Anti-globalization different

Economics, Globalization



"Globalization" means different things to many people. Some think of it positively, while others don't. Some view it with hope and confidence, others with fear, sometimes with hostility.

Globalization, according to the definition of the International Monetary Fund (IMF), is a historical process, the result of human innovation and technological process. It refers to the increasing integration of economies around the world, particularly trade and financial flows.

The term sometimes also refers to the movement of people (labor) and knowledge (technology) across international borders" (IMF Staff, 2002). A more simplistic definition of globalization refers to it as the "process of increasing the connectivity and interdependence of the world's markets and businesses" (Investor Words, 2007). Such a process has sped up dramatically in the last two decades as technological advances make it easier for people to travel, communicate, and do business globally.

Globalization is not entirely a new concept. Analysts argued that the world economy became global as early as during the height of the rivalry between Spain and Portugal for world supremacy in the 15th Century. Commerce and financial services are just far more developed and deeply entrenched now than they were at that time because of the availability of modern electroniccommunication.

Moreover, commerce and trade among countries have been simplified with the establishment in 1995 of the World Trade Organization, a powerful international body composed of 150 countries, mandated to mediate trade disputes among member nations. While the WTO is relatively young, its trading system is over half a century old because its predecessor was the General Agreement on Tariff and Tax (GATT) which was founded in 1948. The old GATT evolved through several rounds of negotiation until it was renamed into the present WTO with expanded powers and responsibilities that now cover trade in services and traded inventions, creations, and designs – collectively known as intellectual property.

Officials of IMF, World Bank and WTO have high hopes for globalization to improve the impoverished lives of people across the globe, particularly those from Africa.

They take credit for the improvement of Third World economies, including that of India, in recent years. Developed countries such as the United States, EU, Japan, and Canada have bonded together to collectively endorse trade globalization through the WTO as a means to liberalize trade (IMF Staff, 2000).

Unfortunately not everyone is happy with globalization, particularly developing countries. Some view the WTO with distrust and have rejected it altogether. Others with suspicion and misgiving, but joined it nevertheless as a necessary evil. They feel globalization is the handiwork of multinational companies out to dictate their terms to the hapless Third World.

In general, those who oppose globalization as institutionalized by the WTO, World Bank, and other similar institutions, believe that it undermines the sovereign will of poor and developing countries in favor of multinational corporations from developed countries. They claim that corporations are

given too much privilege to move freely across borders, extracting desired natural resources from poor countries and claiming them as their "intellectual property."

For example, a multinational company could secure a certain plant or organism with medicinal value endemic to a particular country and claim to own it under the rules of intellectual property.

Because of the stringent, or rather lopsided, rules on intellectual property rights by the WTO in favor of multinational companies, countries are becoming more and more subservient to multinational pharmaceutical companies for the treatment of dreaded diseases like AIDs.

Despite the availability of cheaper generic drugs, many countries in Africa stricken with the AIDS pandemic are unable to secure them "because countries must jump through multiple hoops to prove they are truly in need, unable to afford patented drugs and incapable of producing the medicines domestically. Meanwhile, there is no guarantee that there will be a sufficient supply of drugs for them to buy, since the deal also puts up hurdles for countries wanting to export" (Klein, 2001).

Poor agricultural countries are likewise at the losing end of the bargain in so far as globalization is concerned. Aside from their access to cheap agricultural inputs, including mechanized equipment, developed countries provide heavy subsidies not just in terms in farm inputs but also in terms export subsidies that make their agricultural products more attractive on the international market.

Farm products such as vegetables, beef, and poultry are practically being dumped in poorer countries at prices that cause declines in the agricultural sector of many developing nations.

"The current inequities of the global trading system are being perpetuated rather than resolved under the WTO, given the unequal balance of power between member countries, according to Jean Ziegler, UN Special rapporteur on the Right toFood" (Wikipedia, 2007). Such inequality is evident in the refusal of the United States to sign and honor the Tokyo Protocol, which compels countries to reduce the use of fossil fuel to reduceglobal warming, and still get away with it.

Using their rights as WTO members and drawing support from the academe and non-government organizations, insider critics of the International Property Rights have openly criticized trade liberation as a bad policy that "movemoneyfrom people in developing countries" (Intellectual Property Rights, Wikipedia). They have demonstrated their opposition to many WTO policies in various fora, including mass rallies and demonstrations during important WTO meetings.

The first international anti-globalization protest was organized simultaneously in many cities around the world on June 18, 1999. The movement was called the Carnival Against Capitalism, or J18 for short. The day was marked by organizers as an international of protest to coincide with the 25th G8 Summit in Koln, Germany. The protest in Eugene, Oregon turned into a riot when rallyists drove the police out of a small park.

The second major mobilization of the anti-globalization movement was held on November 30, 1999, and was known as N30. It is by far the most unsettling protest action against globalization, with protesters blocking delegates' entrance to the WTO meetings in Seattle, USA.

The protesters and Seattle riot police clashed in the streets after police fired tear gas at demonstrators who blocked the streets and refused to disperse.

Over 600 protesters were arrested and thousands were injured.

The protest movement was inextricably anti-globalization and antimultinational corporation (MNC), but was unclear over the alternatives and new directions it wished to offer.

Nevertheless, the movement, including the less eventful A16 Movement in Washington D. C., cannot be ignored as it spelled out in no uncertain terms the widespread anguish about the direction that globalization has taken and a sense of loss of democratic control by developing countries over their options.

The protest also demonstrated lack of faith in the legitimacy of international institutions to objectively mediate trade disputes among nations because of a perceived notion that rules are loaded in favor developed countries.

The protest movement debunks First World perception that it has the answers to problems being encountered by their Third World neighbors over issues of trade, health, food supply, poverty, environment, etc. It does not, especially given our global history of abuse by wealthy nations to amass wealth and power at the expenses of poorer nations.

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