alike, nested citizenship is a far more limited and circumscribed phenomenon. It refers specifically to the newly emerging citizenship regime created by the constituent members of the EU. What is nested citizenship? The image conjures up Russian dolls, with smaller dolls contained in larger and larger dolls. Juan Díez Medrano and Paula Guitiérrez (2001: 757) succinctly describe the relationship in the following way: 'Nested identities are lower- and higher-order identities such that the latter encompass the former.' Nested citizenship is a form of multiple citizenship, but one in which multiple citizenship connotes full membership on multiple governance levels (Faist and Ette 2007; Faist 2001b). Elizabeth Meehan (1993: 1) defines the new and evolving citizenship in the EU as 'neither national nor cosmopolitan, but … multiple in the sense that the identities, rights, and obligations associated … with citizenship are expressed through an increasingly complex configuration of common community institutions, states, national and transnational voluntary associations, regions, and alliances of regions.' The notion of nested citizenship presumes that the different levels of citizenship are interconnected, rather than operating autonomously.

Nested citizenship offers a perspective about what citizenship in the EU means that differs from two competing perspectives, which we refer to as inter-governmentalism and postnationalism. The first position contends that EU citizenship is largely residual insofar as the primary function of the EU is to promote the market and to assist in the coordination of the economic activities of the member states. If this is true, it means that the EU is not to any significant extent engaged in policies aimed at redistribution or welfare provision, leaving such activities overwhelmingly to the member states. It is argued that the most notable involvement in the promotion of social rights has been regulatory in nature, such as the requirement for equal pay for equal work, health and safety standards and migration policy. These activities can be seen as being chiefly designed to establishing uniform standards across member states in order to achieve economic integration. However, in so doing, they have impacts that lead to greater similarities across states than would otherwise be the case. For this reason, it is our sense that the claim of residual rather than robust citizenship at the EU level ought to be viewed critically. The Treaty of Amsterdam will most likely over time add to the substance of EU membership by formally declaring that the basis of the EU lies in the recognition of fundamental human and social rights (Faist and Ette 2007; Roche 1997).

The second perspective is the antithesis of the former and it has had a larger influence in recent scholarly discourses on citizenship, generally under the rubric of postnationalism (Jacobson 1996; Soysal 1994). The central thesis of post-nationalist thought is that the nation state is weakening, being replaced by supra-national constructs. Insofar as this is the case, the historic association of modern citizenship with the nation state is seen as eroding, while simultaneously supra-national entities have stepped in to reconfigure and expand the territorial boundaries of citizenship. In this regard, the postnational musings that appeared on the scene during the past decade often suggested that we were witnessing the dawn of a nation-less era. A more modified form does not see the state as disappearing entirely, but its salience is eroding appreciably. This is the position advanced by Damian Tambini, who contends that:

> No one can seriously propose that the nation as an institutional form is about to disappear. Neither, however, can it continue in the classical 19th-century form. Rather, the meaning and content of national belonging will be transformed as the structural basis of national citizenship continues to be undermined. (Tambini 2001: 212)

There are three main claims associated with this perspective. First, liberal democracies have increasingly come to respect the human rights of all persons irrespective of citizenship (Jacobson 1996). Second, international human rights discourses and international and supra-national institutions have prompted

nation states to grant rights to previously excluded groups, such as immigrants from outside the EU who have taken up residence in one of its member states (Soysal 1994). Third, institutions such as the European Court of Justice (ECJ) have developed common rights for all residents, such that at present there are relatively few differences in social rights and the salience of social citizenship between permanent residents and citizens of EU member states. For this reason, the distinction between citizenship and what some have called denizenship has been blurred (Hammar 1990). To the extent that permanent legal residents who are not citizens—those dubbed denizens—acquire rights that are increasingly congruent with the rights traditionally associated with citizenship status, the salience of national citizenship is called into question.

The central idea is that the two prime components of citizenship—rights and obligations on the one hand and collective identity on the other—have increasingly decoupled over the past few decades. Thus, for example, human rights, formerly tightly connected to nationality, nowadays also apply to non-citizen residents. In other words, settled non-citizens also have access to significant human, civil and social rights. To the extent that this is true, citizenship as a 'right to have rights' (Arendt 1968; Benhabib 2004: 49–69) is not any longer the fundamental basis for membership in political communities. Instead, discourses tied to interstate norms such as the various charters of the UN are viewed as contributing to postnational membership (Soysal 1994).

This is a problematic claim. There are, in fact, no supranational institutions conferring the status of formal membership irrespective of a prior nationality—not even the EU. The postnational perspective fails to appreciate the democratically legitimated aspect of citizenship status. As a consequence, it is no coincidence that analysts operating from this framework tend to speak of postnational membership instead of citizenship. For example, political rights are still almost exclusively tied to formal citizenship. The popular legitimation of membership in political communities, of utmost importance for any democratic regime, gets lost. Instead, the focus is on courts that uphold interstate norms, or what Jacobson (1996) refers to as 'rights across borders'.

If the intergovernmental approach downplays the significance of supra-state institutions, the postnational position treats such institutions as increasingly becoming more consequential than nation states. From our perspective, neither offers a convincing portrait of the EU in its present form. Rather, it is our view that the idea of nested citizenship offers the most compelling account of the relationship between the EU and its constituent member states. At the same time, we should note that the EU has evolved over time, and continues to do so. With this proviso, the characteristics of nested citizenship become clearer when we look at an example of how the different levels interact in changing the 'rules of the game'.

This particular illustration concerns the increased portability of social rights across national borders for German retirees and beneficiaries of long-term care insurance. During the past two decades, on average, about 30,000 pensioners from Germany have lived year-round in Spain. A problem arose when these pensioners became invalids and required increasing levels of health care. To be eligible for social assistance or long-term health care, they were expected to return to Germany. This changed when the ECJ determined that the social benefits of EU member states are portable across national borders of member states. In this case, the ECJ had made a determination that required that the German government establish bureaucratic procedures designed to insure the portability of these particular social rights.

As this example suggests, nested citizenship entails an interactive system of political choices and policy decisions occurring at both the state and supra-state levels. The web of governance operates on multiple levels, and in the process the EU becomes the site of building new conceptions of rights. The EU does not function as a compensatory mechanism for deficiencies in the social rights regimes of the respective member states. It does, however, function to coordinate and harmonize those regimes. This can be seen in a variety of ways. For example, the EU is concerned with the regulation of safety and health policies, as well as those regulating the condition of economic production. As early as the agreement arrived at in Messina in 1955, there was an expressed attempt to harmonize social standards regarding the work week, overtime pay, vacation time, the free movement of labour and the overall coordination of social policy (Moravcsik 1999). At the same time, the member states retain sole purview over their social security systems and the social service institutions tasked to oversee such provisions. Indeed, most conventional social policies remain solidly ensconced within the borders of the respective member states, albeit with somewhat reduced levels of autonomy and sovereignty than before the creation of the EU.

What does this mean for EU citizenship? Are there rights that accrue to EU citizens that go beyond those possessed as a consequence of membership in a specific member state? It is worth quoting Benhabib's summary of what individuals derive from EU membership:

> Not just a passive status, it is also intended to designate an active civic identity. Citizens of the EU states can settle anywhere in the union, take up jobs in their chosen countries, and vote as well as stand for office in local elections and in elections for the Parliament of Europe. They have the right to enjoy consular and diplomatic representation in the territory of a third country in which the member state whose nationals they are may not be represented. They have the right to petition the European Parliament and to apply to the European Ombudsman. As monetary and economic integration progresses, EU members are debating whether union

> citizenship should be extended to an equivalent package of social rights and bene-
> fits, such as unemployment compensation, health care, and old age pensions, which
> members of EU states would be able to enjoy whichever EU country they take up
> residency in. (Benhabib 2004: 148–49)

All of this raises the question: how ought we to characterize the EU and to what extent is it meaningful to speak about EU citizenship? By introducing the term citizenship, the institution has been transformed into a polity, albeit one where the link between political rights and the articulation of those rights in terms of state boundaries since the Treaty of Westphalia had been, if not undone, at least partially uncoupled. As a multilevel governance system, the EU clearly reaches beyond a low-profile interstate regime, although it has not at this point developed into a coherent supra-state institution—a United States of Europe—as some of its elite proponents would prefer. Given its historical uniqueness, it is difficult to use traditional categories to describe the EU.

Reflective of this fact, while it is quite accurate to describe the EU as a supra-state and federative governance network with mixed intergovernmental and common authorities, such a description emphasizes the fact that the EU is sufficiently novel that our typical categories do not quite do justice to it. The principal architects of the EU appear to have been aware of this situation when they created the European Economic Community (EEC) in the 1957 Treaty of Rome. Rather than attempting to create an explicitly supra-state institution, they opted for a more pragmatic approach, establishing instead an entity de-signed to foster the economic integration of Europe. Nevertheless, since that time the framework evolved from a purely economic institution to an inter-governmental one, becoming by the 1990s a collective actor on the global scene. Indeed, as Kalypso Nicolaidis (2005: 11) observes, 'By the turn of the millennium, the EU had many prerogatives associated with sovereign states: various police powers, border controls, currency regulation, and cooperative (at least partly) foreign policy.'

However, by introducing the idea of citizenship at a level that transcends the nation state, the uniqueness of the EU comes into focus. As Benhabib (2004) emphasizes, the focus of much of the discussion about EU citizenship revolves around the question of rights—rights for both those who are already defined as citizens of member states and the rights of those who are not. Insofar as this is the case, such a discourse highlights the fact that in its current form the EU suffers from a democratic deficit and from an imprecise understanding of collective affiliation. As long as the EU functioned well and questions of national sovereignty were not raised, these deficits were largely ignored. Many complained about the faceless bureaucrats in Brussels who were seen as the power behind the European Parliament. However, this did not deter the ex-pansion of the role played by both the Parliament and the ECJ.

The gulf between the ordinary citizens of the member states' perceptions of the rationale for the EU and that of the Eurocrats who ran the institution has for some time been a topic of concern in some quarters. Thus, in British politics, a powerful strain of 'Euroscepticism' has been evident in both the Tory and Labour Parties, and recently this led to the creation of a single-issue party led by a popular television presenter who wanted the UK to exit the EU altogether. At this writing, the gulf has taken, from the point of view of supporters of the EU, a disturbing turn. From its inception, the EU operated without a formal constitution. However, with the passage of the Treaty of Nice in 2000, not only did the member states agree to an expansion of the EU, but they also committed to the creation of a constitution—a constitution, as Nicolaidis (2005: 12) put it, 'not for a nation but *among* nations'.

This raised an interesting question, for it was not clear which voices were necessary to ratify the constitution—which proved to be a 300-page long text as befits a document written by bureaucrats. Many of the member states decided that their national legislatures would determine whether or not to approve the constitution, while in other cases it was decided that the decision would be put to the nation's voters in referenda. In the latter camp were two of the original members of the EEC, France and the Netherlands. After nearly half of the legislatures of the member states had approved the constitution, it appeared to be headed for approval. However, in the summer of 2005, the voters of France and the Netherlands resoundingly rejected the proposed constitution despite the coordinated efforts of political elites from the centre-left and centre-right in both countries to gain an electoral victory.

Despite victories among the voters in Spain and Luxemburg, there was a general sense that the proposed constitution had failed and, for the more pessimistic advocates of the EU, that the institution itself had entered into crisis that might spell the end of the EU as we have known it. This is a highly improbable scenario given the fact that during its half-century of existence it has become institutionally embedded and cannot readily be undone. Indeed, despite the anti-EU stance of a minority in all of the member states, there is actually very little political will to pursue such a course. While some of the more pragmatically-minded supporters of the EU are prepared to return to the status quo ante, arguing that a constitution is not necessary, others have instead suggested that if this version of the constitution is ultimately to be approved, it may be necessary to modify the rules required for approval.

At the same time, this impasse has prompted reflection about the distinctiveness of the EU. In an insightful commentary in *The Guardian*, sociologists Ulrich Beck and Anthony Giddens (2005: 28), both forceful defenders of the constitution and supporters of expansion, including the ultimate inclusion of Turkey, made the following bold claim:

> The European Union is the most original and successful experiment in political institution-building since the second world war. It has reunited Europe after the fall of the Berlin Wall. It has influenced political change as far away as Ukraine and Turkey—not, as in the past, by military, but by peaceful means. Through its economic innovations, it has played a part in bringing prosperity to millions, even if its recent level of growth has been disappointing. It has helped one of the very poorest countries in Europe, Ireland, to become one of the richest. It has been instrumental in bringing democracy to Spain, Portugal, and Greece, countries that had previously been dictatorships. (Beck and Giddens 2005: 28)

They go on to make clear that they think the EU has much unfinished business to attend to, and that an inward-looking nationalism on the part of critics of the EU works against the best interests of the member states, individually and collectively. In making their case, Beck and Giddens (2005: 28) offer their own understanding of what precisely the EU is, suggesting that it ought not to be viewed as an 'unfinished nation' or an 'incomplete federal state'. Stressing that the EU is not a threat to the sovereignty of the member nation states and does not signal either a postnationalist institution that transcends the nation state or leads to cultural homogenization, they consider it to be 'a new type of cosmopolitan project'. We would only add that at this particular time, the pressing need is to create a new democratic legitimation of the project—one that manages to bridge the gulf between elite proponents and sceptical, apathetic or antagonistic ordinary citizens.

There is one final point to make: although Beck and Giddens assert that the EU is a unique institutional project, they say nothing about the likelihood that it might be replicated elsewhere. Might, for example, the North American Free Trade Agreement, an economic pact linking Canada, Mexico and the United States, over time evolve from a purely economic entity to one with political functions, in a parallel process to that which occurred with the EU? We think not. The United States is quite simply too large and powerful vis-à-vis the other two members for this to happen, combined by the fact that there is a huge difference in levels of economic development, pitting the US and Canada as advanced industrial nations on the one hand and Mexico as a poor and developing nation on the other. Moreover, beyond North America, there do not appear to be any other viable regional candidates at the moment for an EU-like experiment.

Towards Global Citizenship?

Given the current challenges confronting the EU, it would appear that any effort to expand the idea of citizenship to the global level has very little probability of

success in the foreseeable future. Terms such as global or world citizenship are often used so indiscriminately that their meaning is far from clear. Certainly, in terms of law, including international law, there is no such status as a world or global citizen. Derek Heater (2002), one of the most ardent spokespersons on behalf of 'world citizenship', is cognizant of this reality.

Nonetheless, he and other like-minded thinkers argue that there are incipient indications that such a prospect might, in the long run, take hold. For instance, in current international law the rudiments of something resembling a world law does exist, including important precedents that emerged out of the military tribunals that tried German and Japanese war criminals after the conclusion of World War II. The International War Crimes Tribunal, and more recently the International Criminal Court constitute further developments along these lines, efforts, in effect, to articulate the content, the scope and the nature of a universal human rights regime. Clearly, a landmark in this regard was the ratification of the Universal Declaration of Human Rights in 1948. It and its subsequent covenants on economic, social and cultural rights likewise point to the seeds of a conceptualization of the global citizen.

Connected to the emergence of a global human rights framework is the growth of global civil society, for such institutions are viewed as primary carriers of a universal human rights regime. Considerable attention has been paid recently to the dramatic expansion of International Nongovernmental Organizations (INGOs), including Human Rights International Nongovernmental Organizations (HRINGOs), though the focus of such research has often been more concerned with their growth and not their impact on existing political regimes and cultural milieus (Tsutsui and Wotipka 2004). The assumption is that what has been evolving since the second half of the 20th century is what Rainer Bauböck (2002) has referred to as a 'political community beyond the nation state'.

There are those who remain sceptical about the possibility of constructing citizenship regimes beyond the nation state. Thus, Bryan Turner (2006) contends that:

> citizenship can only function within the nation–state, because it is based on contributions and a reciprocal relationship between duty and rights, unlike human rights for which there are as yet no explicit duties. To employ the notion of citizenship outside the confines of the nation–state is to distort the meaning of the term, indeed to render it meaningless. The idea of flexible citizenship is what we might call a political fiction. This criticism is not just a linguistic quibble. It implies that some terms are properly national and must remain so.

Given the incipient and protean character of the present situation, and the resistance of nation states to challenges to their authority, it is not difficult to appreciate Turner's argument and his desire to preserve a certain precision in

our usage of the term citizenship. Nevertheless, it is useful to be reminded of the fact that citizenship began at the level of the city-state, and only centuries later was the boundary redefined as the nation state. We do not find it inconceivable that in various ways the future might spell a similar redefinition that moves beyond the confines of the nation state. That being said, it is difficult to predict where the future might lead. When considering the formidable challenges that any project aimed at promoting global citizenship inevitably faces, it is easy to sympathize with Jost Halfmann's (1998) contention that at present, 'Kant's vision of a world civil society is a remote, if not highly improbable, prospect in the future.'

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16

Globalization: Whither Socially Responsible Initiatives?

ANANDA DAS GUPTA

Introduction

During the late 1960's and 1970's, corporate social responsibility (CSR) emerged as a top management concern in both the United States and in Europe, only to seemingly 'wither on the vine' during the 1980's. Today, it is back on the agenda of many chief executive officers (CEOs). This time it is also on the agenda of governments, both national and local, as well as NGO's, consumer groups, investors and other actors in civil society. This chapter seeks to articulate and communicate what social responsibility means and why it makes good business sense to integrate it into business strategies and practices. It does this by:

1. Outlining some forces at work and trends affecting corporations.
2. Explaining six key dimensions of CSR.
3. Making a case for integrating CSR into sustainable strategies.
4. Describing how CSR can be built into management practices.
5. Looking beyond social responsibility.

The great changes of the last two decades have set the scene for a worldwide pattern of social organization. It is based on the institution of public, for-profit and non-profit sectors working separately and together, within the context of the informal relationships that are the basis of family and everyday life. Only

a few countries, such as North Korea and Cuba, resist this model of social organization; for them the state dominates all aspects of economic and social life. Most other countries (industrialized and developing alike) have now rejected the dominance of the state and are increasingly fostering a large new for-profit sector through a wave of denationalization and deregulation. The boundaries of the state have contracted in the social sphere as well. A dynamic non-profit sector is emerging around the world both to provide human services and to campaign for social and environmental causes.

Between the United Nations (UN) human rights conferences in Tehran in 1968 and Vienna in 1993, as well as in other international fora, the organization's Declaration came under fierce criticism. At times, some have even publicly asked whether the 1948 document could be 'touched up', since it cannot be replaced altogether. They argue in favour of including the concerns of cultures overlooked by the text's original authors, blinded as they were by a Western worldview. It would be the height of irony if the 1948 Declaration were made universal at last by taking into account specific cultural features of individual countries (World Bank 1997).

Two sides soon confronted each other. The advocates of universality, who consider it dangerous to renegotiate the Declaration, have clashed with those who would introduce clauses relating to their specific cultures, some of which have only a distant kinship with respect to the rights of the individual. The stand-off came to a head in the first half of the 1990s. In Vienna and elsewhere, several Asian countries that challenged the Declaration's universal character in the name of Asian values joined forces with the most conservative Muslim states to oppose the West's efforts to have the document accepted as universal.

Since 1980s, the planetary interdependence stemming from globalization has increased debate and media coverage of human rights in many arenas. The recommendations that came out of conferences held during the present decade—Rio de Janeiro, Cairo, Copenhagen, Beijing and Istanbul—have usually been based on an affirmation of rights: right to a clean environment, socio-economic rights, the rights of women and the right to housing.

A growing number of people and organizations are involved in these issues, which is helping to raise awareness of human rights and to spread more information about them in specific areas of concern. But these sometimes powerful, sometimes weak players have conflicting positions and interests and advocate strategies that do not always coincide. Interdependence does not necessarily mean establishing symmetrical relationships and equal opportunities. The various forms that globalization is taking and their destabilizing effects on social relationships may even explain the growing concern with human rights.

These 'new rights' are appearing in a particular context, which explains why there is an urgent need to defend them and accounts for certain problems

relating to how they have emerged. For, they must be defended without dividing up the issues and diverting attention from the political and social relationships that lead to violations.

Most economists argue that globalization is the outcome of unavoidable adjustments to the new rules of international competition and to the laws of the market-place which supposedly ensure the optimum distribution of resources around the world. But globalization should be seen more as an eminently political process involving negotiations and struggles for influence and power, engineered and institutionalized by players such as governments, transnational corporations and multilateral financial institutions.

What is more, the globalization of financial markets and that of goods and services has different social, economic and political implications depending on the region. Even though they are all part of the same worldwide process, these different situations have their own special features, which must be taken into account when it comes to questioning human rights and the necessity of defending them.

The liberalization underway goes hand-in-hand with a programmed withdrawal by the state from certain areas such as planning, production and social reform, and a re-orientation of its involvement in others like redistribution, regulation and mediation. The aim is to encourage special economic growth strategies based on the promotion of private interests. That has helped to undermine the legitimacy of states already beset by fiscal crisis—especially in the South, where countries are struggling with 'structural adjustment'. That has special implications for human rights.

The growing politicization of the globalization process, and especially the politicization of how the crisis is managed in the developing countries undergoing structural adjustment, has led to a redefinition of the state's role. But in both the North and the South, economic recovery based on the private sector involves special forms of integration with global markets and new relationships with transnational corporations.

Domestically, reform programmes that seek to create a set of economic and social relationships in accordance with international norms of productivity, capital returns and competitiveness are directly or indirectly attacking long-held rights, where they exist, such as employment and social security benefits. The aim is to help redistribute resources from 'less productive' sectors—social welfare, health and education, for example—to 'more productive' ones. That shift comes at an incalculable social cost because it involves dismantling rules by which society has operated over the last several decades.

During the 1990s, as the marginalization and exclusion of certain social categories increased, the Bretton Woods international financial institutions gave some thought to the plight of 'target groups'—women, old people, children and

the handicapped. Special measures were adopted in their favour, but without questioning the economic programmes which had helped to worsen their situation in the first place.

More recently, the World Bank's 1997 *World Development Report* (World Bank 1997), which focuses on the redefinition of the state's role, contains a chart showing the different functions the bank thinks the state should fulfil. The role of 'ensuring social equity' is not presented as an end in itself—and even less as a social or economic right—but as a means to stabilize and consolidate a model of economic growth whose logical progress can only increase inequality and so lead to potential violations.

Poverty and the various dysfunctions of society worldwide are partly rooted in a selective and inequitable form of social and political regulation, which means that the battle to win new human rights is actually a struggle for the redistribution of power—an eminently political matter. By presenting economic and now institutional reforms from a purely technical point of view, the multilateral and national institutions are dodging key questions with regard to the control of the development process. Who controls it? What is their aim? In whose interests? It seems illusory to redefine measures for promoting social and economic rights, including the aspiration to broaden their scope, before the content and purpose of the growth those institutions recommend is made clear.

The increasingly aggressive and multifaceted intervention by multilateral and bilateral aid institutions in social and political matters is an attempt to reduce political processes to technical management. Those institutions and their officials say there are certain 'non-negotiable' norms dictated by economic theory alone. The result is an attempt to take politics out of the process, denying the legitimacy of political goals. That is the context in which human rights must now be placed and in which the growing role of transnational companies—with their freedom of action, influence on public policy-making and thus their power—can be understood.

But the social, political and economic impact of outside players varies depending on many factors, including domestic political situations. They range from a state of law in which legally-recognized bodies may publicly challenge rules about basic employment, health and environmental standards, to countries where state structures have been weakened, their legitimacy undermined, and where there are few, if any, for a public discussion.

In this context the major transnational corporations, especially those that sell consumer goods in wealthy countries, have been busy promoting the establishment of codes of conduct or ethics to avoid the kind of boycotts that have occurred in Europe and the United States. But most codes, when they exist, have major loopholes, including a lack of means to enforce them, of effective

oversight and of sanctions in the event of violations. Consequently, the adoption of such codes can actually be a smokescreen for human rights abuses by large corporations.

At the same time, the process of globalization and the questions raised about the state's role in redistributing resources, along with its withdrawal from many areas of political and social responsibility, has underscored the emergence of new players making their voices heard for the first time. They are mobilizing and organizing to demand new rights in new ways, including rights for the homeless, young people, the elderly and the handicapped, the right to breathe clean air, to drink uncontaminated water and to eat food that is not poisoned by pesticides. In some North American cities, car windscreen washers have formed groups to defend their right to earn a little money.

In many respects, these demands update several articles in the 1948 Universal Declaration. Some of them—the right to access personal data, to a healthy life without genetic engineering and to a clean environment—reflect technological and scientific advances. But again, the question might be asked: who controls the benefits of such technology and science? who decides how they shall be used? to which ends and in whose interests?

The impact of human rights on the current globalization process is above all a political matter that requires identifiable players to build different power relationships at different levels. Emphasizing the players and the responsibilities not only shows that development and defence of human rights are closely linked, but also that the defence of new and old rights—which are inseparable—depends on taking back control of development strategies and of the power needed to defend them.

In an open global market, companies have to understand the importance of local 'roots' and cultural systems in the market or country or the community in which they operate. In order to be successful in this multicultural and multi-regulatory environment, companies also have to deal proactively with their image of 'rich outsiders', and put in place effective environment management plans and systems. Transparency, disclosure and corporate responsibility for managing risks imposed on communities and environment has therefore become a universal expectation and an important global corporate strategy. Businesses also faced issues of spatial distance, lack of market knowledge, communication cost and problems, increase in administrative costs, varied government policies, a need to reduce the 'liability of foreignness' and increase integration in the host country. Against this backdrop, CSR may often seem to hold the answer as a business strategy. International companies, attempting to address the issue of public image, pressures from local rivals and from local stakeholders, therefore started to take up CSR as a strategic effort rather than as charity in the early 1980s.

Emerging Perspectives that Inform CSR

Corporate social responsibility is basically a new business strategy to reduce investment risks and maximize profits by taking all the key stake-holders into confidence. The proponents of this perspective often include CSR in their advertising and social marketing initiatives.

The second is an *eco-social perspective*. The proponents of this perspective are the new generation of corporations and the new-economy entrepreneurs who created a tremendous amount of wealth in a relatively short span of time. They recognize the fact that social and environmental stability and sustainability are two important prerequisites for the sustainability of the market in the long run. They also recognize the fact that increasing poverty can lead to social and political instability. Such socio-political instability can, in turn, be detrimental to business, which operates from a variety of socio-political and cultural backgrounds.

Seen from the eco-social perspective, CSR is both a value and a strategy to ensuring the sustainability of business. It is a value because it stresses the fact that business and markets are essentially aimed at the wellbeing of society. It is a strategy because it helps to reduce social tensions and facilitate markets.

For the new generation of corporate leaders, *optimization of profits* is the key, rather than the *maximization of profit*. Hence, there is a shift from accountability to shareholders, to accountability to stakeholders (including employees, consumers and affected communities). There is a growing realization that long-term business success can only be achieved by companies that recognize that the economy is an 'open subsystem of the earth's ecosystem, which is finite, non-growing and materially closed' (Daily 2001).

There is a third and growing perspective that shapes the new principles and practice of CSR. This is a *rights-based perspective* on corporate responsibility. This perspective stresses that consumers, employees, affected communities and shareholders have a right to know about corporations and their business. Corporations are private initiatives, true, but increasingly they are becoming public institutions whose survival depends on the consumers who buy their products and shareholders who invest in their stocks. This perspective stresses *accountability, transparency*, and *social and environmental investment* as the key aspects of CSR.

Though the concept of CSR has only recently been formulated, there is a long history in both the East and West of a commitment to social philanthropy, in the belief that the creation of wealth is primarily geared for social good. This aspect of *ethical business* in modern times can be traced back to 19th century philanthropists like Robert Owen and the various Quaker-owned businesses. The Quakers 'ran successful businesses, made money because they offered

honest products and treated their people honestly, gave honest value for money, put back more than they took and told no lies' (Roddick 1999 quoted in Sameul 2007).

In the traditional paradigm, most corporate bodies viewed CSR as the extension of a financial input for a humanitarian cause. However, the contemporary context is more complex: 'A company that undertakes activities aimed at communities (be they philanthropic, social investment or commercial initiatives) but does not comply with business basics cannot be termed socially responsible' (Srivastava and Venkateswaran 2000).

Ethical business is the more fundamental, emerging trend on the international scene. It focuses on specifics:

1. how a business is conceptualized,
2. how a business is operated, and
3. the notion of fair profit.

In an ethical business, the essential thrust is on social values and business is conducted in consonance with broader social values and the stakeholders' long-term interests.

Social Partnership

The leading companies have discovered that working together with non-profit and government organizations to solve social problems can give them new insights and approaches to creating business opportunities as well. Solving community needs creates opportunities to develop ideas and demonstrate business technologies. A recent study survey provides the evidence indicating when and how CSR created benefits for corporations. The study also mentions some examples of benefits cited in the areas of marketing, shareholder value, human resources and innovation.

1. London-based Diageo plc reported that between 1994 and 1998, 22 cause-related marketing projects helped it raise USD 600,000 for causes, while increasing sales of tracked brands by 17 per cent.
2. A recent study by Interbrand concluded that a full one-quarter of the world's total financial wealth is tied up in intangible assets such as reputation, brand equity, strategic positioning, alliances, knowledge and the like.

3. Monsanto's experience in introducing genetically modified seeds dramatically illustrates the tremendous negative impact on stockholder value, brand equity and reputation that can be caused when a company is perceived to be behaving in ways that are socially irresponsible.

4. The National Leadership Council (Washington DC) analysed company-sponsored school-to-work programmes and found a positive return on investment in most of the companies studied. Programmes resulted in reduced recruitment costs, reduced training and supervision costs, reduced turnover and higher productivity, and promotion rates of school-to-work programme graduates.

Nike provides a compelling case in point. 'Nike suffered significant damage to its brand and its sales when it was exposed as having poor labour standards in its supply chain. Similarly, it has benefited by embracing the cause of improving labour standards in the supply chain, and by publicizing its efforts to certify compliance with labour standards throughout its supply chain.'[1]

The UN Global Compact, created by UN Secretary General Kofi Annan, also encourages partnerships between the business community and the UN that seek to incorporate in organizational performance and markets, the Compact's nine principles covering human rights, labour standards and the environment.[2]

During the 1990s CSR gained currency internationally. Rather, the investment in this sector changed from a perspective of donation to that of mutual benefit. Internationally, issues of environment and reputation and child labour are given more importance when evaluating performance against issues of CSR. These international issues popularized by the transnational corporations, in the Indian context, have influenced business ethics of Indian business too. For example, the Century Mills has had to take concrete steps to be more environment friendly and efficient in utilization of resources. This has made the product competitive at the international level vis-à-vis the cost of production, quality and environmentally friendly methods of production. In general, Indian businesses abide by the rules and regulations of the state and consider this to be CSR. This viewpoint, though, does not offer any security when dealing with the international customer. For example, the state does not have strict implementation of the child labour law in the carpet industry, yet the carpet industry is increasingly reducing the number of children employed as per international trends and demands. Therefore, the Indian industry is increasingly aware of the cancellation of consignments for the international market, on the ground of harmful dyes, environmentally harmful methods of production and utilization of child labour for production. Against this backdrop, Indian businesses, having to compete within and outside India, have had to take up issues of environment and reputation more seriously than ever before. Therefore, the concept of 'niche marketing' may not be important while

targeting the Indian consumer, but is of great value when targeting the international customer.

To understand the rise of CSR in the Indian context, it is important to understand the political and bureaucratic climate of the country since 1990. India, since the mid-1990s, is under constant political upheaval and no single party has achieved an absolute majority in Parliament. This has led to formation of coalition governments none of which have lasted a full term of five years, till date. Therefore, a highly cautious, nervous and speculative investment climate exists in India as the *Swadeshi* fervour often sways political parties. Due to the political instability, projected figures for foreign direct investment have not been achieved. Even approved proposals may be called for re-investigation in Parliament. Financial caution related to investment is exercised not only by international businesses but also by Indian businesses. The Indian business sector, though, has the advantage of being intimately familiar with the Indian situation and makes attempts to proactively engage with the bureaucracy and the political parties. Under strict implementation of election guidelines, corporate donation to political parties at the time of election have reduced drastically, but businesses now undertake activities supported by major political leaders or political parties to influence the bureaucracy and the political climate.

India has an extensive bureaucratic machinery and, even after liberalization and reduction in 'license raj' (rule of the license), each new industrial set-up may require 70–90 clearances from local, state and national government authorities; while the *Swadeshi* fervour creates a fear of 'being asked to leave' among the transnational corporations. In an unstable political situation and rigid bureaucratic set-up, businesses have to use caution when dealing with government and political parties. Corporation social responsibility in a situation where dealing with the stakeholders is imperative for survival, and the stakeholder stance may change overnight under political considerations, is thus gaining ground in becoming an important corporate strategy for survival (Arora 2001).

The time for unmotivated philanthropy seems to be coming to an end in the Indian context, and the usage of the term 'corporate social responsibility' is gaining currency since the 1990s. It needs to be mentioned that, progressively, businesses keen on CSR also want 'some visible benefits' identifying with the issue of 'mutuality' of CSR. Therefore well-established businesses may also have a well-established strategy of 'corporate social responsibility' to: *(a)* effectively deal with the instability of the Indian politico-economic climate; *(b)* proactively deal with all the other stakeholders; and *(c)* meet the demands of international customers especially with regard to labour and environment.

The capacity of a business to deal with the political and economic climate of a region or a nation depends on its financial strength. This ability to influence often remains undisclosed and is put to practice as and when required. The

Enron project in India has been able to influence different state governments of Maharashtra, but the details of negotiation have never been made public. The marketing, production and labour departments of an industry often take care of the demands of the international customer and the industry, and are often not viewed as components of CSR. Corporate social responsibility in the Indian context often gets translated as: *(a)* 'social service', 'social development' or 'community development', and so on, at the local level; *(b)* public image building at the local and national level; and *(c)* proactive engagement with the political and economic elite at the local, regional or national level. The engagement with the stakeholders at the local level has led to an increased interaction of the business and the development sector. [3]

Towards a Greener Plateau

Globalization along with changed norms of production, labour and environment with conditions of best practice has influenced behaviour of businesses across the world. The success of the acceptance of these norms has been outside the letter of law and the adoption has often influenced state to adopt better/improved or at least changed role for itself. The norms of resettlement and rehabilitation as dictated by the Indian state are, by law, adopted by joint venture companies involved in extractive industries, yet many other activities are also undertaken as CSR, which are neither detailed nor dictated by law. Yet the nation state needs to evolve a new role for itself in this fast changing world. A stable nation providing good governance is thus a basic requirement for developing countries in their attempt to safeguard rights and interests of their poor and marginalized.

Yet, businesses are wary of investing time and resources in proactively dealing with pressure groups, media and local people for social or community development as they often lack familiarity and the skills to do so. Indian businesses have been actively involved in corporate philanthropy since the early 1900s. The increase in the momentum of CSR has created new routes through which issues relating to this particular field could be addressed in a much better way which carries the message of business–society partnership.

Notes

1. See Archna Srivastava. 'Corporate Social Responsibility'.
2. See http://www.unglobalcompact.org/AboutTheGC/index.html.
3. See John Samuel and Anil Saari. 'Corporate Social Responsibility: Background & Perspective'.

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17

A Global Community-building Language?

AMITAI ETZIONI

The Failure of Primary Global Languages

The benefits of a global language have been recognized throughout the ages. The Bible already recounts the power of one tongue understood by all people, and the devastating effects when such a language is missing. The allegory presented in *Genesis* (11: 1–9) is so well narrated one hardly can improve on it.

> Now the whole earth had one language and few words. And as men migrated from the east, they found a plain in the land of Shinar and settled there… Then they said, 'Come, let us build ourselves a city, and a tower with its top in the heavens, and let us make a name for ourselves, lest we be scattered abroad upon the face of the whole earth.' … And the LORD said, 'Behold, they are one people, and they have all one language; and this is only the beginning of what they will do; and nothing that they propose to do will now be impossible for them. Come, let us go down, and there confuse their language, that they may not understand one another's speech.' So the LORD scattered them abroad from there over the face of all the earth, and they left off building the city.

Ever since then 'Babel' has been associated with meaningless talk and confusion, resulting from multiple tongues which people do not comprehend.

More recently, the idea of a global language became popular in Europe in the 17th century. John Amos Comenius, an advocate of universal education, saw a universal language as enabling the most efficient transmission of human knowledge. In his *Via Lucis* (1641), Comenius asserts:

> Since, then, there are throughout the world as many different languages as there are peoples (and how many these are we do not know), and since for that reason (until that barrier is removed) there can be no open way to most of the peoples of the earth, it must be our business to take thought for the establishment of a single language common to them all. And if such a language can be found and brought into use (as those earlier inventions were), then we shall have what we are seeking, a perfectly open way for teaching all necessary things to all men. (Comenius 1938: 141–42)

Comenius noted that a shared language is necessary to communicate; therefore, the options for those who wish to share their knowledge with others are *(a)* to learn every language that exists in the world; or *(b)* to learn one language, a language that all the people in the world can speak and understand. Comenius explains that 'the second alternative is beyond question the better... For all men will understand better when they use the same sounds' (Comenius 1938: 179).

What will this universal language be? Comenius considers Latin, but notes that to choose it would be 'providing preferentially for ourselves, to whom it is already known, and not with equal fairness for uncivilized peoples (though for them we ought to have a larger consideration in this matter since they make up the larger part of the world)' (Comenius 1938: 182). Comenius wanted a language not already known by any group of people; a language that someone would have to invent. And the characteristics of this language? It should be 'easier', 'pleasanter' and 'more perfect' than any existing language. It should be 'rational', 'analogical' and 'harmonious'. If such a language were to be created, Comenius imagined:

> ... all men would delightedly recognize that it would be the most appropriate means for reconciling them to each other and their concepts of things to the truth. Then at last that age of illumination and of peace would have dawned and could be proclaimed, an age in which there would be light and quiet in things, and in words which are the vehicles of concepts. (Janton 1993: 5)

Comenius envisioned a language based on a theoretical scheme, a language that could (like mathematics) express the relationships between things without exceptions or ambiguity. Such a language is classified by linguists as an '*a priori*' language (Janton 1993: 5). Perhaps the best historical example of an *a priori* language was put forth in John Wilkins' *Philosophical Language* (1668) (cited in Watson et al. 1974), an essay that includes a scheme for categorizing all known concepts and assigning them new, non-arbitrary names that would express their relationships with other known concepts.

Based on preconceived, theoretical schemes, *a priori* languages are distinct from *a posteriori* languages. While the creators of *a priori* languages strive for

logical perfection, the creators of *a posteriori* languages strive for ease of learning. *A posteriori* languages consciously imitate natural languages, while at the same time trying to simplify their rules of grammar. The 19th and 20th centuries saw the creation of a series of *a posteriori* languages, including Volapük in 1879, Esperanto in 1887, Spelin in 1888, Ido in 1907 and Interlingua in 1951.

By far, the best known *a posteriori* language is Esperanto. Esperanto appeared in Warsaw in 1887, when Lazar Ludwik Zamenhof published the booklet *Lingvo Internacia* (International Language) in Russian, under the pseudonym Doktoro Esperanto (Jordan 1997: 40). Esperanto uses the same 26-letter alphabet as English and has 16 fundamental rules; these rules are laid down by Zamenhof in the *Fundamento de Esperanto* (Jordan 1997: 42). Language teachers estimate that while it takes six years to become 'conversationally fluent' in English, one can attain the same level of proficiency in Esperanto in just over one year (O'Connor 2004: B-1). Esperanto has been a great success among planned languages, but a great failure in the speaking world. Estimates for the number of Esperanto speakers worldwide in 2006 range from 50,000 to 2 million (Gordon 2005; Okrent 2006: 96).

Thus, even the most successful global language in the modern age, one that all people would use, has utterly failed.

The Merits and Demerits of a Global Language

Before the discussion turns to examine a much more successful approach, it is worthwhile to briefly recite the main benefits as well as disadvantages involved in fashioning a global language. There is no need to elaborate those as they are well known. Adopting a global language would greatly reduce the transaction costs of conducting business across national borders.[1] It would greatly facilitate the transmission of knowledge. It would help people of different backgrounds understand each other more readily, and might curtail hostility and contribute to conflict resolution and more generally to peace. Some even hope that 'prejudices and stereotypes would be dismantled or differentiated, and more flexible cooperation (not merely in the context of the economy) would become possible' (Apeltauer 1993: 281). Many a sociologist, however, would warn that increased communication among groups can actually increase conflict. Though one can take it for granted that a global language would reduce gross misunderstandings when international agreements, treaties and laws are given different meanings as a result of being translated into a variety of languages.

In an age where the benefits of a global language are not actively considered, some examples from the European Union (EU) highlight these merits. As of

this writing the EU has 27 member states and 23 official languages (EUROPA 2009). The EU stresses the importance of multilingualism among its citizens, explaining:

> languages are not a mere means of communication. They contribute to a better knowledge of other European cultures and have a real potential for a deeper understanding between European citizens. Multilingualism policy aims at ensuring multiculturalism, tolerance and European citizenship. Widespread general competence in foreign languages also plays its part in keeping xenophobia and intolerance at bay. We have to understand each other if we want to reap the full benefits of the cultural, social, and economic richness of our continent.(Eurydice 2004: 3)

However, given that no one can learn all the languages of the EU, if more and more Europeans would learn the same second language, this would greatly enhance such an understanding. However, no movement is underway to choose such a shared second language.

The absence of an official, shared EU language causes a significant portion of the total EU budget, USD 1.3 billion a year, to be dedicated to interpretation and translation of the official transcripts, documents, court rulings and regulations into all the 20 official languages (Tagliabue 2006: A 10). In addition to exacting considerable costs, numerous misunderstandings arise because of subtle and not so subtle differences in interpretations that result from these multiple translations. This point can be illustrated by a simple example. The European Central Bank (ECB) is required to use all EU languages for official purposes (Scheller 2004: 136–37). In 2006, ECB President Jean-Calude Trichet outlined a change in policy using the simple words 'strong vigilance'. Translated across the various languages, the words communicated different positions. In Spanish these terms were translated as *extrema vigilancia,* which sounds much stronger than the English original and could lead Spanish observers to worry that, 'the central bank is facing galloping inflation'. Thus, even with a team of terminologists dedicated to the task of carefully parsing official bank language, it is difficult to preserve nuance across the numerous languages in which the ECB must produce official statements and reports (Atkins and Blas 2006: 7).

Formulating the Preamble to the EU Charter of Fundamental Rights led to a conflict between Germany, which favoured including the words 'religious heritage', and France, which opposed it. The term 'spiritual and moral heritage' was adopted and scripted in the French text as *patrimoine spirituel et moral.* But in the German, the text reads *geistig-religiösen und sittlichen Erbes*.[2] Thus, Germany gained through translation that which it could not successfully achieve at the negotiation table (Vink 2006: 6). This would be hardly possible if all the nations involved used a shared official language of the multi-national union.

Another example of the difficulty of preserving meaning across languages appears in the title of the 'Treaty Establishing the European Community'.

The French, Italian and Portuguese 'instituting' translations appear in line with the English 'establishing' text;[3] but the Spanish selected *constitutivo* or 'constituting' instead of *establece*, suggesting the presence of a constitutional treaty (Vink 2006: 6).

In sum, significant costs and difficulties arise when efforts are made to form shared understandings and follow agreed policies, (let alone engage in the building of a new, regional, multinational community) in forming bonds of affection, shared values and a sense of affinity, if numerous languages are used simultaneously. This would be avoided if all the people of the given community would come to share one language. These economic and human costs are, of course, significantly large when the same issues arise on a global rather than a regional level; for instance, in the work of the United Nations.

At the same time, introducing a shared regional language, let alone a global one, runs into the fact that language constitutes a key element of the identity, bonds, history and culture of many existing communities, whether national or merely ethnic groups within a nation. This fact is used to oppose a shared language in numerous circumstances.

Far from seeking to embrace a shared language, many national and ethnic communities are deeply committed to protect and even promote their particularistic tongue. Thus, since the 1970s many of the Bretons of France have sought to revive their native language; they view Breton as an important element of the culture of the Brittany region that has been endangered due to French linguistic hegemony (Sonntag 2003: 45–52). Endeavours to promote Catalan in the four Spanish provinces and French in Quebec further exemplify efforts to preserve identity by protecting a particularistic language from a more widely shared one. Opposition to English is especially strong as it is associated with American military and cultural imperialism.

In short, although the merits of a shared language can be readily outlined, the sociological and communitarian foundations of the opposition are at least equally strong. Hence the quest for a shared language best take, and has taken, a rather different course.

Particularism and Universalism

Like most stark dichotomies, the opposition between particularism and universalism is greatly overstated. Societal designs are not limited to either keeping one's community, identity and culture or submerging them into a more encompassing sociological entity. That people's worldview is either that of

villagers (of 'locals') or—cosmopolitan. Similarly, it is a serious sociological misunderstanding to assume that people are either dominated by local, particularistic values or by universal ones, such as those encased in the United Nations (UN) Universal Declaration of Human Rights. The same simplification is evident among those European and Japanese intellectuals and community leaders who see the only options open to dealing with immigration as either multiculturalism or assimilation.

Societies are typically composed like Chinese nestling boxes, in which smaller communities are integrated into more encompassing ones, and these often into still more encompassing ones. (Hence, it is best to consider a society as a community of communities, not one that holds X millions individuals, as a two or multiple tier social structure [Etzioni 1996: Chapter 7].) The said integration is achieved by dividing loyalties and identifications between those where more encompassing entities take precedence (for example, the nation, in most matters concerning relations with other nations) versus those in which the smaller communities govern (for instance, in the US, a good part of the curriculum of a given school). There are considerable variations in the ways national and local communities share people's commitments and affections, but most if not all societies have at least two layers of such commitments. Moreover, over time one layer tends to gain over the other. For instance, in US history until the 1870s, local loyalties often trumped national ones; after the Civil War, national loyalties grew stronger. Since World War II, several attempts have been made to introduce additional layers of loyalty, regional ones—of which EU is the most successful case in point—as well as building up some level of commitment to the global community, especially to the United Nations.

This model of a two-tier structure, of layered loyalties and identities, the combination of local and cosmopolitan culture, provides a model for a global language that will have many of the benefits of such a tongue and be much less damaging to the extant constitutive role of language to particularistic communities. Following such a societal design, one would seek not to replace particularistic languages that are constitutive of various communities but add a universal language to them, a *second* language that all would share. For instance, the French could continue to study and speak French as *the* 'mother' tongue, enjoy all the subtleties of its literature, particular imagery, nuances and identity-affirming content. However, when communicating with members of other societies, they would draw on one and the same shared language. (To put it differently, the model of layered loyalties and identities views the global language as additive, rather than as a language that would replace particularistic ones. These particularistic languages serve constitutive roles in communities; seeking to displace these languages would be subtractive.)[4] This approach

may seem very plausible, even self-evident, until one notes that it requires that the second language taught and used by all nations would have to be one and the same. If this development is to take place, it would require a major change in public policies of many nations, we shall see shortly.

English: The De Facto Lingua Terra

In theory, a UN commission could examine the issue and answer the question: which language would best serve as the second, global language? In effect, this decision has already been made, although not as a result of any meeting of any deliberative body. As is well known, English has become the de facto global language, although numerous nations still resist its use—often because they conflate protection of their primary language with a need to reject a shared secondary one. The fact that English has not been recognized as the said global language is highlighted by the fact that although members of the EU very often communicate with one another in English (Tagliabue 2006: A–10), they not only maintain the use of 23 primary, particularistic languages but have not agreed on a secondary one. Thus in 2002, the heads of state or governments at the Barcelona European Council called for 'a sustained effort to improve the mastery of basic skills, in particular by teaching at least two foreign languages from a very early age' (Eurydice 2004: 3). Any two.

One may say that Chinese is in actuality the language more people speak than English, and hence it is the proper terra lingua. However, we are looking not for the largest number of people, who speak to other members of their nation or civilization with a particular language, but the number of those who use a given language to communicate across borders and cultures. Here English—whether desired or not—has reached a level that makes it difficult to imagine how it could be replaced.[5] Nearly a quarter of the world's population (between 1.2 and 1.5 billion people) are fluent or competent in English (Crystal 1997: 4–6). An article entitled, 'The New Latin: English Dominates in Academe' reports:

> Ninety-five percent of the 925,000 scientific articles published in thousands of major periodicals in 1997 were written in English, according to Eugene Garfield, founder of the Science Citation Index, which tracks science publications. But only half of the English articles originated in English-speaking countries. The trend toward publishing in English began after World War II and has accelerated over the past 20 years. (Bollag 2000: A–73)

Increasingly multinational corporations and comparatively smaller companies with a global clientele use English as their working language. Among the companies that participate in this trend are French luxury goods' retailer Moët Hennessy–Louis Vuitton (LVMH) and Italian appliance maker Indesit Company (formerly Merloni Elettrodomestici). European aircraft manufacturer Airbus' working language has been English since it was established (Tagliabue 1998: D–1; 2002: A–15). The German postal service, Deutsche Post World Net, is increasingly using English as its working language.

In 2002 French President Jacques Chirac announced plans for a competitor to Cable News Network (CNN), the British Broadcasting Corporation (BBC) and Voice of America. He envisioned a 24-hour satellite news channel to present a French perspective in a world where he saw these other news channels as presenting an Anglo–American perspective. His plans were dubbed 'CNN à la française'. But by 2006, the broadcaster's executives decided English would play an important role, one channel would be in French and another would be in English. As a spokesman for France 24 explained the decision, 'Eighty per cent of our target audience will be anglophone. If we want pluralism in the field of international television news, we cannot ignore this. Our viewers will be opinion formers, journalists and people who travel a lot, and the language most common to them is English' (Randall 2006). Russia already has an English-language channel launched in 2005 (Russia Today). The Emir of Qatar's Al-Jazeera launched an English-language channel in 2006 (Al-Jazeera International). Iran has plans underway to start one (Press). In addition, China is considering establishing an English-language news channel (Berger 2005; Bryant 2006; Holton 2006; *The Economist* 2006). Whether their intentions are to make profits, win influence or spread their values, all these nations see having an English voice as a key part of their communication strategy.

In some areas English has been officially recognized as the globally shared language, for instance, as the language of air traffic control. Only rarely does insufficient English cause airplane crashes these days. The 20 December 1995 crash of American flight 965 in Cali, Colombia was partly due to an English communication failure between the native-Spanish-speaking air traffic controller and the native-English-speaking pilot. The pilot, realizing he was running out of fuel, requested permission to land using phrases like 'need for priority' and 'landing priority'. The urgency the pilot meant to convey was not detected by the air traffic controller. The plane eventually crashed into a mountain, killing all 72 on board (Tajima 2004: 458).

Thus, de facto, English has established itself as the global language, as the second language for many nationalities who maintain their primary 'mother' tongue.

Leading Hindrances and Responses

It may seem at first that all is well in the sense that the people of the world have, in effect, chosen a shared second language. Moreover that gradually more and more people are acquiring a command of this language, although in varying degrees of competence. However, there are several factors that delay this development. The hindrances involved deserve attention because, to the extent that one concludes that on balance such a shared language is beneficial for instrumental purposes as well as the building of more encompassing communities including a global one, overcoming these hindrances would accelerate the development of such a language.

English as Threat to Particularism

One factor is the widely held view that the learning of English—even as a second language—undermines the primary constitutive language of a given community. For instance, various cultural authorities are alarmed by the introduction of English terms and phrases into the national languages; Japanese, Brazilian and French language experts have expressed concerns about encroachment by English words.[6] English words that have infiltrated Japanese include outsourcing, back office, redundancy, accountability, negotiation, literacy, interactive, helper, nice and treatment (French 2002: A–4). Like the Council on the Japanese Language, the Brazilian Academy of Letters has been called upon to take action as some believed Portuguese was borrowing excessively from English, including words like drive-in, hot dog, personal banker and milkshake (Rohter 2001: A–4). However the fact is that these penetrations are limited in scope. *This is repeatedly and strongly demonstrated by the fact that in the modern age national languages continue to dominate even in nations in which most citizens have a considerable command of English*. The said penetrations, that annoy purists, can be further limited by providing local terms as various language academies have done and by proper schooling. Indeed, the Académie Française points the way by its creation of French equivalents to English words (Ross 2004: 23). For instance, the Academy has replaced English intruders start-up, e-mail and web with *une jeune pousse*, *message electronique* and *la toile*.

Furthermore, when English words are adopted, they are often modified to fit the prevailing national idiom and grammar. Thus verbs borrowed from English, when used in Holland, pick up the Dutch *-en* ending: to download in

English becomes *downloaden* in Dutch, to log in becomes *inloggen* in Dutch, to e-mail becomes *mailen* in Dutch (Booij 2001: 351–61).

Second Language Constitutive Effects

Closely related is the recognition that even a second language has some constitutive effects, both on the national and on the more encompassing communities. This holds for both instrumental and cultural reasons. Instrumentally the more people command a given language, say English, the more likely they are to conduct business transactions with whom they can readily communicate, and less with those who speak only Japanese, Russian or some other language. Those who purchase equipment are more likely to purchase it if accompanied with English manuals or codes, and so on. Such people are also more likely to view English speaking movies, read English magazines and books, and study in universities abroad in which English is spoken. Thus, nations whose citizens command the second, global language as their first one are reaping economic benefits and extending their cultural influence.

These effects can be mitigated, albeit not wiped out. Companies from many nations learnt to include English manuals with the equipments; movies are dubbed—with particularistic languages which reduces the temptation to watch them in English. Local cultural products (such as plays, movies, novels) are subsidized. Other measures draw on translations produced by automated means (for example, Google translator, Altavista Babel Fish).

Wisely, World Trade Organization (WTO) regulations recognized cultural exceptions to free trade, allowing for 'protectionist' measures for cultural products (Figenbaum 2001: 8–11). Cultural sensitivity in the sphere of world trade originates in a provision of the General Agreement on Tariffs and Trade (GATT), 'to protect national cultural treasures, of artistic, historical, or archaeological value'; this sensitivity towards culture was bolstered by the cultural exception, established in part due to French concerns during 1990's world trade negotiations (Kennedy 2002: 92–93).

The development of the Internet and the World Wide Web (WWB) further illustrate both of the special privileges gained by those whose primary language is chosen as the world's second one, and the range of possible adaptations. The Internet was developed in the US, with mostly English-speaking users; in addition, a large amount of computer software is written in English (Bollag 2000: A–73). The US governed the use of the Internet. The very substantial productivity gains that ensured were initially largely reaped by English-speaking people, especially Americans.

Over time the Internet accommodated, enabling communication in other languages; the number of people who speak other languages and use it has greatly increased. Also, its governance is moving towards body that is increasingly independent from the American government, as the Internet Corporation for Assigned Names and Numbers (ICANN) 2006 agreement with the US Commerce Department demonstrates (Shannon 2006: C–4). Thus, although those who command English as their primary language continue to have an advantage in cyberspace, this advantage is being curtailed and is likely to continue to decline in the future.

Finally, one ought to note that if it was not English, some other language would reap the same benefits. The only way to avoid such a tilt is to introduce a new language which no nation currently uses as the second global tongue; experience shows such languages are impractical.

Policy Implications

To review our discussion up to this point, before turning to its policy implications:

1. Instead of trying to find one language that all people will adopt, the world is leaning towards maintaining various national and ethnic languages and is using English as second language for cross-national communications. This combination allows nurturing local cultures as well as the flourishing of the international realm.
2. The choice of English has economic and cultural benefits for nations whose citizens speak English as their first language. These can be countered to some extent but not eliminated.
3. Accepting the remaining tilt seems preferable, compared to the alternatives of having no shared language or trying to institute a universal primary language.

The question hence arises: what are the implications of the preceding analysis for policymakers? Clearly those languages which are taught in a given school system can be used to communicate with public authorities; are recognized as the basis of treaties and other legal documents; are employed on a variety of communication devices from street signs to ballots; and are subject to public policy. Public policy, hence, plays a key role in determining whether the development of a global language is accelerated or slowed down.

For instance, in Quebec the provincial government attempted to erode the use of English and promote French forcefully with the Charter of the French Language. Amongst other rules, this 1977 law required commercial signs in

French to replace multilingual signs in English and French, as well as English-only signs. The Canadian government defended this bill before the Supreme Court of Canada[7] and the UN Human Rights Committee.[8] Ultimately, a compromise resulted where both English and French were permitted, though the French must be markedly predominant (*CBC News Online* 2005). The *Office québécois de la langue française* continues its mission to ensure that 'French is the normal and everyday language of work, communication, commerce and business in the civil administration and in enterprises.' (*Office québécois de la langue française* 2006) The *Office* threatened lawsuits against toy and video game makers (Sony and Nintendo) for not meeting French standards for game instructions and product packaging (*CBC News* 2000).

The EU has not come to terms with this issue. As already noted it continues to use 23 languages in its official business, but while it is urging that all students learn a second language (it leaves it to each school system what that language is going to be [Eurydice 2004: 23]).

The Significance of a Linguistic Educational Presumption

Whether public policy should be used to strongly promote English as the global language or merely ensure that people learn 'foreign' languages depends greatly on a variable not often discussed or studied—the level of efforts required to gain fluency in additional languages. If acquiring one or more additional languages can be readily achieved, then the question which second language public policy should promote is largely moot. People could learn say French as their second language and English as their third one, or even fourth one. In contrast, if gaining fluency in even one additional language to the primary one is very arduous for most people, then which language is chosen as the secondary one gains considerable policy importance. Under these conditions, if English is not chosen as the second language, most of the people involved will not learn to speak and read it effectively; the people of that nation will be disadvantaged; and the development of one global language will be slowed down. This in turn will have detrimental effects on global transactions and community building.

I was able to find only anecdotal evidence that shows that it is widely assumed by policy-makers, educators and the public at large that learning additional languages is not a particularly onerous task. For instance, it is often suggested that Americans only have a command on English while people of many other nations speak and read in several languages. The Dutch and the Swiss are often held up as examples of people who speak several languages—German, French and Italian, for instance, in Switzerland—and learn English to boot. Children are said to learn two or more languages with great ease.[9]

Actually, informal observations suggest that the opposite is the case: many Swiss citizens do not have a command over three languages. Indeed, Swiss linguists refer to the 'collective myth of the multilingual Swiss' (Demont-Heinrich 2005: 73). Informal interviews with several Swiss colleagues and diplomats found that most Swiss citizens have a rather limited command of other Swiss languages than the one used in their parts. As professor of German, Ernst Apeltauer, reported in 1993, 'no more than about 6.2 % of Swiss can be called multilingual (in a strict sense), with the majority of the Swiss population having no more than two languages at their disposal' (Apeltauer 1993: 275). In Canada, although both English and French are official languages, only about 18 per cent of Canadians know both (Statistics Canada 2001).

In assessing the extent most people, in most circumstances, find it difficult to acquire additional languages, the issue arises: what constitutes 'fluency' in a given tongue. To further explore this matter requires taking into account that the acquisition of additional languages is affected by several factors. These include the extent to which the second languages are of the same family of languages as the mother tongue; the sociolinguistic position of the mother tongue relative to the second language (for example, status as the dominant or minority language)(Horwitz 1986: 686); and the broader social context (for example, community expectations)(Goldin 1987: 650; Strevens 1978: 185, 179–203).[10] When taking into account these factors, linguists and language educators divide second language learning into five stages: pre-production, early production, speech emergence, intermediate fluency and advanced fluency. The pre-production stage encompasses the period when the learner is not yet speaking; learners are building their receptive vocabulary. This period may last from the first 10 hours to six months. In the early production stage, the learner can speak in one or two word phrases. The vocabulary of the learner is about 1,000 words. This stage may take from six months to a year. During the speech emergence stage, the learner can use simple phrases and sentences. The vocabulary of the learner is about 3,000 words. Learners reach this phase after one to two years of study. The intermediate fluency stage is characterized by a vocabulary of 6,000 words and more complex sentences in speech and writing. In intermediate fluency, the learners can express opinions and share their thoughts. Learners may reach this stage after two to three years of study. After four to ten years of study a learner reaches advanced fluency (The Bank Street College of Education; Seattle Public Schools). In short, most people, most of the time, find gaining fluency in another language a demanding and laborious task, as revealed by the amount of efforts required and the time it takes to accomplish the task.

Policy Implications

Assuming, for the sake of argument, that most people, under most circumstances, find it difficult to learn or become fluent in a second language, let alone a third one, what policy implications follow?

1. Policies that promote merely primary languages and actively agitate against the learning of English[11] (as distinct from seeking to limit the intrusion of English terms), hinder most the development of English as a global language (EGL). The kind of policies pursued by Quebec already cited, are a case in point.

2. Policies that encourage students to learn languages other than English as the second, and even third language, say Russian in Eastern Europe, are similarly detrimental.

3. Policies that merely encourage students and citizens to learn additional languages, but not one and the same second language hinder the development of EGL. This policy, we have seen, is officially embraced by the EU. (I write 'officially' because, practically, English is by far the most common second language taught in the EU)(Eurydice 2004: 11).

4. Policies that mandate the study of English as a second language are the most productive ones. Colombia, Chile and Mongolia have committed to becoming mother tongue–English bilingual. They aim to achieve this goal during the next decade (Brooke 2005: A–7; Graddol 2006: 89, 95).

In Conclusion

One can maintain the particularistic benefits of a communal language and still command a global one, as long as one does not try to replace the primary languages with a universal one but instead draws on the global tongue as a second language. However to advance this goal, a key element of building a global community on top of the local ones, requires that the various nations involved choose the same second language. Although theoretically what language this second one is going to be could be determined by a consultation among the nations of the world, in effect English occupies this position. Public policies in many nations that promote second languages but not the same one because of their opposition to English (often conflating preventing English penetration into the primary language with resisting it as the second tongue).

They thus delay overcoming the babble effect at a great cost to global laws, shared understandings and economic transactions. Their policies would be less detrimental if most people, most of the time, could readily acquire English as a third or fourth language. However gaining fluency in a language is difficult under most conditions. Hence the importance of choosing English as the second language while protecting the primary ones.

Notes

1. In fact, sharing a global, common language may promote bilateral trade. See Ku and Zussman (2006).
2. Spanish: *patrimonio espiritual y moral*; Italian: *patrimonio spirituale e morale*; Portuguese: *património espiritual e moral*; Dutch (a Germanic language): *geestelijke en morele erfgoed*.
3. These are, respectively, *instituant*, *istituisce* and *institui*.
4. On this point, see Wojtowicz (2006: 4); Lambert (1981: 9–22).
5. '….English has at last become of age as a global language. It is a phenomenon which lies at the heart of globalisation: English is now redefining national and individual identities worldwide; shifting political fault lines; creating new global patterns of wealth and social exclusion; and suggesting new notions of human rights and responsibilities of citizenship' (Graddol 2006: 12).
6. For more on Japan see French (2002: A–4); for more on Brazil see Rohter (2001: A–4); for more on France see *The Economist* (1996: 54). Also see Sonntag (2003: 45–52).
7. Ford v. Quebec decision of the Supreme Court of Canada. Available online at http://www.csc. lexum.umontreal.ca/en/1988/1988rcs2-712/1988rcs2-712.html
8. John Ballantyne and Elizabeth Davidson, and Gordon McIntyre. 1989. Human Rights Committee. Communications Nos. 359/1989 and 385/1989, Doc. CCPR/C/47/D/359/1989 and 385/1989/Rev.1 (1993). Forty-seventh sessions, University of Minnesota. Available online at http://www.languagefairness.ca/Source_files/Uploaded/BallantyneDavidsonMcIntyrev Canada.htm
9. For a discussion of English for young learners, see Graddol (2006: 89).
10. For additional factors, see Cenoz and Valencia (1994: 197–209) and Sanz (2000: 21–44).
11. Some view English as the language of imperialism. For an overview of promoters of this perspective see Phillipson (1993: 35–37).

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18

Sites of Globalization: The Social and Cultural Origins of Community Libraries

GABRIEL IGNATOW

Introduction

Community libraries, including rural and urban, local and branch libraries, and mobile library services, are major social institutions in communities around the world. They provide all age groups with valuable cultural resources, including access to books and other media, to calm and quiet settings for reading, and to public spaces for community events. They have often been sites of political and cultural conflict, as in debates over censorship. They are also social institutions that encourage global cultural exchange: in many communities, a local library, reading room or mobile library (such as a bookmobile, or even a camel- or horse-based book service) may be the only available source of access to books, newspapers and the Internet. Community libraries are thus agents of, and locations for, cultural exchange and awareness.

In developing countries in particular, community libraries are not only settings for cultural globalization, but are themselves examples of the diffusion of major social institutions from core countries to peripheral ones. Within developing nations, scholars and activists from developed Western nations work to promote ideals and techniques of modern librarianship. Through global institutions such as the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the International Federation of Library Associations and Institutions (IFLA), Western elites provide guidelines, funding and international standards for the establishment and operation of community libraries worldwide. UNESCO's goals for library development, and

even their definition of what constitutes a library, are picked up by elites in developing countries, and through these groups impact cultural policy around the world. In this way the goals, definitions and justifications espoused by UNESCO and the IFLA may provide clues to the global spread of various forms of community libraries. A recent UNESCO report, *Towards Knowledge Societies* (UNESCO 2007), portrays community libraries as conduits for global cultural exchange:

> As a true cultural center and clearing house for knowledge, the library could represent a kind of portal for new knowledge, often serving as a link and junction point between the local and the global. Its anchorage in the local network enables it to play its public role in cultural and social mediation, and in the shaping and transmission of knowledge in its diversity. Libraries will thus be a basic tool for the promotion of linguistic and cultural diversity, not by confining themselves to a heritage function but by allowing this diversity to be incorporated into living practices. (UNESCO 2007: 67)

The authors of the *Knowledge Societies* report also argue that libraries are motors of economic development, and as providers of equal access to information across social strata, they occupy '…a central place among the economic challenges of the new information paradigm. Libraries will have an important role to play in bridging the digital divide' (UNESCO 2007: 62).

The IFLA, 'the global voice of the library and information profession' (www.ifla.org), cooperates extensively with UNESCO and espouses similar goals and justifications for community library development. The authors of a 2006 report based on the 2003 World Summit on the Information Society (WSIS), held in Geneva, argue that 'a relatively modest investment in improving and expanding library services can yield big dividends in building an information society' (IFLA 2006: 2). In the information age, 'systematic and organized access to selected and quality-approved information is especially important in building up human capacity. Libraries should be included as an essential component in each country's e-strategy' (IFLA 2006: 2).

International non-governmental organizations based in the West, such as UNESCO and IFLA, promote community libraries worldwide as agents of global cultural exchange and national, community and individual development. Yet, while community libraries are both cause and consequence of complex, multidimensional globalizing forces, they have not been much discussed by analysts of globalization. This may be due to the relative novelty of globalization as a topic of intensive speculation and study. Also, as examples of globalization, the importance of community libraries may not be as obvious to Western researchers as are the social effects of more dazzling forms of cultural, technological and economic globalization (such as the Internet, economic liberalization, and so on). But the social relevance of community libraries to

their patrons and to the broader communities they serve is not to be doubted. There would seem to be more than a little truth to UNESCO's and IFLA's shared view of libraries as having the potential to provide entry points to the knowledge society and information-based economy, and as promoting development of the human capital required for nations to move upward in the global production chain. Beyond developing human capital, accessible community libraries have other social benefits. They encourage cosmopolitan attitudes and knowledge of unfamiliar ideas and customs (UNESCO 2007: 67). As such, they ought to be of more than passing interest to students of globalization, civil society and comparative national development.

In this chapter I trace the outlines of a global sociological approach to the establishment of community libraries and reading rooms. To some degree, my approach provides a sociological counterpoint to the self-understanding of international organizations involved in establishing such libraries, including UNESCO and IFLA. These organizations tend to fete community libraries as beneficent, democratic and modernizing institutions. In much the same way, until the 1970s library historians, particularly British and American ones, tended to celebrate public libraries uncritically, and presumed that they are established by enlightened, socially minded elites (Harris 1975). As a consequence, for decades critical or sociological perspectives on the causes of the establishment and maintenance of libraries were absent from both mainstream library policy and library scholarship. Beginning in the 1970s, however, library historians began to question the dominant 'progressive narrative' of library system development (Harris 1973, 1975; Du Mont 1977), and tried to work out alternative, revisionist approaches to library history. For this chapter I draw on revisionist library history, as well as on more recent sociological studies of cultural institutions and movements—including art, sport and moral reform movements—that critically approach questions of how major cultural institutions are established. I argue that historical and sociological studies show rather clearly that the social origins of community libraries generally lie neither in public demand for libraries, nor in enlightened philanthropy by local, national or global elites. Rather, historical studies of community libraries in Scotland and the United States (US) suggest that such libraries were in large measure established by conservative elites in response to a perceived threat by groups not sharing elite culture, including immigrants, religious minorities and the rural poor. I find similar dynamics at play in the establishment of community libraries in the 20th century in South Korea and Turkey, and discuss the relevance of these patterns for scholarly understanding of how globalization interacts with local conflicts and institutions.

Social Origins of Community Libraries

While globalization researchers have not paid much attention to community libraries, and while library scholarship has 'lagged behind other disciplines in focusing on…international issues' (Stueart 1997), library scholars have recently begun to address globalization theory, and more generally, think of their work in global terms (see Curry et al. 2002 for an overview). Themes familiar to students of globalization have emerged from library studies in recent years, including notions of the global information society (Dubey 1986); debates over libraries as agents of Westernization and cultural homogenization versus glocalization (Dorman 2001; Manoff 2001); questions of whether Western aid for libraries in developing nations is a form of neocolonial exploitation (Mills 1994); the colonization of independent local library systems by multinational corporations (Hunt 2001; Rikowski 2002); and the devolution of state authority over libraries to regions (Kamil 2003).

What is missing from the mostly practitioner-oriented scholarship on community libraries and globalization is any systematic or critical understanding of community libraries' social and political origins. Harvey (1973) and others have criticized librarianship, a field in which 'factual and narrative papers greatly outnumber analytical papers', for its local problem-solving orientation that begets research that is 'descriptive, anecdotal, superficial or suggestive and of only fleeting usefulness'. Much of Anglo-American library history has been not only descriptive but hagiographic, uncritically celebrating the benevolent contributions of enlightened individuals involved in the creation and maintenance of library services. As early as 1937, the library historian James H. Wellard (1937), writing in the British journal the *Library Association Record*, reported on public library support given by a group of enlightened and liberal individuals who believed that libraries could elevate the masses, and so promoted them as a 'democratic remedy for inebriety, ignorance and degeneracy'. American library historians concurred with this vision and through the 1940s they discussed public library origins as part of the progress of American democracy. The numerous 'causes' for public library growth included the establishment of free public schools, the growth of suffrage, the contribution of philanthropists, increased leisure time for the working class, the growth of adult education and increased urbanization (Du Mont 1977: 5–6). Shera (1949) viewed the birth of the public library as a manifestation of the democratic spirit and ideals of the American people: 'Borne on the rising tide of modern democracy, it [the public library] evolved as society itself developed' (p. 248).

Only since the 1970s have some historians begun to question the 'progressive narrative' of library history. Most prominent among them, Harris (1973, 1975, 1986) pioneered a revisionist turn in American library. Harris suggested that public libraries had developed as essentially stabilizing forces in the community, out of a fear of radical change and a desire for social stability, not as a sign of a belief in democracy. The major benefactors of America's earliest public libraries were conservative elites and the libraries they supported were authoritarian and elitist. Libraries were to serve as a 'conservator of order' (Harris 1975: 8) in an ever-more chaotic world. They would educate the masses so that they would follow the 'best men' and not demagogues, 'stabilize the republic' and aid in the education of the elite minority who would someday lead the nation.

Social theorists and social scientists have not taken much of an interest in public libraries or their history, yet for sociologists, political scientists and students of globalization and comparative national development, community libraries present significant conceptual and theoretical challenges. In terms of theories of class conflict or rational-choice approaches, it is hard to conceive of why community libraries exist in many parts of the world. They are costly to create and maintain, and in many countries there seems to be little public demand for local library services. Rather, in many settings libraries are seen as foreign institutions and book reading is an unfamiliar custom (Asheim 1966: 49).

If there is often not much public demand for local library services, or if at any rate such services are not often a top priority, then perhaps it is more accurate to view community libraries, as American revisionist historians do, as having been established by local, national and global elites, and as such reflective of elites' interests and ideologies. Yet there would appear to be many obstacles to elite investment in local libraries. Unlike large urban libraries and university collections, rural and urban community libraries do not confer much status on the nation or on philanthropic national elites. Furthermore, in so far as they encourage public literacy and a relatively free flow of information to local subalterns, community libraries may provide breeding grounds for anti-hegemonic, heterodox ideological currents, such as Marxism, atheism, ethnic separatism, or minority religious traditions. Community libraries are complex and costly to operate and they produce little in the way of short-term economic returns. Finally, by providing non-elites opportunities to gain cultural capital, knowledge and skills, community libraries may threaten elite social reproduction (Asheim 1966: Chapter 2).

What, then, are the social and political factors that contribute to the creation of community libraries? Under what circumstances do nations invest in local libraries, reading rooms and mobile library services? And how have forces of economic, political and cultural globalization created circumstances facilitating

or impeding the creation of community libraries, particularly in developing countries? In order to address these questions, in this chapter, I review historical studies of the origins of community libraries in Scotland and the US—two countries with long-established community library systems on which substantial research has been conducted. From these mostly revisionist historical studies and recent sociological studies of the diffusion of cultural institutions such as artistic genres and sports, I develop hypotheses based on concepts of elite social position and cultural threat, and the unanticipated long-term consequences of library formation. I then turn to the more recent historical cases of South Korea during and after Japanese colonial rule, and of Turkey since the formation of the Turkish Republic. Although there is substantial variation in the historical trajectories of the establishment of community libraries in these four nations (Scotland, the US, South Korea and Turkey), I argue that they show a common pattern whereby national or colonial elites, threatened by groups not sharing elite culture, established community libraries to promote elite values, attitudes and standards of behaviour among the general population. I discuss possible directions for future research on the topic of community libraries and the relevance of such research to broader theoretical approaches to globalization and development.

Libraries as Cultural Institutions

Much influenced by Pierre Bourdieu's studies of arts participation, taste and class (for example, Bourdieu 1984), sociologists' studies of art genres, artists and cultural institutions such as museums have rapidly grown in number since the 1980s. Research in the sociology of culture has generally employed standard sociological concepts related to class, power and status, and standard quantitative and qualitative methods to explain the emergence and spread of cultural practices and institutions (for example, DiMaggio 1977; Griswold 1981; Peterson 1990). Recently, some sociologists of culture have called for a more global approach to the field (for example, Griswold 2003; Kaufman and Patterson's 2005) study of the global diffusion of cricket provides one particularly useful example of a global sociological analysis of a form of popular culture. Kaufman and Patterson propose that the diffusion of transnational cultural practices needs to be seen as systematically influenced by local elites. Specifically, they argue that in Africa, India, Asia, Australia and North America, the degree to which national elites chose to either appropriate cricket and deter others from participating, or else to actively promote it throughout the population for hegemonic purposes, largely determined the game's success.

The authors argue that, perhaps surprisingly, social inequality can play an important role in cultural diffusion (cf. Clemens and Cook 1999; Dobbin and Sutton 1998; Strang and Meyer 1993). In the case of cricket, it was precisely the stable status inequality between those who brought the game from England and the indigenous populations that adopted it that accounts for its successful diffusion. Where colonial elites experienced social stability, they

> …felt comfortable sharing their pastimes with the masses. Elites actively promoted and stuck with the game even after it became a sport practiced by low-status members of society. Thus, cricket became a popular sport played and enjoyed by all. (Kaufman and Patterson 2005: 105)

English elites in colonial India encouraged their subjects to play cricket for 'hegemonic reasons', for the game's professed ability to 'discipline and civilize men, English and native alike' (Kaufman and Patterson 2005: 91). Colonial elites in India, comfortable in their place atop the social hierarchy, had little reason to discourage those beneath them from playing a game that reinforced British cultural hegemony. In contrast to the pattern in India, in Africa the virtual absence of a dedicated white settler population contributed to a 'garrison mentality' in which the English sought to mollify, rather than civilize, their subjects. Thus, in general, colonial elites in Africa did not actively promote cricket as a popular sport. The situation in the US and Canada differed from that in both India and Africa. In North America it would appear that it was the very lack of a rigid social system that encouraged elitist attitudes towards cricket. There cricket became a marker of high social status and as such was not promoted among the general population. Thus, Kauffman and Patterson argue that the relative stability of elites' social position strongly influenced the spread of cricket throughout the British colonial system.

In a similar manner, Beisel (1997) has argued, in a study of 19th century moral reform movements in the US, that the success of Anthony Comstock's crusade to establish 'Societies for the Suppression of Vice' in New York, Boston and Philadelphia differed due to differences in elites' social positions in the three cities. Beisel focuses on how Comstock worked on the anxieties of the upper classes of each city and suggests that his censorship crusade was successful in New York and New England, where numerous new laws were passed; but was less successful in Philadelphia, due to New York and New England elites' fears of immigration. Comstock linked the moral corruption of elites' children to immigration and his tactic of playing on elites' fears succeeded in New York and Boston, where minorities posed a political threat to the upper classes. Elites came to see immigrant culture (that is, liberal cultural standards) as a threat to their cultural reproduction, and in response attempted to control children's environments through the creation of elite boarding schools and the formation of a Eurocentric high culture that united the country's upper

class. Beisel's study differs from Kaufman and Patterson's in terms of the precise mechanisms by which elites' social position influences the diffusion of cultural practices. In the case of cricket, colonial elites' relative security allowed them to make cricket accessible to the general population at little social cost; while in the case of Anthony Comstock's moral reforms, elite insecurity was the crucial ingredient. In both cases, however, elite social position and cultural threats to that position were crucial elements determining the success or failure of major cultural movements and institutions.

In what follows, I will take a page from both revisionist library history and sociological studies of cultural institutions to argue that the social origins of community libraries lie neither in public demand for libraries, nor in enlightened philanthropy by local, national or global elites. Rather, I will suggest that, first in Scotland and the US, and later in South Korea and Turkey, community libraries were in large measure established by elites in response to the perceived threat of groups not sharing elite culture. Only later were they gradually transformed in liberal directions. This history, I will argue, has great relevance to how scholars and practitioners may approach libraries and other global cultural institutions.

Scottish Community Libraries

Scotland provides one of the earliest examples of a successfully established community library system, the origins of which date back to the late 17th century and the Scottish enlightenment. The first Scottish community libraries took various forms but the predominant one was the subscription library. These were run like clubs, with members paying an entry fee to join and an annual subscription. These small libraries grew out of the work of private collectors but mostly due to the efforts of Episcopalian book collectors and clergy, strategies of wider access soon began to emerge. Episcopalian clergy took the lead in the democratization of libraries, developing liberal traditions of book use which included literature, history and law as well as books on religion which covered a wide theological spectrum (Crawford 2002: 2).

In the 1690s, the Scottish Episcopacy was abolished in favour of Calvinist church government and Calvinists took control of the universities. Many Episcopalian clergy, including leading book collectors, lost both their parishes and contact with the universities which they had formally patronized with gifts of books. Now they began to look to local communities as potential beneficiaries of their patronage. The resulting public libraries tended to be small, usually not exceeding a few hundred volumes, and were located mainly in east and central Scotland (Crawford 2002: 2). Although at first hostile to Episcopalian

traditions of book use, the ascendant Calvinist clergy soon became more sympathetic, partly because of the need to tackle the problems of ignorance, alleged irreligion and political instability in the Highlands. In 1705 the General Assembly of the Church of Scotland adopted a proposal by James Kirkwood, a former Scottish Episcopalian clergyman, to set up small libraries in the Highlands. The scheme was a watered down version of that proposed by Kirkwood in a publication entitled 'An overture for founding and maintaining of Bibliothecks in every paroch throughout this kingdom, humbly offered to the consideration of this present Assembly' issued in 1699. This proposed, *inter alia*, that every parish in Scotland should have a library and that a union catalogue of all the libraries should be centrally maintained. The latter proposal did not come to pass, but libraries were eventually established in much of Scotland.

Large public libraries were first established in Scotland in the 18th century. These were partly based on the circulating library but much more on the subscription library. At this time, the subscription library movement was divided along class lines, with separate libraries for the middle and working classes. Middle-class subscription libraries were often poorly administered, and the main thrust of institutional expansion lay with working-class subscription libraries, the first of which was founded at Leadhills in 1741. Studies of the origins of the Leadhills Reading Society (for example, Jackaman 1980) provide clues to this development. The lead mining companies who dominated the mining village of Leadhills enjoyed a well justified reputation for paternalism. Their overall aim was to create well disciplined communities with some appreciation of the constructive use of leisure, as the miners had long had a reputation for unruliness and violence. In the 1730s and 1740s the mining company introduced a comprehensive reform programme comprising a reduction of the number of ale sellers, a shortening of the working day to six hours to lessen the danger of lead poisoning, and the introduction of old age pensions, sickness benefits, a charity fund, and the foundation of a local library. The library's prospective members had to pay a small entrance fee and an annual subscription. The librarian was responsible for keeping the library in good order, issuing and discharging books, and keeping a record of the library's stock. Observation of the physical condition of books was done by the inspectors who examined returned books for damage on loan nights. They could also go into any member's house and demand to see the library books in his possession (Crawford 2002: 7).

From the 1790s onward, the spread of working-class libraries resulted in the growth of a large network of small community-based libraries. While these libraries were generally administered in an amateur fashion and had little or no contact with one another, they provided foundations for library expansion in the 20th century.

Community Libraries in the United States

> Free corn in old Rome bribed the mob and kept it passive. By free books and
> what goes in them in modern America we aim to erase the mob from existence.
> (American Library Association 1910: 18 quoted in Du Mont 1977: 39)

The Scottish model of community libraries had probably its greatest impact in
the US, through the efforts of 'history's greatest library benefactor', the Scottish
industrialist Andrew Carnegie. Carnegie immigrated to the US at the age of 13,
and in his later life established thousands of 'Carnegie Libraries', generally in
small towns, in the US, Scotland and elsewhere (Harris 1995: 246). Prior to the
establishment of Carnegie libraries in the 19th century, America's community
libraries were largely sectarian, conservative and narrowly practical. They were
established, partly, to limit religious dissent and were expanded, especially in
cities, as part of an effort to preserve social order.

Colonial New England libraries, or 'town book collections', generally con-
tained religious texts and narrowly practical reading material. This combination
reflected the 'New England belief in the efficacy of educational institutions in
preserving one's religious faith' (Du Mont 1977: 13). The Reverend Thomas
Bray, an Anglican clergyman who sponsored public libraries in England, was
interested in establishing libraries in the colonies, and between 1695 and 1704
was responsible for establishing some 70 libraries in America (Harris 1995: 182).
The colonial ministers who obtained libraries recognized the importance of
these books as a 'very necessary means of preventing the spread of dissent' over
religious matters (Du Mont 1977: 13). Because they received funding mainly
from private donors, Bray's libraries, most of which were located in the southern
colonies, dwindled in number over the course of the 18th century.

Another attempt at establishing public libraries involved establishing tax-
supported libraries in schools. Originating in New York State in the 1830s, this
movement was initially successful, but educational officers in New York were
discouraged by the slowness of the population to take advantage of the educa-
tional opportunities afforded by the libraries (Du Mont 1977: 16). Without pro-
per staff and quarters 'many of the books were lost or allowed to deteriorate.
The interest in the libraries was high at first but soon declined, and state laws
later allowed the library funds to be spent for other purposes' (Harris 1995: 190).

With urbanization and new waves of immigration in the 19th century, the
idea of tax-supported public libraries re-emerged. As in the colonial era, the goal
of 19th century libraries was to contribute to the 'uplift of the masses, and to
make men sober, righteous, conservative, devout' (Du Mont 1977: 18). The free
public library was a project led by elites, perhaps foremost among them George
Ticknor, a member of the first board of trustees of the Boston Public Library.

Ticknor, an upper-class intellectual and the 'acknowledged social and intellectual arbiter of Boston' (Harris 1995: 243), viewed the founding of the library from an elite vantage. Ticknor was representative of a class conservative in politics and aristocratic in social affairs, with a class philosophy emphasizing individual responsibility—a Protestant ethic by which each man had to accept the consequences for his own behaviour. These men also believed in the 'inevitability of stratification, persistence of natural inequality, necessity of aristocracy, importance of religion and morality, sanctity of property, unwisdom of majority rule, urgency of constitutionalism, and folly of all attempts at social and economic leveling' (Harris 1995: 19).

America's first large public library, the Boston Public Library, got its start in the 1850s, a decade in which a number of events were occurring to make old-line elites fear that their world was in danger of collapse. For the establishment in America, increasing industrialization of the country was viewed as a mixed blessing. On the one hand, it promised prosperity and continued economic growth; on the other, it was giving rise to large cities luring millions of poorly educated immigrants to the country, who, 'in the eyes of the "best men" of America, were ill-equipped to function effectively as citizens of a democracy' (Harris 1995: 242). The immigrants' numbers were alarming. By the 1850s, aliens constituted half the population of New York City and outnumbered native-born Americans in Chicago, Milwaukee and St. Louis. The new immigrants tended to preserve their own customs and habits rather than assimilating fully; and represented a new political power: rather than looking to native aristocrats for leadership, they supported Democratic party power bosses who were building big city political machines.

Fearing a loss of influence, conservatives looked to educational institutions to aid in assimilating the masses and making them willing supporters of their institutions and way of life (for example, Beisel 1997). No effort was spared to convince men of wealth that public education was preferable to revolution, and that it was its only certain preventive (Du Mont 1977: 20). Joshua Bates, the first donor to the Boston Public Library, put it this way:

> My experience convinces me that there are a large number of young men who make a decent appearance, but living in boarding houses or with poor parents, cannot afford to have fires in their rooms. Such persons in past times having no place of resort have often loitered about in the streets in the evenings and got into bad company, which would have been avoided, had such a library as is now proposed been in existence. The moral and intellectual improvement such a library would produce is incalculable. (quoted in Whitehill 1956: 38)

The men—and they were almost always male, Protestant, past their prime, wealthy, well-educated and a member of the social elite—selected to serve on the boards of America's public libraries were 'almost totally unfamiliar with

the needs, capabilities, and aspirations of the common man' (Harris 1975: 9). Branch libraries were touted as 'places where sons and daughters could go without fear'; that would have as their ultimate effect the peace, progress and prosperity of the community: the 'public library is preventative of crime and the more easily accessible and the larger number of attractive branches it may have, the more effective it becomes in its work' (*Cincinnati Commercial Tribune* 1902 quoted in Du Mont 1977: 40).

The desire of public librarians to preserve morality and stability in their communities is well expressed in an 1876 *Special Report on Libraries* sponsored by the US Bureau of Education. In a chapter entitled 'Free Libraries', J. P. Quincy began his essay by describing a typical New England town with the ancient barroom 'happily closed'. 'Instead of the barkeeper and his satellites, we find modest and pleasing young women dispensing books over the counter' of the new public library. Quincy then discussed the types of materials to be supplied by the library in its efforts to encourage self-development. He exhorted small libraries 'to exercise a reasonable censorship upon books' (US Bureau of Education 1876 quoted in Du Mont 1977: 23). A concern for order was coupled with condescension for the 'lowly people' who would want to read romantic literature.

The histories of the Scottish and American public library systems show that two of the most successful and egalitarian systems of community libraries were established by paternalistic, conservative, threatened elites. In the Scottish case, these included middle-class Episcopalian book collectors and ministers displaced by working-class Calvinists, and later industrialists seeking to promote social stability in unruly rural mining communities. In the American case, libraries serving the general public were established by colonial religious leaders seeking to squelch religious dissent and later by Protestant civic elites threatened by mass immigration. Historical case studies of community library systems in South Korea and Turkey suggest that these patterns are limited neither to Scotland and the US, nor to the 17th through 19th centuries.

South Korean Public Libraries

Over the course of the 20th century, South Korea developed extensive systems of community and national libraries, as well as degree-granting programmes in librarianship and information sciences (LIS). As of 1999, the country could boast of 32 undergraduate-level and 12 graduate-level LIS programmes (Chang 2000: 123). There are today also tens of thousands of rural mini-libraries, organized under the auspices of a national programme of rural development

(the *Saemaul Undong* 'New Village' movement), as well as an elaborate system of small urban libraries. South Korea has also, not unrelatedly, achieved the status of a developed country, with a high adult literacy rate, high global rankings on indices of national development, and an advanced technology- and export-oriented economy.

In this section, I provide a brief overview of the development of the Korean library system over the course of the 20th century emphasizing several points, including: *(a)* Protestant missionaries' introduction of a liberal educational tradition in the 19th century; *(b)* the development of libraries during the period of Japanese rule by both Japanese colonial elites and Korean nationalists; and *(c)* the subsequent American sponsorship of Korean libraries during the cold war.

Western Missionaries

In 1882, a 'treaty of amity and commerce' between Korea and the US opened the door to Western missionaries, particularly to American Christian missionaries of various denominations (Lee 1989). Missionaries opened large numbers of high schools and universities, many of which were later transferred to Korean control (Chang 2000: 88–90). Between 1885 and 1910, Western missionaries established 706 schools from elementary to college level, which made up approximately 35 per cent of the entire number of formal schools in the country at that time (Sohn 1988). These schools provided education that was egalitarian and liberal, and propounded values of humanism, individual rights including a woman's right to study and work, and the primacy of the law (Chang 2000: 91). American missionaries wrote texts in Korean, in the areas of pedagogy and the natural sciences, and they also sent Korean students to America to attend college, including training in librarianship (Chang 2000: 106). Although American missionaries were faced with indigenous resistance to their efforts, this was muted during the period of Japanese occupation (1910–1945), when Western missionaries and Korean nationalists shared a common interest in Korea's independence from Japanese authoritarian rule.

Colonial Elites and Displaced Nationalists

The 35 years of Japanese rule are generally seen as a dark period in the development of education in Korea. However, due to Japanese restrictions on the

formation and operation of schools by Korean nationalists and missionaries, more Koreans went to the US for study. When they returned home, these American-trained intellectuals served as a vanguard for the adoption of Western educational principles (Lee 1989). During the period of occupation, the Japanese colonial government contributed to the development of South Korean librarianship more directly by introducing American concepts of librarianship during Japanese rule (Chang 2000: 111; Lee and Um 1994: 12). American methods were introduced as part of a project of modernization and propaganda intended to weaken Korean nationalism. Thus Korean materials were excluded from libraries, and educational and professional opportunities for Korean librarians were sharply limited.

The United States Military
Government in Korea and the Cold War

Since Korean independence from Japanese colonial rule in 1945, the US has had an enormous influence on the development of South Korean education and librarianship. From 1945–1948, the country was administered by the United States Military Government in Korea (USMGK), who set out to reform the educational system. The USMGK promoted Korean educators, many of them trained in the US, to prominent positions in the Korean educational bureaucracy. The USMGK also sent larger numbers of Korean students to the US for studies and brought in American consultants to reform the education system along pragmatic and egalitarian lines.

Korea's library system was strengthened during this period as part of a USMGK programme of cultural propaganda. As part of the rebuilding effort, the USMGK established information centres to provide effective channels for transmitting American culture to Korean society, and United States Information Service (USIS) libraries were established in several major cities. From 1946–1947 the USIS shipped thousands of books and magazines to each library. Although most of this material was in English, the libraries were available to all Koreans free of charge. The USMGK also purchased the copyrights of American authors' works, which were then translated into Korean and made available to libraries at no cost (Chang 2000: 115). The Korean Library Association (KLA) was founded under the USMGK's decree in 1945, and given the task of further developing Korea's libraries and training future generations of librarians.

At the end of the Korean War in 1953, faced with the threat of Communist expansionism in Southeast Asia, the US began to increase its aid to South Korea. From 1953–1967, the US invested almost USD 20 million on Korean higher

education alone (Dodge 1971: 201). Through the US Foreign Operations Administration (USFOA), UNESCO, the United Nations Korean Reconstruction Agency (UNKRA), several American colleges and universities, and other American and international groups, the US poured aid money into Korea. According to a United States Agency for International Development (USAID) report, 57 non-governmental organizations from the US alone participated in assistance programmes in Korea during this period (see Chang 2000: 98–101). This aid helped lay the groundwork for several national library systems that were developed following the end of the Korean War, including the rural 'mini-library' and urban 'small library' movements.

The 'Village Mini-library' Movement

Ohm Dae-Sup, the pioneer of South Korea's system of village mini-libraries, was born in a small village in Korea but raised in Japan. He left Japan as the country's defeat in World War II appeared imminent, and on his return to what would become South Korea, Ohm carried with him over a thousand books that were to be the seeds of Korea's system of rural mini-libraries. A successful entrepreneur in Japan and Korea, Ohm decided to commit his life to the development of Korean libraries after reading a book about library management. While working for the Korean Library Association, he set up a privately run library in the city of Gyeongju, and operated mobile mini-libraries for farming and fishing villages. He established the 'Association of Village Mini-Libraries' in 1961, and later invested his personal assets in an attempt to expand the mini-library movement nationwide. His mini-libraries consisted of three key elements: a standard small bookcase; a reading club for young people in their late teens and early twenties; and a collection of 30 basic books (Park 2004: 493 quoted in Lee and Jo 2006: 8).

Facing financial hardship, in 1963 Ohm sought support for his libraries from the Ministry of Education. The national press mounted a successful campaign that urged citizens to contribute to the Mini-Library Association. The Ministry of Education gave its approval to the mini-libraries project and began to subsidize the cost of both books and bookcases. By the end of the 1970s, there were over 35,000 village mini-libraries in Korea, many of which expanded their services by developing ties to larger public libraries (Kaser 1966: 6035–38).

Strapped for cash again in 1981, the association was turned over to the government. It was incorporated into a larger public education initiative, led by the private sector that was intended to improve the country's public library system. This became the turning point for the country's efforts to install modern small libraries in all of Korea (Lee and Um 1994: 70–73).

The 'Small Library' Movement

In the 1980s, Korean library leaders sought to create small urban libraries that would serve as cultural, information and education centres for local residents. Later, aided by a 1994 national 'Library and Reading Promotion Law', small libraries emerged nationwide in apartment complexes, churches, town assembly halls, care centres, hospitals and military bases, and a 'Small Library Association' was formed. While generally poorly funded, the small libraries provided an institutional foundation for the more recent establishment of dedicated children's libraries (Lee and Jo 2006: 10–11), including a 2003 'Miracle Library' project led by 'Citizen Action for Reading Culture', a pan-Korean reading campaign. Reading movements have also been imported from overseas, including the 'One City, One Book' (www.loc.gov/loc/cfbook/one-book.html) and 'Bookstart' campaigns. The Bookstart campaign, which began in the UK, provides free picture books to infants who are under a year old.

In Korea in the 20th century, Ohm Dae-Sup and other liberal library reformers were able to build and sustain systems of community libraries because of institutional and cultural foundations laid by several groups. These include 19th century Protestant missionaries, who introduced liberal educational traditions to Korea; Japanese colonial elites threatened by Korean nationalists; Korean nationalists under Japanese occupation threatened by Japanese cultural hegemony; and the United States engaged in cold war realpolitik and threatened by Soviet expansionism in Southeast Asia. As in the Scottish and American cases, neither public demand nor beneficent elites appear to have been the main motivating factors in the establishment of national systems of community libraries.

Libraries in the Turkish Republic

It can be argued that Turkey and South Korea are similarly positioned in global political and economic space. Both are democratic Asian nations with long histories of Western influence, both were US allies during and after the cold war, and both are rapidly developing, modernizing economies. Yet where South Korea developed extensive systems, programmes and public campaigns for community libraries, librarianship training and mass literacy over the course of the 20th century, Turkey did not. Today Turkey's central library system is weak, small and limited to major population centres such as Istanbul and Ankara. There are virtually no branches, local or mobile library services in the country. On the whole, Turkey remains a quintessential example of a developing country

library system, as described by the American library scholar Lester Asheim in his seminal work on libraries in developing nations:

> The first thing that the North American librarian notices…is the almost total absence of public libraries in the sense of an open collection of general materials designed for use by anyone who seeks information, recreation, self-education, or esthetic pleasure. There are so-called libraries in some places, meaning that admission is not denied to anyone who wishes to enter, but…by our standards, these libraries would be seen either as public study rooms, primarily for students using their own books, or as special libraries for scholars browsing through the rare books, old books, and manuscripts that—in our country—would seldom find their way into public libraries at all. (Asheim 1966: 3–4)

In the 1930s Turkey had an elaborate system of community libraries, which were part of the 'People's Houses' (*Halkevleri*), a system for rural cultural development modelled on the Soviet network of 'Culture Houses' (and similar to Korea's 'Village Libraries' and the 'New Village Movement'), which acted as centres for adult education and party-guided amateur activities. The history of the People's Houses, and the reasons for their demise, are the subjects of this section. I suggest that two factors are largely responsible for the comparative weakness of Turkey's library system today. These include the lack of a liberal educational tradition and the relative socio-political stability of the country's secular elite. Both factors stand in sharp contrast to the Korean case.

Following the establishment of the Turkish Republic in 1923, the country's secular elites were concerned that modern, republican ideals had not been absorbed among the masses, particularly with regard to the large rural population. Thus during their nearly two decades of one-party rule, the leaders of the Republican People's Party (CHP) worked to strengthen its position among the general public and the rural population in particular, who continued to adhere to traditional Islamic and pre-capitalist values and social relations. The Turkish War of Independence had been not only a war against European colonization, but also a conflict between two coalitions within the remnants of the Ottoman Empire. These groups were the Ottoman government and the revolutionary Ankara government (Timur 1993). The Ottoman government represented what remained of the imperialist military forces, the commercial bourgeoisie in Istanbul, and some semi-feudal lords and local notables in Anatolia. The Ankara government, led by Mustafa Kemal (later Kemal Atatürk), on the other hand, represented military-civilian bureaucrats, capitalists and small commercial bourgeoisie (Timur 1993). When the Kemalists took power they had to create a new society which would be congruent with the new polity. Theirs was a new regime that 'required a new society' (Simsek 2005: 73). The Kemalists established single-party rule through suppression of all forms

of opposition, and polarized state and society by dissolving most of Turkey's intermediary social organizations, such as student unions, the Teachers' Union, the Journalists' Society, the Reserve Officers' Society and the Turkish Women's Union. By 1931, the Kemalist Republican People's Party (CHP) had become the sole power to govern, shape, educate, organize and control the entire society for at least the next 15 years. Under these unique circumstances, the CHP established a network of 'People's Houses' that were intended as a means of political communication between the state/party and society, and between the urban intelligentsia and rural population. By 1950, 478 such Houses had been established. Each House was comprised of up to nine committees that organized different activities starting with basic adult education and concluding with the organization of field trips to the country, sports competitions, theatrical performances and national holiday festivities. While the Houses included literacy programmes, small libraries, and art and music facilities, their ideological underpinnings were not in any sense liberal. Rather, the Houses were meant to bridge the gap between state and society, strictly on behalf of the former.

Although the People's Houses were supposed to be popular institutions representing the entire population, in reality they were operated by and represented mainly members of the urban elites—the intelligentsia and the higher echelons of the state/party apparatus and by other state functionaries, such as members of the middle and lower bureaucracy, including teachers, army veterans and the small bourgeoisie. Villagers and industrial workers were registered as members of the Houses, but rarely participated in their activities (Simsek 2005: 81).

In 1939, the state/CHP established a network of People's Rooms (*Halkodalari*) for state representatives who travelled long distances between cities and rural areas. These were scaled-down versions of the Houses that were situated inside villages, the idea being that they would help to further extend the party's influence within the villages. Discharged soldiers, teachers and students, who were already exposed to city living and were saturated with party indoctrination, were charged with operating the Rooms. These institutions usually included a number of rooms used for meetings, reading and working, which for the most part advanced activities geared towards strengthening the affinity between ordinary citizens and the state. By the late 1940s, such rooms had been established in about 2000 villages.

The end of one-party rule in Turkey marked the beginning of the end of the People's Houses and People's Rooms. Both institutions were closely associated with the CHP and were gradually starved of resources as the CHP lost its grip on power. Later, in the 1960s and 1970s, the Houses and Rooms came to be seen as breeding grounds for political dissent, socialism and ethnic separatism, and they were mostly abandoned with little public outcry.

Conclusions: Comparing the Cases

If community libraries are, as their proponents claim, sites of global cultural exchange, entry points to the information society and motors of economic growth, then their historical origins ought to be of some interest to analysts of globalization and comparative national development. Why have systems of community libraries been established in some countries but not in others? In spite of the apparent long-term social and economic benefits of community libraries, they incur significant costs. They are expensive to build, maintain and operate. Often there is little apparent public demand for local library services. Community libraries do not confer much status on the nation, or on the philanthropic elites who may choose to establish or contribute to them. And in so far as they encourage public literacy and a relatively free flow of information to local subalterns, community libraries may provide breeding grounds for heterodox and threatening ideologies. They produce little in the way of short-term economic gains and by providing non-elites opportunities to gain cultural capital, knowledge and skills, community libraries may threaten elite social reproduction.

It may be rational and forward-thinking for developing nations to invest in community libraries, but in the short run, the costs of such libraries are significant, and it should come as little surprise that in many developing countries, few such libraries are found. Current library scholarship is inadequate to the task of understanding why community libraries have been established in some countries and not in others, for several reasons. Historical studies are more often celebratory than critical; there is little in the way of rigorous comparative research on libraries' social origins; and there has been little use of sophisticated social theory or social science methods. Given these weaknesses in current scholarship on libraries, I have argued that what is needed is a global sociological approach to cultural institutions such as libraries. Such an approach can draw on studies from the sociology-of-culture tradition, and in the case of libraries, from revisionist library history. The global-sociological approach to libraries not only incorporates notions of elite social position and interests, but also focuses on how these positions and interests are created and continually reshaped by globalizing forces.

A global sociology of culture can help to explain the success of the South Korean Village Library and Small Library movements and the failure of the Turkish People's Houses. In the Korean case, liberal educational traditions were introduced to the country by Protestant missionaries. With this as background, a series of elite groups sought to establish and strengthen community libraries, along with other educational and cultural institutions, to further their interests, and defend against social and cultural threats to their position within Korean

society. These groups included Japanese colonial elites, who modernized Korea's libraries in an effort to weaken Korean culture and identity; nationalist/Confucian elites during and after Japanese rule, who resisted Japanese attempts at cultural hegemony; and the US and especially the USMGK, who further developed Korea's libraries as part of a programme of the cold war cultural propaganda.

In the Turkish case, the People's Houses were established by secular Kemalist elites immediately following the Turkish Revolution—the defeat of the Ottoman Empire, the Turkish military's subsequent expulsion of European powers, and the radical transformation and modernization of Turkish society. But Kemalism was politically successful, and the state and its bureaucratic elites—if not the CHP, the party founded by Atatürk—in a position of cultural hegemony in Turkish society. The state established hegemonic control of the media, schools and universities and the mosque, and as such there was little motivation for state elites to commit resources to cultural institutions such as the People's Houses and People's Rooms. Such institutions were costly and offered little short-term benefits to state elites. Thus they lasted for only a relatively brief period and have not been replaced.

The cases of community library establishment discussed in this chapter, particularly the more recent cases of South Korea and Turkey, need to be understood in terms of each country's constellation of elite groups and what they perceive to be their interests, and changes in their global environment. The Korean Village Libraries and Small Libraries, and Turkey's People's Houses, are all products of global conflicts and interactions, but they cannot be well understood in terms of standard centre–periphery models of globalization. As social institutions, community libraries are not broadly enough globally diffused to be seen as examples of Western cultural imperialism and hegemony; nor are they examples of local resistance to Western imperialism. Rather, they are cultural institutions with Western origins that have been established, in developed and developing countries, where elite groups felt threatened, and where they perceived libraries to be institutions that could serve their interests. In so far as the establishment of other cultural institutions follows this pattern, community libraries may be of interest to globalization analysts not only for their role as sites of cultural globalization, but for the lessons that can be learnt from the critical study of their origins.

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